

The Club of Rome
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***Forging a new
renaissance:
Europe Vision 2020***



Nicole Rosensohn

This work documents the considerations on Europe and all things European fostered by the Club of Rome to mark its 25 Anniversary in a Conference held in Hannover in December 1993 and in which the Fundación Banco Bilbao Vizcaya took part with its own working group.

As we approach the close of the century, faced with the fatigue produced by daily routine and the confusion stemming from uncertainty, the Club of Rome courageously ventures to imagine Europe as a project for peace and welfare and to offer the encouraging vision of a Europe breaking out of the geographical boundaries of the European Union and committing itself to the global challenge of building a more viable and fairer world.

With the publication of this work, produced under the direction of Nicole Rosenshon, the Club of Rome wishes to analyse what Europe stands for and what its future responsibilities will be, in order to sketch out a panorama allowing for the dawning of a new European Renaissance on the threshold of the 21st century.

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Documenta

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Europe Vision 2020*
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We would like to make a special mention to the excellent preparatory work done by the Fundación BBV for this Conference as Well as the Fundación Bertelsman's relevant contribution to the efforts of the Club of Rome.

FOREWORD

Dr. José Angel Sánchez Asiaín

Presidente of the Fundación Banco Bilbao Vizcaya

Right from its very outset, from diverse standpoints and with a range of overall or specific goals, the Fundación BBV has been collaborating as an institution serving society in different projects and documents relating to Europe, Europeanism and European-ness.

By collaborating in the events held to mark the 25th anniversary of the Club of Rome, the Fundación BBV had the opportunity to take an active part, with its own working group and with specific criteria, in the attempts to comprehend the essence of Europeanness and all things European at the Hanover Conference in December 1993. It thus joined in with the efforts being made in this sphere by important institutions, individuals and interest groups.

Our Fundación is, therefore, delighted to be able to publish this splendid work produced under the direction of Nicole Rosenshon and which compiles the wide-ranging analyses and proposals for Europe that were discussed in Hanover. In contrast with the plodding speed and isolated nature of most public initiatives to build «the next Europe» –a term actually coined by the Fundación BBV working group participating in the Conference– the Club of Rome «utopia» represents a balanced commitment positioned between innovation and hope, characteristic and ever-present in all its initiatives.

In presenting this, our Fundación BBV would like to reiterate its gratitude for the opportunity it has been given to participate in pluralist initiatives to promote a European future that may be less dispersed, less uncertain and less tormented than the one reflected by all the ephemeral, pessimistic information we receive day after day.

We would also like to take advantage of the opportunity to mention the clearly perceptible efforts which the Club of Rome under the capable, enthusiastic and active presidency of Ricardo Díez Hochleitner is making in order to continue to be a customary focus of reference as we face European uncertainties at this turn of the century so lacking in direction and ridden with scepticism.

For all of us in the Fundación BBV there is nothing that gives us greater satisfaction than the chance to play our part from the sphere of ideas in the construction of Europe.

NOTHING IS MORE REALISTIC THAN UTOPIA

A message from Ricardo Diez Hochleitner

President of the Club of Rome

Never in the 25 years of its existence has the Club of Rome wavered from its belief in the future. 25 years ago we emphasized the significance of the environment and the economy. Since that time we have progressed to our view of the interconnected nature of the whole, the interdependence of all problems.

No problem is without a consequence. Politics, economy, science are mutually determinant. The high profile of the Club of Rome is gained as much through its integrated, world-wide vision and the long term nature of its recommendations, as by the competence and the independence of its members.

In recent years, our Conference have dealt with the problem of Africa, South America and Asia. Our choice of theme for 1993, the «Europe Vision 2020» is deliberate.

Why the theme of Europe for our Jubilee Year? It was in Europe That the Club of Rome came into being. Its initiatives have been effective world-wide since 1968. Representatives of the Soviet Union and other East European countries were involved from a very early stage. Europe has proved that, in the face of all difficulties, it can take up and pass on developments in its process of coalescence swiftly, precisely and efficiently.

Much of what the Club of Rome was discussing 25 years ago sounded Utopian. Few of the findings have failed to become reality. Unfortunately.

Theoretical endeavor outweighs the practical, as the German philosopher Georg Wilhelm Friedrich Hegel maintained: «once the domain of ideas has been revolutionized, reality cannot keep pace».

Let me pursue this insight and say for the Club of Rome: «Nothing is more realistic than Utopia. But to achieve it takes dedication».

THE MISSION OF THE CLUB OF ROME

By Bertrand Schneider

Secretary General of the Club of Rome

As the end of the century approaches, there is a wide-spread sense of uncertainty in the face of constant political, economic and social upheavals, and we are convinced that we are in the early stages of the formation of a new type of world society. The population explosion in the Southern countries, the probability of deep change and disturbance of world climate, the precarious nature of global food security, doubt about energy availability, the impact of new technologies on societies and the vast changes taking place in the geopolitical situation all interact within the complex of the problematique. We are convinced that the magnitude of these changes amounts to a major revolution on a worldwide scale.

In this challenging context, our aim must be essentially normative: to visualize the sort of world we would like to live in, to evaluate the resources (material, human and moral) to make our vision realistic and sustainable and then to mobilize the human energy and political will to forge a new global society.

The essential role of the Club of Rome as an international, non-official catalyst of change is prompted by the slowness and inadequacy of governments and their institutions to respond to impending difficulties, constrained as they are by structures and policies designed for earlier, simpler times and by relatively short electoral cycles.

The Club also serves as a center for innovative thinking which is able to identify new global issues before they appear on the international scene and then to analyze these issues and strive to understand them while concentrating on their roots causes, not only their consequences.

We live in a world whose historical basement overflowing with unread theoretical reports and policy analysis, and another one our principal concerns must be how we can obtain direct results from our work which will affect and modify the global trends we discuss. The Club is in no position to provoke a panacea, but it has already taken a number of initiatives to provide pathways to solutions with policy impact.

The 25th Anniversary Conference of the Club of Rome in Hanover has been another important step forward in our mission to contribute to the creation of a brilliant future for humankind.

INTRODUCTION

FORGING A NEW RENAISSANCE

In the closing declaration of its 25th Anniversary Conference in Hanover, the Club of Rome stated that Europe could forge a new Renaissance.

This concept carries the idea of a new era in the history of European civilization even if the once prevailing idea that there was a sharp break between the Middle Ages and the Age of Enlightenment has now been rejected.

In the fifteenth century, Europe experienced a great surge of creativity and expansion that was linked to the development of the individual.

The period was characterized above all by a faith in man, presupposing the idea of progress: Man possesses a wealth of possibilities and is therefore perfectible.

There was a rediscovery of the contributions of the Hellenism that had built man's first civilization, with man considered to be the measure of all things and the purpose of every society.

Such confidence in man leads necessarily to the idea of liberty: To behave well, man has only to follow his natural instincts. This optimism has often been seen as utopian. But is utopia not one of the most fruitful directions taken by the spirit?

After more than a century in eclipse, it appears that faith in man has today been re-discovered. In fact, with the advent of industrialism and the rationalization of production methods as exemplified by Taylorism, which was a systematic study of productivity, there was less concern with man. He became enslaved to the

machines that were intended to make his work easier. The reason for inventing these machines was forgotten.

To be sure, machines have relieved humankind of some dangerous and onerous tasks, but in many cases they were put into operation to ensure higher profits as well as greater discipline: Machines do not go on strike.

Having fought to obtain improved working conditions and better wages, man now finds himself in a paradoxical situation: his work is generally less difficult and better paid, but there is no longer enough work for everyone.

Labor legislation is well developed, but it is not much help when there are no more workers to protect.

Here, of course, we are referring to the situation in almost all the industrialized countries, with the exception of Japan, and not to the situation in the rest of the world. Developing countries will continue to have for the foreseeable future an abundant, cheap, and docile labor supply.

When machines do not constitute an effective deterrent to worker protests in our countries, or when their maintenance becomes too expensive, we call upon the workers of other countries, either by bringing them here or by exporting to them the tools necessary to produce the work in their homelands.

With tens of millions of unemployed at present, Europe should rediscover man's real needs as well as ways of life that are not based on consumerism at any price. Unbridled consumerism and productivity are only postponing the day of reckoning. Today we have practically reached the limits of growth and it is long past time to find something else.

There is more to life than making money and so it may be inappropriate for the EU to spend so much time on developing an economic arrangement – and thereby losing sight of the global humanistic vision (which goes beyond a concentration on making money).

Europe is now caught between the opposing pressures of the centrifugal and centripetal forces that are sweeping the world.

It has reached a moment in history when it can either take advantage of cohesive forces to establish the conditions of a second Renaissance for the greatest good of its peoples or, by remaining mired in its apathy, selfishness, and territorial disputes, continue to tempt disaster.

Europe no longer benefits, as it did at the time of the first Renaissance, from an acceleration of history allowing it to decisively surpass parallel civilizations. Nonetheless, it has a role to play, which although different from that of five centuries ago is at least as important. Rather than try to compete with or exploit other civilizations, European civilization should join with them in a real partnership of action.

It is no longer possible today to imagine reading in dictionaries and encyclopedias, as we did some 20 years ago, that Europe is located at the Center of the emerging countries of the world. Although such a Eurocentric vision of the world is fortunately no longer found in geography textbooks, it is not altogether certain that it has been totally erased from the minds of Europeans.

The following pages are an attempt to analyze what Europe represents today and, region by region, to describe its links to the rest of the world as well as the responsibilities that these entail. Like the rest of the world, Europe faces the major problems of our time—which are ignorance, poverty, and pollution—and any solution from whatever source can benefit us all.

CHAPTER I

EUROPE AT THE CROSS-ROADS: VISION 2020

Dr. Ricardo Díez Hochleitner

President of the Club of Rome

Revolutionary changes on a worldwide scale are, in our view, under way, but it seems as if we have lost sight about the future. Thus, nothing more important and timely than to ponder the future of Europe and the world on the occasion of our Club's 25th anniversary, convinced as we are that –given the necessary political will, joint efforts and honest inspiration– humankind can still succeed in reaching a bright future instead of the bleak one now at hands reach! In any case, such is our sole *raison d'être* and foremost an important mission.

In 1989 we were –as we still are– mourning Aurelio (Peccei) and Eduard (Pestel), our admired and beloved close friends colleagues.

Today, 25 years after the somehow confusing but premonitory world-context in which our Club was first established, the world-scenario has become more gloomy than ever, considering the massive structural unemployment, the population explosion among the poorest, increasing social unrests and the consequent initial massive migratory movements, the compounded aggression against the biosphere, the waste of resources, the negative impact of unfriedly techonologies, the centrifugal forces within regions and countries, the almost exhaustion of alternative ideologies, and the radical erosion of values in the midst of a global economic recession. These and many other factors of the present *world problematique* undermine the present practices of government and point towards and historic transition, as Alex (King) –my predecessor and fortunately still very active– and Bertrand (Schneider) –our hard working Secretary General– would agree to say.

On the occasion of our 25th anniversary, I think we can say that the Club of Rome has become more mature, more systemic and

organized in its work, while remaining young in spirit, trying to serve Humanity with particular emphasis on future generations.

Within these crossroads, Europe is dramatically visualized by many either as a main source of hope or as a considerable menace:

Extreme views go between Eurosclerosis and Eurovitality, loaded either with extreme pessimism or excessive euphoria. Consequently, some believe in Europe's solidarity and others judge it as profoundly selfish. Over and above such views, the only truth is that Europe has been key throughout the last several centuries to the history of humankind. Now, back to the forefront of historic developments, Europe has at stake the essence of its own being and the best chances for its future, while being confronted with its historical responsibility towards not only all Europeans, but also towards all peoples and countries in the world.

Throughout centuries, Europe conquered, discovered, colonized or liberated countries all over the world, while transferring a specific world-vision as well as a cultural patrimony. In this way, Europe contribute languages, believes, science and techonology, traditions and values, that is, all the best of it, while also all its *miseries*, ambitions and major mistakes.

The actors in those days (the Europeans) achieved an extraordinary civilizatory task considering the criteria and habits then widely in practice, although nowadays many of them have been fortunately rejected. Together with the image of a dominant and prepotent Europe, we should also remember a Europe conquered and colonized in large areas during long periods of time, thus dominated but also culturally enriched, mainly by its neighbours in the East and the South, contributing to its present splendid cultural diversity.

Europe has always been crossroads and melting-pot. That is why Europe is forever linked to such decisive and universal references as christianity, democracy, human rights or spirit of criticism. Unfortunately, however, it is also closely linked to explotation, slavery, learned despotism, fascism and communism. However, Europe cannot just hold fast to the past without a vision for the future.

Nowadays, the Europe of tomorrow is in the hands of a very small percentage of the world's inhabitants, due to its present demographic deficit. However, their blood and culture have been blended with those of all other Continents. Thus, the King of Spain rightly said, ten years ago at Aachen, that «Europe is trans-

European (and) has been always going further on than itself (...), shedding toward other countries.»

Willingly or not, Europe continues to be one of the major protagonists in a rapid and profound changing world, overwhelmed by the complexity of an array of challenges which transcend every territorial border and have very long term consequences. In this perspective, the European Community, first, and now the new born European Union are very important milestones but still insufficient in order to take over its considerable new responsibilities in this dramatically changing world.

The crossroads in which Europe is now found, coincides unfortunately with world-wide difficulties of all sorts, with insufficient citizens participation and with an alarming psychological depression and weak leadership in most decision-taking centers. Moreover, the very high rate of structural unemployment poses crucial economic and political problems concerning the future of work. Thus, no wonder that a certain feeling of frustration within the EU has been spread. Notwithstanding, the alternative of a future disintegration –as some forecasters claim to perceive– would have such devastating effects for Europe and the rest of the world, that no such suicide is foreseeable any more.

Under these circumstances, it is worthwhile remembering that this incipient major peace venture of building Europe is to be always based on the abandoning of any colonialist temptation, on overcoming any eagerness of conquest or hegemony within Europe, and on the search for living together in harmony and cooperation among the East and the West, the North and the South.

Either due to solidarity or at least due to learned self-interest, the widest cooperation possible and the most generous help to the former communist Eastern countries is therefore essential, overcoming any temptation of returning to prejudices and suspicions from the «cold war», confronted with potential scenarios of evolution or military imperialism. Only by means of intense cooperation can the centrifugal forces and exacerbated nationalism in the East turn into the much needed intra- and extra-European alliances, while avoiding massive migration of the best brains.

However, and in spite that a clear vision of such duties and responsibilities should be obvious, the ongoing great European tragedy of the civil war in the former Yugoslavia does not lend many reasons for optimism. Developments there represent one of the most important menaces to the necessary moral authority for the future Europe now under construction, confronted as it

is with so many untied local ambitions. Thus the question is if we are ready to pay the price tag for a more equitable World Order.

Meanwhile, the «less developed countries», mainly those in the South and the East, try to cope with poverty, immense debts and sparing participation in world trade, amidst a growing polarization of the world economy, together with mutual accusations of protectionism even though all major economic powers are by now to a considerable extent both hangmen and victims.

However, the poor peoples of the world become less and less resigned in search of their basic needs and growing expectations, while at the same time the world population increases exponentially from six billion shortly, to two billion more in less than the 25 years to come. Consequently, marginalized people are starting to migrate massively in view of no local hope for survival and, confronted with future increasing hardship, may soon resort often to violence, introducing a very serious global social instability.

This situation is being exacerbated by the abysmal disparities between rich and poor in terms of technological development and standards of living, in their wrong quest to apply the Western development model, while on the edge of the competing gigantic new supranational free markets. It is in our hands, in the wealthier countries, to provide hope or despair. We are not the omnipotent owners of their destiny, but while forgiving sometimes their external debt we may also wish to ask for forgiveness for many moral past debts of our own!

In view of these circumstances, an inter-regional cooperation scheme becomes urgent with a view of global sustainable development and peace, instead of continuing just in the search of material progress at the expense of the misery of other countries or hanks to plundering Nature. Competitiveness, caring and sharing are key-concepts in overcoming the ongoing «cold peace» among the more powerful, trying to attain world economic hegemony. The establishment of a globally, balanced and fair expanding trading system, such as an UN specialized multilateral Trade Organization –buried at its inception in favour of GATT within the dollar and pund sterling area after World War II– could effectively serve such purpose. Such a system should urgently include measures to protect the environment on international trade, for example through product specifications and transportation efficiency standards, in addition to better social welfare standards for less developed countries.

On another aspect, the perverse carelessness of the environment, with increasing «ecological timebombs» planted around, is one of the main menaces to human survival. In this respect, Europe

—while containing some of the best reserves of the human ecological patrimony— has by now become one of the major polluting sources of global contamination, while former communist Eastern countries present one of the worst examples of brutal environmental aggressions.

However, in spite of it all, much more serious than the many environmental problems throughout Europe, are the present lack of solidarity, or the greed, intolerance, fanaticism, racism, xenophobia, and wicked ignorance, among many evils born out of the worst demons of man's mind, which are the real source of wars, terrorism, and savagery of all kinds. In fact, the solution of all other problems can only result from soon overcoming the profound crisis of ethical and moral values and by regenerating a sense of civic responsibility.

Because of all this, Europe—including the recent European Union—should be and can become, a big project for peace and well-being. Thus, even the European Union is utterly insufficient, even if soon expanded, except as the necessary and prior basis—the motor as President Richard von Weizsäcker has rightly said—for a Europe over and above its circumstantial geographic borders.

Europe 2020 must become, above all, a vision and a will towards the future, over and above the European Union. Eventually, the European Union could develop into the *United States of Europe* or any other form, as the founding fathers of the Community hoped, and even John F. Kennedy wished to see born hand in hand with his country. Such United States would need, however, to be open to all other countries in the region willing to join and able to share their common responsibilities. Ultimately, a real *European Magna Carta* needs to be adopted for all European countries, without exception, around a potential cornerstone such as the European Conference on Security and Cooperation. Thus, in my view, Europe should reach out as far as its breath and vigour are able. That is: its people, culture, and capacity for renewal.

The purpose of this Conference, convened by The Club of Rome, is precisely to try to contribute in formulating such a vision around the theme «Vision Europe 2020». This is widely helped by the organizers of EXPO 2000, whose global approach and central subject —«Mankind, Nature and Technology»— were in turn specifically inspired by the work of the previous Club of Rome Conference held in Hanover back in 1989.

For our part, within The Club of Rome, we share a broad consensus—including for certain our non-European colleagues— about the desirability to build in harmony the real and much needed Europe of tomorrow. Similarly, we have promoted and shall con-

tinue to promote integration processes in other economic, cultural and political regions of the world with a view towards close mutual cooperation among all.

Certainly, Europe's destiny is not only in Europe or within the Triad and the G 7, but increasingly tied to the future of the globe. Europe needs, therefore, a coherent *worldview*. Consequently, the global and common challenge of Europe is to resume its full co-responsibility and to pledge in favour of a more equitable and viable World Order.

The essence of such European construction to the service of humankind must, however, be based on a civic, moral and spiritual renewal of all the people which make up Europe at large. In fact, the world is not simply the sum of Nation states but mainly of people. Thus, the UN Charter rightly by saying: «We the people...»

Accordingly, a consolidated new Europe has to be willing to continue sharing and delegating wider areas of their respective sovereignty in favour of a supranational common interest and of the preeminence of the *raison d'humanité* instead of the former almost exclusive *raison d'Etat*, as a forthcoming report to the Club of Rome by Professor Dror properly emphasizes. I would even add a *raison de la Nature* for future governance.

Furthermore, Europe must take up its new responsibilities in relation to Latin America, Asia, Africa, the Arab States or the Middle East, by establishing the natural links and bridges for working jointly together towards Euro-American, Euro-Asian, Euro-African, or Euro-Mediterranean frames in favour of appropriate endogenous development.

All countries should have the sense of a call for *global partnership* at this historical world juncture. International close cooperation will need to be expanded for solving global problems. However, for this objective, we all need to foster a wide *international cultural dialogue* within the existing enriched cultural pluralism if we wish to know, tolerate, respect and most probably appreciate each other.

To start with, the existing European Union needs to help the UN to renew and restructure itself, while lending the necessary power and means. For its part, the United Nations Organization has to reaffirm clearly its mission, inclined towards and «open ended Club of democracies» —such as our colleague Harlan (Cleveland) would say— and as an effective and powerful mechanism for maintaining world order and cooperation, within which system leadership should only be exercised as usual among equals. This can

only be enhanced thanks to wide consultations among governments and non governmental institutions, including scientists, spiritual leaders and business leaders.

However, these and many other goals require the prior adoption of a new mentality and a new lifestyle, besides far-reaching institutional reforms in order to permit and motivate active public participation. Such is the urgent task of a much needed European project towards *learning for the future*, intended to effectively contribute in developing the citizens' conscience and will for a shared vision and action. Over and above chauvinistic educational systems, people must learn about global problems and alternative solutions which concern us all, including environmental education, citizenship and global ethical values –among many other aspects– in order to better understand and adapt to the new global society being born. In this task, the educational sector has already lost its monopoly in favour of the potentials of mass media, but must also be helped by leaders of every other sector of life. Only in this manner will Europeans be able to assume their new responsibilities in a changing world.

The citizens of Europe are now to fulfill a major mission, hand in hand with the other citizens of the world, to cope with their responsibilities towards future generations and the future of the biosphere. There are immense and most valuable assets of untapped resources of knowledge and moral energy for this purpose. Women and men together should actively contribute to building a renewed humanism of *universal solidarity*, filled by the creative joy of constructing a *new world*.

However, it is youth –aware of its own duties– who can best ensure the dawn of a new civilization. It is also up to them to determine to carry out today's Utopias for Europe 2020, because nothing is more realistic than Utopia provided an enduring will and effort towards the attaining of such goals.

A creative, self-demanding, generous and idealistic Europe can and should be born now. A new world is already under way. Let us be at the forefront of such challenge and opportunity!

CHAPTER II

FROM THE EUROPEAN COMMUNITY TO THE EUROPEAN UNION

1. An attempt to define Europe.
2. A few figures.
3. An ageing European population.
4. Prisoners of poverty.
5. Violence and crime.

1. An attempt to define Europe

When we speak of Japan, the United States, or Africa, the listener usually knows what is meant by those terms. It is not the same when we speak of Europe. Today, what meaning do we or can we give to the word Europe? In fact, why should there be ambiguity or misunderstanding?

If we consider Europe from various perspectives, we realize that all kinds of combinations are possible. First of all, Europe, which is the smallest of the five continents, shares with Asia the same continental plateau geographically. It is therefore part of a continent that may be called Euro-Asian.

To the East, the European continent is closely bound to the Asian continent. The Ural Mountains, which are the traditional dividing line between Europe and Asia, do not constitute an insuperable barrier. Also, the Straits of the Dardanelles and the Bosphorous appear more as a bridge than a break between the continents. To the South, only the 14 kilometers of the Strait of Gibraltar separate Europe from Africa.

These geographic factors explain why there has always been contact between Europe and its neighbors and why today their destinies continue to be linked, as we shall see later on.

The breakup of the Soviet Union has given rise to several territorial entities, most notably the Russian Federation, which covers 17 million square kilometers, as far as the Kamchatka Peninsula. Since the ending of the Soviet empire, Russia has expanded its contacts with the West and, if this trend continues, all of its

eastern part located on the Asian continent will have the same future as its European part. Perhaps one day when we speak of Europe, we shall refer to a territory extending from Iceland to Vladivostock. We are still not there.

Politically, Europe is today a group of states in transformation numbering almost 50, some long established and others very recently generated by the emancipation of the national components of three former federations of Eastern Europe: the Soviet Union, Yugoslavia, and Czechoslovakia.

The European continent, which had 26,000 kilometers of borders in 1989, by 1993 had an additional 14,200. These new borders were sometimes the result of negotiations—as in the case of Slovakia and most of the states previously part of the Soviet Union—but they also often caused conflicts, of which the most well known is that taking place in the former territory of Yugoslavia.

The countries of Europe are linked through a network of multinational institutions that complement, contradict, or overlap one another: the Council of Europe with 27 members; the European Union (EU) with 12 members in 1993 and, since the Treaty of Maastricht, evolving into a European Union the European Parliament, the European Council of heads of State and heads of Governments; the Conference on Security and Cooperation in Europe (CSCE); the Union of Western Europe (UWE); the European Free Trade Association (EFTA) with 7 members; and the North Atlantic Treaty Organization (NATO).

Despite or perhaps because of all these institutions, Europe still does not speak with a single voice. Each of its countries or groups of countries is concerned only with its short-term interest in the decisions made.

Europe's best opportunity to build unity may be the requirement for admission to the European Union based on Article O of the Maastricht Treaty, which states that «every European state can become a member.» The Brussels Commission of the Community, which in June 1992 submitted to the European Council in Lisbon a report on expanding the membership of 12 states, considered that «it is now neither possible nor opportune to establish the borders of the European Union, which will take shape over time».

Although we welcome the wisdom of not attempting to set the future European Union within a fixed framework, we should also bear in mind that the term «European» is not officially defined. In that sense, the only approach is the one adopted by the Brus-

sels Commission: «It combines geographic, historic, and cultural elements that, together, contribute to a European identity. Their shared experience of kindred ideas, values, and historic interaction cannot be condensed into a simple formula and be subject to revision by each generation.»

This very broad, not to say vague, concept will leave the field open to all kinds of interpretations when it comes to accepting or rejecting a country's application to join the Union.

Besides the geographic unity of a continent, what is there a priori in common from a historic and cultural perspective between, for example, Great Britain, which is a long-established democracy that respects human rights and that some time ago gave women the right to vote, as compared with Turkey, which still lives under an authoritarian regime, executes its convicted criminals, and spends twice as much money on defense as it does on education? What historic elements does the Continent share?

The most obvious are the wars that throughout the centuries have torn apart neighboring peoples. If it had been necessary to take into account these wars, the European Community would never have been born. Although most of the countries in Western Europe have emerged from battles that have been fought over many years, they also have resulted from alliances among royal families. This patient construction, only recently achieved by Italy, for example, is still not solid enough to be a proof against periodic outbreaks of nationalist movements, language barriers, and religious conflicts.

The countries of Central Europe and the Balkans, like many colonized countries, have seen their borders moved around to satisfy the appetites of the great powers, most notably after World War II. Those times are not so distant, and there are still many who harbor bitter memories of them. All of this has to be borne in mind when speaking of Europe and when attempting to determine the European identity that is under discussion by the European Commission. At present, that identity does not appear to be very clearly defined by the people living there, who cannot see the forest for the trees.

On the other hand, those living on other continents can discern the general outlines of Europe more clearly, and their perception is extremely useful in helping Europe to better understand itself.

Economically, until 1989 Europe was divided into two groups—the group of countries known as capitalist and those known as socialist. The breakdown of the Communist bloc, symbolized by the destruction of the Berlin Wall, immediately revealed a disastrous eco-

conomic situation, a very low standard of living, and an environmental deterioration in the countries of Eastern and Central Europe much worse than could have been imagined. The last three years of world history have demonstrated beyond a doubt that the overall political changes that have taken place do not represent a solution in themselves but rather an opportunity to create a regional and worldwide framework for the solution of problems.

