



Fundação Cuidar o Futuro



Seminar on 'Values and Market Economies'

Theme 2:

The Actors involved: Their objectives and moral norms

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2. From quantity to quality

We are also facing an obvious change of paradigm. In her last mandate as Prime Minister, Gro Harlem Bruntland said during a seminar in Oslo: 'The moment has come when the paradigm of quantity must be replaced by the paradigm of quality.'

Of course, quality is based on a minimum level of quantity. (An example: during the recent storms in France 200 million of trees were destroyed. We are told now that it will take 50 years before they will be replaced. But meanwhile where is beauty? We are here at the level of spiritual values, the importance of which has been stated by several participants in this meeting.)

This leads me to the question put at the end of theme 2: 'What is the current intellectual and moral appeal of the notion of development?' My answer is: 'none'. Why? Because of the decline of effective implementation of an overall and comprehensive notion of 'development'.

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'THE PURSUIT OF ECONOMIC GROWTH HAS BECOME A DOMINANT CONCERN THE WORLD OVER. DEVELOPMENT IS EQUATED WITH, OR EVEN HELD TO BE SYNONYMOUS WITH, ECONOMIC GROWTH ONLY: IT IS THUS EVACUATED OF ALL SOCIAL IMPLICATIONS. THIS FOCUS HAS BY NOW OVERSHADOWED ALL OTHER CONSIDERATIONS, SUCH AS EQUITY, ENVIRONMENTAL SUSTAINABILITY, EMPLOYMENT, AND SOCIAL COHESION. THE VERY WORD 'DEVELOPMENT' HAS NOT BEEN VERY HELPFUL. IT IMPLIES MOVEMENT TOWARDS A GOAL. THE CONTRAST FOUND BETWEEN 'DEVELOPING' AND 'DEVELOPED' COUNTRIES SUGGESTS THAT THE GOAL IS A CERTAIN PLATEAU OF AFFLUENT CONSUMERISM - ONE ALREADY REACHED BY INDUSTRIALIZED COUNTRIES AND YET TO BE ATTAINED BY THE OTHERS. THERE IS NO SUCH PLATEAU. HUMAN REALITY IS MULTIDIMENSIONAL, AND IS NOT TO BE SQUEEZED INTO THE SINGLE DIMENSION OF ECONOMIC GROWTH.' (*Caring for the Future*. Report of the Independent Commission on Population and Quality of Life. Oxford University Press. Oxford, UK. 1996. p. 63).



Even the introduction of the adjective 'sustainable' to qualify 'development' has been recuperated by the political and economic actors and twisted to a point that it has lost all meaning. Otherwise, how to explain, e.g., the failure of the Kyoto conference in 1997 when the commitment made at Rio in 1992 to reduce the gas emissions so as to reach in 2000 the same figure as in 1990 was wiped out and changed to a target to 2008 or 2010?

I am convinced that the notion of sustainability is contaminated by a kind of virus which made of it a slogan (as many others in the social sciences).

One clear example is development aid. In spite of the growth of wealth in industrialized countries, development aid is continuously diminishing, with the exception of only three countries (the Netherlands, Denmark, and Sweden) which respond to the decisions of the United Nations to give 0.7 per cent of their wealth to development aid (the Netherlands has even increased it to 0.8 per cent this year).

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This is why the notion of Quality of Life has been introduced by the Independent Commission on Population and Quality of Life. Yesterday former Prime Minister Ruud Lubbers spoke of the notion of 'quality' and Mme Marie-Thérèse Join-Lambert spoke about the needs for indicators of conditions of life.

In fact, for more than a decade the notion of quality of life has become a more encompassing and realistic way of speaking about the objective life conditions of people and about the subjective way through which they perceive their own situation in life. This twofold aspect is very important as there are indicators that can be taken from the universal declaration of human rights, namely the political, civil, economic, social, and cultural rights explicit in the two covenants and ratified by all our Member States. (The concept has been elaborated not only in philosophical terms but also in economic notions by Amartya Sen as well as by Hazel Henderson in her recent book "Indicators for Quality of Life".)

3. 'More of the same won't do'

Let me add a last general remark concerning the obvious fact that there is an absence of alternative.

