

"FINANCE FOR SOCIETY. FROM DOMINATION TO SERVICE. SIGNS OF THE NEED FOR A TRANSFORMATION" by Hon Vitaliano Gemelli

Brussels, Auditorium House of European History, 6 December 2022

Hon Monica Baldi

Thank you, President **Klaus Hänsch**.

Cordial greetings to all those present and in particular to our colleagues in the association.

Today, after the success of the previous editions of LIBRORUM, it is the turn of **Vitaliano Gemelli**. He presents his book **"FINANCE FOR SOCIETY. FROM DOMINANCE TO SERVICE. SIGNS OF THE NEED FOR A TRANSFORMATION"** which will be the subject of the debate coordinated by FMA Board member **Paul Rubig**.

The book, **'Finance for Society. From domination to service. Cenni sulla necessità di una trasformazione'**, was published by 'Lorenzo de' MediciPress' in 2017; it has the Patronage of the 'Unione nazionale per la lotta contro l'illiteretismo' and is translated, with foresight, into five languages: French, English, Italian, Spanish, German.

The author was an MEP from 1999 to 2004 in the EPP Group. Chairman of the Petitions Committee and Member of: the Committee on Development and Cooperation; the Committee on Foreign Affairs; Human Rights; Common Security and Defence Policy. Also, Member of the ACP-EU Assembly (AFRICA, CARIBBEAN, PACIFIC and EUROPEAN UNION); NATO Assembly; Eastern Europe and Mediterranean.

A good five years ago, Nino - who knows the European and Italian institutions well - presented, as a preview in the European Parliament, this book that **President Enrique Barón Crespo**, at the time, defined as: *<an essay with a revolutionary title, because it talks about 'finance for society' and this has a particular value in a situation in which there is a wild globalisation of finance. - and he adds - And the title is very challenging in that it says 'from domination to service', because it is almost never said that finance is also part of a public service.>*

The author, animated by a *'profound civic sentiment'*, wanted to portray *'with a quick and urgent look at the state of the world the topics that pass on the net'* and that risk being treated with the arrogance of selfishness and individualism.

In the essay, the economic crisis is analysed with the acquisition of some data, with reference to financial speculation, and in general to finance, which can only be an instrument at the service of man and society if its scope of exercise is well defined.

There is a strong call for the assumption of responsibility by the International Bodies that should be invested by the member states with the '*power of governance*' of certain financial aspects, which may affect the budgets of the states themselves, insofar as they benefit from fundamental structural services in the field of finance, achieving a democratic world governance of clear and ethical financial rules: a system of universal rules accorded to a system of reforms of known bodies such as the IMF (International Monetary Found), WTO (World Trade Organisation), ILO (International Labour Organisation) that should review fundamental aspects of the financial market, trade and labour market.

There is no doubt that, in a healthy democracy, politics should serve the public and not the private interest: this applies to finance as much as anything else. And in order to have a finance that serves society, the author states that it is necessary to have a sustainable banking and financial system, based on investment and not on betting. A '*resilient and effective*' banking system that directs credit for productive purposes without extracting an economic return or transferring credit risks to society; financial markets that encourage productive investment in the real economy, rather than excessive and harmful speculation.

The legislative and regulatory activity that followed the 2008 global financial crisis led to a sharp increase in lobbying by the finance industry and therefore it is necessary for civil society and political leaders to act together to break the dogmas and intellectual captivity imposed by the powerful finance lobby.

The book begins with a brief analysis on capitalism after the fall of the Berlin Wall with the warning to be careful not to fall into the leadership of a 'single thought', which unfortunately can materialise, beyond the best intentions of the rulers, as is happening with the explosion of the recent financial and economic crisis. Particular attention is paid to the evolution of society in the current century, in the light of the global communication system, which requires a profound cultural growth of society as a whole, especially for the new generations that on the one hand show themselves to be willing and enthusiastic and on the other refractory and insensitive to change and innovation.

As far as the world of work is concerned, the author considers it necessary that an in-depth analysis be carried out by specialists in the field, taking into account an extremely variable production system, whose work cycles can no longer be only related to the period of a person's working capacity, also in relation to the increase in life expectancy and the increase in the period of physical vigour.

Industry needs to continually increase production because there is a demand sustained by an accelerated rate of consumption with the reaction of 'new needs' that increase earnings. Consumers are lured, by advertising and the trends of the moment, to buy new products in a process that leads to a change in the 'concept of utility' no longer linked solely to 'real needs' but to a desire to satisfy 'psychological and virtual needs'.