Eastern and Central Europe have to be reconstructed economically; unfortunately this reconstruction is not helped by the ethnic conflicts and nationalist territorial claims—generated by the two world wars and suppressed after them—that have sprung up all over that region ever since the reunification of Germany proved that the borders established 40 years earlier were not untouchable.

By mid-1993, such conflicts had forced more than 3 million refugees to flee from those countries. (Sadly, it must be noted that often the main objective of local war is to expel the people of another national group.)

Western Europe has not escaped the worldwide economic crisis, which now stands in the way of its universally expressed desire to come to the aid of its neighbors to the East.

From an economic standpoint, Europe is made up on the one hand of some 20 of the richest countries, in which pockets of poverty are now spreading due to unemployment, speculation, and a prolonged crisis indicating that the causes are structural rather than circumstantial. On the other hand, it includes a somewhat higher number of poor or, more precisely, impoverished countries that contain a scattering of wealthy clusters of those who know how to profit from the opening up of their countries to the market economy.

These two groups of countries are suffering, as the rest of the world, from the movements of international finance, which, thanks mainly to its continuous use of modern communication technology, is able to anticipate and thus profit from decisions made by national authorities. In 1993, the value of financial flows was 50 times that of the export of goods and services.

The living standard of Western Europe is many times higher than that of their neighbors to the east; the per capita GNP of Slovakia, for example, is one-tenth Switzerland's. It will be difficult to speak of a common European destiny before there is economic equilibrium among the countries of Europe.

It should be noted that five years after the fall of the Berlin Wall, the most recent elections in several countries of Eastern and

Central Europe have brought back many, and sometimes a majority, of the political figures from former Communist governments. Does their return to popularity mean that people have become discouraged by the economic difficulties accompanying the transition from a planned economy to a market economy and are therefore turning back to their previous leaders? Or is it because after so many years of nonparticipation by citizens in the centers of decision-making, the only political cadres capable of getting out the votes are associated with the previous regimes. Or is it perhaps that people are disconcerted by the sudden changes and are looking for familiar points of reference in the political figures they have chosen?

Planned economies are now bankrupt. Free market economies are headed for a major accident.

The world, on the whole, is not in a state of saturation, rather it is in a state of insolvency. The need for production has never been as great as it is today. There is no excess of productivity in the areas of agriculture, industry and services, but a deficiency does exist in the systems of economic regulation: we do not know how to connect our systems of production to the solution of our actual needs.

Contrary to today's popular opinion, classic free market economic theory is incapable of supplying the necessary answers for the chaotic modern world; the theory is based on laws established during the industrial age and it does not express the laws which dominate the economy of non material activities.

Consequently, the solutions proposed by the Nations which are apparently the most powerful, especially the G7, are anachronistic and contribute to the chaos.

The Europeans are thus condemned to imagine other solutions.

European wealth is primarily gained through the strength of its agriculture, its alimentary, energy, chemical and mechanical industries and telecommunications. it is necessary, therefore, to boost the consumption in these domains.

The necessary demand is at Europe's doorstep with the equipment of the Central European and Oriental countries and the Mediterranean states of Morocco and Turkey. The launching of a vast Marshall Plan, to benefit those countries which will agree to a certain number of necessary conditions to ensure efficiency, constitutes perhaps the only solution to the unemployment in the European interior.

Culturally speaking, Europe presents not only numerous points of difference, but also some common characteristics.

We are at present very distant from the medieval Europe that shared a civilization based on peasantry, feudalism, and Christianity from one end of the continent to the other. Today this same continent has neither ethnic nor linguistic unity; it is a mosaic of cultures and religions, crisscrossed by many cleavages and therefore tensions.

One of the remarkable features in the post cold war is the rising role of the cultural factor in world politics. While the ideological bipolarity withered away, we are witnessing a growing cultural demand. Culture might be a source of friction as well as a source of harmony pending on the approaches taken by the concerned peoples.

Ethnic and cultural differences may be positive factors when they mutually contribute to enrich a country, but they become a calamity when they are used as a pretext to impose the pseudo-superiority of one group over another. We still do not seem to know where the line should be drawn between differences and incompatibilities.

Europe is the birthplace of the concept of nation and also where nationalist sentiment was exacerbated into the monstrous excrescence of Nazism. Will we ever learn from the lessons of the past? UNESCO declares 1995 to be the Year of International Tolerance, a major challenge if there ever was one. Its Director General, Federico Mayor, has stated in this regard: «It is imperative that we all give a new meaning to the word "tolerance" and understand that our ability to appreciate each person is the ethical basis of peace, security, and intercultural dialogue.»

The most egregious example of such ethnic and religious conflicts is, of course, what is taking place in former Yugoslavia, particularly in Bosnia. The «ethnic cleansing» carried out by the Serbs has provoked strong reaction from the peoples of Western Europe, who have lived in peace for 50 years, because it has occurred on their doorstep.

Nonetheless, that is not the only case: A little farther away, the Kurdish problem continues to bloody the Kurdish and Turkish communities. The battles in Upper Karabuk, which periodically pit the minority Armenian population against the Azeri, are regularly marked by massacres. There is trouble in Georgia, numerous skirmishes in the new Russian Federation, and, heightened tensions between Russia and the Ukraine.

Prevention of conflicts among the communities has become one of the first political priorities of Europe.

But are not all of these so-called ethnic conflicts, struggles between rival factions, religious antagonisms, and calls for independence, really an outlet for forgetting the despair arising from poverty, unemployment, and the absence of a future for young people? In Third World countries, where the ignorance of a large proportion of the population intensifies the problems, the situation is even worse. If nothing is done, more, rather than fewer conflicts of this kind are to be feared.

For the budding European Union, which with 15 member states is still manageable, the most urgent task is to put together a minimum of common values and fundamental objectives in order to form a society that can be adopted by all the countries desirous of joining the Union. This means that it is necessary to transcend language barriers in order to support the characteristics shared by the peoples of Europe more deeply than they realize.

In the United States, the concept of the «melting pot» has been helpful in homogenizing the cultures, even though today its role is diminishing. In the Soviet Union, it was thought that a shared ideology would mitigate cultural differences; but the play has just come to an end.

Europe should discover or invent its own common denominators; culture then becomes very important.

It takes a long time to develop a cultural policy, and the pressures of short-term technical problems are used too often as an excuse to postpone a global cultural policy.

Returning to the terms adopted by the 1982 UNESCO Conference held in Mexico, culture can be considered as an ensemble of the different spiritual, material, and emotional characteristics of a society or a social group. In addition to art and literature, it encompasses life styles, human rights, value systems, traditions, and beliefs.

If each one of the elements determining culture is taken separately, it becomes clear that the peoples of Europe share many of them. Later on we shall see how it is possible to draw the face of today's Europe.

Europe has given the world some of its greatest painters, sculptors, musicians, and architects; no one cares now whether they were born in the north or south of Europe, in the east or west.

Shakespeare, Dante, Cervantes, Voltaire, and Tolstoy —not to mention many other authors who have helped man to a better understanding of himself— are all part of a common European patrimony. From peasantry to industrialization, the peoples of Europe have all undergone the same stages, have experienced the same problems, and have suffered the same disasters.

Although Christianity has branched out into various kinds of Catholicism, Protestantism, and Orthodoxy, it is still the trunk of all creeds.

Europe wrote the word civilization in the singular and presented to the world its ways of living and thinking as the ideal model for the human race. Thanks to the media, migration, and tourism, Europe is being assigned its proper place and other equally valuable models have been discovered.

Today there is another model that threatens to impose its hegemony on the world's populations: the American model which, instead of human values, conveys mainly economic values.

Europe can recover its European values —no longer to impose them on the rest of the world, but rather to enable all peoples to live in peace and well-being— on condition that it accepts its own internal differences and takes advantage of their diversity and potential.

The basic value of liberty is as attractive and relevant as ever. The value of solidarity no longer is applied just to one's contemporaries but also to future generations, no longer only to one's neighbors but also to all the peoples of the world. This new solidarity implies the idea of sharing responsibility, especially to the environment, and respect for others. There is a single word that summarizes quite well all the values that have to be rediscovered. It is hardly used any more, because no one cares to put it into practice; it is «altruism».

2. A few figures

The European continent can be divided into eleven geopolitical sets of countries. Within each set, the countries have some degree of unity in terms of their geography, history, and culture; and they also have comparable problems. This does not mean that the countries within a given set necessarily have good relations with one another.

It might even be said that their very similarity gives rise to conflicts.

Economically, there has been a new distribution of European countries into four separate groups: the European Community, which has become the European Union; EFTA (European Free Trade Association); Eastern Europe, made up of former countries of the Socialist bloc; and the generally small countries, with the exception of Turkey, that gravitate more or less in the orbit of one of the three other groups. Broadly speaking, it may be said that the first five sets appearing in the above list are composed of the wealthy countries of Europe and that the following six sets include the relatively poor countries.

The first five sets of countries represent a population of about 370 million, with a GNP estimated at US\$ 7,500 billion. The next six sets of countries total a population of approximately 435 million, with a GNP of US\$ 1,150 billion, as closely as can be determined in a way comparable to that used for the first set. In fact, countries with a market economy and those still or until recently under a centrally planned economy use different accounting systems.

The former calculate their GDP (gross domestic product) and their GNP (gross national product), whereas the latter calculate a NMP (net material product) and GSP (global social product) that do not take into account the same elements of wealth. For similarly sized populations, the GNP of the rich countries of Europe is seven times that of the poor countries of the region.

Among the industrialized countries, those of Central and Eastern Europe fall far behind in matters of human rights. In that regard, except for Hungary and the former Czechoslovakia, they are at the level of the developing countries, with Romania's record particularly notorious.

The Geopolitical Stets of European Countries:

Germanic Europe:	Austria, Liechtenstein, Switzerland, Germany.
Benelux:	Belgium, Luxembourg, Netherlands.
Northern Europe:	Denmark, Finland, Greenland, Iceland, Norway, Sweden.
Latin Europe:	Andorra, Spain, France, Italy, San Marino, Vatican City.
British Isles:	United Kingdom, Ireland.
Eastern Mediterranean:	Greece, Malta, Cyprus, Turkey.
Balkans:	Albania, Bulgaria, Romania, Slovenia, Croatia, Bosnia-Herzegovina, Serbia, Montenegro, Macedonia.
Central Europe:	Hungary, Poland, Republic Czech, Slovakia.
States Baltic:	Estonia, Latvia, Lithuania.
Eastern Europe:	Byelorussia, Russia, Ukraine, Moldavia.
Transcaucasia	Armenia, Azerbaijan, Georgia

Life expectancy, which is 77 to 78 years in the wealthy countries of Europe, is only 70 to 71 in the former countries of the East.

Infant mortality, which averages 7 per thousand in the European Community –although 9.8 per thousand in Portugal– is double that number in Eastern Europe and even triple in Russia.

The mortality rate for women in childbirth, which is less than 20 per 100,000 confinements in almost all industrialized countries, reaches 45 in Russia, 100 in Albania, and 210 in Romania.

In general, health care, which today is a heavy burden the world over, presents problems that are difficult to address in the former socialist countries. Romania is hard pressed to meet the costs of treating AIDS, which is especially ravaging the infant population. Russia records a large number of post-operative deaths in cases of heart surgery on children (20 %). The deaths are due largely to infection, even though the surgical techniques may have been mastered perfectly. Also, many children with heart problems die for lack of surgery; Russia's major center of heart surgery is located in Siberia, and few parents can afford to make the trip.

The shock of the transition from socialism to capitalism in the countries of Central and Eastern Europe has impoverished huge population groups who are living in Third World conditions.

On the other hand, the countries of Central and Eastern Europe, like those of Western and Northern Europe, have less than 2 % illiteracy.

In that regard, the Mediterranean countries are not as privileged: Italy and Bulgaria, with 3 % illiteracy; Spain, with 5 %; Greece, with 7 %; Malta, with 14 %; and Portugal, with 15 %.

But the most backward are Albania, with 25 %, and Turkey, with 30 %.

Employment

Inasmuch as the most recent available statistics are from 1991, the following figures should be adjusted upwards.

In 1980, unemployment rates started to rise, reaching a peak in 1986/87, when they began to go down until 1991. Once again, almost everywhere, the trend is upward.

In 1991, the average rate of employment in the countries of the European Community was 10.3 %, with Spain and Ireland suffering the most at 16.4 and 17.4 % respectively; at 6.3 %, Germany was least adversely affected.

TABLE I
Unemployment in Europe
(percentage of economically active population)

	1980	1991
Austria	1,9	5,8
Belgium		
Denmark	7	10,6
Finland	4,7	7,5
France	6,3	9,3
Germany	3,8	6,3
Greece	2,4	7,3
Iceland	0,4	1,5
Ireland		17,4
Italy		
Luxemburg		
Netherlands		
Norway	1,3	4,7
Portugal		
Spain	9,8	16,4
Sweden	1,4	3,3
Switzerland	0,2	1,3
United Kingdom		

Greece registered the highest rise in unemployment, going from 2.4 % in 1980 to 7.38 in 1991, or an increase of 204 %.

The EFTA countries had the lowest unemployment rates: Switzerland, 1.3 % in 1991 and Iceland 1.5 % the same year. Nonetheless, the jobless rates in these two countries, given their earlier extremely low levels, went up by 250 %.

Inflation

As regards inflation (see Table 2), it began to be brought under control in all the countries of the European Union, except for Greece and Portugal, in the 1980s. The EFTA countries, except for Iceland, also brought down their inflation, which was already quite modest.

Downward trends have continued almost everywhere except in Germany, Austria, and Switzerland, where inflation has slightly increased. By contrast, the countries of Central and Eastern Europe are now experiencing inflation rates of two and three digits.

TABLE 2**Changes in Inflation**

(average annual percentage, by period)

	1965/80	1980/90	1992
Austria	5,8	3,6	4,1
Belgium	6,6	4,4	2,4
Bulgaria		2,2	—
Czech-Slovak		1,9	10,9
West Germany	5,2	2,7	4,1
Denmark	9,3	5,6	2,1
Finland	10,5	6,8	2,6
France	8,4	6,1	2,4
Greece	10,3	18	15,8
Hungary	2,6	9	20,1
Iceland	26,7	32,8	4
Ireland	11,9	6,5	3
Italy	11,3	9,9	5,4
Luxemburg	6,7	4,2	3,1
Netherlands	7,5	1,9	3,7
Norway	7,7	5,5	2,4
Poland		54,3	43
Portugal	11,7	18,1	8,9
Romania		1,8	211,3
Spain	12,3	9,2	5,9
Sweden	8	7,4	2,2
Switzerland	5,3	3,7	4,1
United Kingdom	11,2	5,8	3,7
Former Yugoslavia	15,2	122,9	434,7

3. The Ageing European Population

The population picture (see Table 3) shows that in most countries of the European Union the number of children continues to be greater than the number of persons aged 65 and over.

The balance is by and large positive for the Mediterranean countries: Greece and Portugal, with 30 % more children than old people; and Italy and Spain, with twice as many. France and Belgium now have about 25 % more children than old people. The others are just barely in balance, and Germany maintains its balance thanks only to the contribution of the former East Germany.

In the EFTA countries, there is also a slightly positive balance, except in Sweden which already has a shortage of children. By contrast, the countries of Eastern Europe can be said to be young countries. Czechoslovakia and Romania have twice as many children as old people. In Poland and the former Soviet Union, the ratio is about 3 to 1 in favor of children. Hungary and Bulgaria are close to the average in Western Europe, with around 30 % more children.

In Europe, the fertility rate—that is, the average number of children a woman will give birth to during her lifetime—has dropped from 2.19 to 1.7 in the last twenty years.

TABLE 3
Age and population in millions

	Total pop. 1992	Density pers/km.	Child. -14	Adults +65
EUROPEAN UNION				
Belgium	10.050	329.3	1.810	1.06
Denmark	5.181	120.3	888	787
France	57.540	105.8	11.600	8.266
Germany	81.118			
East		145.1	3.054	1.621
West		262.6	9.545	10.325
Greece	10.294	78.0	2.032	1.447
Ireland	3.485	50.6	0.966	0.397
Italy	57.900	192.2	10.046	8.319
Luxemburg	0.394	152.4	0.068	0.055
Netherlands	15.239	370.2	2.802	1.966
Portugal	10.470	114.3	2.252	1.371
Spain	39.141	77.5	7.989	5.003
U. K.	57.950	236.8	10.913	9.243
EFTA				
Austria	7.805	93.1	1.369	1.199
Finland	5.042	15.0	0.980	0.673
Iceland	0.264	2.6	0.066	0.030
Liechtenstein	0.030	187.5	—	—
Norway	4.299	13.3	0.810	0.697
Sweden	8.692	19.3	1.551	1.567
Switzerland	6.918	167.6	1.328	0.958
EASTERN EUROPE				
Bulgaria	9.010	116.0	1.912	1.113
Czech Republic (a)	10.365	81.2	3.784	1.808
Slovakia	5.310			
Hungary	10.311	121.2	2.173	1.349
Poland	38.421	110.8	9.913	3.673
Romania	22.190	122.9	5.064	2.141
Former URSS (b)	292.400	93.4	73.077	28.349
Former Yugoslavia	23.955	—	—	—
Other countries (c)	59.904	—	22.035	3.709

(a) Figures valid before the partition.

(b) Azerbaijan, Byelorussia, Estonia, Latvia, Lithuania, Moldavia, Russia, Ukraine.

(c) Cyprus, Gibraltar, Malta, Monaco, Turkey.

In the countries of the former Soviet Union, it has also gone down, although to a lesser extent—from 2.44 to 2.3—and over the next twenty years should continue to decline, reaching about 2.1, while during that same period it should climb slightly to 1.8 in the west.

In all of Europe, Turkey takes the lead, with six times more children than old people. Furthermore, life expectancy, which now averages 75 years in Europe—with the differences by country described above—should also rise to 77 years.

In light of these two factors, demographers conclude that the number of old people is going to increase in almost every country of Europe and that the problem of taking care of them, already considered to be cause for concern, will undoubtedly become critical.

This situation becomes even more serious given the fact that, with changing life styles and attitudes, people are less and less able to look after older family members, especially those who are dependent.

At present, public assistance for the elderly, which exists to varying degrees in the different countries, is already inadequate. In many European countries, the number of institutions for old people is very limited, and the solution most often recommended is home care. This solution is the most humane inasmuch as it allows them to remain in their familiar surroundings and it is, moreover, less expensive.

In order to implement this solution, private charitable or even for-profit organizations might take over or supplement family care. In addition, studies carried out in a number of European countries indicate that the conventional wisdom about family attitudes is not necessarily true. Family solidarity and the strength of family ties still exist; they have not, as is sometimes charged, been weakened by the stresses of modern and particularly urban life.

It was only at the end of the 1950's that society began to give serious thought to adopting measures to assist old people. Until then, those who had no family to care for them were received by publicly run hospices or hospitals, with the most destitute taken in by religious or charitable organizations. By the early 1960's, it was believed that an attempt should be made to integrate old people into society rather than store them away.

This resulted in the creation of numerous social services that were aimed at supporting and assisting elderly dependents and that came into conflict with the powerful hospital/physician establishments existing in most of the countries. The sharing out of medical and social services continued to evolve, with the British example of Community Care coming to typify the policy of deinstitutionalizing dependent old people. The latter were to be maintained in small housing units or in their homes and looked after by nonprofessionals trained to encourage them to participate in taking care of themselves, and such services were to be administered locally.

This community orientation was adopted in a number of Anglo-Saxon countries before being specifically promoted by the World Health Organization as a model capable of making services more effective and, at the same time, reducing their costs.

In the 1980's, Community Care took on a new direction; public authorities in Great Britain assigned families and friends a more active role in community services.

Since 1983, in an effort to control the expenses of health care and social welfare, France has placed more emphasis on strengthening neighborhood solidarity and ties. Thus, this last decade has been clearly characterized by a tendency to give responsibilities back to families and neighborhoods.

It is interesting to examine the case of Sweden—which already has a large elderly population and in some ways foreshadows the future situation of most of the countries of Western Europe—to see how it deals with this problem.

Sweden has one of the highest proportions of old people in the world. Its percentage of people more than 80 years old, which was 4.1 in 1988, will have reached an estimated 30 % by the year 2000.

Another special circumstance of the Swedish situation is the very high proportion of women who work abroad: 81 % in 1989. The number of persons available for home care is therefore very small and, in general, further limited by other factors such as the increase in single-parent families.

In Sweden, then, almost all care for old people is provided by the government: it is financed by public funds and controlled by the government, within a legal framework.

For many years, caring for the elderly has been practically synonymous with institutional care: expenditure on institutional care represents two-thirds of resources allocated to health care for that segment of the population.

During the postwar period, until the start of the 1980's, the number of places in institutions increased gradually, keeping up with the growth in population aged 80 years and over. But ten years ago the latter's growth rate began to soar so that today there are relatively fewer beds.

Nonetheless, even though old people are the charge of public authorities, the great majority of the elderly and very old live at home. Despite the fact that this situation means it is extremely important to promote the development of home care, recent statistics have indicated a decline in such services, especially for those under 80.

Broadly speaking, institutional care, like at-home social and health-care services, keeps pace with the increase in the elderly population.

Sweden, then, is showing renewed interest in informal care; that is, essentially, care provided by families. A policy designed to help

and support such families was adopted in 1990 that gave economic assistance and the possibility of taking time off (under the health insurance system) to family members who look after their aged relatives for a maximum of thirty days. When the latter's condition requires continuous care and attention, a family member may be employed by the municipality or county and receive a salary equivalent to that of a professional family aide.

Confronted with demographic changes and the limits imposed on public expenditure, the Swedish government has drawn up a strategy of action, expressed in the Law of 1990, that makes municipalities responsible for all the institutional resource and services, except medical, that are provided for the aged.

Although also in crisis, the Swedish system still compares favorably with other systems worldwide in view of the ample coverage it offers.

Nevertheless, the public health care system that was developed over the course of the 20th century in Sweden, represents sociopolitical goals that can only be realized in the context of a favorable economic situation. Today's changing economic conditions call for a transfer of responsibilities for care of the elderly from the public sector to families. But it is doubtful that in the future families will be able to contribute more or even the same services that they do today.

Care of the elderly in Sweden is heading for major changes: increasingly diversified sources of financing made up of a combination of public initiatives, charitable contributions, and private resources.

***From our special correspondent in 2020
News of the Future***

Retirement and active life

Governments have played an active role in promoting new models in education and employment, with their laws and civil service practice. On the one side, they have increased their efficiency in providing a minimum employment level for everybody in need and on the other side they have considerably reduced their direct intervention in the economy. They have spent billions of dollars, ecus or YES (yens-ecus-dollars) for promoting programmes for retraining: it is only recently that there is a universal full consensus that all workers should expect to learn new skills over the course of their entire (work) lives. Because people work later and do not necessarily receive higher wages (top remunerations are to be found in the 40-50 years bracket), pension financing is now more balanced than it has been at any time over the last forty years. However, health

expenses have constantly increased, in spite of different saving cost programmes (almost 25 % of GNP, of which 40 % are managed through institutions derived from the old HMOs). The major burden derives from the care of very old people after 80 and from long-term diseases or incapacities which affect around 5 % of our population.

A fundamental change which has taken place both in the social, psychological and even biological sector concerns the limits of productive aging. In our days, the physical and mental health conditions of the overall population, the age of total retirement, in the old sense used in the last century and where it still exists, oscillates according to different countries between the age of 72 and 76 (three countries still maintain the age of 70, and two go as far as 78). No differentiation is anymore done between men and women as to these limits (with few exceptions, including two countries with a higher limit for women). In fact, the notion of compulsory retirement at a given age tends to disappear, except for very specific jobs. Before that limit, the amount of people unable physically, culturally or mentally to be productive does show limited variations throughout society and throughout the age of 18 to 75. It still oscillates at a level (between 3 and 8 %) in various parts of the world at any period of age excluding the last year of life of each individual. The notion of invalidity itself has become more flexible: among «disabled» people, there is a growing percentage of them who will be productive again in a few months or years, since they are retrained for an activity they can very well accomplish. We must remember that this evolution is also the result of the great political movement which started during the 90s in favor of a better integration of people over 60 years of age as productive individuals within society, and following the impossibility of the younger generations to support the financial burden of those over 60 and 65.

These changes have been accompanied through our world by an increasing overall participation of women at work, although this specific development has shown substantial differences in the rate of change in different countries and continents. In North America, for example, more than 80 % of them work and their professional structure is closer and closer to that of men. The number of stay-at-home jobs is still increasing, around 20 % of all jobs, two thirds of them being held by women.

Although nowadays there is a great diversity of models, one can say that on average families now have more children—at least in North America and Europe (where the average is almost 3). Women and men working less hours in the average for a remunerated job than in the past, find time and energy to combine their professional and family roles in a more harmonious way. The four generations family living under the same roof or at very short distance is something one encounters more and more these days, combining in various ways couples which in half of cases have more than one marriage or marriage-like experience.

There has also been a renewal of community life: after decades of leisure spent in travels and sports, people devote more and more

time and abilities to meeting and improving all aspects of the community life, even when they go abroad. Here also, people after 60 are among the most active and there is a search of making revive quite a few traditions which had been almost lost, and are now reinvented or just newly invented.

4. Prisoners of poverty

Ce qu'on fait de vous, hommes femmes,
O, pierres tendres toutes usées
Et vos apparences brisées
Vous regarder m'arrache l'âme

(Louis Aragon)

The situation is not as homogeneous as it might first appear to be within each of the two groups of geopolitical sets of countries that we have already described: the rich on one side and the poor on the other.

Western Europe is facing a lot of difficulties, it is on the eve of great social and economic changes. In the past for example the allotment of purchasing power to the major part of the population was strongly linked with the production of goods and services. The improvement of the productivity, due to the pressure of unbridled competition has broken this link and we do not know how to mitigate the consequences of this situation. Europe is not alone in this regard. The industrialized set of countries are all facing more or less the same problems.

States cannot continue to maintain their economic sovereignty in the face of international economic and financial relations that are ever more ruthless.

This has resulted in a decline in the living standard of the middle class and a considerable increase in the number of marginalized people who are without resources. The gap between rich and poor widens every day. In the United States, for example, only the wealthiest ten percent have had their taxes lowered since 1980; this is also true in Europe. Inflation, wherever it rages, relentlessly erodes the purchasing power of the less fortunate. The housing crisis spares only those who have the resources to wait until the situation improves. Real estate speculation has driven the less fortunate out of the urban centers, and the suburbs are becoming more and more impoverished. This is the case in New York, Paris, Madrid, London, and Tokyo.

For most of those employed in Tokyo, affordable housing generally entails two hours of travel time to reach their work place.

The cost of housing, even in the most outlying suburbs of Tokyo, has pushed up property prices to the point that there are now 99-year mortgage loans.

Those crushed by the economic machine often lose their homes. The number of homeless is multiplying, and last winter there were people who died from the cold in rich countries. The problem of the homeless has been on the front page since 1981, when a study carried out by the Community Service Society of New York –the oldest social-service organization in the city– was published. This study describes with words and photographs those who in their struggle to survive, sleep on warm-air grates, eat vegetables and fruits that they find on the sidewalk after market hours, use rest rooms in train and bus stations to keep themselves minimally clean, and wear all their clothing winter and summer so as not to lose them.

