

Summary of Simone De Battisti speech at Ein Seminar, Milan 24-05-2011

Every debate about regulation, politics and economics should consider **how values and culture interact with economy**, sometimes following, sometime enhancing deep innovation and change. People and attitudes are involved, and then **social life is “produced” by people’s interactions and language** (which means that knowledge affects all institutions at their basements).

It is possible to map cultural differences through worldwide comparative longitudinal surveys. Overall the scheme shows how values are connected to country development. The key aspects being the growth of a stronger sense of the self (which leads to the growth of choice and rationality vs tradition and community as source of legitimation and framing of actions). Looking at European countries in this wider perspective is interesting. **European countries are different each other, but also pretty much similar, compared to the other countries in the world.** They have shared a similar historic, economic (abundance vs scarcity), technologic and also social development (education and cognitive development, availability of knowledge) which lead them to a similar frame of reference: individual empowerment leading to industrialization, urbanization, single family...physical and social mobility, consumption opportunities, consumption society.

Lives are full of choices (on a daily base and on a strategic level), each person is responsible for. This is the Era of Choice (based on individual empowerment) Prof. Rosenthal describes in his recent book. This connects with prof. Bauman description of “liquid life”. Let’s see some examples: people have to decide which is their preferred car, mobile telephone (and personal computer), personal palimpsest for media consumption, personal trainer, my personal diet....and then personal education, career, job, partner, city, religion...All this is connected to expectation towards work as a way to gain money but also to realize the self. **Values correlate with attitudes toward work, career and so to the shape of relationship with companies (stable, flexible).** On the other side all this leads to anxiety, need for community (which gets lost), feeling of belonging, and some other interesting cultural aspects which have an institutional meaning (and there is proof in data and social behaviors). People don’t want to choose one life, one product, one option (wife, religion, company) but take everything (which is not always possible..they go debt, they try to keep younger as time passes), they don’t take long term investments nor decision, but have a short run thinking. Contradiction is possible (Dr. Jackie and Mr. Hide at a smaller extent), coherence is not a value anymore. The map shows where all these cultural phenomenon are stronger.

This “self affirmation need” stays at the top level of the famous Maslow Pyramid and, broadly is more possible and desired by more people in times of growth where chances , social mobility, free time, social connection and knowledge are more present (about 30% of Europ. population). On the other side, scarcity condition or reduction of economic expectations increase the needs for security, bonding. So **it is really relevant that any discussion about regulation, works for supporting the economy because there is not good job and good opportunities if there is not good economy.**

Flexsecurity fits well the life view of this minority which includes “liquid life seekers and entrepreneurs” people who likes to shape their life as much as possible, which aim at high personal satisfaction.

Security topic gets more relevant when economics gets worse and is much more preferred by the other people. This is still majority in Europe and it has grown in the more recent yrs.

The only strong way to secure “job and work” is to “secure the economy” not with State aid or growing credit (who is going to be paid for that? Citizens in any case at the end though taxes increase or interest rate increase or other cost increase)...**But with a good social and economic strategy**

Here we go with some “tips” from a sociological analysis based on the **role of Knowledge as the only strong driver for innovation**. Talking about business with some economists, recently, I was given this comment “lack of war in Europe is the main cause of low economic growth”. (out of ethical comments) I think there is another way to reach good economics for companies and so for workers and so for countries...rather than destroy to rebuild the same products. It’s the way to an **Augmented entrepreneurship**. *The lead path to the development of a completely new range of products that would shape a completely new society which Entrepreneurs can imagine only if they are given a new knowledge*¹.

Let’s compare this target to the usual “competition strategy”. The economic and financial lifecycle of a company starts with a new product from a creative action (which is always the outcome of a creative individual embedded in a network of social and symbolic exchanges, that see a new piece of future) of a new entrepreneur, then followers come into market and reduce its performances making different kinds of competition, for quality, efficiency, communication, and regulation.

So our strategy must not be led by “Competition aim” but by Innovation at a deeper level: Economy is part of society. When car was invented it meant more than just a transportation means but a way to connect people in a new way, opening up a symbolic new world, like mobile telephone, like clocks, like some important healthcare products. Every time Mankind discovered the Moon...till, recently we really discovered it. We need new and Augmented Entrepreneurs “movement” who produce the future and projects with their products a new society.

Creativity doesn't come out from biology or chance. It is a process stimulated by knowledge and interaction. *It emerges as a systemic property of an aggregated of individuals which have new words, conception of reality and desire to realize it*. Creativity comes from an ecosystem where knowledge is really relevant. **Nowadays, we know a lot more about natural world, we have to take much more inspiration from it in order to stimulate emerging processes within companies and countries, together with a regulatory, financial, and technological ecosystem we need to improve the cognitive capabilities and awareness of employees and people in order to stimulate a spread out milieu which can encourage entrepreneurship at any level**.

I have seen it happen in some experiment within some big corporation where the plan and control “rules” have been changed, I have seen it applied in some social contest where people have used new words and new ways to define their institutions, it should be applied – it’s a method, so it can- on a broader scale to our society to avoid decline path we are running into, so that we can, again, look up at the moon, looking for a new symbolic purpose to fulfill among the stars.

¹ As Knowledge is the most important concept used, it is important to describe it a little more. I am referring not only to specialist K. which may help to improve some product/process, but at deep concept which is at the base of people’s world vision. Usually it comes from socialization, education and experience. In order to see new possibilities, people must have a broader view, a new vision. Where can this come from? As always in Human History this comes from Prophecy or Scientific development. We are still living the end of the Renaissance, rationalists, illuminist, and industrial Era. To open up a new one, we need to make a step forward based on the new K. available, giving a social (and not only specialist) meaning to research done in many fields: mathematic, biology, physics, philosophy, systemic theory, and so on....