



The Global Foundation

Together, we strive for the global common good

ABN 67 084 852 059

📍 PO Box 18200 Melbourne VIC 8003 Australia

☎ +61 3 9654 9557

✉ sg@globalfoundation.org.au

🌐 globalfoundation.org.au



**The Rome
Roundtable**

13 & 14 January, 2017

The Global Foundation

Rome Roundtable Dinner

Speech of H.E. Cardinal Pietro Parolin, Secretary of State

Casa dei Cavalieri di Rodi

Friday, 13th January 2017

Your Eminence,
Your Excellencies,
Distinguished Authorities,
Ladies and Gentlemen,

It is an honour for me to be able to accept the invitation to join you at this, the second “*Rome Roundtable*” organised by *The Global Foundation*. I am delighted to be able to share with you an outline of the Holy See’s thinking regarding the important topic that you have chosen for this gathering, namely “*consider[ing] ways to restore confidence, trust and optimism in the global economy. In particular [...] seek[ing] to shape a narrative for ‘co-operative globalisation’, one that is inclusive and sustainable and that is capable of enjoying widespread community support*” and “*tak[ing] responsibility and, by example, become the leading agents for change*”. The stress here is on the “*we*” rather than “*they*”.

Just over twenty years ago, the bi-polar ideological division, which marked most of the last century, came to an end. That, combined with major political and economic developments in the multilateral sphere, such as the *World Trade Organisation (WTO)* and the expansion of the European Union – promised a global scenario that would be beneficial to worldwide economic growth and would raise the standard of living of all citizens. Today’s world, however, especially in the West, is characterised instead by a sense of disappointment.

What is now often pointed out is that the effects of globalisation haven’t reached the poor. Instead disparities have increased considerably, and the middle classes in most countries are faced with an erosion of their standard of living. What’s more, the globalisation of the last twenty years doesn’t seem to have solved

environmental problems; on the contrary, they have intensified. In this context of scepticism, there is a tendency to overlook the significant achievements of globalisation, such as the substantial improvement in the living conditions of a third of humanity and the widespread benefits obtained in the fields of communication and healthcare. Consequently, a negative vision tends to prevail, one that creates political space for varying forms of populism. Such pessimism, linked with the rise of nationalism, could even reach the point where it destroys a number of the benefits obtained from the integration of the last twenty years. The scale of the benefits may be debatable, but they are evident to a large part of humanity.

Pope Francis, in his Encyclical *Laudato Si'*, highlighted certain dysfunctionalities in today's world, which, according to him, are the root cause of the problems afflicting the globe. Amongst these we must include the most substantial faults of globalisation. These can essentially be summed up in the flawed relationship that humanity has with technology and money, which causes those who possess them to consider themselves all-powerful in dealing with other human beings and the created world. In contrast, those who do not possess them find themselves reduced to longing for the benefits of technology, money and power, without seizing the opportunity to live in another way, spreading an alternative vision and creating new opportunities.

At the root of the positive and negative views of globalisation, what we find is: on the one hand, a totally uncritical presumption that the effects of economic selfishness, tied with technological advancement are always positive, and, on the other hand, the self-interested egoism of those unsatisfied groups which leads to hostility towards the weak, foreigners and the poor in general. On deeper consideration, this demonstrates that society cannot function, on any level, in the absence of a shared understanding of the dignity of mankind. That shared vision gives rise to permanent and immutable ethical rules, capable of guiding and monitoring political and economic action, such that they always work for the common good.

In practical terms, the defects of globalisation are not so much in the displacement of production from industrialized to so-called emerging countries, or in mass migration – which has existed since the dawn of mankind. The problem is found, above all, in an insufficient and, at times, flawed governability of globalisation. This has created new and grave injustices when one considers that a limited group of businesses and people have benefitted disproportionately; whilst, for the most part, the workers in emerging or developing countries have drawn little advantage from the commercial agreements now in place. The combination of open markets and a dependence on technology, within a framework of “convenience” norms, seems to have conspired to ensure that globalisation ends up being beneficial above all to the most fortunate, not to say the most cunning, often to the detriment of the rest of humanity.

The theme of this meeting constitutes, *per se*, the beginnings of a response to the social shortcomings of globalisation, bearing in mind, of course, that, in its technical aspects, it is impossible to turn back the process. It is not for the Holy See to give technical indications on the ways to “*shape a narrative for co-operative globalisation*”. What the Holy See can do, however, as it has done at other times in history, is to offer its “*expertise in humanity*”¹ to help interpret political and economic theories. This expertise is essentially that of being in touch with real men and women, rich and poor, in their material and spiritual dimension, sharing their joys as well as their pains and sufferings, particularly with the weakest and those most in need. Therefore, the suggestions and even the critical voice of the Social Doctrine of the Church should be considered as a contribution to humanity, even when expressed in the direct and exacting language, which is sometimes favoured by Pope Francis.

