



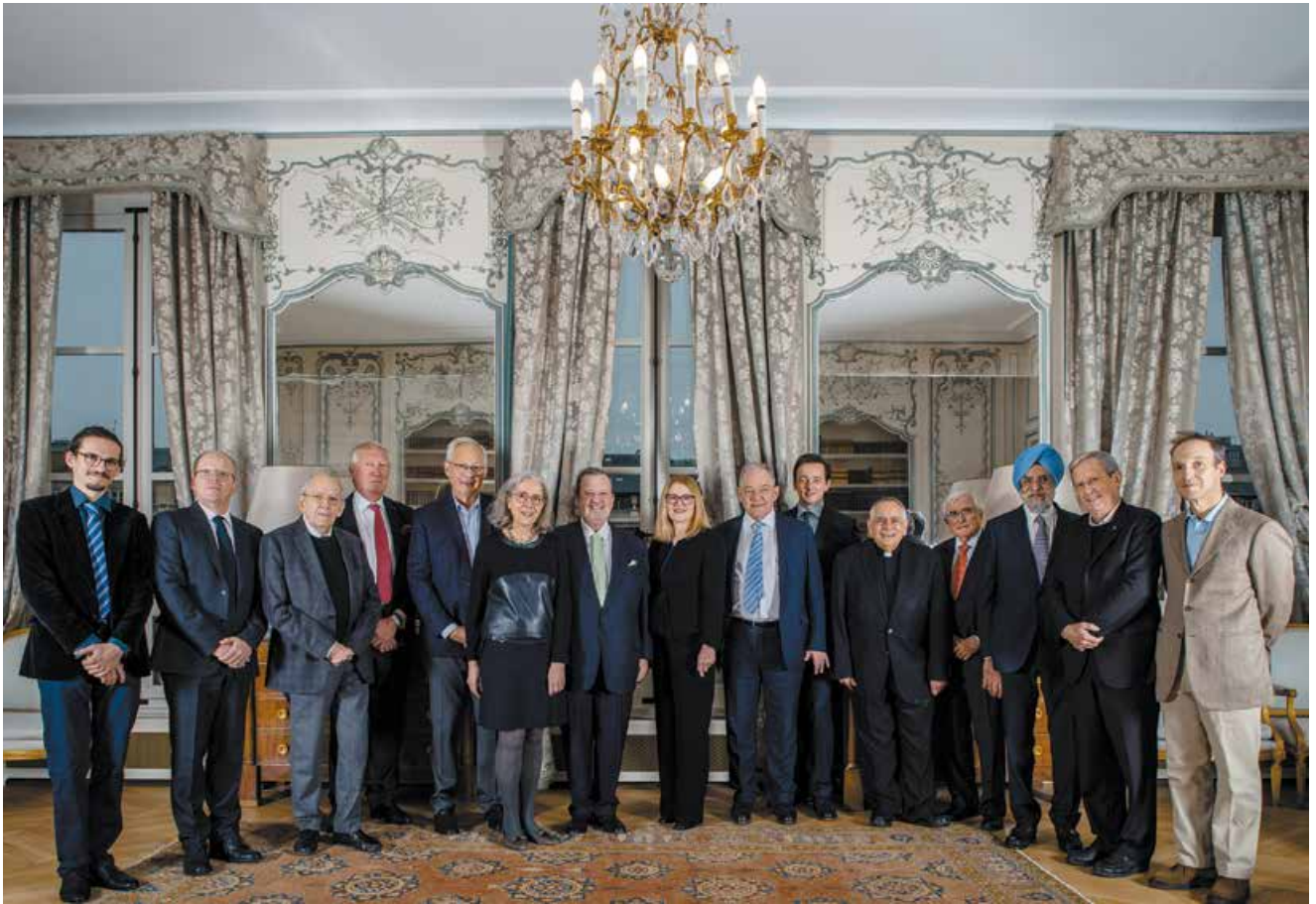
UNIAPAC FOUNDATION BOARD
THINK TANK MEETING

2022

ENVISIONING 2060. OPPORTUNITIES AND RISKS FOR EMERGING MARKETS

Report of the working sessions held
by the Think Tank of the UNIAPAC Foundation

October 14th, 2022
PARIS



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UNIAPAC FOUNDATION BOARD
THINK TANK MEETING 2022

ENVISIONING 2060.
OPPORTUNITIES AND RISKS
FOR EMERGING MARKETS

TRANSCRIPTS BY MÉLANIE PALAMEDE

OCTOBER 14TH, 2022
PARIS

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AGENDA

VENUE
9 RUE DE VALOIS
75001 PARIS



MORNING SESSION

"Envisioning 2060. Opportunities and Risks for Emerging Markets"

9:30 - 10:00

Welcome of the participants & Photo group.

10:00 - 10:15

Opening remarks by **Bruno Bobone**, President of UNIAPAC.

10:15 - 10:30

Introduction by **Michel Camdessus**, former Managing Director of the International Monetary Fund and Honorary Governor of the Banque de France.

10:30 - 11:15

Presentation of the book "Envisioning 2060. Opportunities and Risks for Emerging Markets" by **Harinder S. Kohli**, President and CEO of Centennial Group and Emerging Markets Forum.

11:15 - 12:00

Open discussion moderated by **Michel Camdessus**, former Managing Director of the International Monetary Fund and Honorary Governor of the Banque de France.

12:00 - 14:00

Working Lunch offered by the UNIAPAC Foundation.



AFTERNOON SESSION

"Sustainable economy, the transformation of work and the impact of digital technologies and finance for the common good"

14:00 - 14:40

PANEL I ☉ "Sustainable Economy, Employment and Decent Work". Presentation and open discussion moderated by **Msgr. Robert J. Vitillo**, Secretary General of ICMC.

14:40 - 15:20

PANEL II ☉ "Ethical and Sustainable Finance for the Common Good". Presentation and open discussion moderated by **Paul H. Dembinski**, Director of the Observatoire de la Finance.

15:20 - 15:40

Coffee Break.

15:40 - 16:20

PANEL III ☉ "Challenges and Opportunities of Technological Transition and Digital Economy". Presentation and open discussion moderated by **Ulrich Hemel**, Director of Global Ethics Institute, and President of BKU (Association of Catholic Entrepreneurs BKU, Germany).

16:20 - 16:30

Closing remarks by **Bruno Bobone**, President of UNIAPAC.

LIST OF PARTICIPANTS

KEYNOTE SPEAKERS

BRUNO **BOBONE**

MICHEL **CAMDESSUS**

PAUL H. **DEMBINSKI**

ULRICH **HEMEL**

HARINDER S. **KOHLI**

ROBERT J. **VITILLO**

INVITEES

BERTRAND **BADRÉ**

JACQUES **DARCY**

BRUNO-MARIE **DUFFÉ**

ALDO **FUMAGALLI**

PIERRE **LECOCQ**

JOSÉ IGNACIO **MARISCAL**

SIGRID **MARZ**

MONIKA **MAURER**

PHILIPPE **MINE**

MARIUS **ROUGER**

HEINRICH **SCHMID-SCHMIDSFELDEN**

RODRIGO **WHITELAW**

KEYNOTE SPEAKERS

BRUNO BOBONE

Bruno Carlos Pinto Basto BOBONE (Lisbon, September 23, 1960) is a Portuguese businessman. He serves president of the Chamber of Commerce and Industry of Portugal (CCIP) and the Board of Directors of the Pinto Basto Group. After completing his studies in management, he joined the family company Grupo Pinto Basto, dedicated to maritime services. His professional career includes administrator of the Aleluia – Ceramics, Commerce and Industry, administrator of the VA Group – Vista Alegre Participações, SA and administrator of the Caima Ceramics and Services. He chairs the Board of Directors of the Pinto Basto Group. He serves as Vice Chairman of the ASK Advisory Services Kapital SA and Director of the Agricultural Society of Quinta de Fôja. Bobone serves in civil society organizations. He was European president, world vice president and is currently a member of the International Board of the International Christian Union of Business Executives – UNIAPAC. He was vice president of the Christian Association of Entrepreneurs and Managers and President of the General Assembly of the Ocean Forum.

MICHEL CAMDESSUS

Michel CAMDESSUS is a former Managing Director of the International Monetary Fund and Honorary Governor of the Banque de France. He is a member of the Africa Progress Panel, chaired by Mr. Kofi Annan. He was a member of the UN Secretary General's Advisory Board on Water and Sanitation. Mr Camdessus was the Chairman of the World Panel on Financing Water Infrastructure (report: *"Financing Water for All"* - Kyoto-March 2003). Mr. Camdessus was educated at the University of Paris (Institut d'Etudes Politiques) and the National School of Administration (ENA). Mr. Camdessus joined the Treasury in the Ministry of Finance in 1960. He became Director of the Treasury in February 1982. During the period 1978-84, Mr. Camdessus also served as Chairman of the Paris Club, and was Chairman of the Monetary Committee of the European Economic Community from December 1982 to December 1984. He was appointed Governor of the Bank of France in November 1984. He served in this capacity until his election as Managing Director of the IMF (1987-2000).

PAUL H. DEMBINSKI

Professor Paul H. DEMBINSKI, economist and political scientist holds the Chair for International Competition and Strategy at Fribourg University (Switzerland). He has been awarded doctor honoris causa by the SGH Warsaw School of Economics (Poland).

He is the initiator and Director of Foundation of the *Observatoire de la Finance* (1996) in Geneva. The mission of the *Observatoire de la Finance* is to promote awareness of ethical concerns in financial activities and professions. Since its foundation in 2007, he co-chairs the Jury of the Global award "Ethics & Trust in Finance for a Sustainable Future".

Professor Dembinski has written a dozen books and some sixty scientific articles in the field of internationalisation of enterprises and (de) globalization, competition, ethics and finance. His most recent books are: *Finance: Servant or Deceiver? Financialisation at the Crossroads*, 2009; *Ethique et Responsabilité en Finance 2015* (Ethics & Responsibility in Finance, Routledge, 2017).

Born in Cracow, Poland, in 1955, Dembinski is married with three children and seven grand-children. He was educated in Poland, in Switzerland (Geneva and Fribourg), in Cameroon and in the UK (St Antony's College, Oxford).

ULRICH HEMEL

Ulrich HEMEL was born in 1956 in Bensheim (Germany). He studied Philosophy, Catholic Theology, Social and Economic Sciences in Mainz (Germany) and at the Gregorian University (Rome, Italy). He received his licentiate degree "summa cum laude" and was awarded the Pontifical Gold Medal. He pursued his academic career with a doctorate degree at the University of Regensburg and received the post-doctoral university degree of a "Habilitation" in 1988.

Joining the Boston Consulting Group he worked as a consultant in finance, high-tech and turnaround- cases. In 1996, he made a step from consulting to management until being assigned as a top executive at Paul Hartmann AG where he became the CEO in 2001. As a CEO, the company developed from 5,000 to 10,000 employees, and he was elected as "CEO of the Year" (BDU 2005).

In 2005 and 2013, other CEO positions in the private equity industry followed before he took over the responsibility as an entrepreneur with own investments especially in the sector of health-care.

In 2018, he became the director of the Global Ethics Institute in Tübingen. At the same time, since 2017 he is the President of the Federation of Catholic Entrepreneurs in Germany and was elected member of the ZdK (Central Committee of Catholics in Germany). He is member of the Board of UNIAPAC. Ulrich Hemel is married with his wife Amparo Lucia Hemel from Medellin (Colombia). He has 3 children and 3 grand-children.

HARINDER S. KOHLI

Harinder S. KOHLI is the Founding Director and Chief Executive of Emerging Markets Forum as well as the Founding Director, President, CEO, of Centennial Group International both based in Washington, DC. He is the Founding Editor of Global Journal of Emerging Markets Economies. He has written extensively on the emergence of Asia, Latin America, Africa, and other emerging market economies; financial

development; and infrastructure. He led Centennial Group teams that helped the Asian Development Bank (ADB) and Development Bank of Latin America (CAF) develop their long-term corporate strategies. He is also an author or co-author of some fifteen books published by international publishing houses, the ADB, World Bank (WB) and Japan International Cooperation Agency. Some of them have been translated into French, Spanish, Chinese, Russian and Japanese. These books include: *The World in 2050: Striving for a Just, Prosperous, and Harmonious Global Community* and *China's Belt and Road Initiative: Potential Transformation of Central Asia and the South Caucasus*. Mr. Kohli is the editor and co-author of the latest book: *Envisioning 2060: Opportunities and Risks for Emerging Markets* which was released in Paris on May 17, 2022. Prior to starting his current ventures, he served over twenty-eight years in various senior managerial positions at the World Bank and worked in some eighty emerging market economies in Asia, Latin America, Europe, the Middle East, and Africa. Earlier, he had worked in the private sector in India and France. He has also been an independent Director of IT companies based in the US and India. He has lectured at the Emerging Markets Institute as well as many international forums.

ROBERT J. VITILLO

Monsignor Robert J. VITILLO is the Secretary General of the International Catholic Migration Commission since June 2016. In June 2022, he was mandated by ICMC's Plenary Council for a second four-year mandate. A national of the United States of America, Msgr. Vitillo is a trained social worker with a broad expertise in migration and refugee services, child protection, social services, human rights, HIV/AIDS and global health. From 2005 to 2016, he served as Head of Delegation of Caritas Internationalis in Geneva and as Special Advisor on HIV and AIDS. From 1997 to 2005, Msgr. Vitillo held the position of Executive Director for the Catholic Campaign for Human Development of the United States Conference of Catholic Bishops. During the 1980's, as Director of Catholic Charities in the Diocese of Paterson, New Jersey, he coordinated the resettlement of Southeast Asian, Ethiopian, Eritrean, Haitian and Cuban refugees to the United States and assisted ICMC in the design of cultural orientation programs for refugees in Bataan, Philippines. Msgr. Vitillo pursued graduate studies in theology and psychology; he completed a Master of Social Work degree with concentrations in clinical social work and management. He is a Catholic priest and served in Catholic Church related charitable agencies at local, national, and global levels. He speaks English, French, Spanish and Italian.

INVITEES

BERTRAND BADRÉ

Bertrand BADRÉ is Managing Partner and founder of Blue like an Orange Sustainable Capital. Previously, Bertrand was Managing Director and Chief Financial Officer of the World Bank. Before joining the World Bank, he was Chief Financial Officer of the Société Générale and Crédit Agricole groups and was a member of President Jacques Chirac's diplomatic team as the President's Deputy Personal Representative for Africa. He worked for seven years at Lazard, in New York and London, then in Paris as managing partner where he notably successfully co-led the restructuring of Eurotunnel. He began his career in Paris as a Finance Inspector. He currently sits on the board of Wealth Simple, a Canadian Fintech in asset management and he is a non-executive member of the Board of Directors of Getlink (Eurotunnel Group). Bertrand wrote the book *"Money Honnie: et si la finance sauvait le monde?"*, of which the English version *"Can Finance Save the World?"* is prefaced by President Emmanuel Macron and Gordon Brown and translated into several languages. More recently he wrote the book *"Do we (seriously) want to change the world?"*, prefaced by Erik Orsenna. He has led the publication of several reports; namely *"From Billions to Trillions: the MDBs contributions to financing development"* and in 2004, he wrote *"Water"* with Michel Camdessus, on finance and access to water, translated into Spanish and Portuguese. Bertrand is a graduate of ENA, SciencesPo and HEC. He is a regular lecturer at universities like Georgetown, Johns Hopkins, Princeton and Oxford.

JACQUES DARCY

Jacques DARCY is Departmental Director at the European Investment Fund, where he has spearheaded Venture Capital and Technology Transfer investments Europe-wide. Previously, he worked with Lazard (M & A). He has studied Sciences po in Paris, M.A. McGill, and MBA INSEAD.

BRUNO-MARIE DUFFÉ

Monsignor Bruno Marie DUFFÉ was born in Lyon (France) on 21 August 1951; French nationality. He has a PhD in Philosophy (Paris X - Nanterre 1996). He wrote a doctoral thesis on the ethical and political thought of Hannah Arendt. He also has a Master of Theology (Faculty of Catholic Theology of Lyon), and he is a former student of the Ecole des Hautes Etudes en Sciences Sociales (E.H.E.S.S.) (1982-1985) and the Graduate Institute of International and Development Studies of Geneva (I.U.H.E.I.) 2002-2003. He was ordained a priest for the Diocese of Lyon (June 1981). He was in pastoral and academic charge, between 1981 and 2004. He was a Professor of Moral Theology and Social Doctrine of the Church at the Faculty of Theology of Lyon (1982-2002). He was the Director

of the Institute of Human Rights at the Catholic University of Lyon (1998-2004). He was a Spiritual Advisor and a Professor of Social and Medical Ethics at the Centre de Recherche et de Traitement du Cancer (Léon Bérard) in Lyon (2004-2014). He was an Episcopal Delegate for Health (2004-2010). He was the Spiritual Advisor to the Entrepreneurs et Dirigeants Chrétiens (E.D.C.) Rhône-Alpes Region (2012-2015). He was an Episcopal Vicar for the Diocese of Lyon in charge of family, social and migrant issues (2011-2015). He was the National chaplain of the Comité Catholique contre la Faim et pour le Développement (C.C.F.D. - Terre Solidaire) (2015-2017). He was the Secretary of the Dicastery for Promoting Integral Human Development (Vatican) (2017-2021). He is now a Prelate of Honour of H.H. Pope Francis (December 2019).

ALDO FUMAGALLI

Aldo FUMAGALLI is, since 2018, Chairman of Beldofin Srl and CEO of Albe Finanziaria Srl, the financial companies that manage part of the assets of Aldo and Beppe Fumagalli. He is a member of the board of directors of Candy S.p.A., a company for which he has worked since 1985 in various positions (as a CEO from 2003 to 2014 and as Chairman until January 2019, until the acquisition of the Candy group by the Haier group). Since November 2011, he has been President of UCID (Unione Cristiana Imprenditori e Dirigenti) for the Monza-Brianza section. From 2016 to 2018, he was Vice President of the Gruppo Meccatronici in Assolombarda, and since July 2017, he has been a member of the Advisory Board - Comitato Presidio Territoriale di Monza e Brianza (Assolombarda). From 2015 until January 2019, he was a member of the UPA Executive Board.

Since the acquisition of Haier, finalised in January 2019, he is a member of the Board of Directors of the European Headquarters of the Haier Group and Chairman of Beldofin, the Financial Company that manages the Family's assets.

Aldo Fumagalli graduated from Milan Polytechnic in 1984 with a degree in Electronic Engineering and received a Master's degree in Business Administration from SDA Bocconi in 1989. Aldo Fumagalli, son of Peppino, was born in Monza in 1959.

PIERRE LECOCQ

Pierre LECOCQ has an extensive international experience in the automotive industry in a variety of engineering and senior management positions in the USA and in France. After starting his career in the USA, he was responsible for Alcatel industrial battery global activity and then joined Valeo as CEO of the Friction Materials and Engine Cooling Branches, both world leaders in their fields. From 2002 to 2015, he served as President & CEO of Inergy Automotive Systems, an automotive component manufacturer. With sales of 3 billion Euros, Inergy is the world leader in its field with 40 factories worldwide employing 7000 people. Since 2015, he manages a family holding company investing in scaling up start-ups in France and USA. Pierre serves also as Vice-Chairman and Treasurer of Fondation

Apprentis d'Auteuil, committed for 150 years in France and with its international partners, to support, educate, train 50,000 vulnerable young people and families worldwide every year. Pierre Lecocq graduated as Mechanical Engineer from ENSAM, Paris, France, and completed a Master in Macroeconomics from Paris University and an MBA from Harvard University. Since 1984, he is an active member of "Les EDC" (Les Entrepreneurs et Dirigeants Chrétiens) which he headed as National President from 2002 to 2006. He served from 2009 to 2013 as International President of UNIAPAC (International Association of Christian Executive Associations), present in 40 countries.

JOSÉ IGNACIO MARISCAL

Since 1974, **José Ignacio MARISCAL** has been the CEO of Grupo Marhnos in the construction sector. At present, Mariscal is Director of Grupo Bimbo (a leader food industry) and President of its Planning and Finance Committees, Director of Capital Investment Society of Posadas de Mexico (largest hotel operator in Mexico), Director of Grupo Calidra (leader lime stone producer in Mexico), member of the Executive Committee and Chairmanship's Office of COPARMEX (the most representative business union in Mexico) and President of the Committee of Only One Economy, Everyone within the Law, of the Mexican Business Council (CCE for its abbreviation in Spanish). Mr. Mariscal is Member of the BIAC Executive Board from 2010 to 2012 (Observer and Associate Experts Group Organizations). He was President of UNIAPAC International from 2006 to 2009, President of National Confederation of the Associations of Christian Mexican Businessmen (UNIAPAC Mexico) from 2002 to 2006, President of Mexican Institute of CST (IMDOSOC) and Vice-president of FINCOMUN, a micro credit institution.

SIGRID MARZ

Sigrid MARZ is a Senior Client Partner in our Brussels office and a member of our Global Technology Markets. She has a strong track record in advising clients on CEO and C-suite assignments, for Benelux- based companies as well as global technology corporations. Ms. Marz has also considerable experience in advising clients on how to align a company's talent strategy and capabilities with the overall strategy and culture. In addition, she applies her wealth of knowledge in the field of government and not-for-profit organizations and as well consults in corporate affairs. Ms. Marz has more than 15 years of experience in senior executive search, most recently working out of her own boutique firm with high level clients on senior level coaching, development and executive search assignments. Prior to this, she worked for a leading Search firm where she specialized in the recruitment for regional vice presidents, managing directors, country management teams, CTOs, CIOs, European Public Affairs and CSR leaders. Ms. Marz holds a Master (M.Sc.) from the London School of Economics, and two Bachelor degrees in European Business Administration and Theology respectively.

LIST OF PARTICIPANTS

MONIKA MAURER

Monika MAURER is an accomplished and experienced business leader. She is currently President and CEO of Radio Frequency Systems, Member of the Board and the HR and remuneration committee at Valmet Oyi and Vice Chair and member of the HR committee of the Board of Directors at Nokia Shanghai Bell Co., Ltd. And she was previously Chief Operating Officer of the Nokia Group and, prior to this, Chief Operating Officer of Nokia's Fixed Networks Business Group. From 2006 until 2016, Monika held several positions within Alcatel-Lucent, including Chief Operating Officer, Fixed Networks Business Line, Vice President, Presales EMEA and President, Product Attached Services. Starting in 1985 at Alcatel as R & D Engineer, Monika held various positions within Alcatel, among others, President, Fixed Solutions Division and President, Voice Networks Division. Monika holds diploma in Physics and Chemistry from the University of Stuttgart and a diploma in Pedagogy from the State University of Stuttgart. Monika is married and in her free time she is enjoying cooking for friends and family, gardening, hiking & skiing and traveling to explore new countries and cultures.

PHILIPPE MINE

Philippe MINE, born on 1956, is married and has 5 children. He is a medical biologist, and director of the laboratory of analysis of medical biology Mine, family business of 45 people in northern France. Member of the French association Les EDC, he is vice President of UNIAPAC Europe and UNIAPAC delegate for UNIAPAC Africa present now in 14 countries and founded 8 years ago. He is implied in numerous cultural associations, and trade union.

MARIUS ROUGER

Marius ROUGER was born in 1999 in Fontainebleau (France). He assists Rodrigo Whitelaw at UNIAPAC as a Communications Officer. He joins the University of Evry Val d'Essonne (attached to the University Paris-Saclay) in 2017, where he studies a Bachelor's degree in Applied Foreign Languages (LEA). In 2020, after graduating with honours from this Bachelor's degree, he moves to Málaga, Spain, to study a Master's degree in Narration, Translation and New Media (NTNM) as part of the Erasmus exchange programme. In 2021, he returns to France to complete his second and final year of Master's degree, and begins his alternance, a programme within the framework of his studies, as a Communications Officer at UNIAPAC. Marius becomes self-employed in August 2022. He plans to pursue a career as a freelance translator.

HEINRICH SCHMID-SCHMIDSFELDEN

Heinrich SCHMID-SCHMIDSFELDEN is an entrepreneur, angel investor and execution-oriented innovator with a love for digital transformation and over 15 years of experience in high-paced, high-growth environments. He currently also serves as Director of Development for ADF International and is based in Vienna, Austria. Prior to joining ADF International, Heinrich was the founder and Managing Director of one of Austria's first digital venture builders. As co-owner and member of the senior leadership team, he also restructured a mid-sized manufacturing company from the automotive industry. Before that, he was responsible for corporate development, innovation and digitalisation in various roles at multinational companies. Among other initiatives, he built a global innovation eco-system in the mobility sector. Heinrich studied economics at the Vienna University of Economics and Business and at Yale University, New Haven. He is married and the father of four children.