And at present, the speed imposed by the digital era completely modifies people's life systems, changes the appearance of urban mobilisation and the structure of interpersonal relationships, where more often than not, in order to assert oneself in society, it becomes important to appear to resemble transient myths rather

than to show oneself; as happens in social networks where false profiles and second lives are even created.

The attempt to homologate society to the rapidly changing productive offer creates a uniform fashion of *'all the same'* that eliminates diversity as a person's richness with the tendency to look at the *'masses'* rather than the *'peoples'*, at the *'individual'* rather than the *'person'*. All this leads to a profound contradiction that manifests itself in a constant dissatisfaction of the person in search of his or her own original and authentic status within society, which, on the other hand, becomes an incentive for the conquest of new goals for the evolution of humanity. As Nino states: *<The person always remains at the centre of the governance of evolution processes and therefore it will be necessary to define a paradigm of reference, within which to move every instrument of evolution: from information to communication, from the production of goods, services and finance, from socio-economic-scientific and technical analyses to the most advanced and sophisticated algorithms. The overcoming of cultural, religious, and traditional morals to which financial neo-liberalism tends does not have as its perspective the emptiness of morality, but the search, in the globalised dimension of today's society, for a 'universal ethics' that can only be 'natural'.>*

And nature has its own ethics and evolves into a complex universal system that maintains its own balance taking into account the principle of survival common to all three kingdoms (plant, animal, human). The universal natural ethic should characterise the becoming of each generation and should do justice to any theory that conditions or contradicts its respect and affirmation.

For Mr Gemelli, it is necessary for each one of us to take on as our own the Values of European and Western culture, as enshrined in the articles of Fundamental Rights of the Italian Constitution, to ensure that "society in the European context becomes a community that is a champion of tolerance, integration, solidarity and mutuality, to affirm an inclusive culture that is projected to seek the most suitable solutions to achieve and consolidate the 'well-being' of the individual and the 'community'.

And its recipe is to consolidate the bodies of representative democracy at every institutional level. It is essential to work not only on the social level but also on the economic and financial level: strengthening the social and economic fabric with the enhancement of quality products with certainty of traceability and ethicality; defending the valuable role of small business and craftsmanship and small trade in the urban fabric; making our extraordinary cultural, artistic and architectural heritage usable by implementing a programme for its preservation, maintenance and dissemination and, finally, by implementing urban transformation processes in cities that, while safeguarding a proper recovery of historic centres, allow for the design of spaces where citizens can both carry out their work and meet comfortably in their leisure time in order to experience a better quality of life.

Land protection becomes a factor of development, if it is safeguarded and enhanced, while it is a factor of great expense, if it is exploited or contaminated. Awareness of the environment must become increasingly widespread, to prevent the future of peoples from being irreparably compromised.

In the book, a number of states identified in the five continents are examined in order to show the dynamics of the economic and social evolution of populations, which unfold their full potential when they can enjoy their freedom while, on the other hand, they lag behind when the governing regime presumes to dictate their way of life.

Populism, racism and individualism are currently proliferating throughout the world. In light of these facts, a re-founding of the European Union is required, calling together all popular, liberal and socialist expressions present in the European people and institutions.

Mr Gemelli proposes to elect a European Constituent Assembly with universal suffrage with the power to revise the Treaties and write a Federal Act to be submitted to a confirmatory referendum, overcoming the intergovernmental practice that has caused so much damage over the past fifteen years.

Young people need concrete acts that are completely different from those conceived so far, which have led to unemployment, poverty, insecurity and the biblical exodus of so many populations seeking survival, fleeing war or hunger.

Enough with the appeals, condemnations, summits and vain promises of inadequate governments: it is necessary to realise that a new century has begun where we should all together build a future of civil coexistence, peace and security to protect our lives.

It is commendable, therefore, how reading this laudable essay reveals a high sense for the institutions and a 'great respect' for the economic notions of monetary stability, budgetary discipline and competition policy, which stems from the way of proceeding with seriousness and intellectual honesty that underpin the values in life. Neither arrogance nor condescension, typical of those who consider themselves custodians of the arcane mysteries of finance and politics, shines through, but only the firm will to change the course of those who - in the economic, political and social spheres - secretly cherish impossible dreams and unattainable goals, anchoring them in improvisation and unscrupulousness.

In addition, precisely with clear, simple and rigorous language - which highlights an ethical and civic spirit - the author examines data identifying causes and situations to suggest cures and effective rules aimed at fostering the human growth of each person and the valorisation of their precious originality.

Congratulations Nino to You the Word!