

FONDAZIONE
INTERNAZIONALE
“DON LUIGI DI LIEGRO”

CARITAS
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*In memory of Father Luigi: A discussion encounter on
“Poverty, unemployment and development”*

Economic development and international migration

Address by the Governor of the Bank of Italy
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The transformation of our economies, with the acceleration of technological innovation, keener competition and, more generally, globalization, poses pressing new problems for society and the citizenry. There is a widening gap between the centres of power that exert influence on the major economic changes and the political system and democratic representation.

The relations between man and nature are more than ever fundamental. Development and the protection of the environment can be reconciled. But a change of approach is needed, the urgency of which can be felt in our own country. At this time our sympathy must go to the families and institutions devastated by the floods in the North-West of Italy. We need to know everything about Italy's hydrogeological features and to plan long-term measures at the national level.

Protecting the environment is a question of safety, of inter-generational solidarity and civilization, as well as of economics.

At times of great change, there is no avoiding the issue of legal systems and of the overriding rules that must govern the transformation.

Better guarantees are needed for human rights; this calls for stable legal systems. Then there is the need to promote and support freedom in all its forms, by pressing for economic dynamism and innovation; and at the same time to know how to lay the foundations for the fruitful coexistence of nations and individuals endowed with different means and abilities to address the new situations.

The idea of a sort of *Panopticon*, or modern Leviathan, to constrain and control economic change, is inconceivable; but so is an unregulated market in which the advantages of trade are reserved for the strongest. The benefits must be directed not only towards individuals, but also towards the common good. Visions of a market — particularly the international market — governed simply and solely by “pre-established harmonies” verge on the Utopian.

Information technology, telecommunications, trade — the key agents of globalization — are altering the framework within which our societies move.

This is a historic watershed, comparable to the Age of Discovery and of the invention of movable type.

Globalization has been called a sign of the times, rich in positive potential; its scope ranges from financial capital to mankind. Migration is a phenomenon pregnant with meaning and consequence.

We must not allow ourselves to be dominated by these developments but must knowingly govern them, politically, institutionally, legally, and in the organization of labour.

Social and economic change is needed to create jobs and give a future to young people, to prevent older citizens being ejected from community life, and to live in security and under the law together with immigrants. The public authorities, firms and the citizenry are all engaged.

For discerning and forward-looking host countries that are capable of regulating it, immigration can make a rich contribution.

Most immigrants are persons of working age; often it is the most capable who leave their home countries. In the case of the relatively well-educated, the country of origin is impoverished by their departure and the host country enriched by their arrival. When, as is often the case, the immigrants are poorly educated, their inclusion and assimilation are more problematic.

Migration has had a profound impact on the history of peoples. It was so in ancient Italy in the wake of the demographic crisis under the Roman Empire, and again in the centuries that followed, right up to the modern age, when massive migration for religious and political reasons has often brought prosperity to the host countries.

After its unification, Italy knew rapid population growth and mass emigration, which lasted until decades after the Second World War. Subsequently, increased economic production and wealth and demographic impoverishment have reversed the trend. Italy is now a net receiver of immigrants.

As early as 1941 Pope Pius XII commented on the potentially beneficial effects of properly regulated migratory flows, noting that: *“... the right of the family to a living space must be respected. Where this is ensured, emigration will achieve its natural end, which is often self-validating: by which we mean a more favourable distribution of mankind on the earth’s surface ...; the surface that God created and prepared for the use of all. If the two parties — the one that allows people to leave their native land and the one that admits the newcomers — remain steadfastly solicitous in eliminating anything that might impede the creation and development of true trust between the emigrant and immigrant countries, all those involved in this transformation of places and persons will benefit: families will receive land that will become their fatherland in the true sense of the word; densely populated lands will be alleviated and their peoples will make new friends in foreign lands; and the states that welcome the emigrants will gain industrious citizens. Thus the nations that give and the states that receive will contribute in equal measure to increased human wellbeing and the progress of human culture”*.

Other European countries such as Germany, France and Britain had to address these problems many years ago. The ratio between immigrants and the indigenous populations of these three countries is higher than that found in Italy today, varying between 5 and 10 per cent compared with 2 per cent.

Increased life expectancy, which is an undeniably precious human and social conquest, poses new problems for industrial societies, of health, social security and welfare. At the same time, an older population may be less willing to accept change.