RODRIGO WHITELAW

Rodrigo WHITELAW is the Secretary General of UNIAPAC and General Delegate of the UNIAPAC Foundation. Specialist in global network management and development of philanthropy-based programs in a multicultural, multi-stakeholder environment. Mr. Whitelaw holds a bachelor's degree in economics and Business Administration and a PhD in Political and Social Sciences from the Catholic University of Louvain. He has worked in the financial, academic and public sectors in Europe and Latin America. His research interests are in corporate social responsibility, business ethics and corporate governance. ★

OPENING REMARKS

BY **BRUNO BOBONE**
PRESIDENT OF UNIAPAC



Well, thank you very much for being with us. It's an honor to be here and thank you Michel Camdessus, it's an honor to co-share this meeting with you. Thank you very much and thank you for the availability of receiving us in this marvelous place. It's very important for UNIAPAC to share this Think

Tank. It's something that is one of the basics of our development as an organization. We need a place to discuss, to understand the challenges that we are facing, the economic challenges that we face for the future and having in mind that our objective is to make a change in the worldwide economy. It's very important to have the opportunity to discuss, to understand and to try to build up our strategy to make our route.

First, I will start by explaining a little bit what is UNIAPAC. Most of you know UNIAPAC. UNIAPAC is an ecumenical and international organization and we are, at the moment, 90 years of age. We have 40 countries and we have 45,000 entrepreneurs associated with our organization. Our aim is mainly to create work with the objective of creating an economy based on the human person which is for us the most important thing. Everything should exist on behalf of the person and we think that we should bring that to the economy. This is a little bit what is in line, it's very much in line with the thinking of the Church and with the will of the Holy Father. The Economy of Francis is basically exactly this same project and I think that UNIAPAC has a very important role in developing this mission. The Pope asked the youth to think about the new economy. It's very important because the youth have new ideas. They have the capacity of proposing a big change to what is going on in the worldwide economy. But the youth don't have at the moment the capacity of running the economy because they are not in the top that can pick up what is decided, proposed by the Economy of Francis and to try to apply it to our companies worldwide.

So, I think that we have here a very important opportunity and a very important role on behalf of the Economy of Francis. This Think Tank is something that is already happening since 2010. It was Pierre that had the idea of putting it in action which I think was a fantastic project that is running since early 2010 and we expect to carry it on because it's very important to have a moment where we truly are together planning on what we should do for the future.

Well, I would like to thank you all for being here. I think that UNIAPAC counts very much on your ideas, on your thoughts and also on your capacity of helping us to deliver this project. It's very important for us to count with any of you and we will now start the meeting.

In the morning, we will have Mr. Harinder Kohli, CEO of the Emerging Markets Forum, who will present us the book "*Envisioning 2060. Opportunities and Risks for Emerging Markets*" which is exactly the aim of UNIAPAC, it's to understand what is going to be the potential future so that we can then plan on how can we act to try to make it the best one. So, we will have all this during the morning and in the afternoon, we will have the 3 panels that we will have in Rome in the next week. We will have the opportunity of discussing the 3 subjects that are considered for the Congress in Rome. We'll have one panel about **the work**. We'll have one panel about **the ethical financing** and we will have a third panel about **the future of the digital economy**. These are 3 of the main issues I consider important to discuss at this moment, to plan on how the economy will come in the future. So, I will now ask Michel to take to floor and to carry on with the meeting. ★

INTRODUCTION

BY MICHEL CAMDESSUS

FORMER MANAGING DIRECTOR OF THE INTERNATIONAL MONETARY FUND AND HONORARY GOVERNOR OF THE BANQUE DE FRANCE



Thank you Bruno, the President. First of all, Bonjour. Welcome all of you here in this place that I have been occupying for some times of my too long career. The place has been put in the disposal of the old retired chairman of the Banque de France for what they could do serving the Common

Good. So, I consider that inviting here the UNIAPAC is really the best thing I can do to serve the Common Good and this is why I welcome you today in this place.

Now, the only thing I can do this morning and of course with immense pleasure and as you say in the United States, “with honor and privilege”, is to introduce Harinder Kohli, my very good and old friend, here today. You have possibly seen him somewhere. Of course, he is very well known in the world and you possibly will see his CV in the book you have in your hands. But the CV does not say enough on what he really has been doing particularly during at least 20 years. I am working closely with him. He has been the founder, hence the Chief Executive Director of the Emerging Market Forum and he is developing the task of that Forum. We ended up producing this book.

But before telling you that and why I see it as a special blessing to be associated with him, I must tell you that you have a man of a formidable generosity before everything and of course a magnificent intellect, an immense knowledge. I don't know anybody and I know many people in this domain, who have served the developing world of the last 30 years or more with such a record of helping, facilitating, inspiring the developing countries, particularly in their process to bring emergence with indeed extraordinary record of let's say, not always success from time to time, you failed and I failed with you but nevertheless, helping enormously these countries to understand their real situation in the world, distinguish what are the policies which could bring them to improvements and those inspired by populism or greed or whatsoever, could bring them to stagnation or worse.

Of course, as soon as I abandon him the privilege of addressing you, you will see what kind of man he is and why I repeat, I see that as a real privilege to have worked with him including in producing over the last few years, 5-6 years, 7 years perhaps, two

books which have been a very important contribution to the understanding of the process of emergence and indeed of the way you wish the entire world can cooperate for emergence and Global Common Good. By producing the first book around 2015 about the world in 2050, (big book I could show you or give possibly one or two examples). But of course, the book which continues to be extremely useful giving a real good view of the future. Of course, the pandemic came, the Ukraine war came and so of course, even before the war in Ukraine, we had to see how to take on board the consequences at least of the pandemic which are tremendously important. Then, we started a book “*Envisioning 2060*” but then, on the 24th of February of this year, we had to recognize that we had to stop and start right from the moment when we could take on board the consequences of this world catastrophe. Nevertheless, we had already searched precise studies of all the perspective in many key sectors on the key megatrends of the world that we thought that we had to put this book at the disposal of the world community because it offers a very good basis for the day peace will be back with us to start again offering to the world a long term perspective and to be able then to adapt the policies to take advantage of the positive, fantastic, positive element we had here in the world and of course, protect the human community and particularly the emerging countries against tremendous risks. This is the sense of the book but here I stop because you will see that Harinder will explain you that much better.

I must nevertheless add a foot note, a foot note of the book as a matter of fact. Harinder has asked me to add a foot note. He has called that “*Epilogue*”, much more elegant than foot note. He had observed during all the conversations we had in preparing these two last books that I was possibly slightly more optimistic than he was about the future. But I was possibly one of the few with this kind of more positive perspective and then he asked me to put there the reasons why I am a little bit more optimistic than the whole first pages of the book. Well, you must know that, it is not what we must discuss today except if you want but it's important the way in which Harinder helps us to open the eyes beyond these dramatic times we are presently living. Thank you all for your patience.

Harinder, it is time for you to have the floor. ★

MORNING SESSION

"ENVISIONING 2060. OPPORTUNITIES AND RISKS FOR EMERGING MARKETS"

Presentation and open discussion moderated by
Mr. Harinder S. KOHLI, President and CEO of
Centennial Group and Emerging Markets Forum.

PRESENTATION OF THE BOOK “ENVISIONING 2060. OPPORTUNITIES AND RISKS FOR EMERGING MARKETS”

BY **HARINDER S. KOHLI**

PRESIDENT AND CEO OF CENTENNIAL GROUP AND EMERGING MARKETS FORUM

HARINDER S. KOHLI

Michel, thank you very much for your very kind introduction. Let me say that it's always a pleasure to be in this building and in this quarter.

Let me say a couple of points before I make my presentation that you kindly asked me to make. First, I have a confession to make in front of all of you. I think one of the greatest privileges I have in my life that somehow Michel agreed to accept me as his protegee, and since we started the Forum as him being our Founding Chairman. 17 years ago, he described the partners of the Forum. I think all have been done well. It's a unique Forum, non-profit. And I think we've done well in many countries but there are parts of the world, particularly Sub-Saharan Africa which has not leveled up to our aspirations, our hopes despite number of meetings in the region and despite number of books, and we had dialogues. So, the glass is not half empty, it's quarter empty but it's a very important part of the world and we have a chapter in the book which discusses the issues that they take to Sub-Saharan Africa. By the way, also about Latin America José, which is also what he's asked, they remain quite optimistic about the future.

A few more points. As Michel alluded in his usual very diplomatic way, the book actually was ready. And we summited the manuscript to a publisher, Pellgrin, couple of days before the unfortunate events of February 24. So, we could not do anything about it. So, the book does not take into account what's going on in the tragedy of Ukraine. Even though when we released the book here in Paris, in Banque de France, in our Forum meeting, we did have a session, a very good panel on the impact of events in Ukraine on the world economy and particularly emerging markets. It was a very powerful panel which started our Forum. Though I must say that even that panel was relatively optimistic compared to what was going on in term of the tragedy which seems to be continuing and nobody seems to know when it will end and how it will end. And I just come back from a couple of meeting in Lisbon yesterday where the President of Portugal spoke and somebody from Brussels made a statement that he doesn't see peace coming at all which shocked me. Living in Washington I thought peace would come one way or the other but this gentleman from Brussels said he doesn't see peace coming at all which will be a big tragedy and I hope important people like yourself will

find a way, to bring some common sense amongst leaders in the world including in Moscow.

Going to the book. The book is about long term. And I know there's lot of pessimism including news coming out of Washington, what the Fund and the Bank are saying about the prospects of immediate recession probability which must worry our companies, your organizations. I hope the Central Banks, governments and policy makers will find a way to avoid a recession combined with the inflation which seems to be continuing. But I would urge you as we talked this morning, for a while, I kindly try to put aside issues of the next year or two and allow me to have you focused, visualize the longer term which like Michel said, will maybe let you less pessimistic and more optimistic because many of your organizations are from emerging market economies and there, we remain relatively optimistic and I will point out why.

The other point I will make and underline what Michel said. This is our second book, second in 6 years about the long-term prospects of the world economy, the way it focuses primarily on emerging markets. The last one was done 6 years ago. It was called “*World in 2050*” and the reason we did this one was we felt strongly that the post-pandemic world will be quite different and not just because of pandemic and this was after quite some consultation with people around the world. The reason is that not only the direct impact of pandemic but the pandemic has brought to fall in our opinions or excoriated number of underlined trends which were already there in the world. Trends like digitalization. Trends like weaknesses in global solidarity. Trends like big down of global value chance and trends towards more nationalization. Some people say “*We're worried about security*” therefore lead to unsure production. We saw that during covid vaccinations where country after country decided to hold the vaccinations rather than share it. People are not walking the talk. People are using national security that isn't saying they will not buy things from China anymore. The latest acts in the US about chips. This goes on and on. And it's not just China or actually against China. Covid has excoriated trends on how people work to distant, internet, Zoom. And because of spread of internet, Zoom, computers, iPhones and the vortex, lot of things which were early done manually or face to face meetings or people going to office and doing

ABSTRACT OF THE BOOK

**"ENVISIONING 2060.
OPPORTUNITIES AND RISKS
FOR EMERGING MARKETS"**

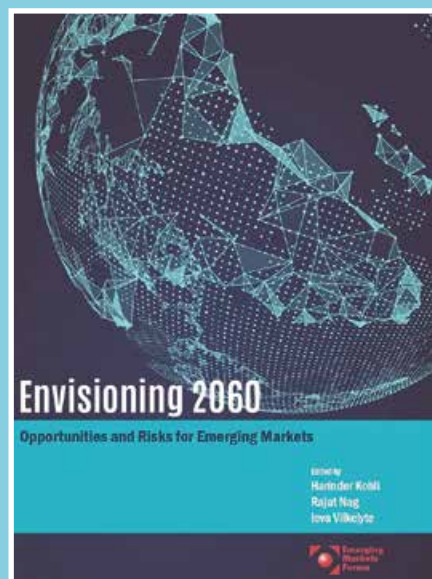
In 2016, the Emerging Markets Forum (EMF) published a seminal work *The World in 2050: Striving for a more Just, Prosperous and Harmonious Global Community* (Oxford University Press). Published in Spanish, Mandarin and French – apart from in English – the book gave a long-term economic and social portrait growth of the world through to 2050, suggest policies and strategies that should be undertaken by political, economic and business leaders to achieve the set of goals outlined therein.

This present volume – *Envisioning 2060: Opportunities and risks for emerging markets* (Edited by – Kohli, Nag & Vilkelyte) takes a similar long-term perspective – the next 40 years (comprising two generations) through 2060 – of the likely evolution of the economic and social landscape of emerging market economies. While the primary focus is on Emerging and Developing Economies (EMDEs) and their main economic and social opportunities as well as the primary challenges and policy issues facing them, the volume does so in the context of prospects and likely evolution of the global economy as a whole. The book comprises of 20 chapters written by 19 world class authors.

In the midst of the greatest uncertainties, this volume the authors' views of the future opportunities and its risks facing emerging market economies, indeed the entire world. While in some respects this book is an update of the 2016 book, in many important respects it covers much new ground and departs from the earlier thinking given the major developments in the world during the intervening five years.

Among the various other contemporary topics, the book attempts to address the following:

- How the ongoing pandemic has brought into a sharper focus on major, underlying global developments and emerging challenges to the existing international economic order;
- Rapid climate change across the globe;
- Rise in inequalities within countries, both developed and developing;
- Increased fragility of the global monetary and financial system;
- Fast changes in the way we work due to the rapid technological developments—a trend that has accelerated since the outbreak of the pandemic;



- The rise of nationalism and right-wing authoritarianism in some parts of the world, while other parts of the world are observing left-wing populism;
- Increased scorn for elites – seen as the winners of an inequitable globalization – that bleed into a mistrust of expertise and even science;
- Declining trust of people in public institutions and established political parties;
- Rising concerns about governance (or lack thereof) in many parts of the world;
- Divergence in economic performance of different regions of the world, with most of Asia outperforming commodity exporting countries in Africa and Latin America due to their flagging productivity;
- Fragmentation of multilateral institutions, as legacy organizations (the likes of UN etc.) have not evolved fast enough to reflect the new distribution of economic power and led to proliferation of new organizations (AIIB, NDB, GCF etc.) as a result.

This work also attempts to present the fact that in recent decades the unfettered pursuit of profits and material wealth combined with increasing loyalties to peoples' own tribes, or countries have weakened not only the moral and ethical values of societies but also created suspicions about fellow citizen of this world – as well as damaged the planet. As a possible solution the contributors call for creation of a new global culture and restoration of a greater sense of ethics in societies as well as care for the well-being of the planet. They also emphasize that human ingenuity combined with technological breakthroughs – essentially driven by the enthusiasm and idealism of the youth – makes a bright future achievable, but by no means preordained.

things, lot of things will be done differently. The way the work is performed differently. Like Michel, I also spent lot of years working for a multilateral institution. There's a weakening of multilateral institutions, importance of the UN system to handle the Ukraine war, the importance of WTO on trade. So, the current multilateral system is unable to handle some of the biggest issues in the world like climate change. They're not moving fast enough. So, there is a need for renewal on the multilateral system. Otherwise, we may have the Chinese for example creating their own system which is wasting resources and making multilateral system ineffective. So, that was the reason we decided to revisit this long-term perspective of the world. That's in few words, the genesis of this book.

The book by the way has 19 chapters and we'll talk primarily about two things: the beginning of the book which as Michel mentioned is global megatrends which we'll talk about first and then I'll share with you some of the main findings. But the most important thing in a way, given your background, is the last chapter, the "*Epilogue*". And I think one of my biggest successes was to persuade Michel to write about it. It's an optimistic chapter, very thoughtful chapter but it starts with some big messages that the world as a whole has lost focus on morality, ethics, is too much out of focus and sorry I'm talking to the CEOs but it talks about the corporate sector. It's too much short-term oriented, too much profit oriented, it's not worrying about society, people or about the Planet and the world cannot go on like this. And then, why is it optimistic because you know I did ask my mentor "*Why are you optimistic?*" and he said "*Young people*" and he looks at young people, people he talked to all over the world including Africa, "*They are very committed. This is what we saw in Glasgow.*" So, I'll urge you to read the last chapter if you have anything to read. It's 500 pages.

With that, let's start with I tell you why we did the book. There are 19 chapters, you can choose what you like: climate change, financial sector, Africa, Latin America, their issues, their regions, why Asia is doing well, what is happening with productivity in the world. So, we have short chapters, we have long chapters and we have scenarios of where the world is going, others are different regions, they're going to different countries. So, there's a quantity of chapters but we open the book with saying what are the global megatrends leaving aside black zone events. There are two big black zones which we can predict: one is the pandemic which the book takes into account, the other is Ukraine which we did not anticipate and there could be another one, there could be nuclear war for all we know. I hope not. There could be something on Taiwan which we can predict, we hope will not happen. But what are the megatrends, social, economic which will drive in our view the world economy in the next 40 years?

So, the basic idea of picking the megatrends is this: that in our view, most countries and regions are increasingly influenced by similar if not the same megatrends and long-term trends, not short-term. So, as I have requested you kindly for the minute, for the next half-hour, forget about short-term pessimism, or the newspaper headlines, or what the IMF said 3 days ago. These megatrends that I'll describe to you may combine with certain characteristics of your countries: Mexico, Portugal, Brazil, India or China and each country has their own specific factors: effectiveness of institutions, infrastructure, governance, business, climate which is very important. These megatrends combined with domestic factors are the ones which influence the economic performance of a country, a region or the world as a whole. And those are the ones I've never talked about.

First and foremost, that's the fundamental and it's very difficult to change the dye on population which has been more or less cast, change in the short-term, important though it is. There are many organizations which made their forecasts. We have used the study by Lancet, very famous, very respected, magazine that in December published findings of a very detailed study founded by Gates Foundation. These numbers are different from the UN's and very shocking. Basically, what they are saying is that unlike 30 years ago when the world was worried that there'll be too many people, there's going to be population explosion in developing countries but clearly in Asia we are going to enter a period which will be totally different. Population worldwide, except one region, is right now from 2 % growth to 1,5 to 1 % today. We're entering a period where more and more regions, more and more countries are going into declining population. Europe is a good example. Asia, China, Japan, they're already entering period of decline. This study says that by 2064 the world population will peak despite continuing growth in Africa. Now, if the world population as a whole will peak at 9.6 billion people rather than 10 which the UN was talking about, the reason is there're already countries that population is declining and it's not only Japan which people talk about. The most dramatic country is Bulgaria for two reasons: not only Bulgaria's total population growth is negative, lot of Bulgarians are leaving. Young people are leaving Bulgaria and emigrating to Western Europe. And then, there are countries like Germany where the population is declining. The numbers are that by 2050, much of Europe will be in a declining population situation. Then, there'll be countries like Italy and many other countries where population may be half of what it is today. So, Italy and many other countries in Europe will be similar to China. In world's most populist country today, their population may be half of what it is today, for example in Japan. Now, the other striking number on this Lancet's study is that by 2100 there'll be more old people

or aged 65 than younger people below 19 despite Africa, Sub-Saharan Africa which is growing faster, which will be the only young region in the world. And this is because by 2050, as many as 151 countries in the world out of 196 countries, the total fertility rate will be below the replacement level. And shockingly, by year 2100, 80 years from today, 183 countries in the world will have fertility rate below the replacement level. Basically, we'll have a problem: there'll be too few people in the world when your grandchildren are around. So, the problem is not there'll be too many people, the problem is there's going to be too few people. It has serious economic, social, radical ramifications. Exception is Africa. Big exception. But jobs are not being cleared in Africa. So, if Africa has 42 % of total population by year 2100 and they don't have enough jobs, question, you need to reflect about would we have a stable world? Where would these jobless Africans go? Would Europe accept them? Would China accept them? Would Japan accept them? Question.

Second: Urbanization. 3 continents of the world are already urbanized. North America, Europe, all are 80 % urbanized, Latin America is close by.

JOSÉ IGNACIO MARISCALL

Is Mexico included in North America or in Latin America?

HARINDER S. KOHLI

Latin America. But most of Mexico is urbanized except certain parts of Mexico which are still quite rural and have issues like poverty. But in these numbers, Mexico is in Latin America. In the next 40 years, urbanization is coming to Asia and Africa in a big way. And our own estimates are that by 2060, our total urbanization levels in the world will rise to 7 billion + in the world all of 9 billion people and that 78 %, take these 78 % +/- 5 % if you would, increase in the global population will be in Asia and Africa. And these countries particularly Africa are not that rich, they already have difficulty in urban areas, slums, lack of water, lack of security, lack of infrastructure, lack of management capacity, lack of money. So, how are these countries going to manage urbanization? Though positively, from business point of view there are tremendous opportunity to invest in all of the urban services including housing and transport. On the positive side, if the current growth trends in emerging markets continue, there's going to be an explosion in the size of middle and upper-middle class population. I will call them "consumer classes" because when we were doing this there was a debate that by 2060 the definition of middle class will change. Because right now the middle class is defined as 10\$ per capita income per day and by 2060, we're sure the World Bank will change the definition to maybe 20\$. So, we define it as consumer classes.

People who buy refrigerator, who buy shampoo, better soaps, maybe a car, better housing, and by that definition, by 2060 roughly 80 % of the world population would be classified by our modeling as what we call middle class today, as defined by the World Bank.

So, other part of it, looking at it geographically, by our scenarios because as I mentioned we have a quantity of chapters in the book, almost all of East Asia will join North America and Europe in becoming almost totally middle and upper-middle class. So, exception geographically will be Sub-Saharan Africa and parts of Latin America because Latin America is not doing very well so there'll be pockets of poverty in number of Latin American countries including Venezuela, Bolivia, Ecuador and Brazil. Because Brazil, despite all its wealth is also not doing that well. So, unless Brazil changes dramatically because it's a big country, we're worried about it, there's a chapter of that. In Africa of course, there'll still be lot of poverty unless Africa changes dramatically, therefore we have a long chapter on Africa in the book.

Inequality is a big issue and we have the longest chapter in the book. This is a chapter which was of great interest to Michel. But there are two dimensions to inequality I should emphasize. We can talk about it later on because it's a major, not only economic but political, social issue. There's inequality between countries and there's inequality within countries. The good story is that inequality between countries has been coming down and we think it will continue to come down. And there is an example. Many emerging market economies beginning with China and then India, Indonesia and now Vietnam, before that Korea, Thailand and Malaysia. They grew very fast and lot of people came out of poverty. So, because of that, because billions of people came out of poverty, the inequality between countries came down. However unfortunately, beginning late 1980s, the US started an unfortunate trend where inequality within the US started rising and then, other countries in the world joined the US including France and UK and then, China which used to be one of the most equal economies in the world. Inequality started rising and they were joined by India, South Africa, Brazil, Mexico. So, in almost all developing countries, inequality started rising and that's why we see the rise of the Left, the rise of the Extreme Right in developed countries. And so, it's a serious social and economic and political issue and it's leading to instability and despite everybody's effort, inequality within the countries is still rising. There are very few examples where inequality has been moderated. Climate change. I mean I don't have to talk too much about it except to say it's probably the single most issue in the world. There was a breakthrough in Paris that people voted side to side started talking about it. There was some target set, 1.5° which we missed, I think we're going to miss.

COP 26 in Glasgow was a breakthrough in the sense over the first time countries started talking about net 0. But the pledges countries have out on the table are not good enough to come to 1.5 or even 2°. The key point is that countries which will suffer the most are the developing countries and there's a little section on that yet. In the meetings last month in New York, Al Gore made a statement which I think is correct, though I've not checked and our book miss making that point because we didn't look at that angle, that going forward, leaving aside the issue of the past. *"Going forward"*, Al Gore said, (and you know he won Nobel Prize on **climate change** with the work done by him in the past). That "going forward 85 % of emissions will come from emerging market economies." China, India, South Africa, Pakistan. So, there's this talk and flow issue. There's talk of emissions came from G7 countries. The flow will come from emerging markets. This is a point frankly we missed in the book. So, it's a common problem the whole world, every single human being is going to suffer. We are not on track to content temperature rise even to 2°. Billions and billions of people are going to suffer. However, the problem cannot be sorted out by saying *"G7 you cause the problem, you solve it"*. The emerging markets have to join in not only because they'll suffer but future emissions are going to come primarily from emerging markets and the problem is coal and gasoline. I personally, I should not say that, was quite disappointed when the Egyptian Minister who is going to chair COP 27 said *"Don't ask the emerging markets to stop burning coal and oil"*. Now, how can you chair COP 27 and say *"give us a favor"* especially if future emissions are going to come from the emerging markets. We don't say that in the book because we didn't look into that issue.