For 20 to 25 years now, all the countries of the Group of 77 defended fiercely the concept of endogenous development as a kind of development that would start from the values of each people and which would take stock of their specific sources of wealth. Some of us in the Northern hemisphere were deeply attached to this concept and became promoters of its components and consequences.

Unfortunately, in spite of the declaration of many UN conferences, we have to be very honest and state the obvious: the Southern hemisphere instead of searching for an endogenous development is following an uniform model, the one of neoliberalism which is continuously spreading in the Northern hemisphere.

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This paradox has to be faced squarely. It's time to say that indeed both for North and South 'more of the same won't do'. Of course, no country alone can take such a radical switch. That is why in order to counteract the pressure of the negative consequences of globalisation, the formation of regional and subregional groups is a fundamental mediation between the helpless sovereignty of each country and the hegemony of one country over the whole world we are facing today.

Hence the great interest of the efforts of President Fernando Henrique Cardoso to strengthen and to widen Mercosur. I have also great hopes in President Obasanjo from Nigeria who has been attempting to revitalize the common market of Western Africa and has already made steps for a cartel of the countries producing oil in that part of the world.

II. Specific comments



1. The actors involved, their objectives and moral norms.

According to the note sent by the secretariat, this theme of the seminar is 'the contribution that market economies are making to the realization of the various commitments made by the Social Summit'.

I do consider this statement as a very naive perspective which is contradicted profoundly by the facts that took place during the last five years. I agree that the different actors at work in every society can make a contribution to humanistic values agreed upon in Copenhagen. But on the basis of evidence from all international reports, including the UNDP reports, I doubt about the accuracy of the statement that actors are contributing to those values.

In order to reinforce this criticism, I just recall rapidly the ten commitments of the Social Summit in Copenhagen:

- Social development reachable by all people.
- Eradication of extreme poverty.
- Making full employment effective.
- Promoting social integration.
- Achieving equality and equity between men and women.
- Universal and equitable access to a good learning and to basic health care.
- Acceleration of African and LDCs' development.
- Integration of social development goals in the structural adjustment programmes.
- Increase of the resources allocated to social development.
- Enforcement of cooperation in the field of social development through the United Nations.

My quick comments about each set of actors take obviously these goals as the necessary framework.

2. Objectives and moral norms of enterprises and enterprisers



Enterprises cannot be talked about as if we were still in the period of the second industrial revolution. In fact, the fragmentation of the process of production representing the different units scattered around the world obliges us to reconsider the identity, the components and their consequences for the role of the enterprises.

There is a clear change in the way the production is working. And even if we still speak of 'enterprises', we have to acknowledge that the evergrowing corporations which are born continuously on the planet speak of another identity which very few scholars, very few people have examined attentively. Some consider that, indeed, the traditional division of the type of activities has now given room to an economy of services, meaning by this that the final product of the overwhelming majority of corporations is not a material object but a service.

Other aspects can be developed but here is not the time nor the place to go further into that. However, some basic elements have to be underlined.

- a) This type of new enterprise has also to be put into the context of a new economy. Thus, recalling what I wrote in Part I, a question has to be raised in the following way: 'Are the enterprises able to determine the social and environmental factors of their activities? If so, which are the norms and indicators that political power must give to the investors and to the enterprises?'
- b) There is an urgent need of global rules for a new ethics of the corporation/enterprise. If, as Jacques Delors said in his keynote speech, the enterprises are constituted in terms of human resources by 'professionals having reached very high expertise on specific and pointed fields, by multifunctional persons who can easily switch, through training, from one field to another within the enterprise, and by others' who, though being the majority, are nevertheless sometimes expandable, how does the enterprise contribute to the main aim of social

development which is to put the human person at the center?



- c) The question of work has not yet been fully worked out in a frame which is highly competitive and looks for manpower wherever it would be cheaper. Sharing of time work and profit is essential here and the few experiences that work should be analyzed in extenso.
- d) Moreover, when we speak about enterprise and, for instance, their delocalisation, we are still, in spite of an appearance of globalisation, in a new form of euro-centeredness. Time has come for looking at enterprises from different parts of the world.
- e) The so much talked about Tobin tax is an element for which the enterprises should contribute and fight. Their budget will be only slightly changed by the international application of the Tobin tax. I wait for the time when the main promoters of the Tobin tax will be the enterprises.