If it was once possible to believe that the riots that broke out in the black inner cities of the United States in the 1960s resulted from a very specific situation, it is gradually becoming clear that all over the Western world low-income neighborhoods are going through a social crisis that manifests itself with varying degrees of violence. The homeless problem is increasing geometrically. It is difficult to quantify exactly because the people involved are by their very nature outside society; but the number of those haunting emergency shelters is an indicator. Between 1988 and 1990, this number went up by 42 % in New York, and there was a similar increase in Paris.

Every year Europeans become a little more aware that poverty, beggars, those without health care are no longer just in the Third World, but right on their doorstep.

All the surveys conducted in France reveal that what is most feared is unemployment. Everyone dreads the possibility that they may suddenly find themselves without a job, and therefore cast out of society into the streets –the final stage of the merciless process of marginalization. Published statistics that show there are 24 million unemployed in Europe are not reassuring.

In France, the «Médecins sans Frontières», who usually work in Africa or other poverty-stricken regions, have opened free clinics for those who are outside the system and do not qualify for Public Assistance.

Beggars are not yet seen in overwhelming numbers, although it may seem so because, until their return in the mid-1980s, they had almost disappeared. They no longer are drawn only from the ranks of the physically and/or culturally handicapped; nor are they African or Asian immigrants, who in fact often benefit from support networks; they have ceased to be mostly gypsies driven out

of the former Yugoslavia and other Central European countries. No, it seems that now anyone can be ground out by the machine and end up living in the Metro or on the street.

A study published by the CERC (Center for the study of income and costs) shows that in France, 11.7 million people, or nearly 47 % of the economically active population, are close to being marginalized. They can be categorized as follows: 5 million whose employment situation is already precarious; and 6.7 million still in the job market, but extremely vulnerable due to their low income level and/or limited access to social benefits. A report submitted in December 1993 to the French Ministry of Social Affairs states that there are already 1.4 million French people who, rejected by society, have lost their identity and have been dehumanized.

It is well known that more poverty exists in big cities because it easily survives there in anonymity and indifference. In the very large cities, highly visible and extreme social inequalities make life even more difficult.

For those who lose their job, the problems of finding another may create family and other emotional problems. Poverty brings with it solitude, and the absence of personal relationships stands in the way of social reintegration.

France is not an isolated case. Unemployment is everywhere in Europe. Germany's integration of East Germany has not been problem-free; the West population feels that it has been sacrificed and has lost purchasing power.

In large cities it is also easier to put together the bare means of survival.

Among the crowds of people there will always be someone who will give spare change to a beggar who manages to attract his attention or offers a «service»: musicians, singers, puppeteers. Beggars especially look for tourists, who may find them more exotic than the ones at home, although they are the same everywhere; recently, beggars have appeared in the Paris Metro carrying a sign that announces in several languages that they have «no work and no money».

Homeless people in Great Britain have put out a newspaper that they sell to the public and from which, after deduction of printing costs, they receive the proceeds. This has been tried in France, where there are now several networks selling such newspapers. One cannot be sure that promoters of these activities do not benefit more from them than do the homeless vendors.

The gap between the rich and the poor in the United States is at present wider than it has ever been since the end of World War II. Our country is having to face a series of serious problems: fighting against crime and drugs, the struggle against AIDS, the homeless issue, giving a sluggish school system new energy, recovering a stable economy are just some of them.

At the same time, beggars, unemployed and homeless are taunted by the display of tremendous wealth celebrating with ostentation its successful technological and financial achievements thanks to an incredible accumulation of means and knowledge; luxury is flaunted in magazines and in the affluent districts of the capital cities, works of art are traded within a closed circle at mind-boggling prices, Ferrari automobiles are the object of speculation and are sold for sums of money equivalent to the salary of a whole lifetime of a middle-level manager.

In the industrialized countries, society is not two, but three-gearred, with one very small group of extremely well-off persons, a substantial middle class just managing, and an ever-increasing minority of persons being left by the wayside. In the developing countries, a small fringe of the population lives at the highest of Western standards, making the contrast with the very low standard of living of the large majority all the more striking.

5. Violence and crime

The impoverishment of part of the population, the pushing out of the most underprivileged classes into under-equipped suburbs, the lack of training of a young population that can hope for nothing more than unemployment and odd jobs even before they have finished school, all of this can hardly lead anywhere but to despair, frustration and anger. Periodically in Europe (especially in France, Germany and Great Britain) or in America, newspapers and televisions report on a sudden rash of violence overtaking a city. A sometimes minor incident will spark off a riot with youngsters raging furiously, burning cars, breaking windows, and battling with the police.

Usually these eruptions are short-lived and the authorities throw together a quick «social» solution, usually not much more than a band-aid, and the roots of the problems are never dealt with, problems that will never be solved without a greater social justice and a better distribution of wealth.

So far, these outbursts of violence have been sporadic and limited to suburban communities. But there is no guarantee that, egged on by despair, they will not become more frequent, nor that the su-

burbs will not become permanent centers of agitation, which will eventually spread to the city districts that have been spared so far.

Such incidents are opportunities for extremist parties to brandish the law-and-order issue and accuse the immigrants of being guilty of every crime. Yet crime is not a new specter haunting Europe, and though it is less to be feared than AIDS or unemployment, the possibility of becoming a criminal's victim is growing with urbanization ¹.

Fear is not necessarily related to reality. It is often more the expression of an undefined anxiety, induced and maintained among others by the media, than of a real concern motivated by a specific danger.

A comparative European-wide survey conducted in the late 1980's revealed that in Germany and in England, more than half of all women declared that they take special dispositions when they go out alone at night; 54 % of the German and 46 % of the Swiss respondents declared that they feared to be burglarized, as compared to 40 % of the French and the English and less than 30 % of the Belgians and the Dutch.

There is no denying that the crime rate has increased in all the Western countries in the past 30 years, but it is worth mentioning that property is much more the target of crime than persons; in fact, the figures for homicides are much lower than in the past century.

What are the crime facts, then, and which, if any, of the countries are more exposed to it than others?

TABLE 4

Crime recorded in the European Union 1990

(per 10,000 inhabitants)

	Total	Homicides	Rape	Trafficking	Burglary
Belgium	320	0.26	0.50	6.17	64.38
Denmark	1,049	0.51	1.02	27.60	236
France	594	0.46	0.78	9.21	69.6
Germany	703	0.39	0.80	15.1	173.5
Greece	287	0.18	0.19	1.75	25.6
Ireland	245	0.06	0.23	0.13	84.35
Italy	357	0.27	0.17	5.24	—
Luxemburg	637	1.18	0.69	21.58	89.7
Netherlands	784	0.15	0.9	3.21	280.1
Portugal	74	0.40	0.13	1.95	7.18
Spain	263	0.23	0.44	6.00	124.8
U.K.	775	0.20	0.66	1.84	165.5

¹ See *Polices et sociétés en Europe*, by Jean Claude Monet on this topic.

These figures are official statistics recorded by the police of each country and pooled by Interpol. They only account for facts that have been brought to the knowledge of the police –those for which the victims did not bother to file a complaint are therefore not computed.

It is also important to note that international comparisons are difficult because of the differences among the various countries in the legal definitions of offenses.

The «total» column in Table 4 includes all minor and major offenses ranging from the arrest of a foreigner with no legal papers to murder, including insulting behavior to a police officer. A further reason to view these figures with caution is that even in our «enlightened» democracies, figures can be manipulated –made higher or lower– for political reasons, in order to justify some policy or measure,² or to show that the police need to be given greater resources².

This being said, the figures provide us with the following indications.

First, with less than 300 total misdemeanors per 10,000 inhabitants, the Mediterranean countries (Portugal, Greece and Spain), along with Ireland, appear to be especially safe, while the northern countries seem altogether more unsafe.

If we consider only the figures per crimes are they are classified in the table, we find that Greece, Portugal and Ireland remain «peaceful» countries, that Spain gives a less brilliant picture mainly because of its high rate of burglary, while France and Belgium enter the category of safer countries.

Luxembourg has the highest homicide rate and the Netherlands the highest burglary rate. Denmark comes out with a overall high crime rate: the highest in rape and drug trafficking, the second highest in homicides and burglary, and the highest in overall crime affecting 10.49 % of the population.

These figures should be further qualified. First of all, the very low crime rate in Portugal is partly explained by the fact that statistics collection in Portugal is at a very early stage of development. Secondly, the considerable differences among countries in drug trafficking are explained more by the authorities' attitude to the problem than by the actual facts.

² This was made evident in the United States under Nixon's presidency.

The number of homicides seems to be the only truly reliable figure, as it is difficult nowadays for someone to simply disappear in a European country.

Rape figures seem to confirm that rape is not in the Mediterranean tradition, in which seduction is preferred to the use of force. Countries with an Anglo-Saxon tradition seem to be concerned more by rape, and the United States lead with 230 cases per 10,000 inhabitants.

Surveys conducted among the public at large give a more precise topography of criminal Europe. France comes out as the automobile-theft «specialist,» with 230 thefts per 10,000 inhabitants, even «better» than the United States. Spain leads in car burglary with 990 cases per 10,000 inhabitants.

For house burglaries, France and the Netherlands are even with 240 cases each, while Germany holds the record for rape: 150 per 10,000. Finally, for assault and battery and violent theft, Spain presents the record figure of 400 per 10,000.

The differences between these figures and those in Table 4 confirm that there are a number of crimes for which the victims decide not to file a complaint. This seems to be the case particularly for two out of three burglaries in France. Similarly, rapes and sex crimes are reported in less than half the cases.

Whatever the nature of the crime, it seems that the police in the different European countries are finding it increasingly harder to nail the perpetrators, probably because of the growing number of investigations to deal with.

This could be another reason for which many victims do not bother to file a complaint, in order to avoid the trouble of an investigation that in more than half of the cases is bound to lead nowhere.

In France, the police today solve about 40 % of the cases, as compared to 60 % in 1955. In the Netherlands, only one case out of four is solved. Germany has the best results, but with only a 45 % rate of success, and even England has a very low score of 32 %.

Furthermore, these percentages are padded by numerous cases of immediately apprehended perpetrators, such as in cases of insulting behavior to a police officer. European burglars have a bright future ahead of them, as the different police forces find them only in 20 % of the cases.

Though the numbers of police officers are constantly growing, they are often assigned to constantly heavier administrative duties, to station-house, government-building and embassy detail, or to chauffeur and orderly duties for important persons. As a result, a limited number of them can work on real crime prevention, rather than the occasional spectacular operations always targeting the same populations, suspected for the color of their skin. Over the past years, these methods, applied in Great Britain against the young West Indian population have sparked off a number of urban riots.

They are also routinely resorted to in Germany (where the press calls them «roundups») and in France.

In matters of crime, it can be said that small crime is the visible tip of the iceberg of organized crime: the Italian, Chinese, Japanese or Colombian mafia, drug trafficking, and white-collar crimes, including its latest form by computer hacks using computer technology and manipulating information.

This area of crime, of which the general public is mostly unaware, crosses national, and even regional borders and has become an international issue, practically out of the hands of local police.

Drug trafficking, which represents a world turnover of more than US\$ 500 billion, produces masses of money that needs to be laundered and wreaks havoc in the world economy. The G7 summit in 1989 set up the GAFI (a financial action group on money laundering), which so far, has shown no signs of success. There is no lack of stumbling blocks, ranging from companies that are set up as fronts and quickly delete any leads, to banks that put up obstacles to lifting bank secrecy.

Police, however, are also using computer technology and information is being increasingly centralized. Central police files, which could undoubtedly be networked, for instance on the European level in the European Police Office planned by the Maastricht treaty, and more generally the «filing» of all citizens from the moment of their birth are of great concern inasmuch as they could be accessed by a totalitarian regime. Big Brother may not be here yet, but he is on his way.

CHAPTER III

EUROPEAN LIFESTYLES AND HABITS

1. Energy consumption.
2. Family budgets.
3. 3. Leisure and culture.
 - Tourism.
 - Museums.
 - Films.
 - Books.
4. Marriage and divorce.
5. Europeans' health.
6. Transportation.
 - The infrastructures.
 - State of the road network.

On the basis of statistics developed by the United Nations, UNESCO, the World Bank, the International Labor Organization, the World Health Organization, government agencies and private organizations, specialists and experts, we have derived a number of trends, which we have displayed in the form of tables.

It is important to bear in mind, however, that statistics do not fully account for all information and tend to give a biased picture of reality.

I. Energy consumption

Third World countries consume less than 1,000 PEK per inhabitant per year (less than 30 PEK for the poorest countries), while the European populations are much greedier: 2,000 to 4,000 PEK for the temperate countries, and up to 9,000 for the northernmost, consumption being largely determined by heating and lighting needs. The biggest energy consumers are Canada, with more than 10,000 PEK and the United States (nearly 8,000 PEK per person per year) when considering the country's total consumption (see Table 5).

TABLE 5**Energy consumption in the industrialized world**

(Petroleum equivalent kilograms per inhabitant per year)

Austria	3,503
Belgium	2,807
Canada	10,009
Czechoslovakia	5,081
Denmark	3,618
Finland	5,650
France	3,845
Germany	3,491
Greece	2,092
Hungry	3,211
Ireland	2,653
Italy	2,754
Japan	3,563
Netherlands	5,123
Norway	9,083
Portugal	1,507
Spain	2,201
Sweden	6,347
Switzerland	3,902
U.K.	3,646
U.S.A.	7,822

Data not available for the former Soviet Union.

2. Family budgets

The poorer a country is, the greater the proportion of the family budget devoted to food: 50 to 60 % in low-income economies (most African countries), 30 to 50 % in medium-income economies (many of the Latin American countries) and 10 to 25 % in OECD countries.

In Europe, the Portuguese are those who devote the highest share of their budget to food (34 %), followed by the Greeks (30 %) and the Spanish (24 %).

It will be noted that the four Mediterranean countries of Europe are often found in the same group insofar as their habits and behavior, and the consequences thereof, are concerned.

All Europeans, generally speaking, eat as much as they need to, whether they are in the east, the west, the north or the south. The average daily calory consumption per person is 3,000.

Albanians are those who eat the least (2,761 cal.) and the Irish have the highest daily calory intake (3,987). Daily calory intake, as is confirmed by a reading of the figures for the other countries, is not a function of the wealth of the country, but rather of its eating habits.

TABLE 6
Household Consumption Distribution percentage of family budget (a)

	1	2	3	4	5	6	7
EUROPEAN UNION							
Belgium	15	6	17	10	9	11	31
Denmark	13	5	19	8	9	13	33
France	16	6	17	13	7	13	29
Germany (b)	12	7	18	13	6	13	31
Greece	30	8	12	6	5	13	26
Ireland	22	5	11	10	7	11	33
Italy	19	8	14	10	7	11	31
Netherlands	13	6	18	11	8	10	33
Portugal	34	10	8	6	5	13	24
Spain	24	7	16	7	5	13	28
U.K.	12	6	17	8	6	14	36
EFTA							
Austria	16	9	17	10	8	15	26
Finland	16	4	15	9	8	14	34
Norway	15	6	14	10	8	14	32
Sweden	13	5	19	11	8	11	32
Switzerland	17	4	17	15	—	9	38
EASTERN EUROPE							
Hungary	25	9	10	5	7	9	35
Poland	29	9	7	6	7	8	34

(a) Countries for which full data is not available have not been listed.

(b) West Germany before reunification.

1 = food; 2 = clothes; 3 = household; 4 = health; 5 = education; 6 = transportation and communications; 7 = goods (equipment and leisure).

The purchase of clothes occupies around 10% of the budget throughout the world, whether in rich or in poor countries, with a few exceptions such as Thailand (16%) and Panama (3%).

In Europe, Portugal devotes the highest share of the family budget to clothes (10%), and Finland and Switzerland the smallest (4%).

Home expenditures (rent, fuel, utilities) take up a large part of the family budget, generally larger, in OECD countries, than food. In Europe, Portugal, Greece and Ireland are the countries where this share is the lowest (8 to 12%).

Health care takes up 5 to 14% of the family budget in the industrialized world, while in the poor countries it rarely goes beyond 5%.

In Europe, Switzerland (15%), followed by France and Germany (13%) spend the most on health; Portugal, Greece and Spain the least (6 and 7%).

Education represents an average of 8% of the family budget in the European countries, with only 5% in Portugal, Greece and

Spain. In comparison, educational expenses are rarely higher than 4 % of total expenses in the poor countries, with the exception of Zambia (13 %), where they are greater than in Canada and Singapore (12 %).

Spending on transportation and communications in the industrialized countries is at present somewhat higher than on medical care (14 % on the average), while in the poor countries, the average is closer to 5 % and nearly negligible in some countries (1 % in China, Nepal and Pakistan, for instance).

Under this budget item, it might be noted that in the EU and EFTA countries alike, nearly every other person owns a car (see Table 3). Luxembourg has the highest number of vehicles per total population (502.2 per 1,000 inhabitants), followed by Italy (487.7 per 1,000 inhabitants) and Iceland (470.4).

In the European Union, the lowest rate of vehicle ownership is found in Portugal (170.1) and Greece (180).

In the rest of Europe, Albania brings up the rear with 4.8 vehicles per 1,000 inhabitants, just barely preceded by Turkey, with 32.5 vehicles per 1,000 inhabitants.

Overall, there are fewer two-wheeled vehicles, whichever the country, with the highest rate per population in Switzerland (109.5 per 1,000 persons), followed by Czechoslovakia (92.9) and Spain (92.8). The lowest ratios are found in Portugal and Iceland (4.6), then Sweden (5.2) and Ireland (7.0).

The price of fuel in 1992 was reasonably the same among all the countries in the European Union and the EFTA zone, at the equivalent of US\$ 1.00 per liter. Four countries priced their fuel at slightly lower rates—US\$ 0.70 in Turkey, and US\$ 0.80 in Greece and Switzerland—and two at higher rates—US\$ 1.20 in Italy and Sweden.

The last budget item, which is also the most important in the OECD countries, covers consumer goods (durables and leisure), taking up at least one-third of the family budget, slightly less in the United States (27 %), and in Europe, less than one-fourth in Portuguese, Greek and Austrian families.

3. Leisure and culture

Tourism

Greece, Ireland and Great Britain are reached mainly by air (for 60-70 % of tourists travelling there), and especially Iceland

(94.4 %), while France, Italy, Spain and Portugal are reached mainly by car (60 to 80 %).

Are Europeans, who travel by plane, train or car, big travellers? It would appear that in general, they travel fairly short distances. Tourism is mainly directed to the closest countries.

In 1991, 49 % of the tourists in Austria came from Germany, 48.9 % of the tourists in Portugal from Spain, 37 % of the tourists in Belgium from the Netherlands, and 58.2 % of those in Ireland from the United Kingdom.

Similarly, if we take the three European countries visited by the greatest number of tourists, we find, for 1991:

In France, out of 55 million tourists,

22.8 % were from Germany,
13.8 % from Great Britain,
10.6 % from Italy
6.0 % from Spain;

In Spain, of the 53.5 million tourists,

22.2 % were from France,
19.4 % from Portugal,
13.2 % from Germany,
12.1 % from Great Britain;

In Italy, the third most visited European country, out of 51 million tourists,

17.7 % were from Germany,
17.1 % from Switzerland,
15.3 % from France
10.0 % from Austria.

Tourism grew considerably between 1977 and 1991 and is a significant source of revenues for the host countries.

In France, at the top of the list in 1991, tourism generated US\$ 21.3 million, in Italy US\$ 19.6 million and in Spain US\$ 19 million, a 300 to 400 % increase in income over 15 years.

The countries that have had the greatest increases in tourism revenue are:

Iceland (673 %),
Portugal (813 %),

Turkey (1,194 %),
Cyprus (1,669 %)
Gibraltar (1,986 %).

In Europe, the Germans are those who travel the most. They are at the top of practically all percentages of tourists in each of the countries. The British are next in line as visitors to other countries.

It can be said that taking vacations has become a set European custom (see Table 8), as approximately every other adult takes at least one yearly vacation of six consecutive days.

In Ireland and in Portugal, only about 40 % are in that case, whereas more than 60 % are in the Netherlands, Luxembourg and Denmark.

For people living in the sunny countries (Greece, Italy, Portugal and Spain) and in France, 30 to 40 % take vacations in their own country. People from the countries where the climate is not as good are more likely to go elsewhere: only 2 % of the inhabitants of Luxembourg stay in their own country for their holidays.

TABLE 7
Percentage of Union Europeans who take vacations

	1	2
Belgium	47	11
Denmark	62	23
France	56	37
Germany	50	14
Greece	51	38
Ireland	40	19
Italy	46	34
Luxembourg	61	2
Netherlands	63	17
Portugal	41	35
Spain	39	33
U.K.	58	26

1: Percentage of adults who take holidays.

2: Percentage of persons who always spend their holidays in their own country.

Outside of the appeal of the sunny countries, the length of stay seems to be related to the means of transportation. Airplane schedules provide less flexibility than cars do, and chartered flights, in particular, usually require at least one week's stay.

Greece and Cyprus, for instance, which are mainly reached by plane, also have the highest average lengths of stay: 14.4 and 14.8 nights, respectively.

The same is true for Great Britain and Ireland: 10.9 and 9 nights, respectively.

France and Italy (reached mainly by car), have lower averages.

Spain, however, differs in that visitors stay there an average of 11.4 consecutive nights even though it is essentially a country travelled to by car.

TABLE 8
Culture and leisure in Europe

	Tot. pop. million	Museum visits million	Film attend. million	Films products number	Films imported number	Books publ. million
EUROPEAN UNION						266,2
Belgium	10,0	4,6	16	15	128	
Denmark	5,1	8,5	10	16	185	
France	57,5	2,4	119	136	246	
Germany	81,1	100,0	157	82	390	
Greece	10,2	3,3	—	7	175	
Ireland	3,5	0,8	12	1	161	
Italy	57,9	6,3	94	114	368	
Luxembourg	0,39	0,1	1	2	—	
Netherlands	15,2	16,0	6	13	200	
Portugal	10,5	3,1	17	5	301	
Spain	39,1	13,9	78	48	337	
U.K.	57,9	18,0	95	38	265	
EFTA						51,6
Austria	7,8	12,2	10	14	349	
Finland	5,0	2,9	7	10	161	
Iceland	0,26	0,1	1	2	155	
Norway	4,3	5,0	13	10	194	
Sweden	8,7	12,2	18	17	234	
Switzerland	6,9	9,0	13	31	347	
EASTERN EUROPE						136,8
Bulgaria	9,0	15,5	68	46	151	
Czech-Slovak	15,7	18,0	71	43	353	
Hungary	10,3	15,9	46	37	246	
Poland	38,4	22,4	66	25	122	
Romania	22,2	17,9	—	23	95	
Turkey	58,0	—	26	96	640	
URSS (Ex)	292,4	174,4	—	156	—	

Source: UNESCO.

Data available from 1989 to 1993 depending on the country.

The museums

In absolute figures, Eastern Europe has the highest number of people who go to museums, particularly in the countries of the former Soviet Union (nearly 175 million entries in 1991).

Proportionately to total population, the EFTA countries have the largest number of museum-goers, with a museum-entry rate of

1.25 per inhabitant per year, compared to 0.63 in Eastern Europe and 0.53 in the European Union.

Within each zone, the Danes are the biggest museum buffs for the European Union with a yearly rate of 1.66, the Austrians for the EFTA zone (1.56), and the Bulgarians for Eastern Europe (1.72).

Number of people who go to the cinema

Here too, the highest rates are found among Eastern Europeans, with each former Soviet going to the cinema an average of 11 times per year, followed by the Romanians (9 times) and the Bulgarians (7.5 times). The incidence (4.5 times) among Czechs and Hungarians is lower, although still higher than those among Union Europeans (the highest rate being 3.4 for Ireland) and inhabitants of EFTA countries (3.8 for Iceland).

The former Soviet Union produces the greatest number of feature films (156), followed by France (136) and Italy (114). It should be mentioned that Turkey is a fairly important film producer, with 96 films, a much larger figure than for most other European countries.

The total European production amounts to 920 feature films, more than half of which are produced in the European Union. The biggest film importers in the European Union are Germany (390), followed by Italy (368).

In the EFTA zone, Swiss and Austria import 347 and 349 films respectively, and in the eastern zone, Czechoslovakia leads with 353 films.

Books

Europe as a whole publishes about 450 million books a year, that is, 0.5 book per inhabitant per year, with the former Soviet Union producing the most (approximately 95 million). In the European Union, Great Britain has the highest book production (64 million), followed by France (42 million) and Germany (16 million).

If we compare the publication figures with the population by country, Denmark achieves the highest rate with 2.1 books per person. At the bottom of the table, the former Soviet Union and Greece each publish 0.3 book per person, Italy 0.4 and Portugal 0.5.

What kinds of books are most often published?

Literature is the book genre most published in the European Union (63.7 million), followed by works in social sciences (53.8 million), in applied sciences (35.4 million), and art (20.2 million).

These are then followed by science (13.6 million), religion (11.9 million), philosophy (10 million) and philology (8.2 million).

Germany has the highest production of books in most categories, save in literature and science, fields in which Great Britain and Spain produce more.

4. Marriage and divorce

Marriage rates are fairly low throughout all of the European countries (see Table 9).

They are the highest in Austria (10.1 per 1,000 persons), followed by the countries in Central and Eastern Europe (9.8 in the former Soviet Union; 7.2 in Bulgaria; 7.9 in Czechoslovakia, and 8.5 in the former East Germany).

TABLE 9
Marriage and divorce in Europe
(Rate per 1,000 persons)

	Marriages	Divorces
Austria	10,1	1,93
Belgium	5,7	1,86
Bulgaria	7,2	1,40
Denmark	6,1	2,8
Finland	5,3	2,1
Former Czechoslovakia	7,9	2,54
Former East Germany	8,5	3,04
Former West Germany	6,3	2,12
Former URSS	9,8	3,36
France	4,8	1,91
Greece	6,3	0,87
Hungary	6,2	2,81
Iceland	4,8	2,03
Ireland	5,1	—
Italy	5,3	0,29
Luxembourg	5,3	2,01
Netherlands	6	1,9
Norway	5	2,01
Poland	6,7	1,32
Portugal	7	0,87
Spain	5,3	—
Sweden	4,9	2,19
Switzerland	6,6	1,76
U.K.	7	2,88

In the European Union, the only countries approaching these figures are Great Britain and Portugal (7.0) and Iceland is where people get married the least (4.8).

The highest divorce rate is found in the former Soviet Union (3.36 per 1,000 persons), and the divorce rates in the former Socialist countries are also higher than in other countries.

The lowest rates are found in Italy, Greece and Portugal, three countries with a strong religious tradition, even though their figures have tended to grow these past years.

For the rest of the countries, it may be noted that the divorce rates per countries are basically the same from one year to the next if you observe the figures over the past 15 years. They are on a slightly upward trend in a few countries, and lowering in Sweden, Austria, the Netherlands and Poland.