International trade. Very important for business community. I think everybody gained in the world including emerging markets from globalization. Unfortunately, there is a rupture on this trend. The growth in international trade which used to outpace global GDP growth has not done so well since the global recession. Big recession. You can see it on the chart. And WTO has not completed global trade round. There is no longer a consensus on where the global trade should go and this is partly because of the backlash in the G7 countries which traditionally have supported globalization. And this goes back to the issue of inequality in my view. And incidentally that loss of jobs in developed countries which is blamed on globalization. There are lot of studies saying that 80 % of the jobs are lost because of technological progress not because of globalization but the politicians don't want to acknowledge that.

Now I come to technological progress which is one of the most positive parts of the story in the book. The pace of change is accelerating. There are new discoveries all the day and you know from your business side, that there are

opportunities which are coming whether it's on computers, whether it's on internet, one can keep up, whether it's in medicine. The discovery of covid vaccination is one of medications that shows how fast these discoveries came. So, lot of problems we are talking about but whether it's climate change, whether it's health, the solutions could come through technology. But there is always a flip side like with globalization. Technology also has dark side whether it's on privacy, whether you know the mobsters using technology to steal your money or ISIS using technology to blow bombs. But all our technologies are plus.

Future of work I talked about. It's changing. In many cases will not go back to where we're going it's also actually a solution to declining population. In Japan already robots give medicines to patients in the hospital. Lot of things which were done by nurses are being done by robots in Japan. So, if you have declining population, technology can do some of the jobs which were done by people. But this also means that some of the jobs which were done by people physically in factories, people lose their jobs. I saw in China 3 years ago awesome factories where there are no people there're just robots. So, people are laid off, what would they do? They'll go on the streets and strike so one has to think about that also. I'm very worried about Africa frankly. What will Africans do if they don't have proper education, they don't have access to computers, they don't have access to internet, further uptake, high-speed Wi-Fi. African leaders have to think about where the world is going. What should they learn? How they learn.

Global corporation. We talked about it already. Current multilateral system is half broken and I say that with some pain because I spent 28 years myself in a multilateral institution. But the big issues of today whether it's climate change, inequality or trade. The institutions need to be rejiggered to tackle the big issues the world is facing. Even last week in Washington there was a debate whether the World Bank is doing enough on climate change. Then of course the Chinese are creating their own lateral institutions which is not good for anybody.

So, where is the global economy going? If you put all the global trends together including what's happening on productivity and to lift a little bit of pessimism of today, if you look into 2060, all our view is we have 3 scenarios in the book. So, let's look at the central scenario because there's a big difference between the 3 scenarios but looking at the central scenario, we are relatively optimistic. We think that the global output could almost triple in the world. That most of Asia, particularly East Asia, almost everybody could have living standards equal to or higher than our people in Southern Europe which is Portugal, Greece, Italy, Spain (live today). If that happens, which is

possible, which is feasible, though not guaranteed, it means that the current definition of advanced countries will not only include North America and Europe but include almost all of East Asia and maybe many countries in South Asia. More than 60 countries, 6 billion people in the World as a whole. So, would you call them OECD countries or whether you call them advanced countries as IMF calls them, the map will be totally different. The opportunities for your businesses well played internationally will be very different. The center of gravity of the world will shift to Asia. However, because there is always a however. We see the commodity exporting regions in the world lagging. There'll be roughly 3.5 billion people in these lagging regions. And sure, most people would probably agree that Sub-Sahara is a lagging region when we can talk about that. But our analysis in the case given the trends of the last 20 years, much of Latin America also falls in that category because their productivity is not rising. They are stuck in which we call the "resource curse", they've been not able to change structurally unlike countries like Korea, Vietnam, Singapore, Thailand or Japan. So, if you have 6 billion people in the world doing well, living standards that are increasing, they're optimistic. And because their population is declining, they are sure of labor, everybody has jobs. And then, we have 4 billion people in stagnant economies and of 4 billion people, 2.5 are living in Africa where there are not enough jobs, they're unhappy. Then, frankly Michel and I and our other authors are worried that it cannot be a stable world. So, something has to be done. That's why you need global collaboration, solidarity, stronger multilateral institutions. Yes, most of the actions which the book tables have to be taken at national level. But there is a need for solidarity with the global community certainly on issues like climate change.

So, final point if you ask me what will make the difference, our conclusion is there are 3 things which will make the difference of all the issues which we discussed in the book. One foremost is climate change because without that the whole world will sink and there'll be no difference between Indians and Chinese or Americans, Germans, Mexicans, they all sink together. The second is inequality within countries because that will create more domestic turmoil, critical instability and terrorism which will spread across national borders and globally. And with social media, internet and all that stuff, you can't control it even with military. And third, the all issue of productivity. The ability to marshal technology, to invest including with UN foreign investment, good management practices, good education. If productivity at the global level and national level is improved by the way productivity is by deploying private sector skills then, the world as a whole and individual countries will do well and you can make structural changes including in Latin America and Africa. We can live happily after and our grandchildren. If productivity is not improved, well then, we have a problem. And I hope, you know, we can solve all 3 problems. But it's going to be heavy lifting. Thank you, Michel.

MICHEL CAMDESSUS

Thank you very much Harinder. Well, the pitch is quite overwhelming and I'm very grateful to you to have made this so clear and inspiring presentation. Now, my dear friend and close parent if you go back to this 11th century, you have the floor. You have certainly many questions. Certainly, you'll have to establish a very strong discipline among ourselves to take advantage of the few too short moments we have to discuss what Harinder has just told us. ★

JACQUES DARCY

Thank you. Merci Michel. Thank you for this very detailed list. If I maybe somehow challenging. I find that dissecting like this, the trends, I mean each one has to be dissected but, in this room, we probably have to synthesize because none of these trends can be projected on its own. My sense is, one is, and you did mention it and I tend to be rather more pessimistic than I imagine, is that climate will be driving everything. I don't think the issue is from now we have to take actions, is we have failed to do so over the last decade even though we knew. The information was there. So, there is something in the area of, I would call it values or moral values which really underpins the situation in which we are. And I believe we have to probably adopt almost ideological or philosophical approach to be able to make sense over lot of this. So that's one. I don't have answers, this is an open question. The other one I would say is the pandemic. You mentioned we were all surprised by the pandemic, may I challenge that. The CIA public report previous to the pandemic said that we have something like 80 % possibility of a major pandemic within the next 5 or 10 years. So, I would argue that we will have another one soon. The big surprise was that we had a vaccine within a year. That partly came from the fact that we were lucky that the existing vaccines provided a very good basis from which to work. The other one is human enterprise, digitalization and so on allowed researchers from all over the world to work together to have a vaccine within a year. But my word of possible caution would be the next pandemic is around the corner. Now that means 5/10 years, I don't know but it's not more than 10 and we may not be so fortunate. So, there's something there. I'm trying to challenge you to elicit a discussion because there is so much here that I do agree with. The other one is war. I believe in our countries mostly we're all thinking of Ukraine has brought back war to the vicinity. But the world has been in war uninterruptedly. It's just we didn't want to see it or we didn't want to pay so much attention to it. So, that brings me back to the topic of values. What was it that we see war because it's right here, because it's affecting people like us or we consider to be people like us. When actually war... I mean it's an ending: Vietnam and so on, and so forth were very violent societies I think. The US, and I will end with this and then probably we can address some of these topics. When general Eisenhower, in his last speech. I remember I was discussing yesterday with someone about Mitterrand's last speech was *"I believe in the forces of the spirit and I will see you again"*, very inspiring word to end and he was a few weeks from dying. Eisenhower's last speech, as a president, ends by *"This country, inherently the world, is run by the military industrial complex"*. And I think that is also a trend which is underpinning a lot of what we've been living over the

last decades and we seem to be continuing to live and a lot of the military world is by definition below the radar or secret and it is driving a lot of what we're doing, what we're going through. Anyway, those are some questions that I would like to ask and to debate with you.

ULRICH HEMEL

Thank you very much. Very inspiring discussion. My name is Ulrich Hemel, from Germany. I think there are 2 or 3 challenges I would really like to discuss with you. First of all, I have learned in the board sometimes things evolve like fashion. You know, long skirts, short skirts. Transferring that to our reality, I have seen decades where everybody had a strong belief in the power of the state. In other decades you had a strong belief in the power of free markets. So, somewhere we are challenged by that. Second, we have some decades where we have a strong opting for a multilateral corporation. Now, we are in a decade of nationalistic fever and this is amazing. It's fever. I think it's a really difficult challenge but the good thing in that, it could change. And now we are in 2022 so until 2060 this might change again and it must change because climate crisis is too big. This is where I would like to have 3 proposals or ideas which will challenge. Beyond being the president of the Federation of Catholic Entrepreneurs in Germany, I have a Think Tank called *"Institute of social strategy for the exploration of the global society"* and along with the Global Ethics Institute we do this kind of research. One thing was a movement for a minimum standard. You know that in Europe you have a lot of people who say *"We need unconditional income"*. In Germany it would be, let me say, 1000€. Now, if you go to a country like Burkina Faso where you have an average of 400€ per year, this is of course a good motivation for migration. If you bond that it is good. But if you really want to do something for the world, I think we should have an international movement for having 2\$ per person per day. This is not a lot. Most of us will have more than that I'm quite sure. But if we achieve this condition, we will improve the life of 840 million people in this world. This is about 10 or 11 % of the world population. This can be done; it can be financed and it is one way out of the pocket. Because inequality yes is a challenge but the big challenge is the absolute poverty where you don't have a living, food, shelter. **This is the first thing.**

The second thing I think we could go to what's a movement where we say. If climate crisis is the big challenge, why don't we create a world carbon dioxide fund where you have a prize to every tone you spend and where this prize is a prize you have to pay to something like the "climate world bank". Of course, it can be the same prize but if you live, let me say, in Kenya you will not spend as much as you could so you can sell that. In Europe, in the United

States, in this moment you need much more than you would be allowed to have so you have to buy that from other countries. It's a market mechanism but based on international cooperation. This is let me say, the second idea.

And the third one is very simple. It's believing in the action of a spirit. I think we have an international alliance for values and putting that in action especially with this big point of human rights where I think by the way that also the Vatican, the Catholic Church could be a protagonist of Human rights, not only on some isolate issues but really on all issues. I include slavery. We have about 30 million people living in slavery. I include forced prostitution. I include a lot of these things, death penalty. So, if we really propose values like that, then we can achieve something. What I would like to see as a globalization 2.0 which means a globalization with a human face and with human dignity. But this is tangible, you know. 2\$ per person per day can be achieved, can be financed. A world climate fund can be achieved, can be financed. An alliance for values can be achieved and can be done if we work together. Thank you.

BRUNO BOBONE

More than putting the question I would just want to comment on something. Not that much on the result. You mentioned 3 scenarios and you talked about the one in the middle which is wise of course but I don't think that's the biggest issue I would take from the book would be the final scenarios. It's the reasons why you achieve them because there is where we can act to change it and make a new scenario which would be much more important for us. But the main thing, you speak about the climate change, the inequality and productivity and I think that definitely is what is going to change the world if we act on these 3 areas. We may change your final scenario and that is what we should be concentrating in and I think that it is important. It is totally in line with our worries, with the mission of UNIAPAC. And mainly, although the climate change is very important and essential, I think that it's the values that we have to change because we cannot act on changing the culture of the people if we don't act on the values. So, we should concentrate really on the values. Ulrich said that we should propose more the Human rights and the values of the Church are the Human rights so we are very in line with that, so we are very concentrate.

For me the most important one of the 3, although I think the 3 are top, the inequality I think is the one that is affecting our lives and you said *"Don't think about the next 2 or 3 years. Think about the 60 or the 40 years in front of us"*. I understand for the learning but it's on the 2 or 3 years that we have to act to change that scenario in 80 years. So, ending these 3 years the inequality could

make the big difference. Even in the developed countries, we are seeing that there are more people every year living without responsibility on the development of the country they're living in. They're receiving some money from government without having to do anything to receive it. The population that lives based on that is growing every year. But the most important thing is not that the government is paying them and that they have little to live with, is that they are put aside from the society. They don't have responsibilities; they don't interact with the development of the society so they are a little bit aside of the society. And these are the ones that would make the strikes, that would make the revolutions without a purpose but just because they don't belong and this is terrible. A human being needs to be part of the society. Every time you are aside, you live in a revolution inside and you have to make that revolution without a purpose but just because. And I think this is probably the area I am more concerned with. And again, the values are the ones that can change this. We've talked a lot here in UNIAPAC about the noble vocation of the entrepreneur which means that we have the capacity of putting the basics together to produce wealth. But the most important and the most noble vocation of the entrepreneur is to share this wealth and this is what we should concentrate in our way forward. Because this will bring people to be more developed, to develop values and to live with the values and then you can improve productivity because if you have happy people, they will produce more. It would be better for inequality. In the end I think that we would make the climate change in a different way. So, thank you very much for your presentation because this is what I take from what you explained from the book which is the difficulties. Within each scenario you will achieve, the difficulties are the ones we should act on. Thank you very much.

JACQUES DARCY

If I may ask. Do you think social entrepreneurship has a way to combine economic activity and this belonging to society which is I think what you were referring to? Is it prioritized enough by UNIAPAC members, UNIAPAC countries? Do you think there's an agenda there or should it be just entrepreneurship not social entrepreneurship?

BRUNO BOBONE

There is an agenda there. It's not enough. If it would be enough, we would have already the results. I just can tell you my experience because it's easier to speak. I'm not speaking about myself to show you what we do but, as an example of what we have achieved. I have a start-up with 250 years. So, we have a long time. I receive every

person that comes to the company 5 or 10 days after they come to the company and I start with saying “*Well today we’re going to speak about really important things*” and they look at me and they stay a little bit afraid of “*what is he going to tell me?*” I say “*You have one purpose in this company. Your responsibility as mine is to make sure that everybody that is around us will be happy. That is your responsibility. If you do that, you will do exactly what is needed to do a good job.*” Then I explain them that we have, as the values of the company, the values of the social doctrine of the Church. They can go and look for it. They have to understand which are these values. I don’t mind whatever they are religiously but they have to understand that the company has these values and then if they are in line with these values, they will have a good life in the company. If not, it’s better that they look for another thing. And in the end the only thing I say is that “*Don’t forget that from now on every time you speak outside, you’re speaking on my behalf so just think a little bit before you speak and try to understand how I would say the same thing.*” It’s kind of a joke but it’s to make them understand that they belong to that organization. We have a phrase in our company that we say. The company is called Pinto Basto. Pinto Basto is the family name. We say that “*You don’t have to be born Pinto Basto to become Pinto Basto. You just have to work one day in this company and you will be part of the family.*” I think that with that, we are not the richest company in the world of course but we have 250 years. I think that is more important of being the richest or the biggest, is to be the one that goes on.

HARINDER S. KOHLI

One has to start somewhere and I’m very intrigued where you put your finger: inequality and values. When we discussed these issues at our Forum a few months ago, here actually, lot of people said “*So what are you going to do about inequality?*” Though I don’t think many people linked it with values if I may come back to your point. I wonder if given your group, one could extend the point of value that Mr. Hemel also mentioned, to also ethics not only just Human rights, ethics which is emphasized quite a lot by Michel in his chapter. That the world has lost track of ethics in their day-to-day life, not only business but in general. When you’ve the opportunity to read this chapter “*Epilogue*” as we call it, his suggestion of the solution to many problems is that if we emphasize ethics more and values and have a long-term perspective to the world including climate change but not only that, where people are looking more than their individual or their sect or their tribe and think of society as larger and the world as larger, not just the nation. What is good for the world. What is good for the Planet. And put more emphasis on ethics. That may be the beginning of the

solutions to the bigger problems. So, some time to link different points here. Where does one start? This is your point as I get it. Could we link all this and say “*Let’s start?*” Because that’s what you’re saying “*Where does one start in practical sense?*”. Could we start with inequality at country level? Maybe pick a few countries. Because that’s what we promised to Michel at our Forum. We will pick a few countries. Try to pick and see what can be done. Because lot of people say “*Yeah, inequality is a big issue we’ll tackle it*” including President Macron at G7 meeting. I don’t want to complain but in the G7 meeting in Biarritz, all 7 leaders including President Trump said “*Oh yeah we’ll tackle the issue of inequality and we’ll lift the bottom 40 %.*” It’s what happened. A little bit of something to do with the preparing paper with G7 leaders. Michel actually persuaded the G7 leaders to consider the paper. But really, by the time, by next G7 meeting, they forgot about inequality and they went on to do something else. But if your group could focus on that, it doesn’t have to be a country. It could be a region, it could be Africa, it could be Mexico. I would be very intrigued by that idea. So, I’m trying to bottle back to you.

BRUNO BOBONE

I don’t want to take the floor but can I just say something. I fully agree that ethics are one of the important things to change that. You mention that, if people think about the better for the country, the better for the world, they would change in this way. I’m sorry to say I don’t believe that because each person will think about the better for him not for the world. So, we have to bring the values because the values are intrinsic to each person. If we truly believe in the values then we would do the rest. But if we don’t act on the individual, in each person, we will never reach the ethics because most of the people don’t think about the best thing for the world. Most of the people they think about “*What is best for me?*”. So, we have to explain them that the company works better if we think about the happiness of each person. It will give you more profits. It will give you more stability. It will give you more time in the company. And if they understand that “*this is good for me*”, then they will be working. I truly believe that the important is the importance for the world but I don’t think we will find many people thinking about the benefit of the world. Sorry.

PIERRE LECOCQ

Pierre Lecocq, past president of UNIAPAC. Well again, congratulation for your presentation and very challenging thought process. One issue which I haven’t seen in what you’re saying is the issue that the western world which for years has been the source to a certain extent of the, what we talk, values, ethics and so on, is more and more

rejected by what is called the rest of the world. And when we see that the rest of the world, being Asia where will be the center of the world probably, or Africa which will be probably the largest problem of the world, is more and more rejecting not only the western world as an economy but the western world as source of values and ethics. And I think that could be also a major problem because when we talk about values, ethics, it's a sort of force field that leads you to take a certain direction but as an engineer you know that the force field can only exist if there is a source of energy behind. And all the ethics and the values that have been coming from western world, I'm not saying western world was perfect by far, but it was generating from a Christian source I would say, this force field. Because when you talk about Human right the basic is, each human being is equal in the light of God. Well, for having traveled a lot and having a lot of operation in the world, that values, that reference is not shared in most part of the world. Every time we are coming and proposing something, the G7 remain mostly western world. So, when the G7 propose something, propose an action, more and more it's perceived by the rest of the world "*Hey again, that's these all-western guys coming in and telling what we should think and we should be doing*". I think that issue of seeing the western world first of all losing their own source of energy and being rejected by the rest of the world, I don't have any answer for that but I think it's our key issue for the future of the world.

HARINDER S. KOHLI

I'm here to listen but I'm tempted to answer you on that. I also traveled a little bit including to Asia and I feel strongly that the center of gravity of the world economy is moving to Asia. I would like to answer your, if I may say, hypothesis along these lines. Yes, the Chinese would say what you're saying, the current regime. I'm not sure an average Chinese would say that if you would take away all the propaganda they listen to in terms of soft power: what an average Chinese, middle class person aspires to, where they want to study, what clothes they want to wear, what music they want to listen to. I think they are still looking to the west. But certainly, if you take away 1.3 billion Chinese, rest of the Asians are really looking forward to the west. In terms of music and movies, they look to the US. But in terms of values, I think most of the world still looks to Europe. I'm not talking about religion because there's a lot of religions in the world including mine but my wife was a very devote Christian before she passed away, a very devote Catholic. I think Europe is still seen as the fountain of culture. The basic concept of separating state from religion came out of Europe. The idea of democracy came out of Europe. Classical music. Ballet. That's the point I want to come to if I may. I hope

you don't mind when I'm saying that Europe should not lose confidence. G7 share of global GDP is coming down but that's not all. You should not equate, if I may say so, your influence on the world, your importance on the world with percentage of GDP of the world. Because it's going to decline and you can look at my numbers. You can't stop it. Especially if your population is going to be half in 2060 compared to what it is. Your share of GDP is going to come down but that doesn't mean that you should have less influence culturally, socially, intellectually, morally, ethically. That should be the link that...

PIERRE LECOCO

I'm not linking the two.

HARINDER S. KOHLI

Yes. But you know, Europe should not lose confidence.

PIERRE LECOCO

I agree. Europe should not lose confidence. And I agree we will lose our share of the global GDP. It's decreasing, that's methodically unavoidable. The issue is will those values you are referring to that were coming from Europe, will they be still pendant? Will people accept or want it? Or reject it.

HARINDER S. KOHLI

So, my short answer is yes because with all the tension between the US and China, I think Europe will be seen as an icon of bright. But why did Brussels play its cards right? That's my view. But I think Europe in the last 400/500 years, has given so much to the world and it's not just invention or ships.

JACQUES DARCY

I think this line or sort could continue for quite a long time...

HARINDER S. KOHLI

And ethics... Sorry, just to finish. The idea of ethics and values is a very powerful one. But it's not going to come out of Moscow. It's not going to come out of Beijing.

JACQUES DARCY

We have a couple of questions that we would like to take. I will add a question maybe you don't need to answer now. Going back to Bruno Bobone, he has a comment which is: To what extent in your work as an economist are you able to take into account let's call it the difference between what in French is called "*poverty/pauvreté and misère*" which is the point of someone can have a very low income but belong to a community, not be displaced living in the right environment from the climate view point and

someone else can have the same income but displaced and so on and so forth and it's a very different quality of life. And so, I would like to, maybe when we continue, to know to what extent you're able to work on data that is related to quality of life and not only income as you have presented in a very summarily presentation today. We have a couple of questions at the end of the table.

JOSÉ IGNACIO MARISCAL

Talking about values. I was part of the business series of the OECD and when Mr. Trump came in, he started talking about bilateralism, not multilateralism. There was a tremendous discussion. I remember Mr. Macron talking about multilateralism and they were opposed to do that. And I think this is essential for the future of the world because if you go in a bilateral way, of course the strongest imposes what he wants really to do and there's no consensus. The difference between bilateralism and multilateralism is solidarity. If you are with these values as Bruno says it. You respect human dignity and you put this in front of the issues and that's a way we handle the noble vocation of being a businessman, I think things can change and I really believe that we have to understand this and to really arrive to a consensus and do it in a consistent way always.