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3. Trade Unions and social movements

The basic question the Trade Unions have to face is not one of presenting at the national level a strong enough challenge to corporate activities. Rather, the question is to put the market where it belongs - a means for social development and never an end in itself.

Trade Unions are also unable so far to understand the changes of the corporate/enterprise milieu. Hence their stubborn position in traditional forms of struggles concerning mainly working hours, increase of wages, etc.

However, they could have a very important contribution if they would widen the scope of their goals, taking into account the changes of the world and understanding that the components of work have changed radically from the ones valid in the XIXth century out of which they are still acting.



Sometimes, the social actors are counterpowers, putting serious obstacles to policies that undermine true social development.

They can also be the driving forces in society, shaking the mainstream and hence 'helping' the political power to liberate itself from its laissez-faire and to act with more vigour. (We have seen this recently in two different countries, mine, Portugal, and Australia in relation to the question and intervention in the East-Timor problems after the referendum.)

It is obvious that, as far as social movements are concerned, there are not anymore mass groups with a long lifespan. They appear under two forms:

small NGOs, with an intense militant spirit and capable of mobilizing specific sectors of society; groups created in ad hoc ways for very specific and timebound issues which arise in society.

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It is imperative that the definition, the analysis of the NGOs be made in the shortest time possible. The main element here is the political vision capable to give to the actors of the civil society the role of social partners and to ask them to be part of the dialog and the concertation aspects of social development. This is certainly one of the new ingredients of governance.



4. States and public servants

The change in governance induces as well a change in the public service. As to the State dimension of governance, a few elements must be clearly considered:

- a) In a time when the amount of money circulating through the corporations is much, much greater than the amount of money than the State has to manage, there is a need for the State to enter into a regulation stage of the free-flowing circulation of money. Otherwise, we shall be, as Jacques Attali wrote long ago, in the era of money - and you can say that money is not the means to put the human person at the center of development.

The consequences are extremely important. They may even reach the point at which some enterprises will be questionable by the political power.

- b) The secretariat document refers very much to the ethical question. But the ethical question is mentioned there as a kind of supplementary element, away from science and technology. In fact, ethics is not a kind of totem to be used in order to change the nature of things. On the contrary, ethics should be made from within what we are supposed to do and is always equated in a space/time context.

It is very important for governance to consider the sentence that 'all that is scientifically proved and technologically viable is not necessarily acceptable for a true social development'. More than ever, one should put here a single sentence that former Prime Minister Trudeau said several years ago: 'Leaders must lead'.

- c) From all that I said in the previous points, public service cannot be equated with the repetitive way of thinking or doing or with a selfish way where the security of public servants being ensured, they can go on always in the same way.



In order to contribute to a strong State, public service has to acquire much more the nature of think-tanks when ideas are created, pragmatic steps are envisaged, and unconditional loyalty to the values of social development are at stake.

One question that touches both the State and the public service is the difficulty to develop a long-term vision in a time where change is the essence of management and where the instruments of formal democracy require very often utilitarian or electoralist short-term decisions.

5. Regional and interregional organisations

What we face here is the much discussed question of sovereignty. We are not losing sovereignty, we are just entering a state of co-sovereignty. The dimension of a country is certainly important, but, in my view, to be part of a wider and bigger entity asks for an increased sovereignty and, therefore, for a greater responsibility.

The States have to face the greatest scope of their actions with new tools, and the public service has to overcome narrow national chauvinism. Regional and international organisations ask for new forms of work, new methods, and new structures.

Of course, the principle of subsidiarity is essential here, as it is the social partnership with the actors involved. A change in the public service from the national to the regional and to the international is of a decisive importance. The public service should not imply, it seems to me, necessarily a job-for-life in a close structure, but should include an element of mobility among the three different levels of public services.



11.

6. 'Media'

I think that the report does not count the media as actors in the promotion of social development. I am not developing it here but I cannot conceive the actors of social development without taking into consideration the media, their increasing impact on the political class and on the population in general.

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