5. Europeans' Health

The figures shown in Table 6 relate only to health-care expenses by families. Expenses by the European states in health and in the improvement of living conditions (housing, community facilities, and social welfare) take up 40 to 70 % of the national budgets, with the exception of the Central and Eastern European countries, who spend much less in this area to the detriment of their populations, who are currently facing some serious problems.

What do Europeans die of?

Figures based on statistics recorded between 1986 and 1990, depending on the country). Miscellaneous diseases take the heaviest toll, and are responsible for 300 to 990 deaths per 100,000 inhabitants, depending on the country.

Cardiovascular diseases are next in importance, with the highest incidences in former East Germany (752 deaths per 100,000 inhabitants), and the former Socialist countries (from 600 to 800 deaths per 100,000 inhabitants).

Former West Germany also has a high rate (572), as well as the EFTA countries as a whole (over 500), except for Switzerland and Iceland (324 and 298, respectively). In the European Union, France has the lowest incidence (337).

Cancer is most frequently the cause of death in Denmark (300 per 100,000 inhabitants) and Luxembourg (293). Portugal and Greece have the lowest incidence (168 and 178), with the other countries averaging 250.

In Eastern Europe cancer appears to be less as a cause of death (fewer than 200 cases, with Romania having the fewest at 123).

This should be qualified by the fact that budgets in the eastern countries do not make it possible to conduct screening as syste-

matically as in Western or Northern Europe, so all cancers may not be identified.

Next in line are deaths caused by respiratory diseases, for which Denmark has the highest number of cases with 193 per 100,000 inhabitants, and Switzerland showing a high incidence with 156 cases. The countries least affected by these diseases are Greece (12) and Spain (31). The other European countries have between 38 and 70 cases per year per 100,000 inhabitants.

Iceland has the fewest deaths caused by digestive-system diseases (5) and Hungary has the most (63), with the other countries averaging around 20.

Infectious and parasitic diseases are causes of death in Switzerland and France at the rate of 12 per 100,000 inhabitants, followed by Romania (11) and Germany (9), the other countries having lower incidences.

AIDS, which is in this class of diseases, is as everyone knows spreading rapidly throughout the world, currently producing the greatest damage in Africa. In Europe, 62,744 cases of AIDS were declared between 1986 and 1991. The figure for HIV-positive persons is much higher.

France is the hardest hit country with, for the same period, 16,397 cases, followed by Italy, with 11,502, and Spain, with 10,922 cases. When measured as a proportion to total population, Switzerland, with 2,000 cases for less than 7 million inhabitants, is in a similar situation to that of France. Among the eastern countries, Romania has a fairly high number of cases (1,704), and the others have not been greatly affected, with fewer than 100 cases per 100,000 cases on the average.

Other causes of death

TABLE 10

Accidental mortality by population (in millions) (a)

	1	2	3	4	5	6	7
EUROPEAN UNION							
Belgium	10.0	392.7	21	24	26		
Denmark	5.2	309.3	12	33	29	32	
France	57.5	417.4	18	42	26		
Germany	81.1	483.1 (b)	12	21	19	8	
Greece	10.3	180.0	21	24	5		46
Ireland	3.5	235.3	13	19	11	7	
Italy	57.9	487.7	16	24	10		37
Luxembourg	0.4	502.2	18	22	23		
Netherlands	15.2	369.6	9	16	12	8	44
Portugal	10.5	170.1	28	18	22		39
Spain	39.1	325.4	17	19	9		30
U.K.	57.9	405.1	10	14	12	26	

TABLE 10 (Cont.)
Accidental mortality by population (in millions) (a)

	1	2	3	4	5	6	7
EFTA							
Austria	7.8	398.0	18	28	26	34	
Finland	5.0	379.7	15	43	36	36	75
Iceland	0.26	470.4	10	24	16	38	80
Liechtenstein	0.03	—					
Norway	4.3	379.9	9	39	18	14	
Sweden	8.7	418.9	10	25	26	37	79
Switzerland	6.9	451.5	14	38	27	19	
EASTERN EUROPE							
Bulgaria	9.0	144.4	16	28	19	25	
Czech-Slovak	15.7	206.8	14	46	24	29	
Hungary	10.3	194.8	25	59	44	49	
Poland	38.4	160.0	22	36	21	9	
Romania	22.2	60.2					
URSS (former)	292.4	58.3					
OTROS PAÍSES							
Turkey	58.1	32.5					
Yugosl. (former)	23.9	147.3					

Columns 6 and 7 show only the most significant figures.

(a) Last available statistics 1991.

(b) West

(c) East

1 = population in millions. 2 = number of vehicles per 1,000 persons. 3 = deaths due to car accidents. 4 = other accidental deaths. 5 = violent deaths (crimes, suicides). 6 = autopsies practiced, percentage of all deaths. 7 = percentage of deaths in hospital environment.

Traffic accidents are a significant cause of death, with Portugal having the greatest number of cases (28) per 100,000 inhabitants. This is a particularly high rate, considering the relatively low number of cars circulating in the country (170.1 cars per 1,000 persons).

The Netherlands and Norway stand at the other end of the table, with a rate of 9 deaths per 100,000 persons. Sweden and Great Britain hold good records with 10 deaths per 100,000 persons.

An estimation of the number-of-deaths/number-of-cars ratio shows that the roads in Great Britain and in Norway are the safest in all of Europe.

The other European Union countries are placed in a less satisfactory range of 17 to 21. The EFTA countries produce a 14-18 range. In the eastern countries, Hungary has a very poor record of 25 deaths, despite a very limited number of vehicles (less than 1 per 5 inhabitants).

As for deaths caused by other types of accidents, Hungary is once again in a bad position with 59 cases per 100,000 persons. Czechoslovakia follows (46), then Finland (43) and France (42).

The British appear to be the most cautious people (14) as well as the Italians, the Portuguese and the Spaniards (less than 20 cases per 100,000 inhabitants yearly).

Violent death occurs the most frequently, once again, in Hungary, with the high rate of 44 cases per 100,000 inhabitants. Finland (36) and former East Germany (30) stand out as well.

Countries where violent death occurs the least frequently are Greece (5 cases per 100,000 inhabitants), Spain (9), Italy (10) and Ireland (11).

The reputation of the last two of these countries stems from spectacular incidents (Red Brigades, Mafia, terrorist attacks), which do not reflect reality.

Hungary's previously mentioned high rates of accidental deaths (an aggregate 128 per 100,000 inhabitants) probably explains why this is the country that practices autopsies for 49 % of deaths, the highest rate in all of Europe.

The lowest rate of autopsies is found in Ireland, for only 8 % of cases.

Still in the area of deaths, in 50 to 70 % of cases persons die at the hospital in the European Union countries, with the exception of the Mediterranean countries, where family traditions seem to be more firmly maintained (Spain 30 %, Italy 37 %, Portugal 39 %, and Greece 46 %). In contrast, in the three northern countries death has increasingly been put in the hands of specialists: 75 % of deaths in Finland take place in hospitals, 79 % in Sweden, and 80 % in Iceland.

6. Transportation within Europe

The infrastructure

In the area of maritime transportation, the two southern countries of Greece and Cyprus and the northern country of Norway have the most important fleets.

Greece and Norway share the lead in petroleum transport (9,722 and 9,679 tankers respectively), while Norway leads the market in chemical-product transportation with 1,500 ships and only 500 for Greece. Norway is also the best equipped for transporting liquid gas (1,638.3) but falls behind Greece and Cyprus for ore and bulk carriers. Cyprus is the best equipped for multiple-deck general cargo transport.

Passenger air transport is on the rise in all of Europe at rates ranging from 50 to 100 %, though much more in Austria (+230 % between 1977 and 1991) and somewhat less in Greece (+20 % in the same period).

By contrast, passenger railway traffic has hardly increased in the same lapse of time, ranging from +9 to +30 %, with the exception of the Netherlands, where it increased by 60 %. In some countries it has even decreased: -12 % in Belgium and Luxembourg, -34 % in Bulgaria and -24 % in Hungary.

All the countries in the European Union have reduced their rail network, except Greece, where it has remained the same, and France where it has not changed much (from 34,150 km to 34,070 km) and where it remains the longest in Europe.

There were 151,448 km of rail in the European Union in 1977, and only 136,364 in 1990.

The EFTA countries have proceeded to make similarly significant reductions (33,259 km in 1977 to 29,323 km in 1990).

In Eastern Europe, By contrast, the rail network has increased since 1977, when it rose from a total of 299,725 km for the whole of the countries in the region, to 317,707 km in 1985.

The European road network

The roads in the European Union are practically all suitable for vehicles (94 to 100 %). Only Greece (92 %), the Netherlands (88 %) and Portugal (86 %) are not as well equipped.

In the EFTA countries, Iceland (only 21 %), Finland (61 %) and Sweden (72 %) have an inferior road situation.

For these countries we can assume that the issue is not one of a lack of amenities, but rather an environmental-conservation option.

By contrast, in the eastern countries, the former regimes of which have proven to have little environmental consideration, the situation is more a reflection of the economic problems. Bulgaria is well equipped with 92 % of its roads' being suitable for vehicles, but the other countries are at levels inferior to 75 %, with Hungary at 50 % and former Czechoslovakia hovering at 13 %.

It would be tempting to relate the road conditions to the high vehicle-accident mortality rate: Table 10 shows that Portugal and Hungary have both few roads that are suitable for vehicles and a

high accident incidence. However, this assumption is completely dismissed by the Netherlands, which though it has much fewer roads suitable for vehicles than its European neighbors, also has the lowest number of fatal accidents.

Former West Germany has the most developed motorway network with 9,000 km, followed by France (7,500 km) and Italy (6,800).

All the other countries have less than 3,000 km of motorways. These figures need to be qualified, however, in terms of the size of each of the countries. Belgium, for instance, is well equipped in motorways, given its small surface area.

In fact, if we compare motorway-network densities, i.e. the number of motorway kilometers per square kilometer of surface area, in the European Union countries, Belgium comes first with a density of 4.52, followed by the Netherlands (2.54), and former West Germany (2.01), and Spain brings up the rear with a density of 0.66. The very lowest figure is provided by the countries of the former Soviet Union (0.08).

In the category of main (non-motorway) roads, Italy is the most highly developed, with 45,005 km. Former East Germany follows with 30,860 km, France with 28,300 km, and Spain with 23,442 km.

France has the most developed secondary-roads network with a total of 350,000 km. Spain has 135,819 km and Italy 110,468 km. All the other countries have less than 35,000 km. The secondary-roads network in Europe amounts to 821,075 km: it would take nearly an entire year to travel the whole of it, driving at 100 km/hour 24 hours a day.

A study conducted in 1989 shows that the average distance travelled yearly by drivers in the European Union ranges from 18,600 km for the Danes, to 13,700 km for the French.

***From our special correspondent in 2020
News of the Future***

Working nomads

The changes that began in the early 1980's of the past century in the nature of employment (remote jobs and employment relocation) quickly led to a housing upheaval. Job precariousness went hand in hand with a regular «internal nomadization» on the European territory. Today, masses of individuals and families are moving around looking for work and have therefore no stable housing: they

are housed, instead, in social hotels according to their needs, as long as they are carrying «employment seeker» cards.

Society is now divided into two categories: the «haves», on the one hand, are settled into well-equipped high-tech homes working at remote jobs on the global marketplace; the «have-nots», on the other hand, live like social refugees, forced to move on continuously from one region, or one country, to another.

After the 19th-century rural/urban dichotomy, and the inner-city/suburban dichotomy of the 20th century, we are now facing a polarization setting those who have the benefit of a permanent home and work situation against those endlessly drifting in the hopes of finding a job and a temporary shelter.

CHAPTER IV

WESTERN EUROPE AND ITS NEIGHBORS

1. The profile of Europe as it moves towards 2020.
2. What security can be expected for the people of Europe?
3. Transformations in Central and Eastern Europe and relations with the West.
4. Relations with the rest of the world.
 - The Maghreb and Black Africa.
 - The Arab world.
 - Latin America.
 - Asia.
 - The other industrialized countries.

I. The profile of Europe as it moves towards 2020

- Europe population stabilizes while surrounding areas grow, 2, 3 times. Europe, historically a continent of emigrants, is rapidly becoming a continent of immigrants.

By the year 2020, a high percentage of Europeans will be of non-European origin, people mostly from Africa and Asia.

While small rural communities may be least affected, the «autochthon» population of big cities may become a minority.

- Mass migrations have existed throughout history; but in our time, the rate of migrations has accelerated, and the social cost of absorbing them has increased enormously.

They are today 100 millions migrants in the world. Only 16 millions of these are refugees. These, however, are the neediest among the migrants, and no country can close its door to them.

- The problems of adjusting to a multicultural society are compounded by changes in the age structure (Remaining European traditional population is aging while pressing outside population is young), the «gender revolution», as well as changes in the work place: The autochthon population is shrinking and aging, the immigrant population is young and proliferate; unemployment is structural and on the rise. This external population pressure will be irresistible, causing racial tensions, violence, crime and terrorism in Europe, and «brain drain» (among other problems) in the countries of origin.

- The split between the 1st and 3rd world will widen as will the split between the 1st and 3rd world within the 1st world. The workless population will grow in both world to the point that social stability will depend on providing an adequate standard of living independently of ability to work – a radical socioeconomic restructuring.

The over-all challenge is to develop a humane attitude towards the problems arising from this new type of population pressure. Palliatives like work-sharing, if acceptable at all, may bring temporary relief.

In some cases, the prospects of increased trade with the countries of origin may make the newcomers more acceptable. A change in development strategy, creating new opportunities in the countries of origin, may relieve the pressure.

- Leisure and education for leisure becomes imperative ; its frequent absence means more violence, danger, psychological disabilities and general alienation.
- Social instability and turbulence will increase as a result of points above, and
 - increasing biospheric depredation and growing need to do much more to reduce it in face of growing population and consumption.
 - increasing power of multinationals pursuing their competitive planetaria strategies.
- The key to a solution of the problems generated by the changes in the population structure and the work place will be education which must become a life-long process, including the education of decision-makers, of institutions, and of the general public, which must convey values as well as skills, civic responsibility as well as a sense of the reality of globalization. Above all, it must instill in the young a confidence in the future: the awareness that the future is not something to undergo passively but that it is in their own hands.
- During a recent symposium, a French religious public figure, Abbé Pierre, speaking to the younger generations, in other words the decision makers of 2020, declared: «You are the whole of the history of humankind, the generation of the most absolute change that has ever come to be, because you are the first planetary generation. You are condemned to a new sharing.»

The key to a solution is a «knowledge-based» and «value-based» society.

Efforts to guide responses to the turbulences and to control them means much more intervention by governments at all levels. But, the increasing complexity of the human condition means that much of what governments must deal with they will not understand. So governments will be flying blind. At the same time the demands on them to do things effectively will grow.

***From our special correspondent in 2020
News of the Future***

About demographic items

Given the tremendous changes which have taken place in the last 25 years concerning the social policies in most countries of the world, there is a great need for an overall analysis of the main trends and events.

Let us recapitulate the key events and changes which we have experienced over this period.

- Total population has now increased to just over the seven billion mark. It was only in the last ten years that the birthrate has achieved, almost the world through, a level of stability, through diminishing birthrates in Africa, Asia and Latin America and slightly increasing birthrates in other part of the world. This situation has been achieved while absorbing three major shocks:
- The increased death rate during the last decade of the 2nd millennium due to AIDS, which has since come under almost complete control
- The appearance of the new plague known under the name of CDS (crazy DNA syndrome) which has hit two continents during the first decade of our millennium.
- The «accidental» atomic upheaval which has devastated half a continent in the year 2005, and which has led to the creation of the supra-national N.C.W.A. (Nuclear and Catastrophic Weapons Control Agency). We can hope that this type of events can really be limited to true accidents and circumscribed to very limited zones, thanks to the preventive interventions of the Agency, under the control of the United Nations Governing Council.
- In the course of the year 2018 the number of people over 60 years of age has reached the level of 850 million, the world over. That is the same number of people on spaceship Earth, which was the total world population at the beginning of the industrial revolution, 250 years ago. The mark of one billion will be reached within the next decade.

2. What security can the people of Europe expect?

After World War II we succeeded in Western Europe in establishing a framework for peace in cooperation by virtue of European integration and the Atlantic Alliance. With its help we could overcome the disastrous antagonism of European history. Today though we have to state that a tyranny imposed after 1945 on Eastern Europe brought about only an apparent stability the ruins of which we are facing these days.

The Moscow leadership is confronted with a completely new and difficult task that can hardly be solved in a constructive way following traditionally centralized exercise of power.

What is needed is a totally new understanding of Moscow's role: a delicate balance on the one hand being a factor establishing political order without on the other hand a relapse into traditional imperial postures. It is questionable whether a political peaceful and economically fruitful way out of this complex crisis situation can be found. There remain considerable risks as to political security.

The military security of Europeans is currently dependent on a system designed during the cold war between the blocs. How much longer can Western Europe turn a deaf ear to the countries in Central Europe, which are delighted to have seen the Warsaw Pact disappear and are knocking on NATO's door?

A Cooperation Council has been established, but it is as of yet of modest importance. Can the question regarding the possible links between the North Atlantic Treaty countries or the Western European Union and Russia also be left unanswered? In Moscow, the idea of constituting strong links is favorably viewed by some. Solutions have to be reflected upon, in such a way as to prevent the isolation of Russia, as well as the development of a new zone of influence, or even an Empire.

Bosnia is a good example of the still existing East-West tensions. It is not unusual for political leaders having a hard time at home to resort to foreign policy to strengthen their prestige.

This is what Boris Yeltsin did when he more-or-less overtly took sides with «the orthodox Serb brothers» and took a stand against the bombing of Serb positions by NATO.

After the Serbians openly flaunted Moscow's recommendations, Russia then adopted a position close to that of the West. It

demonstrated that despite its weakness ensuing from the dismantling of the Soviet Empire, it could nonetheless continue to bear strongly on international decisions.

On this occasion, Europe, too, revealed its limits: It proved to be incapable of finding on its own a solution to the problem of former Yugoslavia at a time when it still might have been possible, and despite an arms embargo, weapons continued to reach the belligerents from different parts of Europe. There is no doubt that Yugoslavia's armament was among the most important in Europe, but it would certainly not have been enough to sustain three years of warfare.

Existing institutions and mechanisms for conflict and crisis management in Europe have failed by and large. NATO in its security function for Western Europe has not yet found its new role. In addition, the US, —up to now with its decisive NATO engagement an essential factor of European security— is in a process of reflecting on its interests vis-à-vis new global constellation. It is increasingly turning to the Pacific basin.

As for the United Nations, it only partially played its role in this conflict, essentially because of the absence of a real determination on the part of its member states (their indignation notwithstanding, the other countries are not planning on risking the lives of their soldiers) and especially the absence of agreement within the Security Council.

Security problems for the different European nations are not, unfortunately, limited to potential conflicts among themselves. Industrial pollution, especially pollution emanating from nuclear plants, is an equally alarming cause for concern. There are 60 nuclear plants producing electricity in Eastern and Central Europe, the state of degradation of which has turned them all into time bombs. Of the 60, 44 could be repaired and the remaining 16 ought to be closed down.

To date, the European Bank has raised a mere US\$ 300 million for this operation, which requires a US\$ 21 billion budget.

Under the type of safety conditions that Chernobyl became famous for, the plants are currently meeting the greatest part of the energy needs of the countries that built them, that is, millions of TOEs, which these countries do not intend to forgo.

Bringing these nuclear plants up to standards is a priority if Europeans wish to avoid a series of disasters, of which Chernobyl was just a taste.

Today, Russia and the other nations in that region have become a problem for the whole of humankind. The integration of that part of the world, however, will not take place at the stroke of a magic wand. During the Conference, Mikhail Gorbachev declared: «Not long ago, people in the West thought we had to change. The whole world has to change-civilization has to change. But no one wishes to lose their identity in the European integration process.»

3. Transformations in Central and Eastern Europe and relations with the West

The people in Russia and in the other countries of the new Federation seems to have been taken by surprise by the changes that came about, for which they were not prepared. The transition process towards another system is underway, but economic reforms are indispensable. The eastern countries must design an economic strategy that takes certain realities into consideration and does not attempt to change everything at once.

Western Europeans should attempt to put themselves in the position of the Eastern Europeans and to develop more understanding for the historical and social interrelationships at work in these countries.

They should not forget for one second that the entire territory of Eastern Europe was occupied by dictatorships and ideological fortresses. This pattern of living with bogus solutions created a mistrust of the public sphere and led instead to a retreat into the private realm. Attitudes toward work and life developed that cannot be changed overnight.

Even if the market economy appears to be the best solution, governments have an essential role to play in the economic realm, particularly to mitigate the effects of the market.

If the two former blocs are to come together, both sides will have to change their way of thinking.

The function of money during the system transition poses an especially thorny problem. The situation in Eastern Europe is such in many areas that it would not be changed even by a vast sums of money.

Money is not an all-powerful medium. An excessive implementation of monetary pressures can lead to results opposites to those desired. Economic plans must be based to the greatest possible extent on real information about the overall dynamics of demand,

competition, prices, tariffs and the basic conditions found on the government and local levels. The economic subject in the East has a much harder time obtaining this information, which is far less accessible there, than does its counterpart in the West.

Economic reform should go hand in hand with political reform, but in all cases, the citizens' aspirations should be taken into account.

History teaches us that aid can seep away through the channels of a ponderous, inefficient bureaucracy and never reach the people for whom it was intended. For this reason, the criterion of closeness to the citizens is one of the most important principles to be followed in organizing aid.

The democratic process has also been initiated, but there is still a human rights problem. It is indispensable for these countries to establish truly cooperative relations, and to make this possible, they must build a new economic-cooperation framework that would enable them to position themselves in the world economy. It must be remembered that the economic decline of this region (50 to 60 %) is largely due to the breakdown in relations among the countries it comprises. It is therefore absolutely vital for these countries to engage in a new cooperative dynamic, for their economic difficulties, if they are not overcome, may very well fuel the latent regional conflicts due to ethnic rivalries.

Cooperation between these countries and present-day Europe also needs to be redefined. «The Russians,» stated Gorbachev, «will never accept to be simply raw-material suppliers for Western Europe».

An important basis for the system transformation is the consensus concerning the criteria, areas and means according to which, in which and by which assistance will be provided by the West to the countries undergoing reform. In actual practice, the criteria for assistance will be a multifaceted and will be determined to a large extent by different interests.

The system changeover and developmental progress in these countries can be guaranteed only by an organic integration into the international system of division of labor. Moreover, the principle of mutual benefit can be implemented only in this manner. It demands that the OECD states include the competitors from the East in the world economy.

Political reform is also necessary, because there is currently no instrument to coordinate the policies of Europe with those of the CIS, for instance. In the realm of political integration, the Council

of Europe is going back to its original vocation, which was to bring all the European nations together to ensure peace. It has already integrated nine countries, and six more have applied for admission. This opening up to the East has become possible because the countries involved have engaged upon the path to democracy.

Nonetheless, a Pan-European assembly such as this only makes sense in the light of a clear idea of what we desire for the future of the European continent.

Have the promises become realities?

The European Community or nowadays the European Union having declared at least verbally that it would like to show a higher profile in foreign affairs and security politics in the future is rather helpless vis-à-vis the development in Eastern Europe.

In the East there is an aspiration for the two parts of Europe to become one, and the European Union is considered to provide the framework and the tool for the adjustment of both halves to each other and to the global environment.

Given the unchanged driving force behind global (economic) development, that is quantitative rather than qualitative growth, given the increasing role of regionalism and the emergence of regional power centers (North America, Europe and East Asia), Europe needs growth. Given the quasi saturation of the Western European market, the center of growth within Europe has to, and will shift towards the east.

Western Europeans argue that, given the eastern countries' economic lag, the danger of too rapid an integration would be to weaken the Community as it is today.

It is therefore of the essence to wait, they claim, in response to which Eastern Europeans insist that the process must be set in motion. Central and East European economies need modernization to produce growth.

Modernization in turn needs capital in the form of export earnings (i.e improved access to markets, in Western Europe in particular), in the form of direct foreign investment as well as credits and loans.

It also requires upgraded technology and know-how. All of this has to come basically from external sources, mostly from Western Europe directly and undoubtedly interested in the rise of the «other half» and all of this leads to the emergence of that united

if not homogeneous political, economic and cultural entity which will be called Europe.

Europe, however, also considers that an integration of the Central and Eastern European countries can only take place on the basis of shared values, otherwise a political union would be senseless. There is no doubt that rejection, intolerance, xenophobia and racism are not secondary issues.

If there is no handle on them, the European continent might tear itself apart once again and European institutions might not be strong enough to resist. There is a great danger of nationalistic movements' bringing back the totalitarian systems that Europe has been known to spawn. Refusing the eastern countries economic help, however, is not the way to defeat this danger. This is something the eastern populations are well aware of, and they feel that Western Europe's prime responsibility is to develop the poor countries of the east.

There is no want of problems –job creation, vital medicine and food supply, nuclear-danger reduction, mid-level economic reinforcement, and housing construction are just a few of them– and the reality is that to date, Western Europe has not found solutions to them. For Central and Eastern European populations Europe remains an utopia.

Seen from the outside, Western Europe appears to be a fortress and «European self-centeredness» is pointed to as the first obstacle to integration. Nonetheless, there are other reasons that explain Europe's manifest inability to take its eastern neighbors into its fold. Besides the legitimate need to stand back in order to make the right decisions, there is possibly an underlying fear of the eastern countries by the western ones.

«This world in shambles and alterations is puzzling to us, with its contradictory movements and apparent regressions: an integration process coexisting with political disintegration, national obsessions with drifting identities, and the disappearance of global conflicts with primary, bloody border conflicts.»

Is not this fear also an economic one? There are more and more signs indicating that the industrialized Western nations see the eastern countries in transformation above all as new competitors, which limits their willingness to provide assistance.

Without a doubt, crucial questions of this nature will have to be posed as part of the discussion on the best ways and possibilities for achieving system transformation.

Is there not, perhaps, a certain lack of mobility, a certain heaviness in the European institutions, which make the reaction time to an event infinitely too long? Catherine Lalumière, a leading figure in the European Community in 1993, seems to think so: «Since 1989, the world order has changed. Europe took on a new dimension, but it has not yet fully realized the scope of the change that has occurred. In many ways, its ideas, its structures and its agenda have remained the same as prior to 1989. There must first be a renewal of ideas, the institutions have to be reconsidered, as well as the general policies. This intellectual effort is indispensable to avoid the lag between the events, the ideas and the policies.»

This lag exists in a number of realms, starting with that of military security, as shown above. Another example is found in the European economy.

The Community, now the European Union, will remain the base of a united and prosperous Europe. Nevertheless, the policies, programs and strategies that were designed before 1989 must be adapted to the new needs.

We must remember that the Treaty of Rome was developed in a period when «Europe» designated only Western Europe. The same is true for the Single Act and the Maastricht Treaty. Not once were Central and Eastern European countries taken into account, either as producers or consumers.

The European Union has to make a real effort to adjust to Europe's new center of gravity.