BERTRAND BADRÉ

Sorry to jump into a conversation but the last point you discuss José is very much what I'm seeing in my business. So, I'm trying to mobilize the western savings to invest in emerging and developing economies which is what everybody is calling day after day and what is not happening. My main concern with this discussion we just had and thanks Pierre for raising the question. There are two things. First, I think the horizons of many people are shrinking. I think it started a while ago. It was accelerated by the American first type of prospective: *"I don't care of what's going on far away from me. I'm taking care of my own garden in a way."* It was accelerated by covid when you spend 2 days at home, I mean you lose interest for the rest of the world. It is accelerated everywhere. I see that in finance where it's true in France, it's true in the US, everywhere. *"I want to put my money at play next to me. I don't care about the rest of the world."* I think there is a risk of fragmentation which is real. Not only fragmentation but the fact that you have no interest in what is going on over there etc. And I think it's a big pendulum swing and that's hitting the values issues etc. As I said once it's a bad reading of Voltaire. At the end of *Candid*, Voltaire says we have to cultivate our garden. I don't think he meant the garden in a literal sense when you fence your garden and you take care of your backyard. I think he meant the garden as the Garden of Eden of the Planet. But that's

erudite today and I remember I was asked to speak to the EDCs. And when I say that, many CEOs of companies, mid-size companies say *"You know these climate issues, these refugees' issues, there's not much I can do so what I can do is take care of my village, my family, my company, my parish, whatever. If I do my job right and if everybody on earth does his job right, it's going to be ok."* But solidarity is further away. I am very fascinated by what I've seen over the past 10 years. **That's my first point.**

And second point on the values. Values are nice, we talk about values etc. but in reality, values have to be translated to be European directives, regulations, etc. That's the reality of values. The price of the value is what do you do with your money, what do you do with the regulations, etc. It's not just talking. I see a big risk today with what you say about Europe is that, if I want to be very provocative, we transform the EU into "bubble land". I don't know if it's clear enough. So, it's basically we are the country of the bubbles. We have searched for a long while where is the post capitalism. We have found it now. And now we come back to Africa and Latin America and say *"Guys, this is a new law and if you don't like it, we can't provide you with financing, we can't provide you with a number of things."* And this is exactly what is happening today. I'm seeing that in my investment process. In certain cases, I just cannot commit money because it doesn't fit with the EU perspective which doesn't fit where the emerging countries are. So, it's accelerating this fragmentation. So, I think we are at a crucial moment though I agree with Pierre. It's good to talk about values, universalism, etc. and I strongly believe in that but I think we are doing exactly the opposite. Let me just finish with a quote that I like a lot from Marguerite Yourcenar, Belgian writer buried in Maine and in *The Memoirs of Hadrian*, Hadrian is thinking about the future of Rome and he says *"How long can I delay the fall of Rome? How long can I delay the fall of the Empire? This moment when the barbarians far away of the slaves inside will rush on a world where we ask them to respect from far, to serve from below."* And you change Rome with EU or with the western world. That's pretty nice equal with what we are experiencing today. So, on the one hand I fully agree with the values, on the other hand I'm very nervous with that. With Bruno-Marie we had a meeting at the Vatican that Mark Carney quoted in his book *Value(s)* and I remember we spent an hour to see how we can translate "common good" into other languages. We could not with Chinese. We chose "prosperity" or whatever. So, values yes, but when you enter into the details it's pretty tough.

JACQUES DARCY

Can I suggest that before you answer we take a couple of other comments first from Monika and then Sigrid.

MONIKA MAURER

So, I'm Monika Maurer and I'm definitely very much patient and driven about values and how to also lead by example and to show what are the values which are defining my belief and what I'm targeting and driving for. What is for me at the moment the key burning question, where I have absolutely not answer, is when you look at the changes at the moment around us, they have a lot to do with China and therefore I'm extremely concerned by how much the good of technology where we all see the benefits are being misused. When you look also at areas where plenty of these global organizations as you mentioned, are losing influence. So, for me the key burning question is the sense of urgency and how to make sure that with what we believe and what we are striving for, we find the right way of having maximum impact and influence. So, how can we accelerate this process which is absolutely crucial and critical. Especially when you look at the trends which are happening. And many environmental areas where just the opposite is happening at the moment. So that these values and beliefs are more visible and the influence we want to cause is not too slow. Because when you look at, with owning these wonderful new beautiful technologies and how much can you misuse it and so on. We have a strong and great responsibility. Therefore, for me one of the key burning questions is how to make in most impact and effectual and fast. Also, on climate change we have no time to lose.

JACQUES DARCY

Thank you Monika and Sigrid.

SIGRID MARZ

I have two questions. No comments but really questions. One is based on a big ignorance so it may not be the right question. But it is what needs to happen for Africa's leaders to be connected to its people? So that's one question that I have and I think that Europe has a responsibility there. But also, what does have to happen in Africa? The other question that I have is, what do we need to do to take care of solidarity? I think there could be real concrete action related to these questions but from a multilateral, from a national solidarity, what do we need to do to take care of it? And I would be most interested in an answer from a non-European person to get a bit of cultural diversity into the picture.

JACQUES DARCY

Good. And then maybe one last comment and then we'll give you the floor again so you can try to put some sense to all these different questions.

BRUNO-MARIE DUFFÉ

Thank you. I'm Bruno-Marie Duffé. I have been the secretary of the Dicastery in the Vatican for Integral Human Development for 5 years. Listening to this debate about values and references, I remember a seminar we had in the Vatican about this little idea we find in the encyclical *Laudato Si'*. Another paradigm could be possible. We had a reflection about not only value but paradigm. What is a paradigm? It's not only a model but the way to think a model. Paradigm is the structure of our thinking of development. So, my question is, we have a paradigm of development with the central role of market and we have to think a new paradigm or perhaps to try to think a new paradigm of development with what? Perhaps first with our memory. Because when I am in Africa, in Kenya, we spoke about Kenya, when I am in Latin America, I have to consider the experience of the local communities, the experiences of the local economy. Of course, in Amazonia, because we had a very strong and very interesting dialogue with Amazonian people about that. It's very interesting to see what is in our memory there and in Europe also. And it's not only a question of moral value, it's a question of our inspiration. What is in our inspiration to produce, to exchange and to protect also? Because the ecology challenge is not only to produce but also to protect and never one without the other. So, my question is what we can find in our memory to change now our model or paradigm. Is it possible to revisit our memory not only European but all the memories in dialogue in the world. What can we find in this common memory? What kind of values, what kind of priorities, what kind of meaning we find to imagine a very active economy. It was very interesting to have this conference we organized in the Vatican about the role of religions and wisdoms in the sustainable development goals. Because we found that we have to listen the experience of religions, the experience of economic leaders and to link this experience in the local community memory. So, I think that it could be very important to have a reflexion linking values, conviction and possibility of innovation because we cannot innovate, we cannot make new rule, new think and new paradigm without revisiting our memory. That's my reflexion now.

JACQUES DARCY

Thank you. Now we can give you the floor to try to address some of these points.

HARINDER S. KOHLI

Thank you. I think maybe the best way to start is to invite ourselves to think of what has happened in our lives' frames. Let's remind ourselves where we were 60/70 years ago and how far we have come before we get too pessimistic.

75 years ago, almost all emerging markets, except in Latin America, were still under colonial rule and most of Latin America was under dictatorships. Most emerging markets had poverty rates of about 80 % including China and India, the two largest emerging markets. Majority of Indians were really dying from hunger. Most Africans were dying from hunger. Congo, now called DRC had only two people who had gone to graduate school or gone to college. There was Apartheid in South Africa. In the last 70 years, Latin America has gotten rid of all military dictatorships. Billions and billions of people have escaped absolute poverty. Almost every child in emerging markets now has gone to primary school if not more. Except in exceptional cases, people are not dying out of starvation. If anything, obesity is a serious problem. Diabetes is a serious problem which is eating too much sugar. I presented to you figures saying most of East Asia maybe most of Asia will become rich like Southern Europe in the next 40 years. So, just imagine the progress which has been achieved which has never happened in such a short period in history. Medical miracle of finding covid vaccine in 10 months is a record because of technical progress. People who have cellphones in the world is far cry from where we were 70 years ago. I remember I studied in Paris. I worked during the summer in Paris in 1971. It was impossible for people to get a phone line in France, in Paris capital of France. Now, poor villages in Kenya are carrying cellphones. So, there is tremendous progress. So, when we talk about Africa yesterday it's a serious problem which I highlighted but it's just one part of the world. The most populated parts of the world are in Asia. Now we are worried about China becoming the largest economy in the world competing with the US. It's a far cry from where we were 70 years ago. So, I would like us to keep in mind the positive side of the world and not just the pessimistic side. We are at the quarter empty glass case.

Now Sigrid, your question about Africa. I have written two books on Africa. We have a chapter here written by somebody that knows Africa even more than I do. You put your finger to it. There is a distance between African leaders and people. We worked with a panel which is co-chaired by Kofi Annan and Horst Köhler, the former president of Germany who is very passionate about Africa, about long-term future of Africa and their key message was there's a vacuum of political leadership in individual countries in Africa. It's not an economic issue which is an issue but at the end it's the vacuum of political leadership. Where we are coming out a little bit on the positive side, maybe foolish, is the young people, social media and civic groups are the ones who are going to forge change. They are the ones who ultimately forge change with middle class increasing, with urbanization slowly coming. And then, hopefully there'll be some leaders who'll say *"if Morocco can do it, if Rwanda can do it, maybe we can do it."* We all

thought Ethiopia was doing well and then things go bad. But hopefully it's two steps forward and only one step backwards and not three backwards. So, frankly the biggest challenge for the world is Africa because the population is growing and unless there is hope, unless there are more jobs, there's a serious problem not only for African countries but also the world. Our own will is, and I say "our" because people I work with, they know Africa very well and they worked for years in Africa. But it's through our role, the problem that we outline, I would say 80 % of the solutions are at the country level. The solutions lie at the country level. Actions have to be taken by country level, at all levels. Not only by policy leaders, by central banks, by business community, by civic groups. But then, the international community can help, multilateral institutions, bilateral donors, on issues like climate change in terms of providing additional financing. But the work of the world has to be done by the country levels. That's where your point about solidarity comes. It could be by course like yours, it could be the Bank of France, it could be by World Bank, it could be African Development Bank. Solidarity is a big issue. I think there is a legitimate debate between what World Bank said, people talk about it, *"it's difficult to tell people what is good for the world is also good for you so think both yourself and your family as well as a whole and the Planet as a whole."* But it's a heavy lifting. Unfortunately, Mr. Trump started a long trend but it was already there and I think he played with it. But some people have to keep faith and keep working on it in my view. We can't give up. Yes, there are members of European Union somebody said, now it's 7 countries who are very nationalistic and the parties in power very nationalistic. But there is always hope and we have to work on it.

So, your second question. I don't have a good answer. But I would say let's not give up hope on that. I think our Forum is a forum which doesn't think of, by definition, of individual countries. We like to feel that we are thinking of all emerging markets and the world as a whole.

BRUNO BOBONE

Can I just, because it's about Africa. There's one little thing you didn't mention which is the importance of the outside countries paying to the leaders to get economic benefits and this is something that if we don't change, will keep the leaders very much on their own way without linking with the internal reality of the country.

HARINDER S. KOHLI

Yes, you're right. I have two answers to support what you're saying. One, when we did these numbers 4 years ago, the total capital flight in Africa is more than foreign neighbors was about and there are all kind of visible capital flight.

Second, I just finished a book where I talked about Beltran law. Beltran law, where Chinese are investing a lot of money. They are going to have a lot of difficulty recovering because, their projects are not generating cash enough.

ULRICH HEMEL

I think we are here to understand what happens but I think we're also here to look for solutions if I'm not mistaken. I understand our discussion in such a way that really the topic of inequality, the topic of climate and the topic of common values are the most important ones. I remember that in the last few years we had strong movements where we understand, talking now about Germany but also of other countries in Europe, that we cannot solve the climate crisis without considering also the social issues. We have it in Germany with the coal field in Westphalia because of course the coal broker will say *"Well, I understand climate change but please understand it's my work."* So, it's more or less into the drive that you said there. But the topic here is what can we do together and I think we can do something together. That's why I would really like to invite ourselves to focus on tangible solutions. If you talk about alliance of values what does this really mean yes, I understand that. But maybe it means something because if you build a house of values, you are close to building a house of goals and if you build a house of goals and of values, you are close to saying *"This is outside the range, outside the corridor where it's legitimate."* So, there are small actions, biggest actions. Not everything is action. Much more is pull. Much more is what is the goal you're striving for and I would like to come out today, out of this meeting with some tangible goals. Maybe we find something together.

JACQUES DARCY

That's a very good goal for the session. Did we address Monika's comment of technology because I have a sense that the digitalization and data were really facing probably 3 or maybe more but 3 different models on how to deal with data. China is saying *"I want data to control my population."* The US are saying *"I want data to consume."* And we're saying *"I want data to be protective"* which links it to values. But the digitalization has put us, I believe in a situation where it's not a matter of degree. We are facing a real change in even how our children's brains are in 10 or 20 years. So, what did you find when writing and preparing all this book in terms of the impact of technology especially in emerging markets and what can be done better in terms of the use of technology and access to technology?

HARINDER S. KOHLI

Well, I didn't comment on Monika's point because I basically agree with what you said. I also used to go to China,

I even gone there for 3 years because of their policies. I was forced to be a fully invested professor in Beijing but I just can't go there including because the students I'm forced to lecture to, aren't going there physically ever. But what I know is already 3 years ago when I call for a car to take me somewhere, the Chinese know exactly what street I was in and what address I was heading at which worries me tremendously. When I went to Tibet for 4 days, they knew every 20 kilometers where our car was and our guide could not take us anywhere where it was not approved. You can't go off the road. They said *"No, you have to stay there."* And the Chinese knew what restaurant we were allowed to eat or not. So, to me that's a total wrong use of technology and controlling. So, to the extent you ask me the question, I would not like us to use a Chinese model of technology and data. Now, there is a legitimate debate whether the US way of commercializing data, where the Google people are selling our data. Therefore, you got everything free from Google. Worst is the European model. If I had a choice, I'd like to protect my data but that's a big debate between the European Union and the American legislature. What is very dangerous if your data is being sold to all kind of people. That's my view.

MONIKA MAURER

I spent my whole career in a technical evolution and on environment. I'm definitely concerned in terms of do we have enough influence in the sense of when you look at China or Russia or the US and what you see there all the populist misusing data and let's say media in a broader sense, that's where I say we have a tremendous responsibility and are we having enough impact? We see many trends going in the wrong direction. Therefore yes, I believe in technology and I'm fascinated about the opportunity it's creating but we also need to look the other side of the coin and I have no full answer to how to manage.

JACQUES DARCY

And the question is definitely there. I had one more question, but then there are maybe others. One is the issue of quality of income. To what extent can one use it to model, project, build scenarios and so on? The other one is, to what extent do you believe corruption indicators, corruption in a broader sense meaning institutional solidity, quality, adherence to form more values to how they are really at here into our economic daily life? To what extent can you use such data or information in your work? Because again, it's one of the situations where, depending on the level of corruption, the reality can be very different to a same indicator of income. Do you use such data? Do you have access to it? Should UNIPAC actually finance researches that go towards having that data?

HARINDER S. KOHLI

Well, the answer to what you have questioned is partially yes. **On the first one**, there are 3 levels. There is lot of data, including historic data on poverty. The best data comes out of actually Philadelphia. World Bank makes that available. World bank uses that, IMF uses that, reuse that data. You can go back and get the data of beginning 1950, I think. It's updated every year and it's used by most people in the world including World Bank itself for its analysis.

The second is inequality and we use that data for our work and that's Gini coefficient. There is debate which is, should we use Gini coefficient after taxes and transfers, social security and others which is a better indicator and by the way Europe looks much better before transfers than after transfers. But Japan looks worse after transfers because they don't have a good social safety net compared to Europe.

The third is your point about living standards. Lot of people who know right inequality believe that you should look not only at people's income as distinct form. But people think that you should really talk about income because that's what you use to eat and live. But it's important to look at access to health services, educational sector and shelter. Yes, there are some indicators for that but then the problem is you don't have data on that or time for all 196 countries in the world. So, it's difficult to have close country comparison on equal basis but for some countries you have data and we use that data to the extent possible but then you can't build the full story like you can do for poverty. Inequality also, you don't get Gini coefficient after tax and other transfers on inconsistent basis so that's the story on that question.

ULRICH HEMEL

Sorry. May I still interact. I think there is a measure between misery and poverty. First of all, of course you have the community which plays a big role. I have been in Ghana this year. We have a project there and you don't see lot of poverty in the streets over there and it's due to this extended family concept you have in many African countries which by the way the dark side of that is of course what we call corruption. Because if you have a big task in a government, in a company, you have to give everything to everybody and you have to give jobs to people who maybe are not qualified. So, there are positive sides and negative sides. But the point here is if we distinguish between poverty and misery, I think there is something like not being really suffering physical hunger. I think the figure now is 125 million people really suffering physical hunger and many by starvation. This is something we can address. We can address the 2\$ per person issue because you can calculate that and you can find ways and means and say "We, as a global society we guaranty every human

being in this world that at least you have the equivalence of that" and we are not there, neither in Lebanon, nor in Yemen, nor in Somalia, nor in Libya, in many countries. So, I look for something tangible.

HARINDER S. KOHLI

So, I was coming to that. That was going to be my question to you. Before that, on corruption, there are indicators on governance. They are not perfect and one of the indicators on governance has indicators on corruption across countries. The problem with the corruption indicators or governance indicators are, they are based on surveys on perception of corruption. Actually, we're working on a book on governance and one of the chapters of that is on corruption. So, we looked at all the data as you can get on corruption in the world and all of the data that you can get on corruption, including some indicators published by the World Bank, are on perception of corruption. Because you can't get actual data on corruption across countries. And of course, then people challenge. The Chinese say "Your index is wrong, prove it" and you can't prove corruption. So, there is some data but if your associations or organization are interested, it would be very interesting subject to pursue. So, let me come to your point. I think it would be very good to do all a page of project. It could be inequality which is flip side of what you said. It could be 2\$ or it could be that 2\$ for Africa and 5\$ for Latin America. It could be, not all 54 countries in Africa because I think, one will have to take North Africa out because North Africa is a different story than Sub-Saharan Africa. It doesn't have to be all of Latin America. One probably will take Chili out and Uruguay out because they are doing ok. So yes, if you agree, we'd be very interested in something where we can work jointly. We have done work on inequality quite a lot thanks to the encouragement by Michel. This is something he is very passionate about. We think it's a big issue and a very serious issue and if we can make even a modest contribution that would be good. One thing we could do is test the concept that what 2\$ in Africa and something like 5\$ in Latin America will do. And then how would that money be? Where would that money come from? And how would that money be channeled?

Now, if Lula wins for example in Brazil that program of conditional cash transfers, I think will provide. If Lula loses, I don't think Bolsonaro will do it. You know there are practical things. Mexico does it. Actually, Mexico did a thing as well as Brazil if not better. There's a problem in Mexico it's pocket of poverty.

ULRICH HEMEL

It's just a direct point. Of course, you say "Where does it come from?." Here, at least in my mind, I try to connect

the crisis matter with the social matter. So, if we have a world climate fund where we pay for the consumption of carbon dioxide, there would be means in this world social climate fund. It will also contribute to a general idea of justice in the world. It should work. Of course, it should not be corrupted, this would be very nice. But if we connect these two ideas, the social and the ecological, we can win. We can build a future.

JACQUES DARCY

Bruno, we have a question here. Can I suggest that when considering support or involvement from UNIAPAC, there is a very specific thing which is what Bruno Bobone mentioned before which is the entrepreneur has leadership and moral skill. And I think, any involvement ideally would be impersonated, conveyed, lived by entrepreneurs which are very interesting and probably efficient way of importing values concretely. Bruno this is for you again.

BRUNO BOBONE

It's just saying that exactly because the entrepreneur also has the link with most of the people so you can really go through that way. I just wanted to say two things you mentioned that we could take inequality as a project and of course if we are able to develop a project, we will be really pushing for that because I think it's important. Just giving a little answer or trying to answer to Ulrich, I think that we are an entrepreneur organization that means that we will concentrate on what we can do regarding our organization. It was very important to go through all these details, all these areas and you call the attention for the important things and we will go through the book to try to find more and more to understand. But luckily, we have the proposal of the Holy Father to build the Economy of Francis that is based on values, that is based on equality, that is based on taking care of the world, that is based on all the issues that we have this past year. So, we have an opportunity because Pope Francis said this to the world and he has a communication capacity which is very strong. So, the world now understands what is the Economy of Francis. We just have to work on it and to make it happen and to be the communication link between what is decided, what is discussed in the Economy of Francis and to make it in the practice in our companies where we will link with our employees and where we can do really the job. So, we have a fantastic opportunity and I think that this is all to be put in the development of this project so I thank you very much for that and I think that this is probably your best answer. It is tangible to make it happen in your company.

ROBERT J. VITILLO

Thank you. One thing that I found somehow missing, I think you made references to it, with migration and you spoke about when we have such a lower population rate in the North than who are going to be the workers and where they'll be accepted? But I think we have problems right now on that and I can only see them getting worse if we don't start looking at that much more carefully and work toward integrating migrants but also making sure that migration can eventually be a choice rather than being forced. Right now, the statistics show about 100 million forced migrants in the world and I think that's very underestimated. Also, we see a situation where for the past 7 years, the Growth Community committed themselves to protect in a very special way asylum seekers and refugees and yet now many of those countries that sign those documents are externalizing asylum seeking and also are rejecting the refugees especially if they are not of the same color. We have the situation now where Western Europe, the United States and Canada have made special commitments to the Ukrainians but we still have millions and millions of refugees who are waiting for some durable solution but they are not of the same race. So, I think that's another whole area that we need to look at more carefully and also be sure that it will not be creating more inequality and more inequity around the issues of migration.

HARINDER S. KOHLI

You are absolutely right. First acknowledge, I'm not a sociologist or a politician. As you know, two days ago Biden administration announced they are going now to have another exception for the Venezuelans because of the frauds in Venezuela and let's see how that pends out with the congress and especially before the mid-term elections. The Japanese, because their population has been shrinking now for 4 years, they made a very small exception that they let more Philippian nurses in because they need more nurses in the hospitals to take care of the elderly people in addition to robots. The Chinese are at demand but despite their shrinking population they will not allow any foreign nurse to come and live and work in China. I was as you can guess born in India though I live in Washington. I think you referred to a non-European voice. I'll admit I also have a Swiss passport [...] but I only lived 3 months or so, a year in Europe. Having been born in India, I seriously doubt Indians will take more than 100 000/200 000 Africans but their excuse will be "*We still have a growing population*." So, the question really is would Europe take 2/3/4 million people a year from Africa? And ultimately billion people? I doubt it, you know. But my technical answer to you is the study we are quoting, founded by Gates Foundation is the only study I know, unlike the UN, does take into account migration.

But they're basically looking at migration at the top level of the level market. People have PHD and Master's degree and who are asked by Apple or Microsoft to come to the US and Germany is trying to get highly educated people to come. You know the Syrians coming and going to Greece and waiting in a line or to Italy, and I guess now the new Italian government will resist people coming from Libya. It's a very difficult issue and I don't think quarter of Africans will be allowed to go to other countries. I wish they could come but I doubt. But people here from Europe will have a much better sense.

JACQUES DARCY

Thank you. Maybe we have to leave the floor to Michel Camdessus to ask us to go to lunch maybe.

MICHEL CAMDESSUS

Let me tell you something to precise the "*Epilogue*." Harinder, you asked me more or less to see how we could add an extra element of hope to this book and I saw that the only way to do that was to try to quantify the unquantifiable weak forces at work in the world. Well, and then I came to what possibly is not that obvious but I had the privilege to see that in many countries I had to visit with my difficult job in the IMF trying to put on their foot countries which were in total disarray and in working with people in these countries, many countries, I have seen almost in all of them that in observing what was going on at grassroot among the poorest countries, these people between poverty and misery, you could discover formidable forms of energy, of human commitment for the local common good. Analyzing all what these people were doing and providing the world with, at that time I thought that, they were possibly planting the milestones of a new paradigm. I'm happy that I could contribute to the search for a new paradigm, Bruno. And then, another set of weak forces with the potential of reversing the negative trends at work.

Simply, the youth in all countries, and this is what is described in the book by Professor Duta, you find a youth very different from our generation. These young people are much more looking toward the qualitative dimension of life, looking more than we do certainly, taking more distance with which is seen in the world, much more interested in reducing the poverty of course, much more understanding that by sobriety, by coming back to the way of living of our ancestors without going to the 11th century of course. You are seeing that they are more open to sharing the life of the Pope to introducing the search for the common good in looking to the next jobs they will go to. So, if you take all of that together which is unquantifiable of course, which is there. If you see that the generation who will come after us brings these values more faithfully than our generation. You can have slight additional hope if I may say so to the conclusion of the work. And today I am finding, I am discovering that days, a sort of weak force we should take very seriously in consideration particularly when you are contemplating this element of unsustainability in a world where you have at the same time, the tripling of the income and indeed growing inequality even growing much more rapidly than the incomes. And then, I thought that if we see the critical role of entrepreneurs particularly in handling these issues on inequalities, and you see that more entrepreneurs are meaningful of their noble vocation, as you say in UNIAPAC, and if you have more and more people listening Bruno to the message of this worldwide institution, not a European institution indeed, but an institution addressing the world and bringing to the world these values which can lead, inspire the world entrepreneur community. Then, you have of course provided. This can develop indeed from now on, following up on what all there has been watched in the last 40/50 years. I believe that you have there, possibly the extra weak force which can make the difference to make this world a better place for the next generations. Thank you. ★

AFTERNOON SESSION

"SUSTAINABLE ECONOMY, THE TRANSFORMATION OF WORK AND THE IMPACT OF DIGITAL TECHNOLOGIES AND FINANCE FOR THE COMMON GOOD"

PANEL I

"Sustainable Economy, Employment and Decent Work"

Presentation and open discussion moderated by **Msgr. Robert J. Vitillo**, Secretary General of the International Catholic Migration Commission (ICMC).