The Catholic Church has a universal vocation at the service of the one human family, therefore she has no doubt that “globalisation” or, in more precise terms, a worldwide economic integration and a genuine global governability are good, because they are expressions and consequences of human solidarity. I think it is interesting to point out how the Church, over fifty years ago, had already taken to heart the theme of an equitable worldwide commercial integration – what today we call “globalisation” – when the theme was still scarcely present in global political debate. Indeed, the Constitution *Gaudium et Spes* of the Second Vatican Council affirms that “*the present solidarity of mankind also calls for a revival of greater international cooperation in the economic field... If an authentic economic order is to be established on a world-wide basis, an end will have to be put to profiteering, to national ambitions, to the appetite for political supremacy, to militaristic calculations, and to machinations for the sake of spreading and imposing ideologies.*”²

The words of *Gaudium et Spes* are still current. Therefore the Church, even though a decisive promoter of the integration of peoples, continues to affirm that globalisation, understood as the harmonious integration of Nations, will only be possible and long-lasting if it is brought about with a constant attention to its effect on all, particularly the poorest, and if subjected to correction as and when necessary. That cannot be left irresponsibly to the supposed automatic reflexes of the market, or to imaginary “invisible hands”, but demands, as you yourselves have proposed, taking “*responsibility and, by example, becom[ing] the leading agents for change*”. That means both innovative thought, capable of reconciling economic development with the sufficient and generous redistribution of the benefits for everyone; whilst improving, and not only conserving, the environment; and respecting the religious and cultural values of all people everywhere.

¹ Cfr. *Address of Pope Paul VI to the United Nations Organization*, Monday 4th October 1965.

² *Gaudium et Spes*, 7th December 1965, N. 85.

Your Organisation has also stated that *“a distinguishing feature of the 2017 meeting will be a focus on the measurement of global progress.”* In this line of thinking, I have had occasion to become familiar with the BEPS plan (*Action Plan on Base Erosion and Profit Shifting*) of the G20 and OECD (*Organisation for Economic Co-operation and Development*). This plan contains a series of appropriate and effective measures to avoid the tax evasion of multinational economic groups. Given that the *“2030 Agenda”* and the *“Sustainable Development Goals”* (SDG’s) establish final objectives, it therefore seems important to adopt structural measures, agreed by all, which will ensure that they are reached. This includes ensuring that the necessary financial resources are available to assist States in reaching the *“Sustainable Development Goals”*. This highlights the appropriateness, not only of the BEPS plan, but also of all the measures aimed at controlling and guiding the global financial system, within the G20 mandate.

On their own, however, instruments and measurements, no matter how effective, are never enough to establish and maintain an equitable globalisation. You will doubtless be aware that the *“Sustainable Development Goals”* contain a series of 169 targets, which are both objectives to reach and means for evaluating the effectiveness of Governments in working for the development of their citizens. In focusing on the measurement of global progress, it is opportune to consider the words of Pope Francis to the United Nations’ General Assembly on 25th September 2015. Beyond asking that economic theory and method not lose sight of reality, and that there be a constant openness to correct tendencies and actions, the Holy Father requested that all be involved in the process. He stated: *“To enable these real men and women to escape from extreme poverty, we must allow them to be dignified agents of their own destiny. Integral human development and the full exercise of human dignity cannot be imposed. They must be built up and allowed to unfold for each individual, for every family, in communion with others, and in a right relationship with all those areas in which human social life develops.”*³

In addition, Pope Francis offered some minimum parameters for measuring the progress and efficiency of any political or economic programme. He said: *“government leaders must do everything possible to ensure that all can have the minimum spiritual and material means needed to live in dignity and to create and support a family, which is the primary cell of any social development. In practical terms, this absolute minimum has three names: lodging, labour, and land; and one spiritual name: spiritual freedom, which includes religious freedom, the right to education and all other civil rights.”*⁴

I am aware that these objectives can appear unattainable. Nevertheless, I’m sure that I’m right in thinking that, if you have organised a *“Roundtable”* here in Rome, have had an audience with the Holy Father and have sought out his collaborators to speak to you, then it is because you want demanding, long-term

³ *Meeting with the Members of the General Assembly of the United Nations Organization*, New York, Friday, 25 September 2015.

⁴ *Ibid.*

challenges. Let us not forget that Christianity itself asks of us that we be willing to give even our life for the good of others!

I have no doubt that you wish to promote an economic development, which is capable of eliminating extreme poverty and protecting and improving the environment. For this reason, I invite you to take heed of the teachings of Pope Francis, being assured of his encouragement and the support of the whole Church. In addition, I offer my own prayers as well as those who pray for peace and the progress of humanity.

Thank you again for the invitation and for listening.