A framework of legal cooperation is equally indispensable and it would be desirable for some of the financial aid devoted to the changing Europe to be used in its development, in order to give the central eastern countries a legal reference, without which neither democracy nor a market economy will be possible.

Western European investors and firms will be reluctant to invest in these countries as long as they have no legal regulations of the kind they have in their own countries to guarantee their interests. The Council of Europe could act as a bridge between the two parts of the continent and contribute to political and legal reform through its recommendations.

4. Relations with the rest of the world

Most of the more important Western European countries have had a history of expansionist policies and established empires

throughout the world. Countries in the rest of the world were thus occupied by European population or exploitation settlements.

The first, such as the first British colonies in America, soon obtained their total or de facto independence (such as the British dominions), while the second, which make up what is known as the developing world today, did not recover their independence until after World War II. Therefore Europe today has bonds of varying degrees of tightness and favor with practically every country in every continent.

It is flagrant that wherever the Europeans settled with the intention of staying to live, they developed adequate structures and maintained with their «mother» countries relations that were based on knowledge sharing, technological progress and the improvement of their living conditions. It is also quite clear that they also marginalized the indigenous populations, which though present, were generally not very large.

This constitutes a serious problem, but it has become the specific responsibility of each of the countries in this case –the United States, Canada and Australia– even though it is a direct consequence of colonization, however distant.

By contrast, wherever Europeans set foot in greatly populated lands, where they had no other intention than to procure wealth for their home country, nothing was done to generally improve the living conditions of the thus settled countries. Time has gone by, but responsibilities have remained.

Relations with the Maghreb and Black Africa

Africa, which was the stage for fierce competition among France, England, Spain, Belgium, Portugal, Germany and Italy, is still suffering from the sequels of colonization.

The speed with which decolonization took place under the pressure of events on the continent has its corollary in the lack of preparation for this operation: the tragic absence of an indigenous management and elite was felt during the internal strife that marked the first years of existence of the new states.

France's withdrawal from the Maghreb countries, particularly from Algeria, took place under devastating circumstances, which it is not useful to elaborate here. Suffice it to say that the colonial power here, as in the sub-Saharan countries, blundered a historic turning point and laid the foundations for disaster.

To break with its colonial past, Algeria turned to the communist mirage. The new measures applied were almost systematically opposite to any that France might have established, which often made the situation worse. An example of this is provided by farming, in which Algeria went from a situation of surplus to one of scarcity.

The mismanagement and the lack of a social project, especially with regard to the younger generations, that have been characteristic of Algeria for the past 30 years have been aggravated in the past few years by the economic recession hitting all countries.

As in other Muslim countries, religious fundamentalism is gaining ground: It is regarded by some as a solution to all kinds of problems that Western-style progress has not been able to avoid, resulting in the rejection of anything Western and a xenophobia that has cost the lives of several Westerners in the past months.

This is probably a passing phase, and when things will have calmed down and anger cooled off, Europe will have to renew its ties with its Mediterranean neighbors, which have existed since Antiquity.

Tunisia is currently enjoying relative prosperity. In order to avoid the Muslim fundamentalist peril, the authorities have proceeded to quash any independent political expression while claiming to stand up for human rights.

The regime is torn between wanting to give off a positive image of itself, for instance by committing itself to women's emancipation, and the fear of authorizing a true multiparty system that could eventually bring it down.

Its ties with Europe are firm and could only get stronger with the coming of a true democracy.

Morocco, having achieved economic recovery after having applied a 10-year structural-adjustment program and having entered a process of long-term development, maintains a privileged relationship with the European Community. In particular, it represents a buffer zone between black Africa and the European continent by keeping a close watch on the Gibraltar strait to prevent illegal immigration. Morocco has also declared an official war on drug traffickers, but remains a leading drug-producing country.

Human rights violations in Morocco, which had stirred up some problems in its relations with Europe, seemed to be on the way to improvement through a number of announced measures (among which, the closing down of the Tazmamart prison at the

end of 1991, the existence of which had always been denied by the King prior to that date). However, according to a report by the United States Senate in January 1993, the human-rights institutions that have been established are in fact manipulated by the government. Despite all that, democracy is creeping into Morocco through the opening provided by an election held after nine years with no elections.

Most countries in Eastern or Western Africa are in a situation of economic disaster and tremendous political instability. Dictatorship and authoritarianism stand side by side with attempts at multiparty elections. Elections that make no difference follow plots for coups d'état and citizens continue to be left out of political life.

They have no other alternative than to resort to violence to make themselves heard. Inter-ethnic strife leads to frightening massacres. Those that have recently shed blood in Rwanda were perpetrated while the Western countries stood by indifferently, and merely repatriated their citizens when they saw that the situation was deteriorating.

A point to examine is the difference of attitudes in the West when a crisis develops in a country. To defend Kuwait in 1990, it took up arms, mobilized the press, and abounded in political declarations on all sides to give the impression that the future of the earth had just been saved. Meanwhile, the Bosnian conflict gets bogged down, the United Nations troops sent there are not even able to get emergency aid to its destination, and the repeated ultimatums, which are never penalized, have more the appearance of scolding a child you don't really want to punish than that of a true determination to stop the exactions. For Rwanda, as we just mentioned, action was limited to counting the dead the way you would count points on a pinball machine.

Given the links between both France and Belgium with Rwanda, it is inconceivable that the massacre could not have been avoided.

Africa is constantly offered Western behavior models that are slammed onto social realities to which these models are not adapted. All the aid given is tied to this obedience. In the holy name of democracy, pressures are put on these countries for them to adopt Western-style political models, without taking local specificities into account or having any knowledge of the needs and desires of the populations. Elections are a sign of democracy, not democracy itself. When they are organized to please Western creditors, they are a front, and we must not be surprised, but pleased instead, that a great number of Africans abstain from voting.

Africa must invent its own mechanisms to build its future, or rather reinvent them by dipping into its past experience in decision-making methods and social patterns.

We must stop subjecting Africa to what we think is good for it and what is not. We must put a stop to cooperation that is tied to purchases from donor countries, which is only good for making a few prebendaries rich. The IMF and the World Bank must stop imposing structural-adjustment programs, which take no consideration of its economic reality. We must listen to what Africans say and offer them what they ask for. All Africa is asking, essentially, is to be truly considered as a partner. It has a lot to receive from Europe, especially from the economic standpoint, but it also has a lot to give. Ali Haribou, a representative of the FAO at the United Nation's Economic Commission for Africa, declares:

«The most important external variables facing the African countries are the terms of trade and trade barriers to their exports; interests rates on old debt and new borrowing; and the amount and term of official development assistance.»

These factors are influenced primarily by the actions of the developed countries, particularly the European countries.

While the point is obvious, it is worth stressing that the economies holding the lion's share of world production and trade determine conditions in world markets and, therefore, the African countries circumstances.

Today's global economy is characterized by an increasingly flow of capital, goods and services, and technology across national borders. This is particularly so among the developed and industrialized countries where the formation of regional economic blocs has given further impetus to more outward-looking economic development, the common objective being the free movement of factors of production which is intended to improve nations' individual and collective welfare.

It is against this background that there is need for a new partnership between an Africa in transition and a changing Europe. Partnership with the European economies has been an unequal one. While Africa has, over the years, constituted a major source of human, material and financial resources for Europe, it has been perceived both by African themselves and their development partners, as a region perpetually assisted.

Africa should expect a fair remuneration and unimpeded access to world markets for its agricultural, mineral and manufactured

products. In this regard, the present openness of African markets to basic manufactured goods such as transport and other equipment, mainly from European countries, needs be counter-balanced by an equal openness of the markets of the latter to African products.

Development based on mutual interests would mean providing investment and technological support to Africa in the production of basic, intermediate and consumer goods based on Africa's natural resources and cheap labor. This will create employment and improve the skills in Africa instead of aggravating the deficits and deteriorating the balance of payments.

There is a need to assist Africa in rehabilitating or rebuilding its infrastructures such as roads, telecommunications, ports, dams, etc. Such major capital projects require massive investments which Africa alone cannot cope with. Foreign resources should also contribute to building human capital in Africa, by financing programmes in health, education, population and environment.

New European cooperation with Africa should not be seen only in terms of donor and recipient countries.

While such characterization might be relevant with respect to humanitarian assistance, it is important, both for Africa and the European community, to evolve a partnership based on mutual interests arising from production and trade, as it should indeed be in European economic relations.»

Relations with the Arab world

The Arab world and the Western world have been at best ignoring each other, and at worst confronting each other for a very long time, and have in general been mutually wary of one another.

Today, there exists a network of interdependencies which tends to be reinforced through time between them. Such structures of interdependencies cover fields ranging from security to political, from environment to economic.

Unfortunately we are witnessing now a growing secular and religious radicalism with xenophobic expression on the two shores of the Mediterranean. Such radicalism feeds on socioeconomic frustrations and deprivations, political discontent and the continuation of certain conflicts.

Opposing radicalism tend to reinforce each other by reinforcing one's image as it is perceived by the other. Thus they could establish a dialogue of negation if they are not countered pro-

perly. For that reason it is essential to underscore the importance of fostering and diversifying cultural contacts and exchanges between the Arab World and Europe.

The end of the Cold war made the East-West divide obsolete. It was replaced by the North-South one as the main axis of world's politics. A reevaluation of the elements of national power occurred. Economic power and with it economic diplomacy witnessed their importance growing tremendously. Without mention the risk of new regionalism.

The Arab world experienced the tremors of the Gulf crisis with its adverse effects on inter-Arab relations and Arab international relations. The main challenge in this respect is to restore Arab reconciliation. The peace process is another profound change in the Arab world. It produced a new dynamism with its own opportunities as well as its challenges for the Arab world and for non Arab states and groups of states namely the European Community.

It appears that the Palestinian-Israeli Declaration of principles produced a new dynamism in the Peace process. Europe can use its efforts to assist in facing the challenges of the Peace process. Indeed the comprehensive settlement of the Arab-Israeli conflict will produce a new environment in the Middle East where the logic of cooperation will substitute for the logic of confrontation. An environment which will be beneficial to all.

A more developed economic cooperation between the Arab world and Europe on a more balanced basis could turn the exchanges between the two groups into a model of North-South cooperation. This will help also to address the numerous problems namely those of migration and protectionism with their socioeconomic repercussions that reach through our societies. This two-way street cooperation is facilitated by the economic restructuring which is occurring in the Arab world.

New structures or frameworks of cooperation, more specialized or limited geographically or functionally, could develop across the Mediterranean.

Relations with Latin America

The countries in this region are also a product of European colonization, which imposed language and religion throughout the region; as a result they give a false impression of unity, as we have already observed in a previous book of this series³.

³ Latin America Facing Contradictions and Hopes.

As colonies they were both settled and exploited, and today they are torn between their European and native Indian roots, with the latter experiencing a strong revival, especially in the Andean countries, which have a high percentage of Indian or mixed-Indian populations. The countries in the southern cone⁴ expect a lot from Europe, where the majority of their population is from.

After having undergone almost a parody of political instability, with every new government being overthrown by a military coup d'état, it appears that this pattern has been broken. In Brazil, Venezuela, and Guatemala, for instance, presidents have been required to bow out of power through purely constitutional means.

«Latin America has open its markets, is paying its external debt with great effort, is trying to eliminate corruption within a democratic frame.»

Latin America evolution should not be measured solely in terms of commercial statistics, or by macroeconomic growth indexes.

«Brazil, Peru, Venezuela, Nicaragua of Guatemala overcame their institutional crisis. Under other conditions and in other times on the Latin American continent, lesser conflicts led to military solutions and more severe institutional ruptures. In the eighties, all our nations freely voted for democratic governments; and the nineties will be "the decade of hope", during which Latin America will consolidate its integration and development in democracy and liberty.»

Latin America has rediscovered local democracy and with this return to the roots of popular identities, Latin America has begun to introduce new forms of leadership. Participatory democracy has begun to displace the corrupt structures of old representative institutions which disfigured the genuine sense of democracy.

Different forces are at work in Latin America today: a vigorous drive to unshackle its creative economic potential from the yoke of state control; a resurgence of citizen-driven reforms and self-help associations, banding together voluntary neighborhood groups into independent forces for social change; a unanimous regional drive toward economic integration, free trade, and less government regulation.

Not everything is rosy now, however. Drug production continues to be the only economic possibility for Andean peasant-farmers, with disastrous consequences on a global scale. The drastic measures imposed by the IMF may have stabilized the economy, but

⁴ Uruguay, Paraguay, Argentina, and Chile.

have also widened the gap between a wealthy minority and the vast, very poor majority. Genuine social reform is becoming more and more urgent.

It has to be emphasized that with 70 million Latin Americans having less than one dollar a day to live on, it is a miracle that this mass of populations should still believe in democracy.

«It would be illusory to think that the strengths of the market alone will provide the elements necessary to neutralize the distortions of the processes of structural adjustment. The worst is the intensification of poverty. Indigence is growing segments of the population. It is a premonitory indication that resentment between classes is about to reappear. Pretending that class struggles ended with the fall of communist regimes is a dangerous illusion.»

Latin Americans do not underestimate the magnitude of the problems they have to overcome, but according to them, Europeans do not fully understand the nature and the depth of the changes their continent is encountering. They consider that the European press, in particular, continues to portray them through stereotypes that have ceased to exist, and that their efforts in favor of democracy are not given credit at their true value.

For example, little attention has been paid to the case studies of Mexico and Bolivia, where thousands of solidarity groups that has decided to assume the solution for their unsatisfied basic needs through self government are now receiving aid to go forward.

Communication can only be efficient insofar as it produces reciprocal comprehension of the changes produced by each theater of action and the depth of those changes.

The free-exchange agreements that have been drawn up among the five Central American countries and the Group of Three (Mexico, Columbia and Venezuela) on the one hand, and among Mexico and its North American neighbors (the United States and Canada) on the other, seem to have anchored Latin America in the American orbit.

If this is so, does Europe still have a role to play in this part of the world? The answer from Latin America is «yes», because the globalization of problems underscores the importance of the relations between the continent and Europe.

Latin America came closer to Europe when Spain entered the Common Market thanks to their very close, especially cultural relations.

On the economic front, however, Latin Americans have been fairly disappointed in Europeans. They expected Europeans to have a better understanding of their problems, but were given no special privileges —on the contrary. Culturally, they feel closer to Europeans than to Americans, or so they claim, and yet Europe today seems somewhat dull to them, no longer to be considered as a model.

Apathy and doubt seem to characterize European thinking today. Whereas half a century ago and more European thinkers, writers and historians could often agree upon common political and social goals and how they should be achieved. Today there seems to be no consensus of beliefs, let alone actmons. Ruminating introspection tinged with despair has replaced a belief in a common purpose, a common ideal. A sense of ethics and solidarity with ideals has been replaced by selfishness and pragmatism.

The second Iberian-American Summit, which was held in Madrid in July 1992, was nonetheless an occasion for the 19 chiefs of state who were present to reaffirm their conviction in a community of interests.

The European Community could do a lot to help soften the crisis if they were less protectionist and more open to the Latin American markets, if they would consider a more effective cultural exchange.

Non Governmental Organizations and the immense legion of actors that make up Civil Society should convert themselves to the central objective of cooperating for development between Europe and Latin America. In this manner, economic and social development would be given a push equally in institutional modernization and real democracy.

Relations with Asia

An immense continent containing more than half of the globe's total population, Asia is prism of paradoxes, from whatever angle it is viewed, economic, political or cultural⁵.

Some of its nations are among the richest in the world (such as Japan), and other among the poorest (such as Vietnam). Part of the countries are attempting to maintain democratic principles (India, among others) while other are imposing an irrefutable dictatorship (Myanmar). All the countries in Asia, except Japan and Thailand, have been colonized at one point or another of

⁵ See *The Message from Kuala Lumpur*, same collection.

their history, and often their colonial experience has led them to try the Marxist adventure.

Though communism seems to have been discredited in the rest of the world, aside from the above-mentioned aberration, it still remains the prevailing ideology in Asia today (if considered by the number of people living under a Communist regime).

The tensions born out of colonization as well as out of the Cold War, persist in Cambodia and in Korea.

South-East Asia has clearly taken off economically, and even though a large number of Asians, in fact the majority of them, are still very poor, the middle class in India is equal in number to the total population of Germany, Great Britain and France put together, and China already has a large number of millionaires, in dollars.

Nonetheless, the economic progress observed all around the continent has not brought with it the democratic transition that might have been expected.

As it is, Asia represents a formidable market. However, Europe is under-represented in Asia. As far as economic relations are concerned, Europe's share at the moment is far from reaching what it is potentially capable.

This contrasts sharply the presence in Asia of the English speaking countries – the United Kingdom, the United States and Australia. There are historical and geographical reasons. Language is also a factor.

The peoples of the New World are more direct in their communication, placing less emphasis on form and style. This pragmatism may be more conducive to business development. But Asia is as old if not older than Europe, and Asia can understand well Old World traditions and values.

Europe's exclusivity and tendency look inwards are to some extent responsible of Europe's under representation in Asia. In this age of the global village, some European entrepreneurs would still speak of the Far East as being too far away from home and think that Asia is too exotic to do business. Of course they know Asia, but there is a gap between perception and level of realization.

In the context of globalization trends it would be anachronistic to retreat to Fortress Europe. In the initial setting up of the European Community, is Europe not justified in being absorbed with itself? But interaction with the rest of the world should not distract from the task of building internal coherence. On the

contrary, outside links can enhance cooperation among members of the EC.

Perhaps Europe has been pre-occupied with the opening up of the Eastern Europe. Europe is finding in Eastern Europe what it used to find in Asia –market expansion and cheap labor. The Asian market is much more sophisticated and its consumption power many time more. Labor is no longer cheap in some Asian countries. In fact Asian entrepreneurs are looking to Europe to find less expensive means of production.

In addition to being a growing market, Asia is a potential investor in Europe. Europe needs to be cognizant of the business opportunities afforded by Asia. Besides economic links, there are opportunities for meaningful exchanges in the social and cultural dimensions. It is difficult to speak of Asia's expectation of Europe, probably because there has not been as much interaction as it should be. There are many possibilities to cultivate mutually beneficial relations, and for Europe and Asia to learn from each other.

For instance, there can be a useful experience transfer in the coexistence of ideologies. Even before Hong Kong reverts to China in 1997, its people is already practising «one country two systems» because Hong Kong's entrepreneurs are now operating significantly across the border in China. This Hong Kong's experience may find application in Eastern Europe.

China is in transition as the market mechanism is increasingly introduced in the socio-economy, and the two systems are becoming less and less different. The experience of dealing simultaneously with different economic systems, motivating people accustomed to another system, and coping with changes associated with an economy in transition, would be relevant to Europe as it looks forward to 2020 and beyond.

China and Europe used to have a very strong link. If you look at their shared history, the link was there, even if it was not always pleasant for China, the link was very strong. This is no longer the case today.

In general, Europe seems to have been drawing back into itself, which does not mean that it has no presence at all in China. But as a whole, Europe now in China is really not as aggressive as some other developed countries. Since Europe has the E.U. and many of these regional organizations, it could also have a unified understanding of its relationship with China; it does not necessarily have to be in the form of the E.C. going to China, it can still be the effort of individual countries.

But the Asia Pacific Economic Cooperation (APEC) is developing very fast. In the APEC meeting, America was trying to make the region one under the American influence and make it more regionalized, to keep the Asia-Pacific region as a single region. The American statements do not stress that the region should also cooperate with other part of the world. Europe should really get involved in some way very soon.

What is Europe to the other industrialized nations?

The countries involved are essentially the Commonwealth countries –such as Australia, New Zealand and Canada– the United States and Japan.

The Commonwealth countries still have ties to Europe, via the United Kingdom, but they are more symbolic than political or economic. Canada is unquestionably in the zone of influence of the United States, and the countries that grouped together in 1971 under the South Pacific Forum, which is only granted an observer status in APEC meetings, could also turn all of their economic interests towards the United States.

Seen from a distance, Europe appears to be a tribal battlefield, adverse to economic stability.

«The recent victory of democracy and capitalism in the Central and Eastern Europe brought with it great antipodean anticipation of improved hopes for peace and economic growth in Europe and better prospects for trade in the former Soviet Bloc. So far this has not emerged! We are likewise deeply concerned to witness through our media the relative impotence of the UN forces and the failure of Europe as a whole to successfully tackle this violence on her door step.»

From the Australian point of view, world security can only be guaranteed if the United States plays a greater role in Europe.

«The collapse of the balance of power in Europe requires an ongoing US presence in Europe, particularly during the period of dismantling of the former Soviet's nuclear capacity, and equally during a successful post GATT93 period of consolidation. From our Australian viewpoint we would anticipate an ongoing US presence in Europe during the next two decades.»

For the United States, Europe, and especially the European Union, is an economic competitor, the growth of which is not considered lightly.

The American economy has suffered a lot these past years. In 1960, the U.S. share of world GNP was higher than 40 %; in 1992, it had fallen to less than 25 %⁶.

The country's external and domestic deficits were both deteriorated by Reagan's defense policy, which was as costly as it was obsolete. The US military machinery, designed as a response to the Soviet threat, has ceased to be autonomous, both financially (the Kuwait operation was financed by other countries) and militarily (European bases are indispensable to certain operations, such as those in Bosnia).

When President Clinton took office, he found a country that was in debt as it never before had been (the external debt was greater than 1 trillion dollars at the end of 1993) and Washington decided to stop acting as «world policeman» except in cases where its vital interests were directly threatened. This produced a general outcry in the United States, because adopting this position means acknowledging that the United States is no longer a superpower.

After the disintegration of the Soviet Empire, this move could dangerously destabilize the world: the United States does not have the right to abandon its world hegemony, even if it cannot afford to maintain it.

Despite its difficulties, the US economy remains important. To consolidate it vis-à-vis the European Community, which has become the first world trade power, the United States is tightening its bonds with its immediate neighbors (Canada and Mexico, through free-trade accords) and is doing its best to keep the Asia-Pacific (APEC) zone in its orbit to the detriment of Japan by putting obstacles in the way of attempts at constituting an Asian economic bloc.

As for Japan, it is also undergoing economic hardship, for the first time since 1945. Its growth has slowed down considerably, and it is increasingly exposed to the competition of South-East Asia and China. For the first time since the war, Japan has lost some ground in future-oriented activities (in the multimedia field in particular). Furthermore, it has been forced to open up its domestic market and it is running up against difficulties in its foreign markets.

The GATT negotiations were an opportunity for the three economic blocs to have their conception of free-trade prevail. Japan attempted to eschew a Europe-US alliance (against its trade surplus in particular) as well as a confrontation with the United States. The United States complained of Europe and its common agricultural policy and Europe came up divided.

⁶ *L'Etat du Monde*, by Marie-France Toinet.

In the end, the industrial economies have yet to really open up and the big losers are the developing countries, for they have liberalized their external trade under the pressure of the structural adjustment that was required of them, and in return they did not receive the compensations they expected.

CHAPTER V

THE CHALLENGES TO EUROPE AND TO THE REST OF THE WORLD

1. Migrations.
 - Consequences for the industrialized world.
 - Third World migrations.
2. Education.
 - Problems specific to developing countries.
 - Learning to be a citizen.
 - Some new values for Europe.
3. The future of labor.
 - Meaning of competitiveness.
 - Loss of employment.
 - The nature of work in the future.

A new world order is now needed in order to avoid breakdown in the international economic, ecologic and security systems. A linear continuation of current trends would exacerbate the gap between the rich and the poor countries, and among the rich and the poor of all countries, produce further degradation of the environment, and create critical social and political instability.

Alternatives to the prospect of a worldwide breakdown must be found.

There is an urgent need for determined steps to create a global Commonwealth based on international and intercultural consensus, with collective efforts to safeguard the natural and human balances essential for the functioning of the world's social, economic and ecologic system, combined with phased reductions in the current, and presently still growing, socioeconomic gaps and inequities.

The Club of Rome has discussed all of these problems extensively⁷ and we will limit our discussion here to three of them, which are at the root of the problems men are facing today on an everyday basis.

The first challenge humankind needs to take up is the challenge raised by migration, voluntary or forced (such as in population displacement). The second is that raised by education, and the third is that raised by the very serious problem of work in the world.

I. Migrations

Millions of people worldwide are on the move. They are fleeing from wars and civil wars, from political oppression and religious

⁷ In particular in *The First Global Revolution*, Alexander King – Bertrand Schneider.

persecution. But a growing number is also on flight from economic misery and environmental degradation. The High Commission of Refugees, which was set up in 1951 to solve the problems stemming from World War II and was intended to operate for only a few years, is still active 40 years later, with more problems to deal with than ever. It recorded 18 million refugees in 1993, i.e. 3 million more than in 1991, not counting the million Rwandans who have recently fled the killing frenzy in their country and the Christians from Sudan who are still fleeing in the direction of Kenya.

Merely five per cent of the refugees have reached Western Europe. Their ethnic diversity and their growing number are a testimony of our troubled and changing times.

We should bear in mind, that throughout history, population shifts driven by economic necessity have had a different connotation from political or religious migrations. In both of the latter, the movements of dissident population impacts on both receiving and original country.

Nations losing people for such reasons eventually come to reflect on the wisdom of continuing with the course of action stimulating these people to migrate. It can therefore be almost self-correcting. Economic necessity has a quite different root cause. It has an objective component that is difficult to gainsay. Worse still, the loss of population as a result of the migration exacerbates the original problem, making those who remain less willing to stay.

The causes of migration have become more complex. On the supply side, in addition to demographic factors, account must be taken of a number of economic and social elements, among them wage differentials, political insecurity, business uncertainty and insecurity, poverty, unemployment and lack of opportunity and violations of human rights. On the demand side, higher wages, security, educational and other social opportunities, political freedom, the rule of law, have become determining factors in attracting migrants.

Migration, both within countries and internationally, has increased considerably.

The stream of migrants, who are called «economic refugees» or «illegal aliens» in political parlance is estimated by the International Labor Office (ILO) at approximately 100 million. Worldwide migrant movements are in progress towards the islands of affluence in North America, Western Europe, the Gulf and East Asia. There is concentration in certain areas and in large cities in the North.

The number of «internally displaced persons» is estimated at at least 23 million. According to the Geneva Refugee Convention, they are not «true refugees» because they have not crossed any borders, but their situation is very similar to that of international refugees.

The refugee problem is in danger of turning into one of the most explosive crises of the coming decades.

The consequences of migrations for the industrialized world

The last ten years have witnessed the biggest mass movement of peoples in Europe probably since the onset of the Dark Ages, when the fall of the Roman Empire ended four centuries of political stability. The movements are partly due to the Communist world's collapsing, to the nationalist demands –and threats– that followed, and to the disintegration of Yugoslavia. If at first the prosperity of the 1980s masked the social impact of this influx, the current recession has made it all too plain. Nor will hand wringing over extremist reaction to the appearance of so many foreigners in our midst alter the basic appeal of the anti-migration argument.

When there are massive numbers of new arrivals and if there is incapacity, of the recipient society –or of the migrants themselves– to assimilate, then native populations will react.

Migration is leading to rising problems –social, cultural and economic and political, in nature.