PANEL II

"Ethical and Sustainable Finance for the Common Good"

Presentation and open discussion moderated by **Paul H. Dembinski**, Director of the Observatoire de la Finance.

PANEL III

"Challenges and Opportunities of Technological Transition and Digital Economy"

Presentation and open discussion moderated by **Ulrich Hemel**, Director of Global Ethics Institute, and President of BKU (Association of Catholic Entrepreneurs BKU, Germany)

UNIAPAC'S XXVII WORLD CONGRESS 20-22 OCTOBER 2022, ROME

"COURAGE TO CHANGE CREATING A NEW ECONOMY FOR THE COMMON GOOD"

INTRODUCTION

UNIAPAC¹ has had an extraordinary path that went over most of the principles and values of the Social Doctrine of the Church which ended, with the magnificent idea of the Holy Father on the Noble Vocation of the Business Leader that is the best definition of the role of the entrepreneur. Now it is the time to prepare us for the noble aim of this Noble Vocation which we all are aware that is the human person. We need a change of the economy which puts the life in the center.

To do this enormous change we do have to reshape our way of working together within our companies, the relations between leaders and employees, the dignified salary, the participation of all in the decisions that affect their lives, the relation with the natural environment, the responsibility towards future generations and finally the great objective of any human being in his or her life which is a path towards happiness and development: "Courage to Change". It is this courage to change that will allow us to truly make the moves that are needed to come to the new way of facing the economic challenges and it is only by changing truly the way of leading our companies that we will be able to achieve that new economy.

Strongly inspired by the CST; UNIAPAC identifies with Pope Francis' message about the role of the entrepreneur in society: *"Business activity is essentially 'a noble vocation, directed to producing wealth and improving our world'. [101] God encourages us to develop the talents he gave us, and he has made our universe one of immense potential. In God's plan, each individual is called to promote his or her own development, [102] and this includes finding the best economic and technological means of multiplying goods and increasing wealth. Business abilities, which are a gift from God, should always be clearly directed to the development of others and to eliminating poverty, especially through the creation of diversified work opportunities."*²

Pope Francis also recall us that a creative way of thinking was needed if we are to emerge from the crisis -pandemic and conflicts- in a resilient and united way. *"An entrepreneur*

*without creativity is not a good entrepreneur. Because he will not know how to value things well and can make disasters. Grow in creativity, don't be afraid. Today we need that. We have all suffered a crisis with COVID. You can't get out of a crisis alone: either we all get out or nobody gets out. And you don't come out of a crisis in the same way: either we come out better or we come out worse. For this the entrepreneurs have work to do."*³

UNIAPAC aspires to be recognized worldwide by its distinct promotion of business as a noble vocation. A vocation that is noble means that we are blessed with something extraordinary, but it also means that we have an enormous responsibility to ensure that our noble vocation will produce noble results. Business fulfills its noble vocation when it is committed to serving the common good and to satisfying human needs with quality. It is the final reason of management to benefit people to develop themselves in a way to achieve happiness and freedom. The purpose of any enterprise is to address real human needs and to create wealth, but it only achieves its final objective when three interdependent activities are considered by businesses: "Good goods"; addressing genuine human need through the creation, development and production of goods and services, "Good work", organizing good and productive work, and "Good wealth"; using resources to create and to share wealth and prosperity in sustainable ways. This wealth is distributed in a way that all involved receive enough to have a dignified life, and of being autonomous, of having freedom to choose, freedom to follow one's life project and make decisions.

The concepts analyzed by the XXVII World Congress of UNIAPAC provide that emphasis of UNIAPAC's call for a personal and collective transformation of entrepreneurs, governments and representatives of civil society in the construction of a more prosperous, fair and inclusive economy considering the critical role that businesses had in preparing a better future.

1. PANEL #1 SUSTAINABLE ECONOMY, EMPLOYMENT AND DECENT WORK

*"The urgent challenge to protect our common home includes a concern to bring the whole human family together to seek a sustainable and integral development, for we know that things can change."*⁴

We have to conceive a sustainable economy as an investment in the future. We need a humanism capable of bringing together ethics with the social, economic, technological and ecological dimensions, contributing

1. UNIAPAC is an international network of Christian entrepreneurs founded in 1931 in Belgium. Supported by its 45 000 members in Asia, Africa, Latin America and Europe, UNIAPAC is structured in a network of national associations and its goal is to promote amongst business leaders the vision and implementation of an economy serving the human person and the Common Good.

2. *Fratelli tutti*, 123.

3. A Message of Pope Francis addressed to UNIAPAC. 5.11.2021.

4. *Laudato si'*, 13.

to peace and sustainable development. We have to look for a balance between embracing technological innovation, growth and wealth creation while at the same time viewing progress within the greater horizon of the common good, human dignity and respect for our common home. Enterprises, as main creators of jobs and growth, have a central role to play in the transition to a sustainable future. Sustainable creation of wealth and just distribution of that wealth among the various stakeholders who directly and indirectly participated in its creation aims to contribute to a society more prosperous, solidary, equitable and fair. The responsibility of the business leader which is critical in the creation and distribution of wealth, in the rational use of natural, financial and technological resources; in the production of goods and services and to offer decent work for the greatest number of people including decent salaries and the provision of social protection measures. The business sector is a key player in the rebuilding of the social contract after the pandemic.

This panel attempts to debate the transformation of work, its challenges and opportunities to reflect on the changing context of labor. It aims to examine the potential impact of transformative forces at work today that could affect the enterprise, entrepreneurship and work of tomorrow, enhancing or compromising the contribution of enterprises to the future of decent work and the common good, in light of *Laudato si'*, the document The Vocation of the Business Leader⁵, and the UN Sustainable Development Goals for 2030, especially Goal #8: *"Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all."*

DECENT WORK

Work represents a fundamental dimension of human existence, as participation not only in the act of creation, but also in that of redemption. Through work, Man develops his skills, applies his intelligence and will. Work is therefore the place par excellence where Man should express and enjoy his dignity. Work is a condition of the common good. A common good understood as the conditions of social life which allow social groups and their individual members' relatively thorough and ready access to their own fulfillment. Human work allows most of the society to obtain the necessary resources to lead a decent life and meet their basic needs, as it is also a service for society in the search for the common good. UNIAPAC fully accepts the challenges that *Laudato si'* proposes to the business world, in particular to aim at full employment in condition of dignity.

UNIAPAC considers the dignity of the person who works a paramount value and we recognize the universal dimension of human work, based on its relational character, being the human person the origin and purpose of work. The driving capacity of a society, and its orientation towards the common good is measured based on the job prospects it can offer, and the business sector has a significant role to contribute to do it.

DIGNIFIED SALARY

The objective of any person is to achieve happiness and the existence of enterprises should be to become a tool to help people to find their way to reach it. This means that we have to understand that/the reason for a company to produce wealth is to distribute it among the people involved in its creation. It is very important to start to speak about a dignified salary as a condition of decent work. A dignified salary means to ensure everyone a salary that allows him to pay for his needs, to pay for his children's education but even more to allow him to invest on his personal development that will insure his own growth towards happiness. Of course, this is only possible when linked with the promotion of productivity and by distributing the benefits of this growth of productivity, to the people involved in its creation.

SOCIAL PROTECTION

The provision of a dignified salary is very important, but it could be also accompanied by social protection measures. UNIAPAC encourages all social partners (governments, private sector, workers and civil society) to create and maintain high levels of social protection in a way which is financially sustainable now and for future generations. Through common efforts social partners should ensure that welfare benefits accompany people in labor market transitions.

SOCIAL DIALOGUE

Social dialogue contributes to create a labour market which is productive, flexible and protective. The relations within the enterprise have to change in order to promote the creation of a team spirit as opposed to the confrontation of managers, entrepreneurs and workers. It is very important to get people involved in the projects in which they work. Christian Business leaders have the responsibility, in cooperation with Governments and civil society, including trade unions, to find common responses to the Global Crisis with a transformative perspective in the promotion of integral ecology and integral human development and to make business activity a noble vocation and build a more just, prosperous and responsible society.

5. *"The Vocation of the Business Leader: A Reflection"*, UNIAPAC and Dicastery for Promoting Integral Human Development, November 2018.

2. PANEL #2

ETHICAL AND SUSTAINABLE FINANCE FOR THE COMMON GOOD

The combination of globalization with its expansion of markets and earnings and new communications and computing technologies has brought the financial sector to great prominence in business. The revenue and profits of the financial sector have become an increasingly large segment of the world-wide economy. Its institutions, instruments and motives are having a significant influence on the operations and understanding of business. The financial sector has given millions of people easier access to credit for consumption and production and has also produced social or ethical funds allowing investors to apply their values in supporting or avoiding certain industries or certain companies.

But despite these positive developments, financialisation can overwhelm the real economy. Indeed, it has contributed to a whole assortment of negative trends and consequences. Ethical investment should be the norm: *“Efforts are needed – and it is essential to say this – not only to create ‘ethical’ sectors or segments of the economy or the world of finance, but to ensure that the whole economy – the whole of finance – is ethical, not merely by virtue of an external label, but by its respect for requirements intrinsic to its very nature.”*⁶ It is therefore gratifying to witness a rise in discussions of sustainability – environmental and social as well as commercial – in the business world.

In a very dynamic economic-financial system, with an extremely rapid pace of change brought by innovation, creativity and instant communications, adequate regulations will tend to lag no matter how quickly they adapt to new circumstances or how rapidly abuses or surpasses become known. Self-regulations based on a principled business performance are of paramount importance in these cases and the ethical conduct of the business leader becomes critical to ensure an unconditional respect of the human dignity. In an increasingly uncertain world, entrepreneurs and investors alike need a beacon to make investment decisions. It is of course a question of studying the risk and the profitability of the opportunity, but today we must go further, by also evaluating the social and environmental impact of this decision. It is an ethical

imperative, informed by the social teaching of the Church.

The ESG (Environmental, Social and Governance) perspective on investing has often challenged the traditional capital market view that a company's sole responsibility is to its shareholders by also seeking to address broader purposes and objectives beyond financial returns. A vision of social impact investment is very important to be analyzed, including the provision of blended finance for development projects in poor countries and societies.

This panel aims at reflecting, exchanging ideas, and sharing of best practices in the field of ESG-guided perspective on investing and experiences in social impact investment to discuss on dilemmas in the field of finance to have a better understanding of choices and decisions aiming at the common good.⁷ The vocation of the human family, inspired in the Christian Social Teaching, entails working for the common good. The financial and economic business leaders – do play a significant role as catalysts of a new social behavior; the way they interact with the existing or new structures becomes critical in shaping actions to the search for the common good.

3. PANEL #3

CHALLENGES AND OPPORTUNITIES OF TECHNOLOGICAL TRANSITION AND DIGITAL ECONOMY⁸

We are living not only an epoch of change but a change of epoch. Digital and technological innovations are creating a huge range of new opportunities. Technology offers instruments to build a better world, but it needs ethical parameters. Not everything that is technically possible is ethically acceptable. Therefore, a basic principle is: *“With great technology comes great responsibility”*. Scientific and technological progress is never an end in itself. It needs to be considered in the light of ethical considerations.⁹

Science and technology have allowed the world to make unprecedented achievements, which are among the greatest of human civilization. These achievements must be defended and appreciated. Nevertheless, they must still be subjected to critical analysis to correct existing imperfections, and to become aware of any risks or to uncover any misuse of its institutions or capabilities of those achievements. It is imperative, therefore, to establish an ethical framework of reference to guide the design, production and use of these technological constructs.

In general terms, the framework of ethical directives should be based on the principles of beneficence (technological constructs should benefit humankind), non-maleficence (the doctrine of first do no harm – technological constructs should not harm people), autonomy (the capacity to make independent and informed decisions on how to interact with a technological construct), and justice (technological constructs should be affordable and their

6. *Caritas in veritate*, 45.

7. See the contribution elaborated by the Secretariat of COMECE: *“A Financial System serving the Common Good in times of Systemic Change”*. Brussels, November 2021.

8. Rolando Medeiros, *New technologies and the noble vocation of the business leader*, 2019.

9. Martin Maier S.J., *Ethics and Sustainability*, EUTEC, Brussels, 2020.

benefits should be fairly distributed). This ethical framework should also be based on respect for basic values as human dignity, equality, justice and equity, non-discrimination, informed consent, private and family life, and data security; as well as on other principles such as non-stigmatization, openness, and individual and social responsibility. We therefore have to define structures and levels of digital responsibility both in the individual life and in society.

The impact of the new industrial revolution (digitalization, artificial intelligence and data flows, cybersecurity, supercomputers, etc.) over many jobs that are currently performed by humans but that will be done by technological constructs, in the near future, is not only predictable but a current reality. The idea of humans being replaced by the latest technological innovation is real; therefore, it should be addressed with urgency and from different angles. On one hand, technological advances cannot be stopped, nor should we try to artificially protect jobs “by decree”. To pursue this misconception would only lead to the loss of competitiveness as well as losing jobs. Moreover, technological innovations also create jobs that force people to use their more human faculties: creativity, intelligence, judgement, leadership, team effort and ethics. On the other hand, work automation could free people from monotonous and routine tasks, allowing them to devote themselves to more meaningful ones. In other cases, it could lead to benefits at an organizational level, such as boosting work safety using robots for dangerous and hazardous tasks currently performed by human beings. The key, then, is not to replace but to adapt the workforce to the new types of work.

Therefore, the greatest challenge is to ensure the employability of those who work. This requires significant efforts in terms of education and training to improve the redistribution of the types of skills that will be needed in the future. It also involves major reforms in the labour market to make it more flexible to allow it to reassign workers to other types of employment. These challenges do not absolve businesses from responsibility. Business has a lot to contribute to the better and greater employability of workers. This is a responsibility business cannot avoid, if it is committed to create and maintain “good work”.

Business can do much more than just contributing to training, preparing and reassigning its workers so that they are able to face the challenges posed by new technologies. The challenge of being “employable” goes beyond constant training and continuous learning of professional skills and competencies. First and foremost, business is a community of people and, as such, a school that teaches a series of human virtues that will become increasingly necessary in the world of labour: solidarity, industriousness, respect, excellence, honesty, justice, etc. Business should make room for the integral human development of those who work in it. At the same time, this development is a great contribution to workers making them better equipped to face the challenges of the new industrial revolution, so that they can take them on with better and greater employability.

This panel aims at reflecting on Technology serving the common good. Personal change, political reforms and technological innovations must come together. Any technological development has to be accompanied by a development in human responsibility, values and conscience. Pope Francis invites to broaden our perspective. We have the freedom needed to put business and technology at the service of another type of progress, one which is healthier, more human, more social, more integral. ★

PANEL I

"SUSTAINABLE ECONOMY, EMPLOYMENT AND DECENT WORK"

PRESENTATION AND OPEN DISCUSSION MODERATED BY **MSGR. ROBERT J. VITILLO**
SECRETARY GENERAL OF THE INTERNATIONAL CATHOLIC MIGRATION COMMISSION (ICMC)

BRUNO BOBONE

We will take again the floor for our meeting. Thank you very much. I would like to start by thanking you for the fantastic morning we had. It was really important. From what I heard during lunch time, everybody was much impressed and occupied in thinking of what you brought us here. I can guaranty you that we are interested in developing something regarding the inequality or the equality which would be even better if we can get there. Honestly, it was fantastic. It was very important for UNIAPAC and it was a moment that we will carry on in our minds. We will work a lot on basis of what we discussed this morning. So, thank you very much once more and thank you for the time. I know that you had a very short sleeping last night because you arrived at 11 o'clock and only got a taxi at 3 o'clock in the morning. It was a terrible thing. So, even for that thank you very much because it's a big effort.

Now, we will start the second part of our meeting which as you know is taking the 3 themes that we are going to have during our Congress in Rome next week. We will start by the first one which is regarding the new way of work and I will give the floor to Robert Vitillo.

ROBERT J. VITILLO

I feel very humble after the excellent presentations that we had and the discussions that we had this morning. So, I will not be giving any kind of presentation. I'm sorry that we did not have this before we started planning this round table discussion for Saturday 22nd of October. The theme of the first round table is "Sustainable Economy, Employment and Decent Work". In order to prepare for this, I asked Rodrigo if we could bring together the people who will be speaking at this round table and we did so last week and we had at least several of us there. One person who could not make that call was Sister Alessandra Smerilli, she is actually Bruno-Marie's successor in the Dicastery for Integral Human Development but she is very aware of the topic and we made some suggestions to her on what we would like her to focus on. I think I should give a little bit of background to this topic since it's very much related to an initiative that's been going on for the past 5 years and which UNIAPAC has been very involved in and made very significant contributions. The title of that initiative is "The Future of Work Labor after *Laudato si'*" so it's after the encyclical of the Holy Father which many people think

is only on the environment or the ecology, which is very important as you reminded us today, but it's much more than that. It really is about integral human development and finding the ways that we can take care of ourselves, respect God who has given us this wonderful creation, respect creation but also respect the relationship that we have with other people as well. We started this initiative based on some earlier meetings that again UNIAPAC was part of. Meetings that we organized in Rome. First under the former Pontifical Council for Justice and Peace and then later under the present Dicastery for Promoting Integral Human Development. The reason why we organized those meetings was that in Geneva the former nuncio, the representative of the Holy Father to the UN in Geneva, is now Cardinal Silvano Tomasi who is now supposed to be retired in Rome but works a great deal. But when he was the nuncio in Geneva, we noted together there were about 30 different international catholic organizations that came each year to the International Labor Conference that the ILO sponsors and they came without really speaking with each other and sometimes they came with different ideologies and didn't want to speak with each other. So, we called them together and spoke with them about how we felt that if we learn to be able to dialogue with each other, then we can have a better impact at the ILO and we have been doing that now so that we prepare together the messages we want to bring to the International Labor Conference each year. We're almost always assured at the Conference that we have at least one joint presentation and then, the different organizations sometimes are able to speak at the Conference on their own as well but we try to focus on the most important points that we can agree on and that we feel we can influence both the entrepreneurs, the labor unions, and the governments in the Agenda of the ILO. I have to say that it's been a very positive and successful effort that we have made.

Out of that, we decided to put together this new initiative and we received some very generous funding from Porticus Germany. That cycle is finished. We are now seeking a second phase and we are looking for funding for that. Paul Dembinski has been a very important player in this as well and also UNIAPAC. My own organization, the International Catholic Migration Commission, has been the kind of manager, the administrator of those funds and shared the fundings with the different organizations. Also, we supervise the person who is the coordinator of this.

We developed 7 different research tracks on the future of work under this initiative.

Paul was chairing one that really was looking at the whole area of work similar to what you mentioned today, Bruno where work is more than this commercial exchange between employer and employee and that work means more than the actual place of employment, but it also should be including one's whole life: the transportation back and forth, the family interactions, the time in the 24 hours of the day that you may not be at work which is more hours than usually you are at work although some of us are not very good on being discrete about that.

There was another track on automation and artificial intelligence and Paul was involved in that as well as a professor at the University of Toronto who worked closely with the Fiat Corporation and looking at their use of what artificial intelligence and the challenges that they face when they try to make the machines do everything and they realize they needed the human still to program those machines.

Our own organization worked on the whole area of migration and work and that was the reason for my question today.

We then also looked at other issues: capacity of building which UNIAPAC did with your own members and also the Caritas Internationalis was part of that track where they were training the Caritas organizations throughout the world to include labor and employment not only in their direct services with people but also in their advocacy agenda.

Out of that, we then brought together all of the different findings that came from those different research tracks and when trying to take a big look at all of that, we put together a final report and we discerned that the constant theme was “*Work is care, care is work*” and not just care-work. I should say that we did most of this work before the pandemic and as we assessed and try to do a final report, we couldn't leave the pandemic aside. Also, the Vatican, the Dicastery, when Bruno-Marie Duffé was still there, asked this “future of work” initiative to analyze the impact of the pandemic on work and workers. So, we did a series of briefing documents every week as the pandemic began to show that impact and to reflect on Catholic social teaching and to look at what the Church's response should be and all of that material was shared with the Holy Father and he shaped a lot of his interventions during the pandemic on some of those findings that we did on work and some other aspects of the pandemic.

So, within all of this, we really saw that the common theme both before and after the pandemic was the idea that care is work and it's not only the caring of people who are sick, or who are in some ways challenged, or the aging populations that we have more and more of in the Western and in the Northern world, but it's also being able to be caring in whatever work we're doing and that all work has to include this element of care beyond simply

this commercial interchange that so often we restrict in and even with all due respect, to the economic aspects of work. So, out of that, I think it was a big motivation for this particular panel discussion. As we looked at this, I suggested to the panelists that we use the Holy Father's words in *Fratelli Tutti*, the other encyclical of the Holy Father where he does talk as Bruno mentioned several times today, and several of you, Mr. Camdessus as well, about business activity is essentially a noble vocation directing to producing wealth and improving our world, a very important part of that. There's a longer quote but I'll just say, at the end of that, the Holy Father says “The right to private property is always accompanied by the primary and prior principle of the subordination of all private property to the universal destination of the Earth's goods and thus the right of all to their use” and I think this very much talks about the inequalities and the inequities that you have studied so carefully and shared with us.

So, I propose first of all that we do this kind of discussion as a conversation and not as a series of presentations. I think most of the panelists agreed to that. One had another aspect and I'll mention that later. I first suggested about 3 different topics but then when I saw that we have only one hour for this and we have about 4 panelists, we probably will stay with two topics.

The first topic is “*What specific practical contributions can be made by entrepreneurs and workers in shaping a sustainable future? What business models are conducive to take in greater account the environment, facilitate sustainable creation of wealth, just distribution of wealth and ensure integral human development?*”. And all these approaches are responsive to current issues like the energy crisis, war, inflation. Now, that could take several days but as we gathered together the panelists, they had different perspectives and I'd like to share those with you.

One Silvia Bulla who is from the International Flavors & Fragrances in Argentina but also worked a great deal in Mexico she told us and other parts of Latin America. She would like to speak about the engagement of Christian business leaders in Argentina and other parts of Latin America to address the increasing poverty in Latin America, the problems of families, assist workers in the informal sector, coach young people to improve their business skills and experiences.

Then, Arturo Zapata from Mexico who is both a professor as well as an entrepreneur, said he was involved in an engagement with a group focusing on “*Empresas e ingresos dignos*” which again was something we talked about this morning, so “*Business and decent salaries*”. He maintains that no one in Mexico should be unable to live as a middle-class person which is very interesting to what you were saying today about the middle class growing. He said that their members are committed to enable their suppliers to

receive payments for goods according to their respective needs for working capital because it talked about how a lot of the big companies are beginning to insist on a very fast payment from the suppliers and that for the big ones it doesn't matter so much, but for the small suppliers that's not possible. So, they are promoting a kind of progressive negotiation for these smaller suppliers to have more time to pay for the goods.

Esther Lynch of ETUC, the European Trade Union Confederation. She mentioned already that the title of the whole Congress is based on an article that Bruno wrote with their director and out of that reflection, she wanted to talk about the need to pay a dignified wage that enables workers to pay for energy, food and family needs, as well as you have a certain level of salary. She talked about the increasing energy cost in Europe as well and in some places in the world where we take almost two months' salary to pay for one month energy bill these days.

Sister Alessandra could not be with us but, I suggested her that she speaks about the role of young people in promoting and putting sustainable development into action, and to report on the recent Economy of Francis that Bruno has talked about as well, and that both my organization and UNIAPAC, have been very much involved with the young people from our own sectors.

So that's the first area and I suggested to them that they speak only for 5 minutes. I'm going to have to be very rigid on this, I know but I'll try my best.