Policies for the elderly are needed, altering the composition of goods and services. A society in which there is a growing call for care and assistance for the elderly needs new abilities and professional skills. These changes are also a due tribute of fellow-feeling from the younger generations to their antecedents.

But we should not relinquish the hope of reversing the declining demographic trend, which is not ineluctable destiny. More funds are needed to support the family, to provide social services and promote education, and their use should also be improved. The precepts of our Constitution must be given substance. It is by procreating and educating children within the family that the baton is passed on to future generations.

We cannot vacillate between concern for demographic decline and the fear of a demographic invasion.

Immigration will not provide the solution to our economic, social and retirement problems; but it can make a not inconsiderable contribution.

The proper cultural approach is one of openness to what is new, especially in an age of technological progress. The question of immigration cannot be shirked by the wealthy countries — partly on account of their own declining demographic trends and partly on account of the steadily increasing populations in the world's less developed

regions. Foresight and planning are called for; the issue has to be studied from every angle, its negative aspects addressed and its potential capitalized upon.

This is one of the major challenges for the nations of Europe. Any attempt to evade it would be short-sighted and would create more serious problems than would a realistic recognition of the issue and the determination to tackle it.

Regulation to control inflows and promote integration is a complicated affair, but necessary. Security and the rule of law must be resolutely ensured; immigration must be regulated and checks established to ensure consistency and compatibility, first of all on the plane of legislative principles, which must govern the various forms of integration.

The cultural identity of our nations has to be defended. The newcomers' traditions can give rise to a fruitful "contamination" insofar as they are compatible with our social and legal system.

Those coming to Italy to seek better living conditions for themselves and their families must be met with a shared core of values, rights and duties and loyalty to the State's constitution; to which they must adhere fully and unreservedly. Some European countries have adopted an approach to this issue that could be a useful reference for us: this is the *ius soli* which, in its broadest sense, takes precedence over the *ius sanguinis*.

It is by tackling problems head-on and searching for the most suitable solutions that all kinds of prejudice can be overcome.

The foreglimpse of multi-ethnic societies could become an abstraction if we lose sight of the problem of identity and the need for core values in the community: the latter is also an antidote to integralistic visions of the newcomers.

The law and governments must focus on the behaviour of each citizen in relation to all the other members of the community of which he or she is or comes to be a part.

This is not a matter of intervening in questions of moral, religious or ideological persuasion; even the least hint of xenophobia must be rejected.

The countries of the European Union must coordinate their immigration policies.

It is in the interest of all that the rules of compatibility be respected, including by those seeking entry to secure life prospects that they are denied in their countries of origin.

In the past thirty years the gap between the advanced and the developing countries has widened. The World Bank estimates that about 1.2 billion people now live on less than a dollar a day. Nearly 3 billion, 56 per cent of the entire world population, have less than two dollars. Africa has barely 5 per cent of the per capita income of the United States.

Outside the circle of affluent societies, there are nations whose people live in sometimes sub-human conditions of nutrition, shelter and health.

Increasing inequality within a community or between states can undermine the very basis of civil coexistence.

Development is crucial. Studies by international organizations confirm that even the poorest segments of the population benefit from faster economic growth.

The developing countries that have recorded slow or negative growth in per capita output over the last few decades — unhappily, the great majority — have failed to achieve appreciable results in reducing poverty or attenuating inequalities.

The exclusion of the typical products of the most backward countries from multilateral trade agreements has been one of the factors exacerbating the disparities in the world distribution of wealth. These issues have to be taken up again, not just in the interest of the developing countries but in that of the international community as a whole.

The accentuation of inequality in the distribution of wealth both between and within countries, the social consequences and frequent political repercussions have sparked a new sensitivity to these problems on the part of international organizations and world leaders.

There is concern, for sound economic reasons, over a situation in which the poor remain always poor (“*semper pauper eris si pauper es*”) and the rich get ever richer. We must not assume that this is unavoidable.

If at the table of the wealthy *epulo* the number of those getting only the crumbs increases enormously, the stability of the table itself will eventually be threatened. Merit and social conscience, if they go hand in hand, are factors of social progress.

At the international level, working to overcome poverty means first of all ending the protection enjoyed by the farms and the textile industries of the richest countries. We must act to open the markets of the industrial countries to the main exports of the developing world.

Often, poverty is the product of conflict and political factors. Peace initiatives are essential.