The form of this reaction takes will depend on the size of the perceived threat and the maturity and stability of the recipient society. Stable societies such as Switzerland have affronted the problem through regulating numbers, via a system of permits. This has also been the favored policy of the major recipient country, the United States as well as Canada and Australia.

Less stable societies have resorted to outright bans on new arrivals and enforced repatriation, the latter sometimes on a vast regional scale, as in the case of West Africa in the late 1970s and early 1980s.

In our present situation, no lasting solution can be expected from the rigid enforcement of entry requirements.

In the Europe of today, and especially considering its long and poorly policed Mediterranean coastline, these are anyway likely to be quite impracticable. Despite the mounting popular concern, a policy of compulsory repatriation will still arouse significant

opposition within recipient countries, led by vocal civil liberties groups. It represents a long drawn out, and a messy option.

The only practicable alternative would appear to be action to reduce the economic pressure at home to migrate. This demands, however, a long term policy commitment to aid-to-development on a scale considerably higher than anything ever agreed so far. Politically, it need not be unpopular but, at a time of recession, it may be very difficult to fund.

Of especial concern for Europe is the fact that it faces two simultaneous waves of migrants: from the new democracies of the former Eastern bloc and from the Third World.

It must be specified, however, that the emigration wave from Central and Eastern Europe that had been predicted and feared by some in 1990 after the fall of the Berlin Wall did not take place. Only Germany was really affected, with 2 million persons of German descent entering the country from former Communist countries.

Heavy investment in raising living standards in countries of origin is already expensive. In fact, what is also needed is, above all, to influence expectations, so that the attainment of prosperity no longer seems a mirage. In practical terms, there is no doubt that both are easier to bring about in Central and Eastern Europe than in the Third World. In the new democracies, a basic society is relatively sound. Injections of capital, plus the promise of continuing attention from richer neighbors to the West, should in time moderate the flood. Moreover, once the new market economies of these countries start grow, there is reasonable hope that many migrants will return.

In the case of most of the Third World, however, it is very unlikely that migrants will want to return to countries, which, however fast they grow, are destined for the foreseeable future to have per capita GNPs and disposal personal incomes only a small fraction of those of the North. Once population in such countries set their minds to acquiring the sort of living standards that the North enjoys, then they can only achieve this by physically moving there.

Third World migration can be motivated by either relative or absolute poverty. While it is ethically very difficult for nations to resist the arrival of newcomers driven to move by desperate want, it already clear that Western Europe countries intend to protect themselves from an influx of people.

Economic immigration is increasingly less authorized around the world, but it could have been expected that requests for political

asylum would be dealt with differently in democratic countries, given that the right to asylum is one of the universal principles.

That is not the case, however: on the contrary, since the mid-1970's, migration control has become a top priority for European states, which are concerned about the increase in requests for asylum (200,000 in the mid-1980's and 700,000 in 1992). These applications do not all meet with favorable decisions: France, for instance, only granted 6,000 persons the status of political refugees out of 27,000 requests in 1993. The 18 million refugees inventoried by the HCR are essentially found in Third World countries, and yet Europe is trying to close down its borders. The definition of the refugee status in the 1951 Geneva Convention is now being interpreted in a more restrictive way.

This development has been marked by an increase in controls at all levels. Candidates for political exile must procure a passport, and sometimes an exit, entry or transit visa. They must also get through local police checks as well as those practiced by the airline carrier staff. Furthermore, it is more and more common to have the police of the prospective country of asylum to also be present at the airport of departure. For example, the Dutch police may go to Ghana and Nigeria to check the documents of the passengers wishing to disembark in the Netherlands and British immigration officers are present in India and Pakistan.

In order to restrict the entry of refugees, most European countries have modified their legislation—to become stricter, of course—and have tended to harmonize their asylum policies. In the framework of the European Community, the ministers and civil servants in charge of asylum work within an ad hoc committee on immigration, and their decisions are not the object of any discussion within the European Parliament, nor are they made in consultation with the HCR.

Political asylum is thus granted more and more parsimoniously, with a few technocrats deciding arbitrarily that such and such a country has now become «safe». This leads to the sending back of people applying for asylum, even if when they arrived, they indeed had good reasons to flee.

From resolution to resolution, the 12 European countries have remarkably shrunk the possibilities for granting asylum and the new regulations that have ensued have disqualified a great number of applications. Clearly, people seeking a country they assumed could provide them and their family with greater well-being were running up against obstacles that were increasingly difficult to hurdle, and were greatly tempted to claim political reasons for their entry. Yet, is not an individual's life threatened just as much

by horrendous economic conditions as by their opposition to a totalitarian political regime?

The phenomenon of immigration shows itself evidently in a contradictory situation. The demographic science points out that there is a need of immigration in the EC (see dossier).

Indeed, the aging of the European population will soon be raising a great many problems: the numbers of the working population will cease to be enough to ensure retirees a living and the care they need, and there will not be enough of the younger population to make it worth maintaining certain infrastructures.

But the rising xenophobia in many European countries shows that there is a lot of people who do not want accept immigration. Why do we not accept what we need? Maybe because we are not prepared for that fact.

Immigration does not only mean a burden, but also an enrichment and vitalization for the host society.

Experience shows that pluralism, including ethnic-cultural pluralism, has been a stimulating element.

Immigration confronts us with some economic and social questions. The answer to all these questions can not only be a result of statistics. They are as well political answers. And they must be discussed as political questions.

If international South-North migration cannot be stopped, the countries of the North will have to «internalize» the problem, accommodate to the situation, accept the increasing presence of migrants. We must find the way and how to keep an integration level that will protect the social, cultural and economic rights of both receiving and migrating populations.

The economic problems being faced by growing numbers of populations in Europe are leading, as they always have, to the designation of scapegoats, and it has become easy to accuse foreigners of being responsible for all evils, as we mentioned earlier, with all the danger this implies. It is needed to educate the population in the receiving areas to understanding the migration issues, and dispel misinformation, ignorance and prejudice.

Third World migrations

The causes for the refugee movements must be eliminated. Its focus is mostly concentrated in war zones. The Third World has become the theater of war of our times, and in the course of its

frequent armed conflicts has become a «world of refugee camps». The roots of these wars can be traced to the legacy of colonialism (such as arbitrary borders) integration crises caused by artificially created «nation states», power struggles for positions of wealth and influence or conflicts resulting from structural violence.

The East-West conflict contributed to the militarization of the Third World, the accumulation of weapons, and consequently the frequency of armed conflicts. In many ways the North (East and West) shares the responsibility for the wars and refugee situations in the South.

Natural and environmental catastrophes are turning into famines, which produce a growing stream of refugees fleeing from poverty and environmental disasters. The United Nations Environment Programme (UNEP) estimates that by the turn of the millennium one billion environmental refugees will have been displaced from their homelands because their basic means of survival have been destroyed.

Many environmental refugees are the victims of questionable technology and development projects. It has long been common knowledge that gigantic projects such as dams or chemical factories are highly dangerous.

For the construction of roads, several dam projects and the development of large pasture areas and raw material deposits vast rainforest areas in Brazil's Amazon region were denuded with development aid loans.

The flood of rural refugees who swamp Brazil's jungle metropolises reflects something that can be seen worldwide: destruction of the environment is hastening the flight to the towns. The negative impact on water, air, soil and nature in and around the cities is inevitable.

Environmental destruction produces streams of refugees, streams of refugees produce environmental damage –yet another vicious circle.

Mass poverty, already intensified by the debt crisis and the structural adjustment policy of the IMF, is propelling a growing stream of migrants in all directions. The structural causes of this South-North migration are rooted in the social disparity between North and South and its most inequitable distribution of opportunities. Emigrants as a rule do not leave their homeland without a compelling reason.

If the islands of affluence in the world do no longer want to take in strangers, they have to make a more concerted effort to eliminate the reasons of their flight.

By closing down their borders, industrialized countries have sentenced some candidates for freedom to living in concentration camps. This is the case, for instance, in Hong Kong, where people fleeing Vietnam have been consigned to a camp surrounded by watchtowers and metal barriers, which they are not allowed to leave unless they agree to return to their country.

Children born in this camp have been imprisoned there for several years and know nothing of the outside world.

While richer nations worry about being flooded by migrants, Third World countries fear the spread of Western values and culture, undermining the bases of traditional society.

These two fears are in fact inter-related. So long as the Western lifestyle is accepted as being the one to emulate, or join, then the pressure to move will be all the greater.

Given that actual want is only part of the motivation, limited to relatively few of the new arrivals, aid designed to raise living standards in the Third world is likely to prove only a modest brake on the mass movement under way.

The West may find that the pressure to migrate will only fade when its lifestyle ceases to have such a charismatic appeal for third world inhabitants. Following this logic, the rise of movements such as Islamic Fundamentalism, which reject the Western ethos completely, could paradoxically be the salvation of the still essentially mono-cultural Western societies as we know them today, if the severe restriction of freedom that they practice were not also in fact a cause for migration.

The brain drain, a serious African dilemma

Students leave their countries to study in foreign universities and do not return. Scientists and other professionals take up position abroad, sometimes permanently. Highly qualified technicians sign contracts to work in labour-short countries although their skills are sought at home. This brain drain – a loss of young and educated nationals to the lure of greener pastures – is a problem that countries in Africa can ill afford.

Measures were suggested in Many African countries to offset the attractions of more developed nations. Most of them have never been put into practice yet remain perfectly valid today.

One measure advocated granting scholarships to study abroad only for disciplines not sufficiently covered in the home country.

Another proposal was to set up a mechanism to find jobs for returning nationals who have qualified abroad.

Certain African countries have applied constraints to ensure that their students come back: for example, anyone leaving Cameroon to study abroad must deposit a heavy guarantee, repayable on return.

Ghana has devised a rather elaborate bond system for scholarship study abroad. Students must complete the course authorized by the scholarship and cannot change it without the permission of the government. They must return on completing their studies and remain at the disposal of the government for five years.

As another approach, several African countries use incentives rather than restrictions to persuade qualified personnel to come home again. Some simply appeal to their citizen's patriotism. Others offer highly qualified professionals and scientists rewards such as laboratory equipment, the opportunity to attend meetings or courses abroad, the possibility of acquiring scientific publications, and attractive working and living conditions.

Dossier

Population dynamics and the future of Europe, by S. Kapitza

The world at present is passing through a period of rapid change and growth. This statement has become a common beginning of many studies and is usually taken for granted. Before considering the regional problems of Europe it is best to take account of global population growth, as it is the backdrop for all regional changes.

This growth is often described as the population explosion – an inaccurate and even misleading concept. The real phenomenon that should be of our concern is not so much the population explosion as the demographic transition. It is this great change in pattern of growth that is really important and which we have to take into account in studies of regional population growth and trends.

The demographic transition describes the change in the growth of a population, that rapidly reaches a high level and then just as rapidly decreases its growth rate. In other words, the population growth rate at a certain stage of development passes through a pronounced maximum. This has been observed since the beginning of 19 century first in Europe and now in countries comprising the developed world. Since the first half of the 20 century this transition is observed world-wide in all developing countries, being a general and universal transformation. For example, in China and India the demographic transition began in 1920-1930 and is now to end by the beginning of the next century. Over this period their population will on the average rise three times.

During the demographic transition the relative growth rate may reach 2-4 % per year and the transition may take 50-100 years for the cut-off in growth to be established. This transition in the developing world is happening faster than it took the now developed countries to pass through this period. Its dynamics are correlated with economic development, but a simplistic Malthusian explanation does not lead to an understanding of this all-important and universal systemic transformation, that should be considered as a world-wide phenomena.

At present for the world population we are at the peak of the relative growth rate 1.7 % per year and are approaching in 2005-2010 the expected maximum growth rate of a 100 million per year. The world population will reach at least 8 billion by 2020. Later the growth rate will rapidly decrease and the world population is expected to gradually attain 14-15 billions, passing through 12-13 billions in 2150. These projections by UN and IIASA have been produced by the standard methods of demography and are supported by mathematical modelling, describing world population growth as a non-linear process.

This global demographic transition is a very rapid change in the whole paradigm of our development and should be seen on a broad time-scale. To really grasp the significance and magnitude of this period of change we can go as far back as 2 million years, during which continuous growth took place, now culminating in the demographic transition. It is this long-established pattern of growth going to the very beginning of societal development and expressed by a simple model for the collective nature of our development that is to change. We have to see this transition as a systemic transformation, that is happening because the time-scale of growth has become shorter than the scale of human life. This is the fundamental reason for change and why this time is so special in all human history. It is the rapid rate of growth that generates much of the strain and strife of modern life, when things in a life-time change faster than ever before, leaving no time for society and even an individual to adjust to these circumstances.

It so happened that Europe and the now develop countries were the first to pass through this transition. This led to great social changes -the massive waves of emigration from Europe by the end of the 19 century and finally it became a factor contributing to the social and political instabilities leading to World War I.

In today's world, when we see the rapid build-up of population in the developing countries, similar processes may happen. The population disparities lead to pressures, forcing people to move from rural areas to towns, from more populated countries to less

populated areas. During this period it is the newly arrived large numbers of young people often jobless, rootless, even homeless, that feed the armies, become the actors and main sources of social instability. The loss of balance between countries at different stages of the demographic transition that may enhance the processes of migration, emigration and ultimately lead to war. These are the broad systemic reasons for conflict that do become a prerequisite for war, then «justified» by economic, ethnic or territorial claims.

The next and probably the most important long-term consequence of the demographic transition is the dramatic change in the age structure of the population. Just because these changes are slow and we all get used to them, the age structure is not usually taken into account. To illustrate this best one may look at the age structure of Kenya and Germany, one growing at 4 % per year and the other with a stationary even slightly decreasing population. In the foreseeable future, when the world as a whole will pass through this transition, the median age will change from 24 years, as it is today, to 42 years. The percentage of people older than 65 years, those who are politely called seniors citizens, will reach 25%, when for the world today it is only 6 %, with a corresponding decrease in the number of young people. These changes lead to difficulties in manning the armies in countries that have passed through the demographic transition. For example, in Russia it difficult to satisfy the appetites of Russian generals. If only for demographic reasons the military have to learn to think in terms of quality rather than quantity, an approach well illustrated by the experience in Vietnam, Afghanistan and the Gulf.

Differences caused by the demographic transition are most important for the social structure of societies, their health services and education. As a result, West European populations and Russia are practically not growing, or the growth is only due to emigration. In the former Soviet Union demographic disparities of an ethnic origin have led to 24 million Russians beyond Russia that now may become a significant factor of regional instability in 1/6 of the world.

The unfortunate thing is that these inequities are developing very rapidly – the demographic transition of the developing world is happening twice as fast as in the developed world and is affecting 5 times more people. One can say that the strains and disparities generated by the demographic transition today are at least 10 times greater than a 100 years ago in Europe.

Finally, if the population of a region, such as Europe, ceases to grow what dimension does it have for future development? This is a far-reaching and all-important question. As the experience of

Europe has hopefully demonstrated, we can sustain stability and security, as it has now happened for 50 years and can hope that this state of affairs will be carried on the further. But is that the only large-scale aim of our future? One may think that the true dimension for development will become not the static preservation of quantity, but real qualitative growth. This is a very complex issue. It will first come and has already been partially resolved by gains in the quality of life, but basically it is concerned with the quality of the population. In Russia at present a marked increase in genetic anomalies are seen and a noticeable shortening of the life expectancy is observed in the aftermath of the Cold War. On the other hand to what extent by judicious means can the quality of the population be improved is still very rarely discussed. Until recently many of these issues of demography were considered to be too controversial. Today it seems that this last set of problems is still beyond the agenda of discussion. For Europe, for the European Union in the first place, it would be of interest to look into these issues, if Europe expects to aspire for leadership.

Giving such prominence to demographic factors does not mean that concepts of social development, economic growth and the environment are disregarded. But demography, the number of people, their ages and where they live is the outcome, the final expression of all the complex interactions of social, cultural and economic processes that comprise history. In describing and analyzing demographic data, we can see the large scale factors determining our history. It is very simplistic to believe that by birth control, education and religion one can directly control the demographic development of a nation. Certainly these means do have effect, and a concerted effort of active demographic policies should be part of any country's social and political program. The basic rates of growth seen on a large scale in time and space express the fundamental systemic properties of population growth on a global or regional scale, that are really beyond our immediate command and it is difficult to change in any significant way these patterns of growth. What can and should be done is to monitor and study these trends with the purpose of sustaining the stability of the world, of its different regions and various countries.

This is especially true in the modern interconnected and interdependent world.

In today's world security is customarily described in military, economic and ecological terms. To these aspects of security one should be add the demographic stability of countries and societies. For Europe these issues are of paramount importance, as many of the strains of an external changing population pattern

are focussed on this very special continent of the global village. Europe will have to face these issues with growing demographic pressures from Northern Africa and the Middle East. Is it conceivable that «fortress Europe» should be an answer.

For Russia, the vast regions of Central Asia can become a source of regional instability that cannot be resolved in purely military terms. Extending the limits of Europe to the Pacific we will have to consider the stability of Siberia and the Far East, where 22 % of the population of Russia lives, and at present is decreasing at an alarming rate. The extent by which common economic interests and sensible long term policies can stabilize these disparities will be the main factor of regional stability.

These are some of the main strategic long term factors of European security and development, an agenda for the emerging system of global governance that has to be of our concern in a rapidly changing world undergoing its most profound transition of all times in the human story.

2. Education and values

The second challenge humankind must meet is that of education in the broad sense of the word. Basic education for developing countries in which the literacy rate is still too low: learning to read, write and count in order to decipher one's environment in a world largely dominated by the written word.

Scientific education for the developing countries, which need to catch up with the industrialized world in this area.

A new conception of education in the industrialized world, in order to deal with new demands and new problems, and to know how to use new possibilities.

The world's development in the area of science and technology has generated deep changes in all aspects of life.

The interdependence of problems and interests on the global scale have made the world more complex, more difficult to govern, and therefore the education that should be provided to the younger generations does not have much in common with that which they were still getting not long ago. Educators have, and will have increasingly, the difficult task of helping the new generations discover and develop the aptitudes and skills that will enable them to apprehend the problems of their century in the best conditions.

The first question that needs to be asked when approaching the education problem is: In what type of society, what kind of civilization do we, and our children after us, wish to live? Do we wish to bring on the «dungeon civilization», in which a few privileged persons are sheltered from desperate hordes within their own country and without it, as we discussed earlier?

Do we wish to perpetuate the «Money-King civilization», in which anything goes? Where productivity is the buzzword, without any concern as to who or what it is good for? An every-man-for-himself society resulting in misfortune for all?

Do we wish to live in a garbage-dump world in which we would have to wear gas masks to move among mountains of waste in the North or in the South.

These few questions, of course, do not cover the whole education issue, they merely illustrate how we might describe the profile of the world we wish to live in.

The features of the education that needs to be provided throughout the planet depend on what questions are raised, and how they are answered. However, although the education problem is a priority, it is unfortunately not the only key to development nor will it put the ever-diminishing labor market back on an upward course unless the people who are trained become creative.

In the industrialized countries, despite a constant increase in the rate of population with higher-learning degrees, deplorably unemployment has not ceased to rise.

Nonetheless, in developing countries, education helps to diminish poverty by enhancing the value and the effectiveness of the labor provided by the poor and by attenuating the consequences of poverty on health and nutrition.

Therefore, education is due for a change both in quantity, for developing countries, and in quality everywhere. Globally, the type of education should be the same all over if we wish the great problems threatening world security to be dealt with and school to stop channeling people into unemployment.

It might in fact be easier to establish an educational system that is adapted to the challenges of the modern world in the countries of the South than in the countries of the North, which are chained to centuries of conformism and habit.

It is not as hard to change structures as to change mentalities and it will take a lot of persuasion for traditional educational systems to leave their reluctant attitude behind and display imagination, openness and initiative.

Throughout all of history, new forms of learning have been stimulated by extreme events: here a fierce famine, there an emergency or a disaster have jolted the education routine and acted –through misfortune, but effectively– as educators. Humankind today still waits for such events or crises to catalyze or impose learning through the shock method. The world problematique, however, has introduced at least one new danger: that the shock might be fatal. This possibility, though distant, reveals the current crisis in traditional education more clearly. Trust in the present educational system is blocking the emergence of innovating processes and makes humankind all the more vulnerable to shocks. In the prevailing conditions of world uncertainties, learning through being presented with *faits accomplis* is a one-way ticket to disaster.

Education can no longer be content with training people professionally, once and for all. In the complex and uncertain world in which we live, we have to «learn to learn».

Furthermore, education should not focus on the mere acquisition of professional knowledge. In the world that is emerging, in which electronics and machines in general have replaced a good part of human labor, professional employment will become a «scarce commodity» and those who will not have access to it will have to have «substitute occupations» through which they can maintain their social dignity.

Innovative learning is one of the necessary means for preparing individuals and societies to react and act together when faced with new situations.

Today, education in the world is hindered in four different ways:

- Due to the extension of communication, and to the competition among countries and fields of knowledge, the very scope of knowledge and information has become so enormous that even the latest generation of computers are incapable of processing it all. In a single year of the current decade, the volume of scientific and technological publications is greater than the entire production of all the professors and scientist from the beginning of time to World War II.

Moreover, the quantity of knowledge required per field is such that people are forced into ever-narrower specializations, which entails an ever-greater fragmentation of knowledge.

As a result, each individual's general knowledge is becoming superficial, while knowledge is disappearing from people's brains to be stocked on magnetic tapes, with all the risks that this entails.

- This spate of knowledge constantly streaming out causes thought currents to mix and new ideas to spring out, and points to new directions; knowledge thus quickly becomes obsolete, and this includes the knowledge of teachers, whose retraining, when and if it is practiced, is often inappropriate.
- There is an increasingly wider gap between the teaching programs applied by national education systems and both the reality of the world as it is conveyed by the media, and the needs of societies of today.
- As a result, the younger generations are disturbed by the schizophrenic view of the world they are given and by the inadequacy of the teaching they get, which leads many of them to unemployment offices.
- Everywhere in the world today the financial means devoted to education are insufficient, especially in the developing countries.

Problems specific to developing countries

The quantitative lags are due on the one hand to the facts that developing countries for a long time had a lesser concern for education problems and that education mainly benefitted a small minority of the population, and on the other hand, to the runaway demography, which in certain countries neutralizes the results of all efforts as soon as they are achieved.

The international conference that took place in Tomjien (Thailand) devoted to «education for all» established as a goal that 80 % of each age category should have a minimum education. This goal is far from having been reached in many countries, which are in a state of «educational failure».

Previous conferences in the 30 years prior to this one (Karachi, 1959; Beyrouth, 1960; Addis Abeba, 1961; Santiago, 1962) had established similar goals without ever securing the means to achieve them.

Educational structures that might have been developed have rapidly become totally inadequate to the needs. In developing countries, just as in most of the Western countries, there is a severe lack of teachers due to the meager consideration this occupation is given today.

Other problems affecting developing countries in particular are:

- More than 300 million children go neither to primary nor to secondary school;
- nearly 1 billion adults are illiterate, 600 million of which are women;
- while 80 % of the globe's population is found in the South, they also have very limited means: the South conducts only 4 % of world research and owns just 5 % of the total world's computers;
- all too often, national budgets give the lion's share to defense expenditures to the detriment of basic education;
- in heavily indebted countries, sacrifices to support the debt burden were made primarily at the expense of education (in just the period between 1983 and 1989, 242 billion dollars were transferred from the South to the North);
- education can sometimes become a political instrument -some literacy programs have been geared more to the benefit of those in power than to help the poor disenfranchise themselves.

Despite some efforts in the past 20 years, more than two-thirds of developing countries have still not reached their objectives of schooling accessible to all.

Of the 300 million or so school-age children not going to school in these countries, the great majority are part of one or several traditionally disadvantaged social categories: peasant farmers, women and the poor. The three main obstacles to their integration are a scarcity of room for them in schools, little interest expressed by the parents to see their children educated, and highly discriminatory treatment at school.

Primary education serves different objectives. One is to teach basic skills. Another is to develop the behavior and the skill the children will need to live in society. Another yet is to help build the country. The current educational systems in developing countries are indisputably not in a position to reach these goals, and an inadequate primary-education system jeopardizes the entire development system that follows it.

To improve this situation, international aid must be reconsidered. In the last decade, it was at minimum levels and directed with no concern for any real effectiveness.

Donors neglected primary education, at least partly, because it was easier, and from their point of view more effective to generate and use funds for high-level educational projects. The current challenge that has to be taken up for the development of education, and especially the construction of a high-quality, lasting primary-education system, requires that donors change their lending patterns. In order to really aid the development of primary education in the 1990's, donor agencies must increase the level of their contributions (particularly in favor of extension and quality-improvement programs), support development programs that are targeted by region, and adapt to the needs of each country. Moreover, aid programs should be coordinated.

Coordination is based on the assumption that the donors' motivation should also change in such a way that aid is not granted, as it is often the case today, in order to secure the country's patronage, but with the aim of truly contributing to an improvement in the populations' well-being.

Who should dispense education?

Given today's problems, those of the developed as much as those of the developing countries, the question is: should the responsibility of education, in the broad sense of the term, that is to say not only schooling, be left exclusively to political leaders, who are the ones now deciding on the budgets, the programs and the directions of education? If not, what agencies or organizations can and should be associated? In other words, should the civil society be given a stronger role by playing a specific part in the area of education? Today already, education in general and teaching in particular have been removed from the exclusive influence of the traditional intellectual guides (professors, the clergy, etc.): The media play a very important role, with television as the leading actor.

Whether it has the «educational» label or not, all of television induces the acquisition of knowledge. The problem is that most television programs —especially those that are received in many countries through the import-export flows— promote an acquisition of knowledge of a particularly backward sort. Even the mildest of «thrillers» contains a certain number of values and projects behavior models, practically all of which are familiar stereotypes aimed at being accepted by the largest number of people. The invincible heroes in the cowboy and detective films, an emphasis on a white-collar, white-skinned working environment, and the overwhelming violence, constitute the familiar stamp of a stereotypical view of a world gone by, or that has never been.

The family needs to recover its irreplaceable role in the educational system, a role that has been lost for several decades to the benefit, precisely, of the media, at least in the industrialized countries. Traditional societies that had been able to preserve this role until

recently have also begun to let it slip away because of the family disintegration caused by rural depopulation and over-urbanization.

There is now a new, very important player taking up a non-negligible role: the enterprise. Its role in the educational system should not be confined to professional training. The enterprise is indeed playing an increasingly greater part in modern society, a part that goes far beyond its mission to supply jobs and produce wealth for the country. Enterprises are not only responsible for providing their staff with a living, but also for giving them the means to engage in personal development. Some enterprises, through their workers' council, are instrumental in offering their employees cultural and leisure activities. Enterprises are now responsible for the environment—not only the environment it could directly damage, but environment in general, in favor of which it is expected to take initiatives. These are only a few of the directions today's enterprises are taking, sometimes reluctantly. It will therefore not be surprising to find them exercising ever more influence on decisions as to what training and what education should be offered, and imposing training orientations.

All over the world today, hundreds of thousands of young persons are trading their report cards for unemployment cards, an affliction that could be avoided for many if there were greater agreement between the training given and the needs of enterprises, even if such agreement could only be temporary, given that learning a trade once and for all is a thing of the past, as we mentioned earlier.