So then, the second question was *“What specific actions can be taken both by the business sector and labor respectively to rebuild the social contract?”* At first, we were going to focus on the social contract in the post pandemic or the current pandemic which is still a pandemic and Mr. Zapata was very thoughtful to say *“Let's not only focus on covid because that would deter us from the bigger reasons why we had this fragmentation.”* And again, I think your research has shown us that this is there for a long time. It's going to be there in the future. We probably will have other pandemics coming very soon and there'll be multiple pandemics. I serve onto expert committees of WHO around the pandemic issue so I know that's what we're expecting. But he said *“Let's look at the causes for this”* and now he and some of you may have different perspectives but, I'm sorry Mr. Camdessus isn't here but, he linked this to the Milton Friedman's encouragement that the responsibility of CEOs is to only increase return on investment and that this led in many ways to neglect of the rights and the needs of the workers. Again, we can probably have a long discussion on that here but that was his point of view. He's done some research on the fragmentation that existed for a long time. So, he wants to present briefly that research and then Esther Lynch will speak about the role of organized labor in repairing

the social contract. Silvia will talk about the companies and business leaders committed to upskill the current workforce. So again, some of what you were saying about will the workers available in the future have the skills but she is talking about a responsibility for us to get them ready with those skills. Then, I asked Sister Alessandra that she highlights the teaching of Pope Francis on going to inclusive development that reaches out to the margins and according to the principle that care is work and work is care. The Holy Father himself spoke about those principles in his address to the International Labor Videoconference in 2021. Then, I hope to open the floor to comments and questions and to have more discussion among the panelists. It's a lot for one hour but that's our goal and I know that I'll probably have to have a bell so I can ring it to warn people. Now, I would be very grateful for any of your reactions or suggestions.

BRUNO BOBONE

Just a short comment. You spoke about the dignified salary somehow because it's something that we've been discussing and as I mentioned before, the dignified salary includes a little bit of this inclusion that is the second question. I don't think the salary is only the value that the people receive because one of the things that I consider fundamental is people have to participate on the decisions that affect their lives so they have to be listened to. The decision has to be taken by the leaders of course, but they have to be part of that decision which means that at least they have to be heard, they have to understand, they have to be integrated on that and I think that is a little bit of the second question in the first question. But beyond that, I think that this will give us a very strong panel and I hope that you reach the questions so that we can get the people to participate also. So, be a little bit strict on the 5 minutes that could be interesting.

ROBERT J. VITILLO

I chaired a round table in the Lisbon meeting and I think I was strict so I'm honored that you would ask me to come back and do this but I will try my best for that. I want to say one thing about the inclusion. I have to tell you, our own organization, right before the pandemic, went through a real financial challenge and I had just come to the organization, I found a situation where there was very little dialogue with the employees. I was very honest and open and really dialogued with them and we had to cut back a lot, both our staffing, this wonderful space that we used to have that's now a third of that space. But I found that because we dialogued, there is a much better spirit even though we are sacrificing a lot.

HARINDER S. KOHLI

I just wanted to put some numbers on the table on your last point about the contract. Just two numbers. When we look at Latin America, but also Africa is even worse, we discovered that roughly 50 % of all workers in Latin America and I guess the number in Africa is about 70 %, work in this so-called informal sector. They don't have formal labor contracts. They can't pay social security. They don't have any other healthcare benefits in most countries including the biggest countries. The report by the Justice Project based in Washington, I can't watch for their numbers therefore in other report we are not using their numbers. They claim that as many as 3.3 billion people in the world work in the informal sector. For Italy, the number is 30 %. Even in Japan the number is 10 %. I can't watch for them, but if the number is 30 % worldwide, therefore 30 % of people have no labor rights. So, it's a big number. So, when you talk about contract it will matter to lots and lots of people. So, informal sector is a big issue and leaving aside the moral side which is even bigger but economically, one of the big issues in terms of looking at the forms from economic and political side in Latin America and in Africa, is what to do with the informal sector? It has fiscal issues. How to provide healthcare? There is actually the plant field that has not labor. How do the big companies compete with these smaller companies? But then, there's a moral side that if you work in the informal sector, the police can exploit you because you have no rights. So, let me just stop there. It's a big issue.

ULRICH HEMEL

I'd like to add some other comments on that. **First of all**, I liked your differentiation with the non-monitoring work because along the last century we have experienced a lot of shifting from, informal work to formal work. When I talk to my German colleagues, I always say *"Does anyone have an apple tree in his garden?"*, of course many of them do have. I say *"Mind the gap, don't eat the apples from your garden because this takes something off the Gross National Product, from the people offering apples in the market because it's informal economy to be honest"*. Of course, it's like kidding. The interesting thing is if you cook a meal in the family, it is non-monitoring work. If you cook a meal from a restaurant, it is monitoring work. This boundary has been shifting in our European societies a lot. For example, if you are my friend and I have some trouble, I discuss with you and later you say *"Give me 100€"*. I say *"What is that? Are you my friend yes, or no?"*. But if I go to a psychologist, it's normal you have to pay that. So, this boundary has been shifting and I find it really good in the sense of an inclusive economy to give dignity to this kind of non-monitoring work. First observation.

The second is, if you talk about dignified salary, I understand that but we have a tendency in these times to give moralizing and ethical content to functional notions which is sometimes good intention, sometimes not completely. If you look at Pope Leo XIII 1891, he simply said *"A worker must be able to live on his salary for himself and his family"*. This is not dignified work, it's simply "to live himself and his family". So, this is a little bit of cautions.

The third one is more in line with what you said Harinder. You have been talking about the informal work which is a big issue but we have also one new kind of new work which is the platform economy where you don't have the employer and the employee but you have the platform, the user of the platform and the service provider of the platform. This can be Uber taxi, this can be digital data typing, this can be a lot of kind of works. What we proposed also on the 3rd Catholic European Social Base in Bratislava, is a social fund where you simply tax the turnover of platforms and say *"A certain percentage. Let me say 10 % goes to a social fund and it will be assigned to the person working on digital work"*. This technically is not really difficult but we need the political will and it's something you can do also in Geneva just for complementing the reach of your panel.

BRUNO BOBONE

May I just take one of the things Ulrich said just about the dignified salary and I agree you will have to define it in a more accurate way. At the moment, we've been in Portugal, I've been discussing this and we achieved this definition: dignified salary is the salary that allows you to pay for your own cost of living, to pay for the education of your children and still remain something for your own development, cultural, professional, social. Beyond that, we have this question of the participation on the decisions. It's part of your salary to be able to participate on the decisions that affect your own way of living or your life. So, it's what we have achieved, it's a proposal.

BRUNO-MARIE DUFFÉ

I prepared some reflection before this meeting and I would like to offer to you these references and questions especially thinking about the Catholic social teaching. Very humbly because I think we need to think again, to think in a new way the sense of the human work and we have to dialogue about that.

3 questions. The first question is inspired by a central argument we find in the catholic social teaching about human work, labor and employment. We have, on this point, in the Catholic social teaching, a permanent reference to the philosophical movement of "personalism" and especially to the contribution of the French philosopher

Emmanuel Mounier. This argument has been presented in the pontifical teaching of St John Paul II, as the “personalist argument” and the Pope Francis add the same reference in *Laudato si'*, n° 124: “*The workers and artisans make an eternal creation*.” It’s a reference of the Bible. It’s in the Book of Sirach. This personalist argument puts in light that, in his job, everyone works for the community and, at the same time, for himself or herself. That is to say that we cannot separate the community dimension and the individual dimension of our labor. It’s not so easy to think that today but that’s the meaning of this personalist reference. Even if we want to work for ourselves without any care of the others. Labor world is an objective solidarity, whatever we think on this point. How it could be possible to rediscover now the complementarity between the economical actors, to encourage the capacities, the talents and to open the minds to the common good. (I think it’s the main and the most difficult question). Future of the planet, future of our humanity before the priority of private benefits. That’s the first question with this reference to the personalist argument.

The second reference, in the catholic social teaching, about “human labor” is what we call, in the catholic social teaching “*the intern parameter*” of the work of the man or the woman. We have this reference in *Laborem exercens*, n°24-26 about the spiritual dimension of human work. This concept of “intern parameter” consists in thinking that each actor of the economy assumes a part of the collective responsibility, according his talents and capacities. This approach of intern parameter calls to consider the capacities of each one in our companies and to call everyone to participate to an economical project. What does it mean to participate? It’s not so easy but it’s very central, very important. But it suggests also that everyone is able to propose, to improve and to better the processes of producing, getting better the products, selling or evaluating the use and the limits of a produced object. In this sense, the human worker cannot be reduced in the process. We are not worker in a process. We need processes of course, but we are not only involved but we can be considered as a co-creator and a co-producer. In the context we are living now, we need all competences and also experiences. Our challenge today perhaps is not to get competences only but to consider also experiences. I say that because a lot of companies already understood that they consider the personal way of candidates and not only the technical capacities. When you ask for a job now, you need to explain your capacities but more and more the company says “*What did you discover in your experience before*.” The question is really what is first in our discernment for the future: the practice of our machines, the knowledge with the machines or the responsibilities we have about production and in production? Here is the

ethical question of the human labor inside the perspective of integral and human development.

The third question I would like to suggest to think, considers the question of development today. It is also about the link between labor, human fraternity and peace. Considering the inspiration of Paul VI’s Encyclical *Populorum progressio* published in 1969, the Pope Francis emphasizes the importance of a human and integral development, not only economic development but human and integral development including economy but also ecology, social challenges and peace that is to say human rights and mutual consideration. So, human and integral development, with its actualization in an integral ecology and a new way for peace, in which economy and ecology are the two main pillars.

Finally, the question is: how can we think the condition of an open world in economy. That’s the question of Fratelli Tutti. Fratelli Tutti distinguishes the closed world and open world in economy and in our daily practices we have in our different activities and companies. These conditions demand to “*think new financial, social and management processes*,” says the Pope Francis, but they cannot be reduced in a producing process. We need to think the different impacts: social, financial and also political impacts of our projects and processes in our activity. The double reference, in the catholic social teaching, to the personalist argument and to the intern parameter, to this capacity to work for the community and the capacity to participate to the responsibility, even if it cannot assume all the reflection on human activity, can support our research in ethics discernment, because it puts in light the necessity of a consideration of the human vocation and the actualization of the master principles of the Catholic social teaching:

- Human dignity and rights which express dignity;
- Subsidiarity which means share responsibility;
- And common good and communion between generations with a special attention to the young and the poor people.

JOSÉ IGNACIO MARISCAL

There was a mention about informal work. We’ve been working in Mexico in this process but 60 % of jobs are informal. About the salaries there, of course they are not controlled by anyone because it’s a personal thing between the one that employs them because they don’t have any contracts or anything. To the conclusion the first thing we have to have, it’s an identity, a digital way of doing it. Because if you don’t have this identity, their anonymity is terrible. You don’t know how to control. You don’t know where people are and this really gets complicated. So, when anonymity is a fact, the first thing you have to have it’s, what we are calling “the human right to have an identity”. So, that’s **the first step**.

The second step if we really want to have formal workers, is that you need a safety net of health system. In Mexico we were advancing in that but the President scraped what we call “popular insurance” that people would go and have some kind of safety nets.

But then, we are convinced that the first thing is to have this identity and then to have a safety net of health system because the most disastrous things that can happen to these people is if they get sick. They go broke. It's a complete disaster. So, we're working on these issues but it's very complicated because political parties don't want people that can be identified. We are trying to pass a law in order to put this on the Constitution but it's been very complicated and we have been fighting for 5 years in order to do that but we can't do it. It's because of political problems in order not to have people identified. I just wanted to mention that.

ROBERT J. VITILLO

Maybe I can just say: in our work during the highest of the pandemic, we did a lot of work with the Universidad Iberoamericana in Puebla and they did much of their contacts and formed a kind of network with the informal sector. During one of the discussions, we were having with them, they were pointing out that in the past many informal workers looked to Europe and North America as the models and yet they were the ones who kept open towards the informal sector during the pandemic lockdowns. So, they realized in many ways that there was a value to their work that people never recognized before. Now it's the challenge of finding the ways to recognize that to give them basic human rights and access to social processes but to see this as a very important sector and yet ensuring the rights. I think it's a big challenge. It's something we have to look at a great deal.

ULRICH HEMEL

If you like, I would like to add that some States, if you think of a person coming from Haiti or from Kirghizstan, you will not automatically think that this is a high performer with billions of dollars in his personal pocket. But if you look at the statistics, you can see that countries like Haiti and Kirghizstan depend in an amount of 30 to 44 % on the remittance, on the transfers from low-paid workers or informal workers from other countries. This of course ranged down a lot in the crisis, in the pandemic. So, it was an indirect effect of the corona crisis to such countries which are generally speaking not really very rich. So, I think it is good to consider that as well just as an additional topic.

ROBERT J. VITILLO

And that effected the sanitary regulations. In Switzerland, they were not letting foreigners in and yet when it came time to pick the fruit, the Kosovans were allowed in once again even though we were locked down in Switzerland.

BRUNO BOBONE

Just a comment, José Ignacio. In the medical area, there is a lot of work being done to guaranty the history of each patient so that we can work on that performance of the assistance to that person. But as we cannot take the person because we cannot violate individuality, they are starting to use blocked chain with systems where they receive the data, they don't show you the person but then, they deliver you the information without sharing. Maybe by using something like this you could overcome the problem of the individual data that you cannot share. I can put you in contact with someone who is working on that area.

JOSÉ IGNACIO MARISCAL

The problem is it has to be a law. The goal is to control the identity one way or another. For example, we have the financial system and they have their own identity system. We have also an institute that runs the elections and they have a lot of information about that with not only digital but also biological ways of control. This has not been able to unify the system in order to have control. Because there are many systems. You can be identified in Mexico in many ways. You have identities for social security, for elections, for political parties and you can identify in many ways. But this is the same problem: you don't have a unified base in order to control the identity of the persons.

BRUNO BOBONE

That is not allowed but you can use systems to give them the option of getting themselves involved in a system where you can pick up the information but not share the information. I don't know if it would fit the needs that you have but they are doing this for the medical side. The hospitals cannot say that Mr. Dembinski has been there with certain illness but on the other hand, they can share with the medical companies...

JOSÉ IGNACIO MARISCAL

There's also a social security in Mexico but that's for the formal workers. The informal workers don't have that system.

BRUNO BOBONE

But if you can guaranty that the information you receive is not possible to connect by anybody to the person then you can take the social security or any system to get involved in that because then they could accept it. I'm not the best person to explain it to you but I know it's going on and I can put you in contact with the people that are working on that.

HARINDER S. KOHLI

In terms again of the contract, part of your question, working on the issue of governance. I think it's very

important for people to have a say how they are governed. So, if you could consider my humble opinion, suggestion, extend the contract to a hook to the values, human rights we talked about in the morning to get people essay in how they are governed which goes to the issue of vote, imperfect all the democracy maybe. If people have a vote. If the politicians know that someday these people are going to vote. Long-term, maybe 50 years from now, we may get the forms and the contract may work.

BRUNO BOBONE

Thank you very much. I will give the floor to Paul. Your turn. ★

PANEL II

"ETHICAL AND SUSTAINABLE FINANCE FOR THE COMMON GOOD"

PRESENTATION AND OPEN DISCUSSION MODERATED BY **PAUL H. DEMBINSKI**,
DIRECTOR OF THE OBSERVATOIRE DE LA FINANCE

PAUL H. DEMBINSKI

Thank you very much for taking the risk of entrusting this second panel to me. I think the order has to be stressed because according to Christian social teaching, priority to work then capital so I think it's important the order is respected. If we look at the 3 or 4 concepts that build up the title of the round table, we have almost everything there. We have ethics, sustainability, finance and the common good. I remember 30 years ago when we started the Observatoire de la Finance in Geneva, we were looking for the title of our review. One of the ideas was to say "Why not put finance and common good together?". Many people around the table were laughing saying "Well, common good is a notion that disappears and will never come back." We insisted and we put it in the title nevertheless. So, common good is coming back in different political discourses with people that understand the rules and those who are less clear about the rules, about the full meaning of it. But I think it's not the moment to discuss what is the proper meaning of common good.

I propose just to start the definition of "finance" which is I think the best one I ever found in the literature coming from a French Finance Professor and Philosopher who says "Finance is trade in promises. We have ethics, we have reality, we have time, we have risk." That's Pierre-Noël Giraud. I like very much this because it shows clearly that finance cannot be disconnected from ethics. This conversation about ethics and finance is not a new one. If we look to the medieval discussions about money and ethics, we find most of the elements that come back today were there: risk, sharing, information, remuneration, asymmetry of understanding, etc. So, we have not much new but we have new technologies, new environment, new regulations. This is something that has to be taken stock of. And we have the question of sustainability. Sustainability is something that was not around 30 years ago, that was not more than 20 years around.

So, "finance serving". The idea is to see how finance can serve the common good, sustainability and in doing it, be ethical. I think the challenge is multiple: being ethical while serving common good, sustainability in other words, by serving real economy. We are 15 years down the financial crisis. We have seen the limits of financial operations, of regulations, of monetary policy, etc. A lot of promises have been formulated, a lot of diagnosis have been formulated but not much has been taken stock of and not many

changes have been introduced in the real life of financial activities. So, I think that we can go on with this kind of general introduction for a long moment but just one figure, because the time is to provide some figures too: according to estimates, in the world there exists about 300 trillion financial assets which means more or less that for every euro or dollar of GDP produced, there is about 5 to 6 units of financial asset circulating around. We have to keep in mind the proportion. Therefore, probably some of you were listening last year at the Glasgow COP26's Declaration of McCartney where is said "130 trillion dollars have been mobilized to serve sustainability." We could have thought that the job is done and there is no room for our discussion in the round table. We learned in the panel that maybe it has been mobilized but not aligned, but not used.

We have a wonderful panel of 4 persons. I was not as successful as Robert to get them all on the same call. Nevertheless, we had 3 different calls. You can discover their background on their CV in the Bio notes that you have received and I thank the organizers to provide them.

We are going to start with the initial because they are coming from 3 very different backgrounds and have different experience. So, we decided to give some time for opening statements of about 8 minutes. I'm a little bit more generous than you Robert but I hope to be as strict as you were in Lisbon.

First, Bertrand Badré will speak. You know Bertrand from his multiple tasks and activities being both a public servant but also a bank errand entrepreneur. He will start saying that we have promised a lot of things after the financial crisis. We have promised a lot of things about sustainable development goals but very little has been done and we are stuck somewhere on the road. What has to be done? It will not be only the ESG as label that we'll change the world. We need more and Bruno-Marie was speaking about change in paradigm. We need a new operating system and this operating system has to come from irregularities but also from intellectual perspectives. So that would be the contribution of Bertrand in the first phase.

Then, will take on Nili Gilbert coming from the US. She is a woman entrepreneur in equity fund but what is interesting, she is chairing the panel of technicians and advisors to the Glasgow Financial Initiative I just mentioned that is federating 500 financial institutions and is pretending to put up the 130 trillion dollars serving the sustainability. She will discuss specifically the climatic issue and relation

to finance. How it works. How it could work. And also, addressing the question of climatic justice and addressing also the protection of communities that are most exposed to climatic risks. So, that would be the second statement. The third statement will come from Jean-Baptiste de Franssu, probably well-known by most of you in this room. He's been the President of the Vatican's Bank for the last 7 or 8 years. He will stress on ethical finance from the perspective of Catholic social teaching or more broadly from Christian social teaching. He will also show and use as examples initiatives in which he is involved but also what the Vatican Bank is trying to do. There is a new investment committee that has been set up and started to operate I think in September 2022. So, I think this is a very important contribution and also for the audience to refresh the principles of Christian social teaching and how they refer to finance, to savings, to decisions, to externalities, to time also.

The last speaker is Roland Decorvet who has industrial background. He has been for 25 years with Nestlé and then he was managing a major charity NGO mercy ship. He was touring Africa with a Hospital Boat for 2 or 3 years with his family and now he is very engaged in agriculture in Africa where he is restructuring factories in order to align them with major development goals but on the other side, he is putting together 100 million investment funds that is going to support these factories. His points are very important for the future of the discussion because he says “We cannot maximize returns we have to cap returns. If you want to produce goods, if you want to have social and environmental impact, we as entrepreneurs have to cap returns and maximize impact”. He also makes another important point: “we have to bring it down to the management level”. He will show how he brings it down to the management level in the middle of African agriculture factories. The last point he says and I think he is very much in line with other speakers in the panel, “We need time. So, we need a committed finance. We cannot be in a volatile financial world; we have to commit to finance”. So, with these 4 introductory speakers, we will go on for transversal issues and I think there are 3 or 4 main questions that we should address and it will be interesting to see how the issues resonate around this table.

First issue. It has to do with how to rewire finance, how to change the paradigm, not only regulatory but also mental and intellectual because that paradigm is half a century old and probably getting more and more rusted and not adapted to the present world.

So, the 3 or 4 fundamental issues are:

- One of the major claims of finance for sustainability is to say that we can simultaneously do well and do good. Is it possible? Is it more than a claim? Can we

substantiate it? In the panel there'll be people that will say “No. *Doing good has a price and we have to be able to pay this price.*” Here was the vocation or the face conceiver, value conceived and I think this is a point that we are going to debate transversally.

- **The other point** we are going to debate transversally is the question of long-term. How to manage in this world accelerating everyday more, more and more hectic? How can we provide long-term. Long-term for sustainability, for personal development of workers and so on. Who has financial assets? Who is able, willing and ready to provide long-term perspectives to the users of finance.
- **The third point** which is maybe a little bit technical is to make a clear distinction between two things. When we use the word “investment”, we use it in two meanings: one is the financial investment buying assets, the other is investment building factories. We use in the two occasions the same word but to mean two totally different things.

When we are in the financial industry and use the word “investment”, people have the impression that buying a share for example of General Motors, they give money to General Motors and then they change the operations of General Motors which is of course not true. But I think this is something that the financial industry is very cautious not to maybe put totally in the open in order not to discourage people investing in ESG Label funds or enterprises.

- **The final point** that we would like to address is the question of risk. We are in a world of radical risk and uncertainty, much more than probabilistic risk assessments. So, this has to be taken into the paradigm. The paradigm has been built in risks and returns when risk was meant to be transformed into probabilities. With radical uncertainty it's not the case anymore. So, part of the paradigm is de facto useless but we still carried on. So, how to rebuild it? Is it possible to bring something instead of this probabilistic assessment of risk? Or does the paradigm need to be changed?
- **The last point** very strongly advocated by Nili Gilbert is the future of blended finance. Finance that combines public money with concessionary lending, with private lending or investment that is a market-related one. So, what are the possibilities of blending this element of financial techniques in order to provide, to answer the challenges of climatic and social justice barely understood. So, this is the sketch. Of course, it's work in progress. I committed to be back after this meeting here in Paris to confirm more or less the articulation of the panel. I'm happy to hear suggestions and reactions to what I just said and tried to summarize.

ALDO FUMAGALLI

May I first comment, Paul. Thank you, a lot. Like in labor, in the last 5 years there was not a lot of evolution in the discussion, I think. Since the Holy Father is really a fan of microcredit and crow-funding and he is coming from a personal experience very successful in Latin America, is there any focus in this part of the presentation about these tools? Can we revert a little bit the way we finance the world? Microcredit are systems devoted to do locally the work that the banks are not able to do and cover the problem we have been highlighting this morning about how to help people to come out from poverty just to make this more amount of money landed and help them to do a start-up very narrow but a very important activity for them.

PAUL H. DEMBINSKI

I think it's an issue that should be raised but I don't see how to brag it to the introduction of the speakers. But I think as they all have a knowledge of developing countries and the real economy from the bottom and related to what has been said about the importance of informality in the previous workshop, I think it's something that could be raised maybe from the audience as a question or a suggestion. Will you be in Rome?

ALDO FUMAGALLI

Yes, I will be.

PAUL H. DEMBINSKI

So, if you could raise this issue because we expect to have about between 30 and 40 minutes for a conversation with the audience.

SIGRID MARZ

Can I make a little objection? From my point of view, if I may say the frauds under the big notion of microcredit, this has been a notion which has been in the public for a long time and I think we need to give it time to cover all the territory. I think the innovation is not there. The innovation of microcredit was extremely important but our today's issue is not there. The microcredit needs time. We are on a trajectory there but I think if we take the discussion back to microcredit, we miss a point because that's not where the innovation lies today.

ULRICH HEMEL

I just want to add a point because it fits perfectly in there about what you said on innovation. I think the impact investing is in a certain way really an innovation because before you said “*Investment means risk and return*,” now

you say “*risk and return on impact*” and this raises really a big question because how to distribute risk and impact? How much are you ready to renounce to a certain return for having an impact? How do you measure the impact? Who decides what? I think this is a humble field also especially for our consideration of Christian social doctrine. I find this is a quite interesting innovation in the financial sector.

