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For whom the bells toll ... the new social model...

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We left the pandemic richer, poorer, more digitized, and less globalized. Inequality shows itself not by who you are, but where you are. The richest regions received the vaccines while the poorest are much less. The global inflation that started from the supply crisis hits more, those who have less than others. Currency devaluations are more intense in weaker economies than in strong ones. High interest affects those who need credit and favors those who apply.

Whom do the bells ring for this Christmas?

In the symbol of Christmas goodwill, for salvation through Love, the bells will certainly ring for the One who was born in the manger. Nothing more symbolic for today.

We face one of the greatest challenges facing humanity ever so connected, so inclusive and so fragile in its attitudes of solidarity. We are now facing the Omicron variant of Covid 19, which emerged from a developing country and affects developed countries, especially those citizens, who were not willing to receive the vaccine. As long as not everyone took the vaccine, the risks will be great. Developed countries now know even more that not sharing excess vaccines with countries that need it to complete their protection is an own goal.

The agenda of the less favored countries is health in the first place and maintenance of the minimum standards against hunger and poverty. In the most favored ones, it is also health, theirs in first place, followed by maintaining a sustainable economic level, where the environmental issue is certainly at a very high level in the scale of their values.

In democracies, the vote gives to that candidate or party that best interprets the resolution of their problems. Moreover, the winds show that the social agenda is strongly predominant in developing countries, from a social perspective. Europe shows its preference, recently for the German elections, for the environmental and liberal social. In our Latin America, the most recent elections are in the direction of resolving social issues, as in Peru, Honduras and recently in Chile. I will take Chile as an example for the victory of the young Gabriel Boric, 36, who for the second round moved more to the center than to the radical left. From his recent statements, it is clear that he is guided by placing Chile in a new social democratic order, which has little to do with the socialist models of the Latin American past. His vision is to reduce social differences, in a country that has the highest GDP/per capita rate in Latin America, with a strong middle class, but with a lower-middle class, unable to support private pension insurance, pay by education, health insurance, and an evolution of prices due to low competition in a relatively small market. Chile gives us a lesson in democratic civility, its opponent Kast, two days after the elections already met with Boric, offering a minimum common agenda. The Constituent Assembly, led by a left-wing policy, received the clear message that, although it was aligned with a series of Boric's ideas, it will not have any interference from him, as it was a long-term project for the Nation. This civility in passing the baton, plus the alternations, demonstrate that there are precepts that will be respected, even in the great clash of controversial ideas. It is the great hope that a mature and enlightened society, like the Chilean one, will be able to make significant advances in its new social model.

What does this teach us?

First, economic sustainability is only possible if social minimums are taken into account. Maintaining socially and environmentally oriented economic sustainability means offering short-term solutions that alleviate suffering and, in the medium and long term, provide structural sustainability. Hunger and misery are unacceptable. Exacerbating wealth in the greatest pandemic crisis is ethically questionable. Therefore, the population's response to policy is certainly to correct this aberration in time. That is where the risk of populism lies, if you do not understand correctly, what the voter wants.

The New Social Model of democracies will be guided in preserving the minimum for a decent life and offering the maximum in opportunities. In addition, curiously I note that this agenda is not new, and it was exactly a Christian Democrat Conservative Chancellor in Germany, Ludwig Erhard, who preached the economic system, the social market. The market mechanism would have its limits, when it would affect human dignity. Thus, a minimum wage was installed, as if the market were allowed to flow solely by supply and demand, wages would fall to unsustainable levels. That bread, milk, and flour would receive stimuli against hunger. The State would establish a minimum health and retirement support network. Moreover, that is how this journey began. Later with the union evolution, social contracts took this position to the point of unsustainability. The State, with the economic evolution, expanded the benefits, becoming a state of privileges, increasingly abandoning the State of Opportunities, where through competence, competition and market, the best would win. In globalization, something was displaced, what was domestic, went to other regions and the purchasing power of citizens increased although their employment was threatened. The pandemic has, in many ways, created a global disarray in the supply chains, and certainly new jobs will be created by bringing back displaced services and products. One work to be revisited is from the New Social Model by Hanns Martin Schleyer,¹⁾ the unforgettable personality, president of the Confederation of German Industries in the 70s, who unfortunately lost his life to the terrorists of the Bader Meinhof Group. In this work, Schleyer proposes the model of the social market economy as a great opportunity for German and international entrepreneurs, for social inclusion and for the new demand. Your model worked, as we can see from the evolution of your country.

Nevertheless, the New Social Model, today, in a much more digitized, technologically advanced world, needs inclusive visions where large-scale innovation also focuses on social technologies. These technologies, in addition to being insertive, will bring large scale and prominence in consumer countries, that is, developing ones. New vision, youthful boldness, innovations that benefit many, will have a smaller investment by the State, giving space in their budgets and the population will recognize who only want to improve their living conditions for their performance.

May the bells remind us of this legacy?

Merry Christmas and Happy New Year!

1) Hanns Martin Schleyer, *Das Soziale Modell*; Stuttgart Dfegerloch Sewald Verlag, 1974