Enterprises should not limit themselves to complaining of the lack of appropriate training for their needs, and of not finding «a suitable match», they must also make an effort and estimate their needs, not their immediate but their future ones, and they should also meet with the public and the educational authorities to jointly elaborate the corresponding educational programs.

For developing countries that have a high rate of illiteracy among adults and the educational structures of which do not even cover the children's needs, it is indispensable for adult education and training, both basic and specialized, to be dispensed by the civil society to make up for lost time as quickly as possible.

To this end, the role of NGOs in stimulating and supporting the populations' development in the poorest countries (for which education is a strategic element) is especially important and the experience acquired by NGOs in the past 30 years deserves to be known.

Learning to be a citizen

Adapting to the technological revolution

In the much needed reform of the European educational system, priority attention must be given to training. In preparing the

young people for the world of tomorrow, it is vital that they appreciate how the technological revolution has altered the framework in which they will live. They must realize that their lifestyles will be very different from that of their parents. Of course, young people are already the first to embrace many of the consumer products of the new technologies—from video games to home computers—. What they need is to appreciate the social dimension of what the technologies embedded in these products will mean for them and for the society in which they will grow old. Besides radically changing lifestyles, knowledge-based industry will be the principal source of new jobs. The young must see education and training particularly in information and communications technologies as a component in their curriculum on a par in importance with reading and writing.

Survival of the European way of life rests on our ability to pay for it. Future European economic growth will require the availability of technologies and skills that translate into competitive advantage in a global economy. If Europe is to remain a major industrial and economic powerhouse, these skills and competencies must be present in the right areas and the right numbers.

Given the scale of job shedding across Europe, particularly among the unskilled, training for these workers, and for the semi-skilled, technicians and clerical grades whose jobs are now also at risk, will be the essential social cushion to raise prospects of employment in the radically different labor market of tomorrow.

Opening up to the world

The world of today demands greater cooperation between nations and peoples. The last decade of the 20th century brings a social, economic and political landscape radically different from the previous forty years. Capital markets are becoming unified, cross border trade is at record levels and the mobility of people, both rich and poor, is increasing. The globalization of the world is a fact, and the interdependency between all nations adds new dimensions to the issues people face around the globe.

The facing of the situation requires citizens with a global understanding. Citizens today have new responsibilities and new rights reflected in the enormous impact their day to day decisions have on the environment, the economy and society. Each individual must understand his or her new role, which requires education and commitment. Young people must be an important part of this commitment.

Current education, both informal and formal, and all the factors that provide people with knowledge, skills and attitudes are failing to adapt their methods to the changing needs of a global society.

A new paradigm in education should be able to anticipate the needs of our society.

As a response to global problems, education is a key instrument for change. Education should be directed to the full development of the human personality and to strengthening the respect for human rights and fundamental freedoms. It should promote understanding, tolerance and friendship among all people. Global citizens are empowered people aware of their responsibilities and rights, able to participate in the decision-making processes that affect their lives.

World-wide cooperation is a vital element in the resolution of key international issues. When looking at the major social issues that the world faces today, it is the responsibility of everyone to find common solutions. The sheer complexity, requires that the perspective of those affected from different sectors and nations be sought.

European integration

The enhancement of the quality of education and training, in all the education programs open to young people and adults, would strongly contribute to European integration, not only through its science and training inputs, but as a factor of social cohesion. Enriching education in each country with its European dimension. An diffusing the «European cultural heritage» would also foster this «*affectio societatis*» which is the basis of active citizenship.

The European dimension will cause adjustment constraints but also new opportunities, if people can successfully cope with them. The growing interaction not only between markets and politics, but also between the different cultures of Europe, West, Centre and East, should lead to cultural change in the whole Europe, which may, or may not contribute to a faster and wider integration.

The diversity of culture and education systems is not an obstacle to more integration. As such, integration is less based on harmonization and standardization procedures than on policies to promote personal mobility, learning foreign languages and cultures, developing cooperation between scientists and educators, organizing joint programs, joint degrees.

The fast development of intra-european networks and partnerships in education, permit a wide range of initiatives for joint action, some harmonization, and self selection of instructions aiming at a better collective utilization of scarce resources. Those partnerships should provide the framework for creative thinking

on the New Europe, and lead to provide impetus and drive in certain sensitive subjects of European integration.

Besides, due to consistent and long term education policies in Brussels, in Strasbourg, and in the national capitals, education systems are gradually converging: the organization of vocational and secondary education should be closer in all countries by next century. Higher education institutions, becoming more autonomous, will have designed more coherent «Europeanization policies». The numerous and powerful European Community programs have already supported many forms of cooperation and exchange in science and education, which are feeding further networking of institutions and teams.

This is why the Maastricht Treaty has finally introduced education and culture into its text and commitments although strictly protecting the right to cultural diversity in the member controls with its «subsidiarity» principle.

The problem is now operational: the unhappy situation with foreign languages in many countries and the inequality of resources among countries and institutions to participate to those exchanges, are creating obstacles to a natural trend towards more integration. This would call for long term policies towards a «European space for education», if political vision and cultural awareness would prevail.

Education for Cooperation for development

The situation of extreme inequality between and within the nations, along with the advances in science and technology and the unprecedented growth in the production of material goods leads us to question the causes of such a contradiction and even its consequences.

The values of the urban-industrial civilization, which concentrate wealth and stimulate unsustainable pattern of consumption, are actually to be questioned. Is it possible, or even feasible, to exist in a model of development that has been proved degrading both for the human and the natural environment?

To go beyond the rhetorical discourses while searching for a global development, which must be within the reach of all and environment friendly, a set of new values is called for and these are to be developed and disseminated through Education, but what type of Education?

A new education needs to overcome traditional dualities and reductionist approaches while recognizing the role and importan-

ce of the various actors in society, with their contradictions and conflicts, in the definition of their own destiny.

It is mainly supposed to set up a systemic approach which incorporates qualitative and humanistic dimensions into its means and objectives with the ultimate goal of preparing individuals able to cooperate for the development of themselves, of their local and global communities, as well as, of the future generations.

Education for human rights and responsibilities

One of the worst scenarios that we can foresee is that there isn't one nation that can afford to all its citizens the so-called human rights that are predicted to be accomplished by all nations in the Universal Declaration on Human Rights (a sum of 30 indivisible articles).

Some cracks have appeared, even in democratic countries, or which claim to be such, for instance as regards migrations: «free circulation of goods and persons» has become a dead letter; «the right to work» is contradicted by the law of money and productivity, etc.

Any change, for the better or for the worse, implies learning, examining ones relationship to others and to the environment. Such questioning demands effort and will invariably be difficult. Having been brought up to stand firmly in their certitudes—values, profession, faith, etc.—human beings are now facing not one change but an uninterrupted chain of changes that affect the very orientation of their entire existence. The challenge is not to adapt once and for all to a new situation but to live in a permanent state of adaptation in order to be able to face uncertainty, the new dimensions of complexity and the potential opportunities affecting our world as a whole and human beings in their immediate environment.

In the last 50 years the international community has been discussing and putting on paper the kind of «global norms» that all nations and individuals should follow in order to guarantee the welfare and survival of their citizens and fellows.

We can cite the examples of the Universal declaration of Human Rights, the Declaration of the Human Responsibilities for Peace and sustainable Development and the final report of the World Conference of Human Rights that took place in Vienna in 1993. The importance of these documents is clear but if we are not able to incorporate the holistic approach of the role of each human being in Education at all levels, then all the documents mentioned will remain as «letters of intention».

Education for a multicultural society

The question of ethnic and cultural diversity has become an important issue the world over. The prediction of a march towards a uniform world is not coming true and more than this, the developed world has found itself unsatisfied with the forms progress is taking. On the other hand, minorities are claiming for more autonomy and respect for their cultural identity. Many people are feeling that their cultural claims have been somewhat neglected, by the dominant economic and political leadership in European integration. The search of new values, other views and the curiosity about other ways of life are, at the same time some of the questions of the industrialized world.

Therefore, one of the challenges that Education has to face is how to prepare individuals able to deal with the cross-cultural encounters (made possible or forced by the technological and economic features of the present society) as well as with growing ethnic conflicts.

There is now, in perspective, many reasons to foresee a reinforcement of multicultural societies in Europe. Europeanization and internationalization, will banalise «foreign» participation in national life. Past immigration and possibly the persistence of new flows of people with different cultures, religions, living permanently in our countries, even acquiring the national citizenship, is also creating a new environment for education.

As it well known «mutual exclusion» attitudes are not unfrequent, fostering climate of intolerance and misunderstanding, which leads to violence in deteriorated social conditions. How teachers should face such difficulties is not clear but appropriate training should become urgent. Tolerance is part of the whole set of coherent educational values. It should be fostered by methods of teaching which would emphasize interpersonal practice: communication, dialogue, debates on comparative values and cooperative work.

Learning and practising foreign languages, and understanding the specificities of their cultures, helps to understand how difficult it is to communicate through different cultures, even on technical subjects. Comparative anthropology, whatever the name used, would permit to discuss the difference in meanings, by comparing concepts, institutions, beliefs, in different cultures.

Dossier

Global problematice educational initiative M. Mesarovic

Educating people on global problematque (from political leaders and decision makers to junior high school students) leads problems both conceptual and organizational. The conceptual problem is how to blend the vision and aspiration of people and their leaders with the data, facts, and constraints which the reality of the problematque imposes. The organizational problem is how to reach a broad, hopefully global, audience in a relatively short period of time and in an affordable manner.

It is proposed to develop core teaching support material on global problematque which will have a universal character applicable to any country or society. The support material will represent the backbone for a course on problematque in educational institutions on the university, high school and possibly junior high schools levels. The course will be designed to capture the imagination and have the favor of the 21st century orientation in terms of outlook, as well as pedagogy. It will implement, in practice, the call for «anticipatory vision which stimulates creativity and innovation».

The core of the course on global problematque will be based on two supporting tools:

A teaching support software system which will allow the students to analyze and create alternative futures by exemplifying their own visions. The system will be designed as a tool to support reasoning about the future. The philosophy will not be that of predicting or forecasting, but rather that of extending foresight in the face of changes and contingencies and providing insight into what are the key relationship and factors in the global problematque. The teaching support tool will be based on the globesight integrated assessment system. From the users' (i.e. teachers and students) viewpoint, the system will have four components:

- Acknowledge base in which all relevant numerical information (such as historical time series) as well as textual information (such as visions and aspirations of different cultures and segments of societies etc.).
- A model base in which a selected family of relationships are represented which provide the student with the ability to lead the proposed visions up to their ultimate conclusions as dictated by constraining reality.
- A tools base which will consist of a family of logical procedures to help in reasoning about the future.
- An issues base which is a depository of alternatives analyses already conducted by the student body or elsewhere.
- A teaching case textbook which will train the students and teachers in the art and science of reasoning about such global issues as sustainable development (limits to growth, organic growth, etc.) harmonization or coordination of national policies on global cli-

mate change, migration and movement of the peoples on a regional and inter-regional scale, shifts of the center of gravity of the world economy and the population, the resources scarcity dilemmas, etc.

It is expected that the core teaching material on global problematique will be augmented in each of the world locations by perspective and aspirations at the location.

After such supporting material is developed and tested it will be distributed to universities and high schools in two dozen countries for critical evaluation. After the tests and inevitable modification, a network of institutions will be established and the students will be involved in a joint global exercise of envisioning realistic and documented futures of global problematique.

The proposed approach is not without foundation. In a limited, but sufficiently specific way it has been tested at Case Western University in a course on global issues over a half-dozen years with the students participating on a team basis from political science, sociology and economics to physics, computer science and mathematics. It was also tested in the high school system in Toronto. A report by the Education Systems Association, the company that conducted the test, concluded that «the system can be used in a number of curriculum areas such as Geography, History, Economics, World Religions, etc. and that Mathematics students could use the program to see practical applications» of mathematics and computers.

These pedagogical innovations will be introduced in the contexts of educating students on global problematique. One of the motivating features of the approach will be the use of computers and modern visualization in the process of reasoning about global problematique. The students will have the feeling of being in a «game environment» while dealing with quite serious problems indeed.

This approach has been under discussion with UNESCO and one of the possible first networks of institutions where the approach can be tested could be the group referred to as UNESCO Associated Universities on Global-oriented Education.

Some new values for Europe

It is above all among the young who have grown up within the Community that the idea of a common European space has taken firmest root. These young people feel themselves to be profoundly European. Their tastes, their expectations, their aspirations, their value sets, have a supranational quality that is increasingly predominant. This is not to say that they are shedding their national and regional characteristics. In fact, it is surely not a disadvantage for the young to feel profoundly Dutch or Danish, Welsh or Lombard, too.

Accepting this, it is difficult to determine the confines of purely European values.

Europe today is the result of many and sundry migration waves that began in the 6th century BC with farmers from the Middle East and more or less ended in the 9th century AD with the Norman invasions, having integrated Celtic, Germanic, Mongolian and Arabic waves, to name just the most important in number and consequence.

Each of these waves added its building block to the construction of a culture that found its definitive form, both general for Europe and specific to each of its countries, about eight or nine centuries ago.

Many «European» values are shared, not least with the United States -largely as a result of common stock, though this is a factor of rapidly diminishing significance as the multi-ethnicity of American society accentuates. The latter factor will, as we have seen, also color the European value set as the numbers of migrants who are assimilated increases. Besides being difficult to define European values it may also be invidious—even racist—now to try.

There are those, not least in South East Asia, who insist that European values—specifically the pre-eminence assigned to the civil liberties of the individual over the commonality of interests of the society or nation as a whole—are not exportable. They hold that free market economic freedoms need not always be accompanied by political, pluralist, forms of democracy. A kernel of truth exists here. It is a historical fact that Western-style democracy followed on from the creation of market capitalism; it did not precede it. Even in the West, the countries in which market capitalism has the shallowest roots also tend to be those with imperfectly functioning democracies. Thus capitalism may be seen as a prerequisite for democracy: democracy cannot exist of itself, independently of its economic expression. This latter notion is as the root of much reformist socialist thinking, of course, which holds that varying economic expressions are possible within a democratic political envelope. It has been adduced, among other things, to justify the almost limitless expansion of the welfare state.

After the break down of communism in 1990, a powerful, far reaching change that extends to all facets of life has been taking place. At present, this change is not yet quite understood. In everyday conversation, as a doctor, one observe fear, helplessness and lack of hope.

The 20th century as it comes to a close, is still marked by pluralism and characterized by a maximum of liberty and individualism. In addition to Nietzsche's wise foresight concerning the reassessment of values, a large number of autonomous ethical ideas have developed out of the pluralism, and these are at times hedonistic, at times utilitarian, eudemonic and basically lead to diverse ways of interpreting and evaluating values.

Pluralism does indeed give man maximum freedom, he can develop as he wants. It is partially from this point of view that the ethical base of our society has been formed, but on reflection, we see that it has led massive exploitation and a shortage of resources, as well as to a gigantic environment pollution. As a result of this, people are demanding that, whereas everyone may be free to think as he wants, in his actions he must show responsibility to his fellow beings and to his environment. The appeal to act responsibly springs, however, from the fear of non existence. As soon as the topic is responsibility, however, one basically needs to become conscious of values, conscious of a generally recognized foundation of basic values, as for instance in the general declaration of human rights of 1948.

Assessing values and becoming conscious of them is the basis for an ethic which shows what is valuable in life and, on reflection, how one should act in Europe.

If we are prepared to discuss values and ethic with regard to Europe, we have a real chance of building Europe anew, one of no longer consists of small nationally fragmented states, but of a region with a large area which in turn will communicate with the other regions of the world.

It will be important to once again depart from autonomous human ethics. An autonomous ethic might be more simple for man, it can be technically altered at any time and always made to fit changed requirements, thus showing the motive of bliss, pleasure, enjoyment, advantage and perfection. In this autonomous ethic each one does indeed have his own liberty and there is no need for dialogue, but this leads to indifference. But erosions are present on the earth. Responsibility is a new criterion for action and one sees how ethics is everywhere more and more talked about, and ethical aspects are taken into consideration. One also speaks about ethical aspects and of ethos in the sciences. The sciences, which accumulate knowledge, are characterized by what is physical – such as the natural sciences and technology. The metaphysical sciences are those of religion, the arts and philosophy. Practising the physical

and metaphysical sciences while reflecting values raises the science to an art, as one indeed speaks of the art of the doctor, of the engineer, of the physicist.

Although the haunting dangers of the human race are terribly big, one must not fall into an apocalyptic agony, instead one should look at the change as a chance to build a new philosophy which includes the highest values. Our Greek and Christian roots form a value which makes us appreciate further coexistence. Man must once again be the subject of action and all sciences must be made to humbly serve man.

The efforts of all will be needed to create, despite all the difficulties, a new Europe via education and nobleness of heart.

Responsibilities to the environment

When the East-West conflict and the war atomic threat came to an end, there was a moment of relief; today the world is more filled with fear than even before. Why, The global ecological vortex is the underlying reason for this fear. it is the greatest material and, at the same time, intellectual challenge facing the human economy.

The damages inflicted upon the Earth by man have been known for many years now. Industrialized countries are those that have caused the greatest damage and who continue to deplete the planet's resources. These problems have been widely discussed at all international and national levels; suffice it to mention here that the most serious problems that humankind must solve in the area of environment are:

- global warming
- the ozone layer depletion
- desertification

The Rio Conference had the merit of focusing everyone's attention on the seriousness of the problem, of determining the ideas that need to be materialized, and of having them ratified by representatives from 170 states, which committed themselves to set up a number of safeguard mechanisms. Nonetheless, little has been done so far. The solutions proposed in Agenda 21 require political determination, but they also require a personal commitment by all. Constantly caught up in their next elections, governments tend to postpone the measures that might appear to be unpopular. The citizens themselves must therefore join together to demand environmental conservation measures and must also individually adopt responsible environmental behavior.

The role of education in environmental matters

Bios has existed for billions of years. In view of the existing threats to bios, progress needs to be assessed not through the prism of competition and financial interest, but through a completely different dimension: bios in the next millennium. In terms of the long chain of evolution of life, a thousand years is only a few seconds. A millennium approach may provide the unifying dimension for the future. European nations may become pioneers in the growth of bio-cultural values.

In order to impede the vision, immediate reforms at all levels of education are needed, by placing the appreciation of the bio-environment as the core of every educational system.

International educational reforms as to shift from an anthropocentric to a biocentric curriculum.

In order to promote new values for the next millennium, the contribution of the economic factors is also a prerequisite. It is important to realize that new alternatives lead to new opportunities in business. Within this context a redefinition of the concept of profit must be supplied. Many decision makers become aware that profitable production and respect for the bio-environment can be completely compatible goals. Promoting the bio-environment may open, for example, new employment opportunities for the youth of Europe.

3. The future of work

What is wrong with our society? These ought to be the best of times, but they are not. Unemployment and underemployment are widespread throughout the greater part of the industrialized world. Social unrest and violence are on the increase. Democracy which only a few short years ago seemed to offer a better life to billions of people around the world, is being threatened by a new wave of totalitarianism.

So what is the matter?

Certainly some indicators seem to be positive. GNP figures are rising albeit slowly.

Productivity and profits appear to be on the increase. Inflation seems to no longer be a factor that concerns central banks. Exports are increasing as McLuhan's global village encompasses not only information but trade as well. On the other hand there is something amiss? Many, if not most, industries are engaged in downsizing by reducing staff, by not filling the places of those who

retire from the work force, by encouraging early retirement and by letting people go -even those with ears of successful experience.

Part of the reason jobs are disappearing in the industrialized world is said to be related to the need to be globally competitive. This implies a global work force. The ability to transfer information, funds and technology electronically encourages multinational firms to move labor intensive work to those countries where wages and taxes are low and environmental protection costs are the least. As *Fortune* pointed out in December 1992 article, more than 30 American companies, including Motorola, IBM, Texas Instruments, Hewlett Packard and Citycorp, have set up software programming offices on a 1000 meter plateau in Bangalore, 320 km west of Madras, where as one executive commented, the Indian employees «... do some of the best work in the world». And more than 40 companies, including A&T and Thompson, have established factories in Indonesia in industrial parks provided by the government. Given the present stress on a market driven economy, together with low cost communications technology, there is every reason to believe that these will not be isolated phenomena. And many other examples are available regarding European firms and other economic areas. In China, labor cost is so weak that it is not encountered in the cost price for some goods.

What does mean competitiveness?

It is unclear to what extent Europe will still be economically competitive with the rest of the world by the year 2020. The issue centers on the role of manufacturing. If forecasts are correct, and manufacturing in particular shifts elsewhere, then the level of economic activity in Europe will have to be sustained by other activities. Clearly what is today loosely defined as the service sector will be inadequate to take this on alone. One aspect we shall be forced to consider is therefore whether the new technologies now permeating European society will create enough new occupations to replace manufacturing as a main pillar of the economy.

A big question remains to be answered: just what does «competitive» actually mean? How can it be defined? The latest information coming from the US maintains that America remains top of the competitive league, in terms of productivity. Only if we analyze the small print in such statements do we learn, for instance, just what weighting in the national statistics brewing and retailing are given (two sectors in which the US is said to be clearly in the lead in productivity and competitiveness). While both activities are important, surely performan-

ce in neither should be used to tip the scales in national economic comparisons.

The chief argument against the competitiveness of manufacturing in Europe is usually held to be constraints in the labor market. Mobility and hiring practices are both said to be significantly poorer in Europe than in the US. While this is true, they are also both somewhat more flexible than in much of the Japanese economy. We now appreciate that the non-zaibatsu economy bears similarities to Western industrial practice, but the overall pattern of Japanese industry remains one wedded to stability and the long term.

A further and perhaps more important difference is in the non-wage costs of labor. Here Europe is quite out of line, given the way that welfare and social security provisions are paid for by compulsory contributions from wage-earners and employers. This is an area which must be tackled soon. Differences between Member states in the Community are likely to be exacerbated by the social dimension provisions of the Treaty of Maastricht. It may be that, in the face of rising public impatience within unemployment levels (nearly 24 millions Europeans are out of work) national and Community authorities will anyway sooner or later have to moderate the financial and fiscal impact of the guarantees promised in the Social Charter. Otherwise, they could risk becoming a boomerang, further undermining the competitiveness of European labor and hence, depressing employment.

Another aspect needs to be considered when discussing European competitiveness, and that is the cost of capital. This is still higher in Europe than in its two chief rival trading partners. The role of capital in determining policy in firms is also a significant element: In Europe, capital is usually placed at a disadvantage when compared to the influence wielded by labor. Higher capital costs inevitably impact upon investment in new equipment and replacement demand.

Loss of employment

Another reason for the loss of many traditional jobs is the increasing sophistication of technology. Automation of work is not new. During the industrial revolution new tools replaced laborers in the farms and people moved from rural to urban areas to work in factories. There, with the introduction of assembly lines and power tools, fewer and fewer people were required to turn out a given product.

Then computer assisted design, manufacturing and systems engineering revolutionized the work place. Robots replaced workers and the face of the factory was changed beyond recognition. But an increasing demand for consumer goods was more than enough to absorb any surplus laborers in additional or larger plants. Again, the same technology that was the cause of their displacement also created a demand for financial, communication and other services that seemed more than capable of absorbing them.

Suddenly a new note was added. Many of the services were themselves subject to inroads by the ubiquitous computer. Word processors reduces the need for secretaries and stenographers. A network of automated teller machines permitted clients to access their accounts and withdraw or deposit funds, pay bills and so on people traditionally required to assist in making such transactions. Optical scanners replaced the traditional human sorters in the world's post offices and clerks in the supermarkets. The number of white-collar workers per keyboard device has been constantly falling since 1980.

The automation of the service sector is continuing with bewildering speed. Hardly a day goes by without the announcement of new and improved systems. Recently Microsoft introduced new software designed to integrate personal computers with faxes, phones and other office equipment. As the computing power and speed of microprocessors increase, along with the memory capacity of the various discs, so does the ability to rationalize more and more formerly labor intensive operations.

And it is not just the workers at the low end of the totem pole who are affected. The same technology obviates the need for supervisors and middle managers. As the power, speed and intelligence of the machines increase the need for all but the most skilled and senior of employees decreases. The jobs being lost are most likely lost forever. The hope is that the pain will be only short-lived. As productivity increases so should wealth and as wealth increases so should the ability of society to meet new needs related to the quality of life for all and create new and better job opportunities. But for those seeking to restore their feelings of self-worth the question is when and where.

Where is the best of the worlds?

The new technologies, particularly those related to microelectronics, bring important benefits. They are clean, highly efficient and productive. The goods they turn out are more cheaply made and require little of the monotonous and back-breaking labor so characteristic of the past. The result has been that costs in each of the manufacturing agricultural and service sectors have fallen more rapidly than population has increased.

As productivity increases one would think wealth would do so as well. As technologies become less polluting the ecosystem should improve. As access to information becomes easier so knowledge ought to increase and the ability of the human race to make better value judgments should follow. Similarly one would expect the benefits of a global free market would accrue to all.

Another big question requires to be answered: What are competitiveness and productivity good for?

Where has all the wealth generated by the combination of competitiveness and productivity gone? It has disappeared into thin air, leaving us to lose ourselves in conjectures about it. It might have merely served to cover the costs of research and development, and of the production of the new instruments. In that case, what happened to the jobs this all should have led to?

It might have been swallowed up by the production of some useless and costly weapon, and the violence we see all around is probably the end result. It is just as likely to have been concentrated in the hands of a privileged few. So what did they do with it? Without going so far as to declaring the existence of a «gang of four» who are pulling all the strings in the world economy for their exclusive benefit, one can wonder about a situation that penalizes nine-tenths of humankind.

What do we have to do to manage the distribution of this wealth so that it will increase rather than decrease the quality of life? Without the proper solutions, the future of humankind appears to be jeopardized.

The nature of work in the future

As we so, hardware tools and agricultural produce account for a minor part of the work actually done in producing wealth and welfare. Within the most traditional industries themselves, as within agriculture, service type functions predominate. We are in a «service economy» and this fact implies a revision of the fundamental philosophical assumptions as to the definition of the economic models, the redefinition of basic concepts such as economic value, productive activity, the function of prices, etc.

At present, the life of societies is generally paced by work cycles, education cycles, family cycles and leisure time.

A look at the activities covered by each of these social cycles reveals a society's value system and gives the picture of the social

order. The structure of social cycles is determined by whichever of them is the commanding cycle: the «sacred cycle» for primitive societies, the «religious cycle» for the Middle Ages, the «work cycle» in industrialized societies. The work cycle today, however, is losing its importance, not only because of its natural tendency to shrink as a result of gains in productivity, but also because of the crisis we are undergoing.

In this context, the work cycle can no longer constitute the commanding cycle.

We are standing today at the threshold of this transmutation.