BRUNO-MARIE DUFFÉ

I think it's a reflection very important we have to do. To invest is to put money in a project and to trust people who are holding the project. If you don't trust, it's only a movement of money or finance. To trust is to risk trusting and to risk to trust for the future. That's the question about the position of the Pope Francis about finance because he said “*We cannot accept to have a financial system without people, persons and workers*.” I think it's very interesting to have this consideration of risk and future. We invest for the future, that's the definition. But to invest in the future is to believe in people.

ULRICH HEMEL

I understand that and I completely agree. On other hand, we are going then for the technology panel and now today we are discussing about limiting the number operations machine generated in finance. How many? 6 per second? 30 per second? 100 per second? Of course, in the back you have always people but now this is becoming more and more machine routines. So, the matter of trust yes, I believe in that but it's going back.

BRUNO-MARIE DUFFÉ

You have to invest in the new context of technology.

PAUL H. DEMBINSKI

Here, Bruno-Marie you put the finger on the distinction which is critical between the real investment and financial investment. So, people that are performing a financial investment, they have the impression that they contribute to something in the inside but the chain of causality is long and far from certain.

HARINDER S. KOHLI

Two things. First, I was very pleased that you mentioned the word that financial sector is here to serve the real sector and you linked ethics with finance because I think that's something which many people on Wall Street forget about: that they are here to serve the real sector in an ethical way and I hope you'll emphasize that in your introduction. I think the challenge is going to be, and you already mentioned that, how do you get a good

return while you are doing good and the world impact investment is what people are using? But if I may say that, we want to be very positive because the world needs good news but lot of my colleagues, will say the same thing: *“There is lot of liquidity in the world, there is lot of money floating around, there is lack of good bankable projects especially if you want to invest long-term”*. If you add to that ethics or how do you do good and make good return, the Chinese will tell you on their BRI (Belt and Road Initiative), and then work for them even though they are not trying to find good in your sense of ethical way. So, that’s the elephant in the room if I may say so. How do you do things ethically particularly in Sub-Saharan Africa? That’s the challenge.

PAUL H. DEMBINSKI

Thank you very much. I think it’s a very important point. Probably the bank should change also some of the elements of their software. In this sense the bankable projects will become more numerous.

HARINDER S. KOHLI

So, this is the challenge: how do you have a positive story to invest more in an ethical way and tough markets.

BRUNO BOBONE

Harinder, I think that we are lucky because we are Christians. We should be optimistic. We have to be positive. So, he will definitely present a positive project and he will be much more positive in being sure that he will reach it and that is the good thing behind. But I think it’s a very interesting panel. I’m sorry to tell you but I think you have a worse job than Robert in getting your time correct so please make sure that we will do it. I hope that there will still be some time for Aldo to put his question. But I think that you have a very strong theme and it will take a little time so we have to plan it.

PAUL H. DEMBINSKI

But we hope that we’ll have our 30 minutes for general discussion.

BRUNO BOBONE

I think you have two things that are very important to pass. One is the cap for the profitability of the investment. We come back to sharing the result of the noble vocation. Again, it comes to that and that is very important. And the second one is long-term. Long-term is something that we have to introduce in finance because otherwise we will lose it on a daily basis.

PAUL H. DEMBINSKI

And the two points are absolutely necessary to change the paradigm.

BRUNO BOBONE

If you pass that very strongly, we win the thing. Thank you very much.

BRUNO-MARIE DUFFÉ

Just to add. The question of future, the question of hope is the question of long time. Long time is the technical question but as you say, we are Christians, we have to be positive.

If we want to invest that is to say that we have a hope for the future. If we don’t invest, if we prefer the short investment, that means we don’t have a future vision. The question is the vision.

JACQUES DARCY

One question that should be answered on the panels: we are seeing that there is an aging population. Investment is about reprojecting yourself into the future so we’re looking for a huge shifting on how finance operates because more and more we will have to be funding pensions out of each project. So, it’s a huge problem.

BRUNO BOBONE

We have to think about the stupidity of the short-term. Do you want to add something, Paul?

PAUL H. DEMBINSKI

Thank you very much for the comments and they count on the questions coming from the audience about the microcredit. I think it’s very interesting. ★

PANEL III

"CHALLENGES AND OPPORTUNITIES OF TECHNOLOGICAL TRANSITION AND DIGITAL ECONOMY"

PRESENTATION AND OPEN DISCUSSION MODERATED BY **ULRICH HEMEL**
DIRECTOR OF GLOBAL ETHICS INSTITUTE, AND PRESIDENT OF BKU
(ASSOCIATION OF CATHOLIC ENTREPRENEURS BKU, GERMANY)

BRUNO BOBONE

So, we'll have now the last panel. I will give immediately the floor to Ulrich to tell us how is going to happen.

ULRICH HEMEL

First of all, I think the selection of the panels is excellent. This is for Rodrigo and for you of course, because of the different aspects of our life and different areas of application of a new way of the Christian social doctrine. So, what is our Panel? Our Panel is about *"Challenges and Opportunities of Technological Transition and Digital Economy"*. We have been focusing especially on artificial intelligence because this is one of the real major changes we have in this world. We shall start with a short introduction. Here we set the tone, because not everybody in the audience (we have 500 hundred people) knows what is artificial intelligence. The word "artificial" is funny, and the word "intelligence" also is funny because in the end, some people answer with artificial intelligence *"well, some degree of natural human intelligence would be enough"*. Yes, true, but that's where we are. So, we set the tone on saying *"we distinguish strongly between the weak AI, and the strong AI"*, but you see, in the cinema, in the popular literature, the cyborg sends the menace to humans, to mankind, and singularity and all these things, which for all people who are professionally in that field, are not as imminent, because this is of course dreaming, and dreaming in a negative, let me say, in a pessimistic way so to say. But what is true is that we all will live and are living already in a hybrid existence, in a hybrid life. I always say that if we are human beings, we exist three times: one is the way we see each other, physical persons; the second is a with our cellphones, because it is part of my identity, because a lot of information, a lot of personal things are in there; and the third thing is we can remember Mr. Sigmund Freud, we say there is a digital subconscious and a digital unconscious, it is in the cloud, some of that we know, some of that we don't even know. So, we are hybrid already in our way as human beings.

So, what we want to know is how human AI is possible? I personally like very much the idea of the humanistic imperative of digital life, which means to have the key question *"does a digital application promote or put into*

danger human development, human integrity?" This is the major point in here.

So, in the course of the discussion, we shall listen to different perspectives on the matter, having in mind some basic lines of discussion. First of all, *"How will our lives change using AI?"* We have identified some areas; it is not extensive, we have only one hour in the end. And the second is *"How can we take control of AI?"* And *"control of AI"* also means three things: one is individually, as persons; second in a company; and third on a political level in the global society. This is the matter of legislation, and how can we rule this, what is the task of the legislature. In this field, we have already heard today, we have 3 major approaches: one is the commercial approach in the US; one is the state and patronizing approach in China; and one is the cyborg society approach in Europe with some flaws and some challenges. This is the question.

The third question which will be elaborated in the panel is *"What is the value of Christian social doctrine in additional word, in AI trivalent world?"* With other words, is there any sense? If we talk about personality, subsidiarity, solidarity, is there any sense in talking about digital personality, digital subsidiarity and digital solidarity. There is but this is a short introduction to say that. We'll have opening statements of our panel which is really an excellent participation, I think. Generally, we would more or less distribute the roles in such a way: Monika Maurer who is here will be the voice of entrepreneurial practice; we have Jean-Pierre Casey. He will have a look on the philosophical foundations on the digital personality and digital politics. That is his part. And Eric Salobir will take a holistic point of view also taking into account the Cristian values which is also of course a base-lining of what we are doing. Then, we will have one part which is the panel discussion. In this panel discussion we try to deepen these perspectives having in mind that most of the persons in the audience are far from being specialists in technological and AI matters because we have to take into account this reality. Therefore, we want to give room for tangible applications for areas like for example face recognition. Maybe some of you know that in California which has a certain role for the digital world, they have forbidden face recognition in the public space. But if you have face recognition; I'll give you an example. Machine learning means you give a machine some training data and with the training data,

the machine in the end finds out some patterns and with the patterns you find out some results. Now, there are at least two big problems in there. First of all, what is the quality of data; and second, the outcome cannot really be controlled because you do not know what happens in the black box. You know, we all have a black box in here (inside the head) and you cannot really know how thought is being performed. It's a challenge if you look for a society where you need a certain performance. If you take face recognition, you take training data, what they did in a big store in Chicago and you take all these training data and say *“Who goes in a big department store in Chicago? Well, you have white persons, female persons and you have persons typically aged between 30 and 60 as an average.”* So, no wonder this face recognition will have a flaw. If you look at “young-black persons, male persons”, of course, this is typical. So, what happens here? Now the problem is not smaller, it's even bigger. Now you say *“Ah, this is a sort of discrimination due to the quality of the data input.”* But what can we do? We make a trigger; we make an approach. This approach in the industry is called somehow “ethics by design” but it is not easy. Who decides? The programming person? The company? The legislature? The client? And how strong is the impact? Should we say *“Well, this group of people is somehow discriminated anyway so it'll give them more impact.”* Interesting question but who decides? So, this is only **one field of application** which I try to mention that is **the face recognition**.

We have others like the medical application and the genetics, very difficult field. I'll give you also an example. Our eye which is a biological device can be trained. If you are a well-trained radiologist, you can distinguish 15 shades of grey. I know “shades of grey” has some other connotation but in this case, it is 15 shades of grey which can be distinguished by a good radiologist but a good AI with a good training data can distinguish 450 shades. So, what happens? Imagine you are a very well-trained radiologist and you see, I have a picture here; the system proposes that solution but from my experience, I feel probably I think it's not like that. Now, would you dare to say *“I go against the proposal or decision of the machine”* or would you not dare to do so? If you dare to do so, you would be a not so friendly officer from healthcare insurance which says *“Hey, are you crazy? The system proposes that and you did something completely different. You pay or I don't pay you or whatever happens.”* So, we have a lot of social impact of this kind of machine learning because you don't know. What does it mean? Who decides? Human persons or machine. This is the second field: genetics.

The social control of citizens is the third field of application. Big field! You probably know about the social scoring system in China which is very simple. Let me say, you get 500 scoring points. Now, wrong

parking: 5 less. You pay a rent a little bit later: 20 less. You criticize the government: 50 less. The point is, you have a sort of social scoring account. If it goes below a certain threshold and tomorrow you want to book a flight, they will tell you *“Oh sorry, we can't book your flight”* *“Why?”* *“Your score is too low. You are a public danger.”* This is not kidding; it is simply reality. So, social conflicts and social control of citizens are a major impact.

Fourth point. Conflicts and warfare. We have now already drones. You have seen this in this war with Ukraine and Russia. We have also lethal drones which means we have the control in the loop and we have the control out of the loop. So, what does it really mean? Does it mean that we want to accept as a society this kind of weapons? I think that as Christians at least, we should be in favor of a ban to lethal drones without persons deciding. Of course, persons make mistakes but they are countable. This is something which comes in the area of factories called “FACT” which means Fairness Accountability and Transparency. It's one of the fields here.

We are in the entrepreneurial business and of course we also have to discuss about who owns the data. Very big point. I had to advise the digital officer of Volkswagen and I said to him *“Surprise the world. You have been in the press with the frauds scandal at Volkswagen”*. So, surprise the world. Try the digital fairness because digital fairness is what to be expected from companies. If I give my mobility data to a company who owns them really? And if I say *“I want to know where I have been on 22 of April 3 years ago,”* of course this is something I will pay for it. But how can we deal with this? It's an open question. It's an ongoing question. I don't go too deep because we'll be too long. But it's really an important point and I think the take away for companies, for business is try to be a company where people assign to you the digital fairness because the advantage of the concept is something when you act in a credible way, others will say *“Yes, this guy generally speaking is fair”* or *“This company is fair”*. So, digital fairness is something which could be a task aligned with digital subsidiarity. These are some areas of application which we will discuss and of course then, we will have some time for answering questions out of the public. In the final statement, we should ask one really simple thing: *“Where do we find practical signs of hope and where is the space of Cristian faith in the field of artificial intelligence?”* Because of course, we all need some kind of ethical minimum standards in AI and I think it is good that we encourage our audience in this field with a faith-based approach to digital personality, subsidiarity and solidarity. In a very short summary, I don't want to make it too long but I think it's important to have an overview that technology will change our world and we shall have to face the way we treat this kind of changes. Maybe Monika, you want to complement something?

MONIKA MAURER

I think it has a lot to do with what we have also seen in the first panel. Because it's also about getting people involved, creating the awareness and sharing what was the level of how is this substance being trained and is there an involvement or what kind of influence do people have. For me, one of the main points is transparency and the awareness for what are the risks and what is our responsibility in that part.

ULRICH HEMEL

That's by the way the reason why I did not mention specifically the point of digital labor because of course, the discussion is open and we'll have some open questions there. We have a lot of studies on that. If you look at the study of Ryan Osborne, they say 50 % of the labor can be substituted by digitalization but it's not always worthwhile because it maybe sometimes too expensive. On the other hand, also a new labor is being created. You have in this moment a big lack of people trained in all this kind of professions which are new. Online marketing was something which is really relevant today but 20 years ago no one knew about that. All this kind of engineering in the AI field is completely differentiated. There are a lot of jobs being created. What is clear, by the way in line with the Christian social doctrine, is that a lot of learning is required. People have to do the qualification and they have to do an ongoing qualification. This is also something in the field of empowerment that we enrich our capabilities, that we learn something new on the job. Second, it changes the quality of leadership. I just published a book on digital competence in our professions. (It's in German). It's interesting because it means that you have to steer who you are. Normally, these books stay on what is your technical competence: “Yes of course, you know how to switch the bottom.” But the point is, we talk about something, the European Data Digital Charter makes a very simple question: “What do you want to do with data? What should you not do with the data. What can you do with the data?”. So, it's a very simple way of presenting things but it's important because it means that we have beneath the control of our navigation in the digital space and this starts from “Who are you?” so from some ethical consciousness. This is the simply idea behind but it's something where we try to find a balance between encouraging people and creating the awareness: “This is a reality that if you don't take care, it can be overwhelmingly dark.” It can be dark because maybe I mentioned that: we have the dark net. In the beginning, the dark net was something against the control by the state but later on it was simply the market place for arms smuggling, human trafficking, slavery and all things that we do not like as a society. This is a huge gap now between what happens in the real world and where is the legislature. So, we have to feel that gap. A sign of

hope for me is that the European Union, with a high-level expert group on AI really has tried to do something. We have now a sort of “a list of first criteria.” For you and me, it's very superficial, to be honest. But at least, it's some risk classes. You have risk class 1, class 2, class 3, class 4. This is their categories and you have at least a first orientation on that field. The interesting thing is that this kind of new legislation spreads among the world because if you are an American company at least you have to obey. If you are based in Europe you have to obey the European laws. And there are further things where we can go ahead but I don't know if we'll go that far in the discussion because we have very strong people also on the panel.

For example, one of the things I would like to see also from the Vatican is the idea of an International Digital Court of Justice because if you are a citizen of Venezuela, where are your digital rights? You know that there has been a new President elected by the Parliament but he could not take power because they are very good in one thing which is the “digital blocking.” In Venezuela, the authorities are perfect in digital blocking so if people gather for a manifestation on Facebook or whatever, they are good in recognizing that and in storing this. So, they could not do it. So, “*this impairs my digital rights and my human rights but where should I go? To a Court in Venezuela? No chance!*” I need an International Digital Court of Justice but this is something new for the future. Now in this case is simply seeing how we can go ahead in the digital world.

MONIKA MAURER

And we need to be aware that we are just at the very beginning. It's now touching and it's becoming more and more complex. We also started a bit to touch the environment of art. What is art in the future? Because you have so-called AI machines drawing paintings which you hardly can recognize that it's done by a machine. So, you come back to what is maybe behind and what was the intention of this art, a machine can hardly decide. Our whole environment, life and everything will soon or later be completely influenced and driven and we need to be aware.

ULRICH HEMEL

Monika, this is exactly the point where I think that personality as part of Christian social doctrine is so important. It's a fundamental difference. In my other book which is “*Critique of Digital Reason*” translated into Spanish, I made a case of an 87-year-old person in a residence of old aged people and this guy eats a piece of chocolate. This is a very simple case. But in this case, you have a robot observing this and the person is diabetic. So, what happens? The robot observes that. Will the data be transmitted to the nursing personnel and they come

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and say “*You should not eat chocolate.*” Or is he able to switch off the bottom and then eat his chocolate? Or would you say “*An 87-year-old person is not allowed to eat chocolate. This is bad for his health.*” So, very simple question. And who is responsible? The person putting the machine there? The programmer? The company? The legislature? So, we are coming into a big field of human implications and where we need also our social philosophy. For me, this is a discovery to say that our Christian social doctrine helps really to find a path into a humanistic approach. That’s why I say “*The humanistic imperative is try to find out designated digital application and then promote human integrity, human dignity and human development.*” This is an interesting point. It’s look and discuss “yes or no” but it is at least an orientation.

MONIKA MAURER

And coming back to hope, here we have a field where we have to influence a lot, where we also have the opportunity and the chance and where we have a major role to play.

BRUNO BOBONE

Very good. I don’t know if someone wants to share something? Yes, Sigrid.

SIGRID MARZ

I can only add a legal perspective. At some stage, I had listened to a conference of the President of the Supreme Court in Belgium. He was asking the question: “*Should the human person have a right to be judged by a human person?*” Because there is also a lot of artificial intelligence coming into the Court rule. It was a major question for him. Should a human person be judged by a human being or for example, could small offences in Civil Court be dealt by software.

MONIKA MAURER

Which is already the case.

SIGRID MARZ

Exactly. So, for him that was a key question.

ULRICH HEMEL

Now of course, there are also some philosophical ideas behind that. I take the example of the department store with the face recognition. Of course, you can only learn from faces you see. If tomorrow there are other faces, this is tomorrow not today. So, this means the machine learning only has a time horizon until now whereas human beings are different. Human beings have something, they

have their identity. First of all, we have a memory. We remember yesterday life has been different, our youth has been like that. Second thing is we know that the other person also has a memory. So, we are much more complex in that sense so the self-consciousness is there. Then, we have the horizon, we know people will be there after us, we know there will be surprises in life. The simple test question is “*Will there be any company or any State to program a contradictory AI?*” Probably the answer would be no. That’s why I like the discussion. The point here is what is contradictory? If you look at human beings, you say “*Human beings are all contradictory*” but if you look at the other side, of course you can do the parameterization like that and you can say “*This seems to be a contradiction but it is simply management by exception*” and you go deeper but it will be expensive. This is how it is.

BRUNO BOBONE

We are already having the discussion on the panel.

ULRICH HEMEL

I think it’s an important point to understand this difference because human beings have the ability to be flexible in different situations and in situations which present you surprises in life. For the surprises, I guess the machine learning is less suitable. This is my point of view.

MONIKA MAURER

I mean it’s always as good as the training period and the data used during that phase but we need to be aware that the level of complexity in what is under development is getting more and more and higher and higher and tremendous. Therefore, it’s very hard to understand all that and even anticipate what could be a conclusion made by AI.

BRUNO BOBONE

Based on the example, I think you will have a difficult time managing the time on the discussion. But it’s quite interesting. It was a kind of scientific fiction for UNIAPAC in a few minutes and the most interesting thing was to humanize scientific fiction and that is the important thing. It was quite interesting to listen to you.

MONIKA MAURER

It’s not fiction.

BRUNO BOBONE

No, it’s not fiction but it’s going on.

BRUNO-MARIE DUFFÉ

Preparing some reflection, I rediscovered my paper I gave for a time with OPTIC. OPTIC is a foundation here in Paris about new technology with Eric Salobir. I'll just give something very quickly. An introduction to say: Some scientific and technician repeat that we are the very actors of the sciences and we give to the technologies the dimension we want. Perhaps it is right but our way to think is changing for the basic convictions we received must be reconsidered day after day. These foundations are touched by the information. Information, conviction, foundation and references are moving.

From this approach, we can suggest to think about three questions that some people can consider as metaphysic or ethical questions.

The first question is: *“What is to know? Who is the subject and what is the object of our knowledges?”* This question joined another one which is the first question of the Ethics according to the philosopher Emmanuel Kant: *“What can we know?”*. More and more it's the machine which answers especially with the algorithm system.

The second question is the essential question of time. *“If all is changing, how can we remember (the question of memory that we've already touched), how can we believe, what do we have to keep in our memory and what is finally passed?”* (What belongs to the past). The question of “memory” and the status of “conviction” are in the heart of our technologies and in our reflection on human freedom. Emmanuel Kant has a second question, in his Ethics: *“What can we do?”*

The third question is the question of truth and becoming. If the last event leads us to forget what we discovered before and what we had in our memory, how is it possible to hope. Hope and memory seem to be in an essential link. Emmanuel Kant asks: *“What may we hope?”*

To know, to do, to hope. It's very interesting.

Very quickly, I'm very moved by the reflection the Pope Benedict XVI gave in *Deus caritas es* when he said: *“The logos made us subjects in dia-logos.”* We receive the logos to be in dialogue, to be “dia-logos” beings. This dialogue appears as the condition to maintain a community with actors in our world. **The question becomes:** *“What are the conditions of dialogue today in our world?”* Not only to share information. Yes, we share many information always along the time.

The second question about time: we could say that the new technologies make us in the same time, when we share information at a same moment. But we understand that this speed of information amplifies the differences and inequalities between people who can receive and send information and people who have not means to do that. So, inequalities are completely at the center of

the ethical debate about new technologies. So, time is not only the law of efficiency, it is the new element of difference between people and between social groups. So, we can develop the educational program to use the new technologies and especially the information and communication means. But also, what about the will to open the way of human solidarities? I remember the testimony of a young from Amazonia for the Synod about Amazonia in Roma. He said: *“You have many information. You speak very quickly. In our community, we begin with silence.”* And I said: *“What do you listen in silence?”* *“We listen to the trees, to the wind and to the blow and the breath of the person just near us. We begin with silence to listen to the other.”*

Third question about the question of truth and hope, in this special context: we could say that each great scientific and technic path in our human history can appear as a new beginning in our consideration of human condition. Perhaps the new characteristic of this context is the possibility for the machine to organize and to think the information, very more quickly than before, particularly with the algorithm system. That gives us a new “épistémè” (as said by a professor of philosophy), a new approach understanding realities and building synthesis of our interpretations. More and more synthesis but losing some details of our story and history. This problematic of “technologic truth” and “human responsibility is amplified with the capacities we have now to change and amplify the capacities of the human body. Because in the new technology, we have not only technology to share information but also technology to amplify or to put new capacities in the human body. It is clear that the capacity of our body to collect and to connect information, opens a new scientific age, in the medicine works (I had a job in a hospital during 10 years and I saw that very concretely) as well in the capacities to prevent diseases or new sanitary crisis.

The question we have now is to clarify what is becoming our human biology and the consideration of biodiversity in this context or “bio-complementarity”.

I think that biodiversity is bio-complementarity. It's another debate.

But most of all, the question is now and for tomorrow: *“Who is a human being? Who? and not only what. What can I say? What can I know? What can I give? What can I explain? Who is a human being? And which is the role of each human being in the community of the living beings?”*

With all that, I think we are completely in Silicon Valley's laboratories. They are working with that.

ULRICH HEMEL

I think we go beyond Silicon Valley because it has a very technological and functional view of the human person

and in their so-called super-intelligence. There's a company called Rayon-X. If you have Rayon-X you can freeze yourself and then, the order is after 50 years/200 years unfreeze me because then I have more or less eternal life. There's another function like uploading your brain. It's really discussed but if you upload my brain right now, what happens about whatever I think in 5 minutes, whatever happens to me in 5 minutes, in 5 hours, in 5 years? So, it's a little bit different. But let me answer a little bit because I think this is a good start. This is not the panel this is now a dialogue on that but I think it's good for us to prepare to this field.

Your first question was “to know” and I think this *epistémè*s stuff is really important and it is something we have to learn also from our cultures. Because we have something like a framing. We have a situation which we frame, something which comes into our minds, which comes into our being. For example, nobody expects that now somebody takes a gun and shoots. No, you would not expect that he shoots you, I would not expect that he shoots me because that's not the situation. Our framing is a peaceful and interesting meeting here but it's a framing. Maybe it's wrong, probably not but it's really important to understand the framing right from the beginning. And this is something which has been strongly discussed in the industry which is called “ethics by design”. But it's really difficult with this “ethics by design” and it's not easy for a programming person, an engineer. I discussed with engineers. My first quote is always *“Look, as an engineer you have a problem here and you look for a solution and then you have a path from the problem to the solution.”* This is the way of the engineer. If you look at the philosopher or the theologian, the situation is completely different. You find any solution to a problem and they are professional and their way is to find 5 problems more at least. So, this is confusing. It is completely two different roles. So, I think the conscient approach to that is good but it's not sufficient. What we need now today is what I call “ethics in balance” which means find a balance between the personal responsibility and the social consequences. This is the balance we need.