Assisting the poorest countries to overcome their difficulties will also help to cope with the problem of international migration. The debt cancellation initiatives now in place must be carried through. Following the failure of the Seattle meeting, a new global round of talks is necessary to consider the requests of the countries that feel themselves to be victims of globalization.

We must acknowledge the widespread sentiment that inspires men of culture and of government internationally. There is a movement towards more advanced forms of participation, for the formation of global institutions, for the definition of a public *ius gentium* in economy and finance as well that will take account of the emerging set of “global public goods” and discipline the ways in which they are to be enjoyed.

The worthy efforts of the Church and private associations in the fight against disease and poverty in the underdeveloped world must not distract us from the need for a far-reaching programme of action at the state level to define the principles of a new international order with the ultimate aim of guaranteeing the dignity of all men.

The international organizations founded when the world was divided into spheres of influence must now, in today’s new environment, reconsider their role, the very essence of their operations.

Economic growth translates into widespread well-being if it is accompanied by the development of fundamental human rights.

New forms of poverty and social exclusion are emerging in the advanced countries.

Nor is this drama foreign to Italy. Twenty-four per cent of households in the South of the country are below the poverty line, compared with 6 per cent in the Centre and North.

The high road to eliminating these problems, which cause us even today to speak of “two Italies”, is faster, more robust growth and expanding employment. Productive labour is the fundamental means to reduce poverty and ensure orderly political and social life.

Today, creating jobs is a much more complicated matter than in the past. A series of actions to reform the legal system, the welfare state, the central government budget and the industrial relations system, and to spur innovation, are required. A new labour rights act is needed.

Only through structural reforms can we create permanent employment and provide job security.

Volunteer work can play an essential role in an economic environment and a cultural climate in which the significance of public action is being rethought and the necessary pluralism of the economy cannot be limited solely to the various forms of private property.

The growing recognition of non-governmental organizations, traces of which are to be found in the Italian Constitution, can be a guide.

It is crucial to institute arrangements based on subsidiarity, reserving a primarily regulatory role for the government.

The Italian non-profit and voluntary sector is substantial, though not as important as in the more advanced countries, where it is not only larger but also better organized.

The state cannot intervene to meet all new needs or alleviate all new forms of poverty; it is constrained by budgetary limits.

A small part of the resources saved by the necessary cuts in the welfare state can be allocated to supplying the basic structures that the non-profit sector needs to perform its work systematically and efficiently: this work must continue to be of a voluntary nature. The state and the governmental authorities in general must not interfere with the substance of these activities; rather, they must guarantee the legal and fiscal conditions and supply the basic infrastructure to allow these new agents to expand and develop their activities.

This private involvement in the social field forms part of the design for fuller economic democracy and participation. The former banking foundations will have a significant role to play in this field.

Father Luigi Di Liegro dedicated — and sacrificed — his life to the disinherited, the outcast, the humblest, those to whom the Gospels reserve the kingdom of Heaven. With his profound spirituality, animated by the powerful religious feeling that permeated his thought and work, Father Luigi lived fully in the world but yet was not of the world.

Attentive to the signs of the times, immersed in sometimes unbearably harsh situations, he knew the ills and the hopes of this city. In Rome and in Lazio, no battle for

civil decency, for democracy, for the assertion and defence of fundamental rights failed to find Father Luigi leading the diocesan Caritas at the head of the troops, with his administrative competence, his political sensitivity, his courage and, above all else, his love for his neighbour. He fought against the spread of usury, an odious crime and an affront to human dignity.

His death has deprived the city of Rome of an uncompromising conscience and a tireless builder of peace and progress.

The figure of this man of the cloth illuminates all discussions of poverty, of immigrants, of volunteer work. His was a voice that spoke to future generations. Father Luigi has pointed us the way to a model way of life, of civic engagement, and of service.

Today, in the face of the threats to civil coexistence in the land where the annunciation of peace on earth to men of good will first resounded two thousand years ago, Luigi Di Liegro would be passionately engaged; in prayer that hatred not make people deaf to that “annunciation” and in deed to oppose all forms of violence and oppression.

Peace is the indispensable prerequisite for the realization of all other human values and the way to the assertion of natural rights. The course of history can be changed. As has been declared from one of the loftiest of moral pulpits, we must multiply our efforts to make our world into a garden and not a heap of rubble.