So, this is one first thing: the framing.

The second is: how can we remember? I think this is key because the human person has a self-consciousness and you have been talking about memory and identity and I think it is from our ability to have a self-reflection that we can go into a dialogue. A machine will not go into a dialogue, it will go into a digital learning process which really is a pattern recognition process with some outcomes, with input, output and so on. It's complex but it's not difficult in that sense. Human beings really are difficult because we are much more like, if I may take this comparison, like quantic computers where you have one state and next one you have one state and 20 possible others. The point is,

we human beings we are, even in our self-consciousness, we are layered. For example, now we all feel that we have been eating something. So, I guess nobody has big hunger in this moment. We also feel: it's not early morning, it's already afternoon. We don't talk about that but it's concomitant, it's part of our identity. And the second thing is, with these different layers we are open for dialogue.

With my students I always say: *“Make a test: if you go into a meeting, I know exactly what is your opinion after the meeting. But if you go into a meeting and you don't know what is your meaning because you learn something.”* This is human learning. Human learning is different from computer learning because our human learning is reconnecting things. It is not simply the outcome. We have to understand that there are different ways of learning: learning 1, 2, 3. I don't want to go to details but this is a real difference. People are scared sometimes so this is the main important point. What can we do?

I think one point which is also important for us as a Christian community is digital participation and digital literacy. Digital literacy is that we have to learn. Digital participation (you talked about that) is that we have to avoid this kind of digital divide, exclusion and so on. It really means that we have to learn who are we? What do we want? What can we do? What should we do? What should we not do? This is a learning process and a typical learning process also for the young people.

Then, another point which we did not mention but I think is also important in this field is the ecological burden. In this moment we have 8 to 10 % of the energy worldwide being consumed by digital world. Talking to young people, I tell them that live streaming consumes more energy than all flights in the world together. They say *“Well yeah but it's 1.5 % of the energy.”* So, we have really a big challenge on that.

And your last point was the human body which I think is really a relevant point because we are as human beings (this is also Christian social doctrine) a unity of body, soul, and spirit if you put it like that in these terms. It's interesting because we have a notion of who are. A machine does not have the notion. It can emulate the notion; it can be a fictitious other person. Of course, we have funny things. For example, in Japan you have the so-called “Solo wedding”. What is that? People living in the digital world and they understand that nobody is so perfect as they like to have a partner so they marry themselves and there are even agencies where you can go and you marry yourself. It's not really fun, I think but it's a reality. There are of course pathologies of the digital world but the point is what I find so interesting in discovering that we have a new way of rediscovering our Christian heritage but you must put that into language, you must put that into practice. This is why I'm happy, Bruno that we can do this panel in Rome. ★

CLOSING REMARKS

BY **BRUNO BOBONE**
PRESIDENT OF UNIAPAC

Thank you very much. We will stop here otherwise we will have the conclusions of the panel already today. Thank you very much. I think it was a fantastic day. I thank each one of you very much. I think it's a very strong moment for UNIAPAC but it means that UNIAPAC has also a reason to exist, that we have a fantastic opportunity now and that we have to play our role and be able to achieve the objectives that we have. It's a very strong moment. To finalize, the proposal of the Economy of

Francis is definitely the way for UNIAPAC. We have that opportunity. We should be able to do it. We will work on this in the Congress in Rome. Thank you also for your support for that Congress. A Congress where we will have around 550 people which I think it's quite interesting and that means that people are willing to get together and entrepreneurs are willing to find the spiritual approach for their lives. So, I think that this is all very positive and I'm quite optimistic, which I am always in any case. Thank you very much. ★

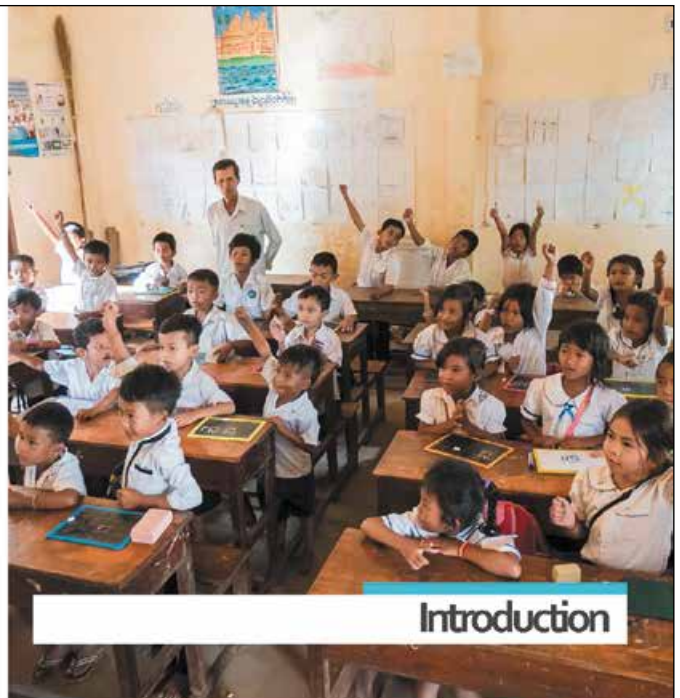
ANNEX

TEN GLOBAL MEGATRENDS

Harinder S. KOHLI



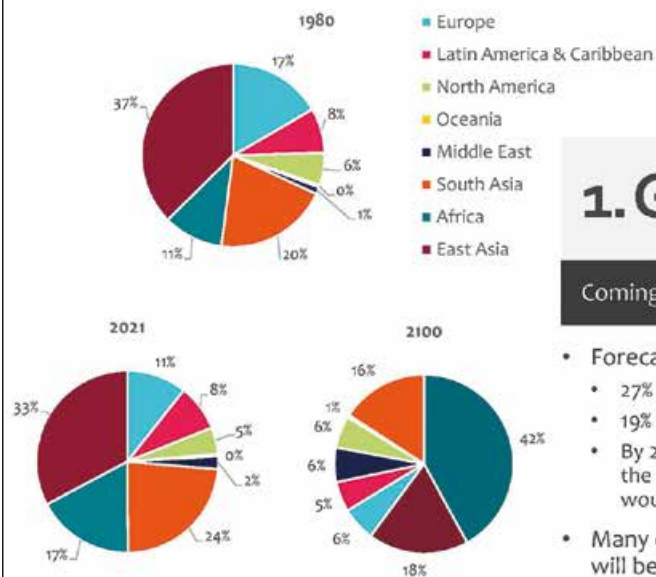
- Most countries and regions are increasingly influenced by similar, if not the same, long-term megatrends
- These megatrends, when combined with certain key domestic factors (like the quality and effectiveness of domestic institutions, governance, infrastructure, business climate as well as political leadership), are expected to be the key determinants of economies worldwide
- This presentation highlights ten global megatrends that are critical to the long-term prospects of emerging market economies



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2

Share of World Population



1. Global Population Trends

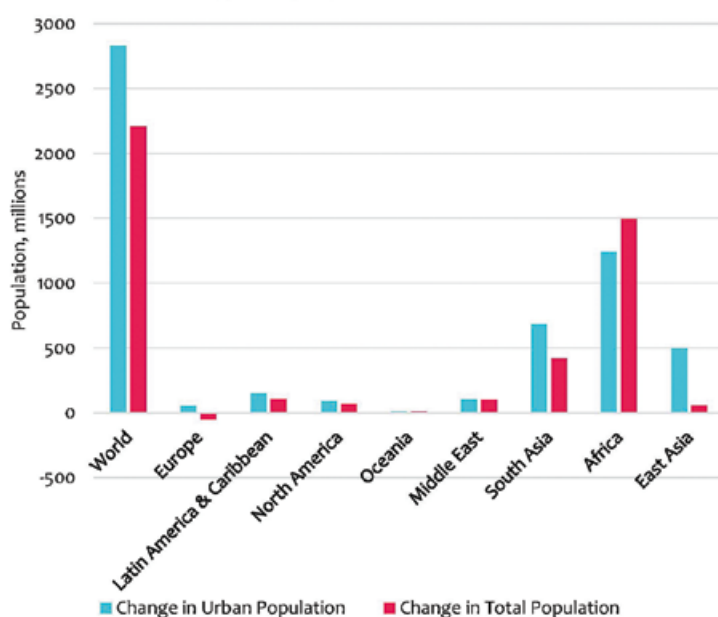
Coming Peaking of Global Population except for Africa

- Forecasts predict global population to peak in 2064 at 9.63 billion
- 27% percent of total will be 65 years or older by 2100
- 19% percent younger than 20 years by 2100
- By 2050 the total fertility rate in as many as 151 countries will be below the replacement level (2.1); by year 2100 the number of such countries would rise to 183
- Many countries will see a dramatic decline in population. Africa will be the only region still with a growing and young population

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Change in population 2021-2060



- Most of the world's population (4.36 billion or 56 percent) lives in urban areas.
- Latin America is now the most urbanized region of the world after Europe and North America, followed by the Middle East and East Asia. South Asia and Sub-Saharan Africa are still mostly rural.
- By 2060 global urban population is projected to rise to 7.25 billion (72 percent of total). As much as 78.6 percent of this increase in global urban population will occur in sub-Saharan Africa, South Asia, and East Asia

2. Urbanization

A Fast-Urbanizing world as Asia and Africa catch up with others

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Share of middle- and upper-class population in 2060



3. Middle and Consumer Classes

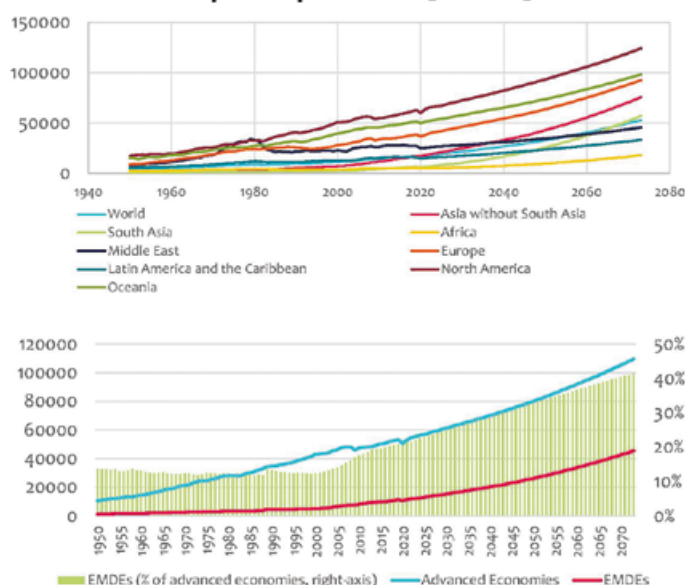
RAPID RISE OF THE MIDDLE CLASS—COMING DOMINANCE OF CONSUMER CLASSES

- In 2022 a majority of world population would be either middle class or higher, as defined by World Bank (income p.c. > \$1,036)
- By 2060, 80 percent of world population will be either middle-class or upper income (4 billion more people would join this group, almost exclusively in the EMDEs)
- In addition to North America, Europe, and Oceania, East Asia too will have almost all its population in the ranks of middle-class and upper income (measured by current international standards)
- Africa is a major exception to the anticipated prosperity and will still have lots of poor even in 2060

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GDP per capita PPP [2018\$]



- Inter-country inequalities have been gradually decreasing in recent decades due to higher per capita GDP growth of EMDEs relative to AEs
- Most EMDEs by 2060 will continue to converge with the AEs and combined with their slowing population growth rates, their per capita incomes will continue to catch up with wealthier countries
- Although inter-country inequities become less pronounced, intra-country inequality has been rising since the 1980s (in EMDEs and AEs) and has worsened since the pandemic

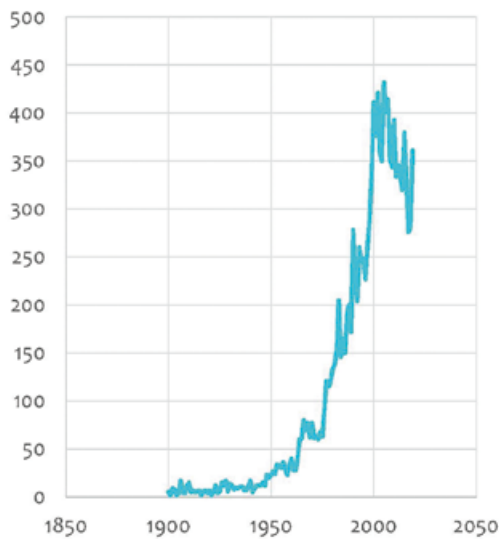
4. Inequality & Inequities

Decreasing inter-country inequalities vs increasing intra-country inequalities

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Number of disasters
(EMDAT 2020)



5. Climate Change

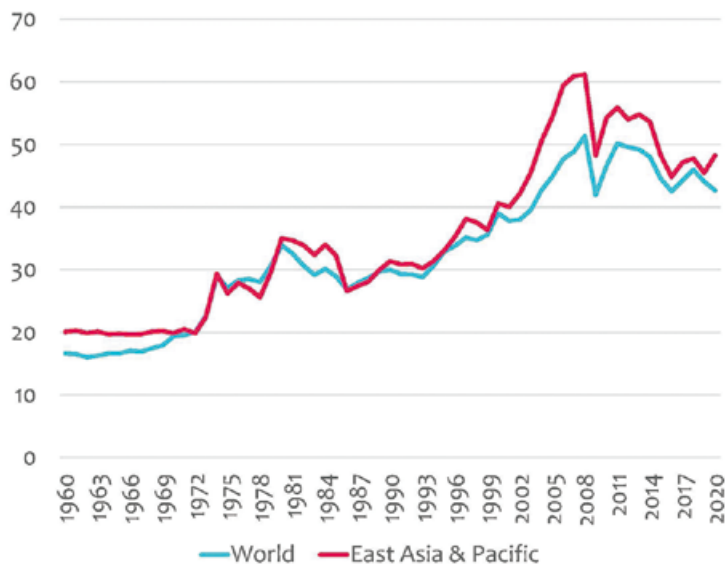
The time to act is now... locally, nationally, and globally

- The 6th IPCC report has warned that the planet is on a trajectory to warm by 1.5 degree Celsius by 2040 (almost every human being is likely to be adversely affected by more frequent extreme weather events)
- Of the top-10 countries ranked highest on the Global Climate Risk Index 2021, 1 three are in Asia, five in SSA, and two in LAC
- A rise in global temperature of 2 degree Celsius is projected to lead to a rise in sea levels of 50 to 100 centimeters, directly impacting between 190 and 480 million
- Ongoing changes in climate could have a major adverse impact on agriculture and food production as well as rural employment

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Merchandise trade (% of GDP)



- Merchandise trade as a share of world GDP rose from 17% in 1960 to 44% in 2019
- Increased globalization of trade, investment, and capital flows, led to higher global growth rates, and benefited most countries and consumers as well as led to major reductions in poverty worldwide
- Recently, there has been a backlash against globalization, particularly in many G7 countries

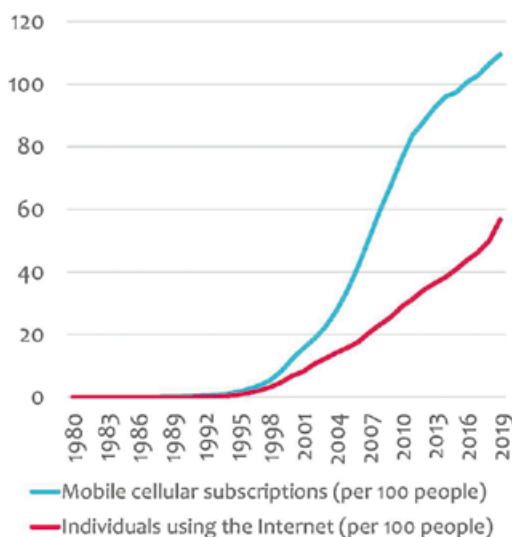
6. International Trade

International trade and changes in value chains: A less globalized world?

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Mobile cellular subscriptions, and internet users



7. Technological Progress

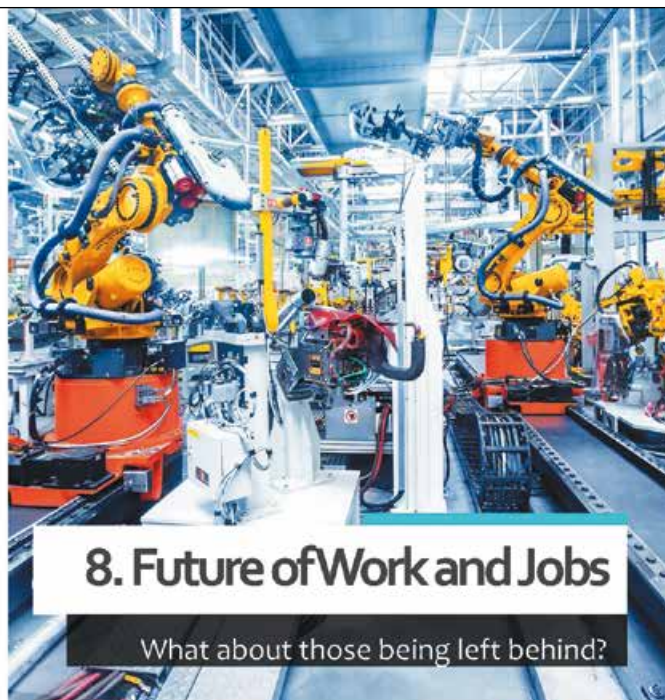
Potential solutions to the world's evolving challenges

- Technological breakthroughs have the potential to help the world tackle current and future global challenges. Examples of technological progress include:
 - Information technology: every 18 months, technical progress has doubled the speed of microprocessors.
 - Mobile internet: It is estimated that in 2020 some 85 percent of people in the world had access to mobile internet.
 - Automation of work and artificial intelligence: By 2050, computers will be able to perform tasks today typically considered 'human' – such as complex analyses, subtle judgments, and creative problem solving.
 - Green Technologies: Globally, 260 gigawatts of renewable energy capacity were added in 2020. More than 80% of all new electricity capacity added that year was renewables, with solar and wind accounting for 91% of new renewables.

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- The pandemic could induce significant and potentially lasting behavioral changes – location of work, use of distance education, e-commerce, etc. – with permanent transformation of work patterns, service delivery, and cities
- The pace of technological change is accelerating, and creating new opportunities in terms of new products and services, leading to the creation of new jobs
- At the same time, many traditional jobs in agriculture, labor intensive manufacturing and even today's services sector (e.g., tedious office work, accounting, health care) will gradually disappear.
- Some people and regions will be left behind. Sub-Saharan Africa would be at particular risk in this transformation of the jobs landscape unless they urgently take steps to remedy shortcomings in two crucial areas: (1) human capital and (2) access to fast internet and computers to all students



8. Future of Work and Jobs

What about those being left behind?

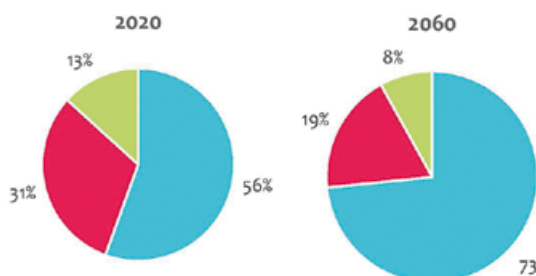
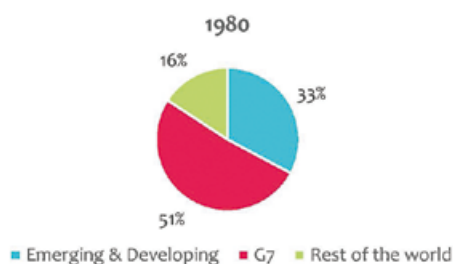
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- Global community's response to calls for equitable distribution of vaccines to contain COVID-19 is a prime example of the breakdown of international cooperation and solidarity in times of global crises.
- The effectiveness the global multilateral organizations (the UN system, the EU, NATO, the IMF, World Bank, and IFIs, WHO, WTO, etc.), both individually and as a group, has slowly deteriorated in the past few decades
- There has been a proliferation of multilateral institutions (AIIB, NDB), as legacy organizations (IMF, World Bank, WTO, WHO, UNEP, etc.) have not evolved fast enough to reflect the new distribution of economic power in the world
- China is emphasizing the superiority of its development model (a dominant role for the state) at a time when liberal democracies are struggling
- The COVID-19 pandemic crisis and threats from climate change both represent global phenomenon that demand a global and coordinated response



Global Share of GDP



10. Global Economy

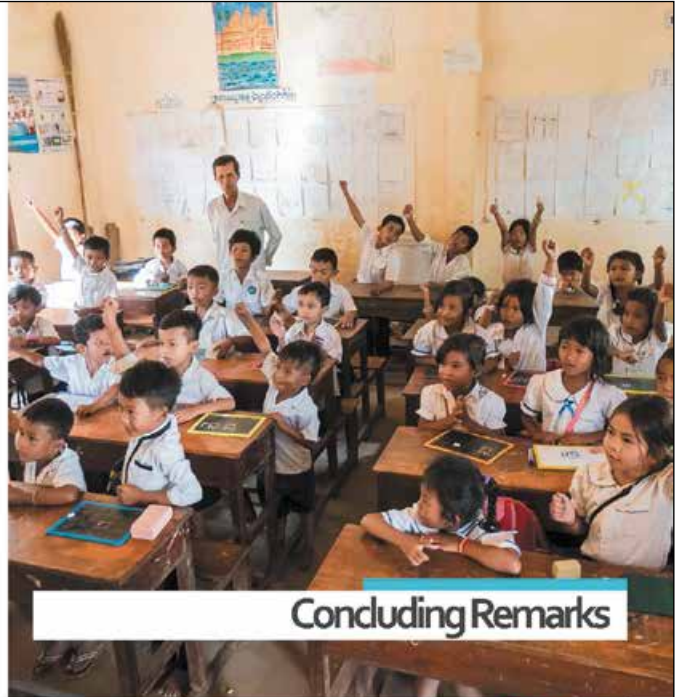
Transformation of the global economy: Rise of the emerging economies

- Absolute size of global economy would reach US\$409 trillion (in 2018 prices) in PPP terms and \$276 in market exchange terms, compared to \$128 trillion and \$82 trillion, respectively, in 2020
- Average global per capita income could reach \$41,000 in PPP terms and \$28,700 in market exchange rates, compared to \$16,600 and \$12,200, respectively, today
- The structure of the global economy will see enormous shifts with the center of gravity of the world economy gradually moving to the Indo-Pacific region (East and South Asia).

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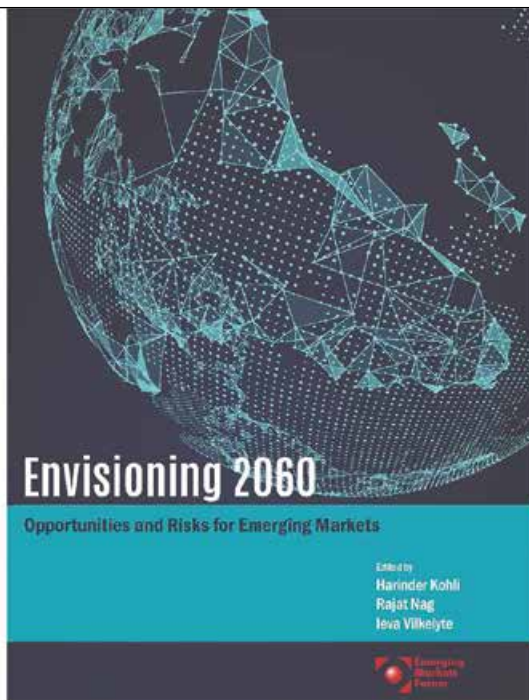
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- The 10 megatrends will have a major — in some cases even decisive—impact on the future evolution of individual economies as well as of the global economy
- These megatrends do not operate in isolation—as if they are vertical cylinders—but operate within the context of other megatrends
- In many cases, they would reinforce each other but sometimes they may offset the impact each would have on an economy or society
- Important to note that there will always be black swan events that cannot be anticipated



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