During a conference held in February 1994 in the European Parliament building, it was emphasized that what is currently happening in the world of labor is more than a simple follow-up on the technological revolution; a thousand signs are pointing to the fact that we are entering a period of transformation in the industrial system, and the mutation that is underway is unsettling society on a large scale. Work as employment, which for the time being is still the central element of society, is, and is going to become increasingly scarce. According to an International Labor Organization report published in January 1994, 820 million persons, i.e. 30 % of the world's working-age population, is unemployed or in a situation of endemic underemployment. Full employment seems to have completely become a myth, and we must prepare to enter into a society that will be built more around sociocultural activities.

Nonetheless, we are not yet liberated from the ideology of work. We still live under the belief that work is the necessary condition for human development and integration into society.

With this considerable reduction in available work and the increase in the number of the unemployed, we are entering a new society which requires a radical change in our perspective.

From now on, individual social identity rests on that which one could call by the term «active life» a concept which supposes a profound conversion of mentality. This active life will break down along three major axes: training or apprenticeship (acquisition of knowledge and abilities –learning to communicate– development of personal creativity), professional life based on several professions, activities of general interest.

This concept of active and responsible life is the natural way to preserve the dignity of a person in the various stages of his life, to protect his place in the society to which he belongs and to ensure the consideration which he deserves.

How can the active life be organized in practice? Here, we can only outline a plan which is destined to provoke a substantial debate. This plan, although simplified, may become more complex in its implementation. But there is no simple solution to the question of how to promote the evolution of a society's fundamental organizational structures and mentalities. It is also necessary not to underestimate the practical and psychological obstacles which must be surmounted.

The active life should be marked by two long periods of education-training; one is the scholastic and university period which lasts from age 2 to age 25 or 26 on average; an academic time which needs to be completely rethought in the European and global framework of today (for example the study of three foreign languages, one of them non-European, should be required). The second period of extensive training occurs between the ages of 45 to 50 and provides everyone with the opportunity to bring their knowledge up to date and to pursue complementary studies in new domains. In addition, throughout the entire professional life, a training period of 2 months each year (similar to the military period established by the Swiss, for example) should be mandatory; possibilities include working in a venture in a foreign country or beginning to learn a foreign language which is professionally useful. The active life is organized around two long periods of professional life; the first occurs between 25 and 45 years of age, and the second takes place between the ages 50 and 65, separated as we have said by the second period of comprehensive training.

Finally, the active life is formed by civic, social and cultural activities which concentrate on problems that the society and the government have not been able to resolve. Examples include projects pertaining the support of old people living alone, children or young people, the fight against poverty, the protection of the environment, cultural life, etc.

This aspect of the active life should be established from the end of the first period of study or training (18 years for example) because it fosters a notion of service and responsibility to the bosom of society, and consequently it contributes to the forging of sociability and solidarity in those who are influenced more by experience than by words. In order for a commitment to active life to develop, the commencement of the process after the final academic examination must be mandatory; if the enterprise is left to the whim of individual choice, it will not happen.

It is also necessary that a return to an active community life is emphasized after the second period of extended training. Finally, a third portion of this kind of active life must be integrated at

the end of the second phase of professional life, so that the space created by retirement can be filled with an increase in civic, social and cultural activities.

Such an plan offers the considerable advantage of regarding the active life as a coherent whole, while maintaining its diversity through a recognition of different time periods and activities. It is concerned with and promotes the return to a unified life.

The training in the process is an irreplaceable complement to the more traditional training and to professional life. It develops the qualities of sociability, responsibility, the capacity to communicate and the innovation that permits a person to increase his potential.

It is quite evident that such a concept necessitates extensive reflection: its implementation poses difficult problems which can only be resolved by a vast dialogue on a European scale with this collection of partners: heads of corporations and syndicate, educators and inventors, intellectuals, societal leaders. This implementation supposes a relaxation of structures, an enormous effort of communication to the public and an estimation of the costs and benefits of such a transformation.

Individuals will indeed have to be able to have enough resources to live on during the entire time of their lives devoted to learning and to civic or cultural occupations, which will have to be paid either by the occupation itself (for instance, for caretaking of elders or children, the families should have enough money to be able to pay for this service), or directly by society. In both cases, this raises the issue of redistribution of wealth, mentioned earlier.

***From our special corresponden in 2020
News of the Future***

About employment

During the last quarter of a century, the industrial revolution which has fueled economic development during the 19th and 20th century has now completely transmuted into a «Service Economy». In economic terms, the most significant event and change has been the worldwide recognition and agreement on a system of accounting of wealth based on:

- The net value added indicators (where the negative impacts of some economic activities are deducted); the first significant change in this direction was started by the World Bank in 1993, measuring GNP with reference to real purchasing power of local currencies.

The wealth production indicators related to non-monetarized activities and performances.

From an economic and social point of view, the most important in the new service economy have been the profound changes in the quality of work and of productive activities, which have completely innovated the ancient rules and definitions concerning the notions of productive work and employment.

It is by the way only at the end of the last decade that the unit of full employment in most countries has been fixed to a maximum of one thousand hours per year (called B.F.E.Y. = Basic Full Employment and Income).

It is at this level that governments, in more and more countries of the world, are now concentrating their economic and social security policies. This happens in many cases, although there are now still many variations, around some key measures:

- The notion of the basic employment and income is based on what, 25 years ago, was considered to be a part-time job. This part of the total productive activities of a person has today become accepted as a guarantee for the minimum basic needs of a population. Full employment policies of governments are now concentrated in guaranteeing the first basic layer of employment. The notion of unemployment is also defined in relation to this first basic layer.

The means of attaining this full employment still varies in many countries according to compulsory, semi-compulsory and totally free rules. In some countries, the government specially creates employments at this basic level, and offers it to those unable to find a job within this layer. All entitlements to unemployment benefits are normally denied to those unwilling to accept a job unless their total mental and/or physical incapacity related to the jobs to be performed is proved. This measure was only possible if the jobs in question were «part-time» units.

Whereas the first layer of employment tends to be highly socially organized and promoted, the second layer of activity in addition and above the first layer is on the contrary almost everywhere open to the individual initiative.

In some countries, there is a possibility for the individuals not to take any job at the first layer level, by totally or partially abandoning the economic or social rights linked to a first layer activity (in some cases by paying a specific tax).

The first layer activity today covers generally the period of life from 18-20 years of age (before entering into a university or higher education level) to the age of 70.

This has allowed the great majority of the young population to extend and self-finance their higher education right after high school

and have in parallel a practical experience. For those continuing a university career, the second layer of employment normally coincides with a research and teaching activity within the universities themselves. This development has facilitated the integration of the vocation of the higher educational institutions with the function of continuing education and updating in all fields.

The work-share question

Proposal for a study

A basic issue is the idea that work has as basic aim to increase the wealth of nations and of individuals.

A key point is therefore to understand and evaluate how wealth is produced today (what is the value of any type of production). The fundamental assumption here is that we are today far beyond the classical industrial revolution in the way wealth is actually produced.

It would then seem essential to consider and/or reconsider the types of work which can be performed under various conditions and under the assumption that they are «productive» in terms of wealth creation.

The final stage would then be to reconsider the repartition of tasks between the State and the private initiative (where the relationship can be conflict, of collaboration and/or complementarity). It is proposed that the State should, like in the case of an insurance policy, consider interventions on a first layer of activities and incentives, so to guarantee to everybody the minimum level of work (corresponding roughly to what is today considered as part-time work) for a basic income.

An example of work stations that have been made to disappear by modern means of communication

Not long ago, in order to illustrate their articles with photographs, magazines had to call on a certain number of persons and complete a series of stages:

To illustrate an article written by a reporter, the Art Director of the magazine, in agreement with the Editor-in-Chief, called on a photo agency, which comprised a number of administrators, usually amounting to one per two agency photographers.

One of the agency administrators sent a proposal of several photos, from which the Art Director made a selection. The selection was passed on to the layout artist, who drew up the layout.

The layout was then sent to the printer, where five different people processed it before it became an offset film, that is, the last stage before printing:

- a stereotyper who produced an offset film of each photo
- a color etcher who touched up the work on the offset films
- a machine compositor who set the texts
- an offset film block setter
- a stereotyper who produced the zinc block that would be used by the printing machine

Machine printing then took place, followed by all the finishing and packaging stages prior to distribution.

Today, photographers each stock their digitalized photos in a computer with a scanner. An unskilled handler can turn these data over to a person who will type in captions and key words for filing. An average agency with twelve photographers previously requiring the services of six qualified administrators now needs no more than two people.

Writers at the magazine type their article into a computer and provide the magazine layout artist with a diskette, or else are directly linked to the layout artist's computer.

The Art Director consults the photo agency's image bank directly. He or she makes a selection and unlocks the selected photos with a code. The images are sent to the desktop computer of the magazine's layout artist.

Thanks to a modem, each page is sent to the printer's computer; the printer then produces the offset films with no other intervention. The offset films need only to be transferred to zinc plates.

With this method, besides the reduced number of administrators at the photo agency, the entire chain of persons at the printer's disappears, except the zinc-block stereotyper. Gone, too, are the couriers who carried the different stages of development from one point to another, as well as the different types of paper (photography paper, layout paper, tracing paper, etc.).

In the newspaper and magazine distribution process as well, the new means of communication have made a number of middlemen obsolete.

Previously, the printing was centralized, for instance in Paris for French national newspapers, then sent through the services of a dispatcher to regional depots, which in turn supplied bookstores and newsstands.

Today, the newspaper headquarters puts its product on a digitalized memory and sends it by modem to regional or local printers, depending on the size of sales. This decentralized printing makes trans-

portation (plane or train) unnecessary, leaving only the distribution by van to the retail outlets.

Tomorrow, technological progress in the media will make production of a newspaper obsolete. It will reach the reader directly via computer, or the reader will consult the columns it is interested in directly through the newspaper's data bank. This time, the printers will disappear.

CHAPTER VI

STRATEGIES TOWARD EUROPE 2020

1. Repositioning democracy.
 - Civic withdrawal.
 - Can politicians be trusted?
2. Redefining the role of Governments and Institutions.
 - Are the Institutions of the European Community obsolete?
 - Governance.
3. How to improve the systems of governance.
 - Changing mentalities.
 - Preparing politicians.
 - Long-term thinking.
 - Which type of democracy?
 - How to govern Europe.
4. New industrial policies.
 - Rehabilitating political economy.
5. The respective roles of capital, management and labor.
6. A new type of citizenship.

Europe invented humanism and enlightenment, modern democracy and world-wide science. It is Europe too who has more than once revised its systems of explanation of the world, who defines itself as a permanent process of civilization, with phases of progress and phases of regression. A place of dialogue and encounters, Europe has been also the setting for fratricidal conflicts and ruptures.

It is a piece of world constantly being started afresh, and still imperfect.

Trying to envisage the forthcoming Europe therefore raises a question about method. Either we draw up a utopian speculation, which has the advantage of making the imagination work overtime, but for which the criterion is a mere wish for an ideal, illusory model. The Year 2020 is too far away to withstand credible hypotheses.

Or, inversely, we rest on the solid ground of the present situation to prolong the tendencies. Such a realistic, down-to-earth approach may, however, neglect the direction of long-term historical changes and hamper any vision of the future. Yet, history in the making is, by definition, a surprising thing. To overcome this dilemma between utopia and «closed-system realism» it is possible to adopt a «vision-inspired realism» or a «reality-checked vision».

Confucius once said that a deterioration of thinking goes hand in hand with a deterioration of order. It is clear that today all the people of Europe, from West and from East have experienced this connection as a practical reality.

Today, without any doubt, we need new basic principles in different fields. The construction of Europe for the 2020's depends on our ability to define the problems bravely and honestly.

We should not be afraid to examine our institutions, to adapt them to the new conditions, to institute major reforms – not be afraid, in a nutshell, to breathe life into the word «transformation» and, most importantly, to apply it to our own concerns.

Among other tasks, we must define a new working of democracy, redefine the roles of governments and the civil society, and redefine the role of enterprises in the working of society. Even though it will not bring forth immediate solutions, an approach such as this should reveal possible directions for the solution of the broad problems explored in the previous chapters.

1. How can democracy be repositioned?

It is often assumed that «democracy» provides a necessary and sufficient structure for the well-being of people, and of peoples; and is a safeguard against tyranny.

– The world does not flow naturally toward democracy. Who can claim that democracy is induced by modernity, when Germany in the 1920's, the most modern of countries, plunged into Nazism, and so many developmentalist regimes (as they are called in Latin America) overthrew so many democratic regimes and replaced them with an authoritarian power. Nor can we believe that democracy is related to the victory of some national community or other, since in the 20th century, democracy has had no greater enemies than all the popular regimes such as those that called themselves «popular democracies», on the ruins of which we are meditating today.

Even though democracy is a type of political regime, not a social one, it cannot be reduced to a set of institutions set up to counter absolute power. We still do not know why a nation is attached to democracy, or why it lets it slip away as has happened so often.

The concept of democracy is an ambiguous one at best.

Nonetheless, here are a few directions of thought on what democracy might be:

– Democracy is a sense of community, not on everything or even on most things, but on a very few essentials: that it will be best if we don't settle scores by killing each other, that diversity of

peoples and opinions is a good thing, that no child should go to bed hungry.

- Democracy is the idea that people can agree to take next steps together if they don't feel that they must first agree on why they are agreeing.
- Democracy is the expectation that, as a matter of course, the people will latch onto new ideas before their formal leaders do.
- Democracy is a system in which no one person or group or class or race or creed gets to say, with authority, what democracy is.

In fact there are no standards for a democracy.

Consequently, one is always dealing with the question of interpretation. It is an imperfect and evolutionary state at best, consequently, it will evolve in different forms in every setting. Now that the idea of democracy is sweeping the world, we will probably witness the appearance of infinite varieties of democracies. Here are some examples.

Ukraine and other Soviet republics under the Soviet regime were called themselves «democratic» though a better label was «dictatorship of the proletariat».

Measured by the population yardstick, India is one of the biggest democracies in the world. Its ambition is to manage its unique diversity within a framework of national unity thanks to a judicious distribution of power between the central government and that of its 25 states. The fact that all of these governments are not always of the same political wing produces tensions, which can be solved through application of the President's Rule, which temporarily suspends the local authority when the political situation is judged to be unstable.

Regional or secessionist movements –a major source of tensions during the 1980's– have carried the aspirations of the minority groups. The nationalist Hindu upsurge since the beginning of the 1990's has seriously questioned the very foundation of India's assertion as an independent, united and diverse country, i.e. the principle of separation of the state and religion.

Brazil, a presidential democracy, has shown a true sense of democracy by forcing its president, accused of corruption, to resign. Even after his enrichment by fraud had been proven, Fernando Collor hoped to rally the people around him by asking them to demonstrate in the streets, dressed in green and yellow, the

Brazilian national colors. On August 16, 1992, Brazilians responded by taking to the streets by the hundreds of thousands, all dressed in black.

In many African countries, the constitutionalization of universal suffrage just after their acquisition of independence was no more than a democratic alibi.

In these past years a new democratic wave is shaking up the continent, but the process is at different stages of development in the various countries. Free elections are now considered to be inevitable, although the multiparty system is not always effective. Many countries in West Africa have had «their» elections.

In some cases, the experience led to a change in the chief of state, and in others –the majority of them– the elections simply confirmed the status quo; a few more were genuine masquerades. Some of these elections were boycotted by a large part of the population, and their results were contested; most of them were not held under truly democratic conditions. For every one of these elections, the populations' actual position, role and share of decision remains to be determined.

Democracy cannot be effective unless it is founded on an informed, clear-sighted population, a situation that requires a significant level of education.

Free elections do not necessarily entail change: One-party systems remain the rule on the continent, and the so-called multiparty systems an illusion. Western donors are increasingly conditioning aid to democracy, but the Western model of democracy might not be what Africans are expecting, and in fact, the model itself might be no more than an illusion too.

The West is not a no-fault model. Suffice it to remember the conquering, colonial, tyrannical West, building its wealth with resources from the rest of the world, closing its eyes when convenient on the absence of freedom and basic rights under the governments at its service. Yet, it remains an attractive pole, and Westernization is still in progress, no longer by the mere hand of the Western nations, but also as a product of Japan and the «dragons». In those cases, Westernization is perpetrated by societies that have kept their political sovereignty and preserved their cultural identity.

After having been divided for several decades into two Europes, the newly reunified West will carry more weight in the world's coming destiny by continuing to pattern it in its own image and its own interests.

Almost everyone today stands up for democracy and «in order to seem respectable, as a hypocritical concession to international society's declared values, few states have the nerve not to at least display them as a façade. On closer analysis, reality is overwhelming: there may be no more than about 20 true democracies in the world today... and everything is far from perfect in these democratic regimes»⁸.

Democracy is therefore very difficult to find and regimes with a democratic face are more so out of necessity than of virtue. The systems of government claiming to be democratic can be separated into two groups:

Representative democracy which is the most common form of governance in the Western World tends to lead to polarization of societal energies.

The «fifty one percent rule» or «winner takes all» political system does not provide ways of satisfying the needs and wishes of even very substantial minorities. Also, the pressure of electioneering, the need to maintain political popularity, shrinks the time horizon over which those that govern can think and act. Occasional change of the party in power is basically healthy, but if main parties that alternate in power differ substantially in their economic ideologies, then sharp reversals of economic policies can take place with some damaging effects (e.g; U.K. in 60ies and 70ies)

Representative democracies are not only based on institutions guaranteeing the freedom of political choice, they also require the existence of social interests that are apt to be represented, and which are constituted even before they are represented; this alone ensures that social players will preserve a certain priority over their political representation. Western Europe's democracies have been firm because its parties have been the genuine reflection of the social categories and classes born of industrialization. A strong correspondence, such as in Great Britain or the Scandinavian countries, has secured the civil society's primacy; in countries where the idea of the state has prevailed, as in France, democracy has always been weaker, threatened or destroyed by movements of the Bonapartist type or by parties more concerned with taking power than with defending the interests of a social category.

Today, it is unthinkable to expect democracy to be the expression of the people's general determination. It can even be frightening to imagine what this call to unanimity would signify in

⁸ Philippe Ardant, publisher of the magazine «Pouvoirs».

terms of the elimination of minorities and the establishment of an absolute power having no checks and balances.

However, the more interest groups become numerous and specific, the less they will be capable of assuming responsibility for the general problems of society, thus the more democracy is weakened.

Direct democracy with high decentralization of power and government by consensus as practiced in Switzerland, seems effective in stable periods, but not so when fairly quick political decisions have to be made and discontinuity of policies needed.

One can observe how the fact that it takes a relatively small proportion of the population to sign a petition for a referendum to be launched, leads to frequent.

Civic withdrawal

In Switzerland, as we have just mentioned, but also in most developed democracies, a phenomenon of «civic withdrawal» is being observed, with fewer persons taking part in elections and a lowering of esteem for established political institutions. We might go so far as to say that trust in politics and in politicians has been eroded.

Where the right to govern is determined by the ballot box, the capacity to govern ultimately depends upon the structures of governance and the process of government being acceptable to those who make use of the ballot box.

The right to vote is by itself no longer satisfying the interest which each person has in being able to influence the system by which collective affairs are managed.

Even in the countries of the former Soviet Union, after the first elections, the populations stopped coming out to vote.

There has been in general a loss of faith in the parties.

Present parliaments consist of a variety and varying interest groups, rather than representing coherent party programmes. Lack of strong constituencies for supporting new forms of governance, new economic systems.

The Soviet regime abused the instruments of propaganda, hence the present allergy to all forms of propaganda, yet a void of values, beliefs, purposes. Masses are politically amorphous and can be readily swayed.

Economic education of the population is desperately needed, but one has to avoid doing it through state propaganda.

Whether they are sincerely organized or simple parodies, as we mentioned earlier, elections in Third World countries do not have any effect on the poverty of the populations.

The recent elections in South Africa have escaped this glum picture, but their case was totally different. Future elections will show whether this country will go down the same path as the rest.

This loss of interest, which can turn into anti-parliamentarism and is reflected in the small numbers of individuals showing up to vote, is a serious danger to democracy.

In Italy, the population has just given power to individuals who openly support fascism and campaigned for «clean hands». In Germany, France, and Great Britain, extreme-right-wing parties gain new points at each election.

In the countries of the former Soviet Union, the need to have strong governments to lead the countries through their current changes could turn into the establishment of dictatorships, given the lack of democratic tradition in these countries.

The next European elections could send a large number of extremists from all countries to the European Parliament.

Is it conceivable to «force» citizens to vote? In Belgium, voting is compulsory. In Australia, to obtain a driver's license, you need to prove you have registered to vote and have voted in the previous elections. Coercion and democracy are contradictory: Voting should not be an obligation, but a dearly acquired right.

No system of governance will survive using a process of authoritarian decision making with draconian measures to enforce compliance. The expectation is for a sense of partnership government with the consent of the majority. The process and structures of government should be in harmony with economic and social realities and the changing goals and ambitions of electors, suggesting that the structures of governments and how they function should change in order to retain legitimacy and effectiveness.

Can politicians be trusted?

Is this loss of interest due to the many «affairs» that have been marking political life in the industrialized countries?

Politicians can be presented with a long list of complaints, from Watergate to the Japanese bribery schemes, from the spying and the sex cases to the secret funding of political parties. Even in countries that have been spared there is an emerging suspicion with regard to the political establishment. Everywhere distrust is in the air *vis-à-vis* the business and the political élite in general, for the intermingling of big business and high political and administrative personnel has tended to become a regular feature in developed countries, resulting in trading of favors and secret transactions among them.

All of this works to the benefit of extremists clamoring for a «cleansing» of dubious nature.

Such «affairs» seem to be the visible part of a gigantic iceberg called generalized corruption.

There is nothing new about corruption: In the not-too-distant 19th-century capitalist society many politicians, bankers, stock-brokers and adventurers were the players of spectacular scandals.

In those days already, big European powers took out public loans to pay the European and American entrepreneurs with whom they had signed fabulous contracts. These loans were never paid back, to the misfortune of quantities of modest individuals who had invested their savings in them.

When analyzing corruption⁹, the natural tendency is to stick to its moral dimension and blame the behavior of the corrupted party who stands to gain illegally. This tendency is blatant in the moral indignation provoked by corruption in the Third World, where it is more visible and more frequent than in the rich countries.

Never is there any effort to analyze and understand the socio-economic realities that induce the development of these types of transactions. Corruption is often considered to be one of the numerous plagues of underdevelopment, just as, for example, a country's barren environment might be. The corrupting parties from developed countries are therefore freer to act than in their own society, as they will be able to argue that corruption is customary in the underdeveloped country.

The perversity of modern economic mechanisms, however, responsible for the illicit acquisition of wealth, is just as present in developed countries as it is in underdeveloped ones. Part of the reason for this is the deterioration of the notion of public power,

⁹ Georges Corm, *Le nouveau désordre économique mondial*.

which leads to what could be called large-scale corruption (through which certain economic players, individuals or companies get rich suddenly and effortlessly, without any productive effort). Another reason is the worsening of economic inequalities with significant falls in the standard of living for broad sectors of society, leading to widespread small-scale corruption acting as compensation to the legal incomes.

Today, the distortions increasingly affecting the world economy, including the capitalist zones, are largely due to the rise in power of the big industries and banking institutions, and of private financiers. The omnipotence of these multinational and transnational firms alters the way the industrialized countries' market economies work.

Such firms are in a position to appropriate income partly generated by huge contracts with the state, which they secure in the fields of defense, the construction of heavy infrastructure, and large-scale developments without having to submit to classic competition standards.

We are attending the emergence of new economic feudal systems that are capable of defeating the state's sovereign power and aptitude to manage the economy.

Even more than for their moral standards, politicians are doubted for their skills. Public authorities, whether they are international or national, are manifestly impotent to make decisions in serious cases (as for Bosnia), or to deal effectively with issues of underemployment, education, or violence in the hot spots of the big cities.

Political leaders seem to have lost touch with the important and urgent problems of our era and to be overwhelmed by events; their decisions always seem to come after the fall. Even when the right decisions are made at the government level, they get watered down and distorted through a bureaucratic, touchy and tyrannical administration, which interprets increasingly dense regulations to its liking.

Our system has failed to make the hard decisions and politicians will not make those decisions because they need to feel that they have some support for thinking long term, some support when they raise challenging questions.

Even though elections are the way to bridle leadership, populations in all countries have lost confidence in voting, and as a result only the most demagogic arguments are effective.

Unless the capacity of the public at large to understand increasingly complex public issues is significantly upgraded, democracy will be unable to cope with opportunities and dangers.

Therefore, intense action to upgrade public understanding of main policy issues is essential. This requires, inter alia, top politicians to engage much more in education of the public, up to «soulcraft», but starting with telling the truth that often they do not know what to do; much expansion of pluralistic public television programmes presenting in comprehensible formats complex issues; and introduction of novel courses in thinking on complex policy issues in schools and universities.

The electoral process must be improved so as to permit the public to make a more informed choice. Obligatory disclosure by main candidates of full information on wealth, health, education, former activities etc., is a must, the right to privacy not applying to those who aspire to high office. But to overcome the increasing mass-circus nature of television election campaigns and the tendency of politicians to think and feel in terms of «video, ergo sum», more drastic measures are needed. One urgent recommendation is to subject main candidates to extended questioning on television by independent panels, so as to «unmask» their real nature at least somewhat and better to expose their world views, knowledge, opinions and ideas.

The morality of politicians causes much concern, all the more so when «raison d'humanité» must receive more weight in comparison to «raison d'état», with lack of public trust in politicians disabling governance.

Dossier

Learning to govern again: the Ukraine experience

Four days after the newly elected parliament started its session, a seminar ran in the House of Parliament on comparison of western parliamentary systems, their positives and negatives. Switzerland was compared with Germany, Canada with United Kingdom and France with the USA, for obvious reasons. Speakers were Dr Kurt Furgler, former president of Switzerland, Prof. Kurt Biedenkopf, Baroness Shirley Williams, all of them with legislative and executive experience in democratic countries and well-known internationally. Also lecturing was Prof. Richard Neustadt, a Harvard scholar, specialist on presidential regimes and Bohdan Hawrylyshyn, chairman of Council of Advisors to Presidium of parliament of Ukraine.

A special information booklet on the countries listed above was available and the focus was maintained on proper distillation of those elements of experience of other countries that could be implemented in Ukraine. This seminar gave an initial learning orienta-

tion to newly elected parliamentarians and for the speakers it was refreshing to reflect on how many bad practices had been accumulated in their respective countries. The main themes of the seminar were: election procedures, legislative process, functioning of parliaments.

For a number of months, references were made in parliamentary debates to the above seminar. Immediately after the seminar a number of deputies made the requests to organize for them courses on economics and management. Since they had been exposed to a «mythology of economics» rather than economic laws and practices, this would have been extremely useful.

After the seminar a number of study missions were sent to different countries.

The important thing to remember though, is that one needs to compose groups carefully, so that there is the possibility of transferring observed experience when back home. This means there has to be a «critical mass of shared learning».

Another experience was made in which 33 people (key members of Ukrainian Parliament including its Deputy Chairman, members of Cabinet of Ministers including three Deputy Prime Ministers, key members of Presidential Administration, some academics and business leaders) took part. The essential purpose was to build a consensus through the assessment of the current state of the country and its desired future state. For this, an instrument was used that had been tested with a variety of groups in a variety of countries before. There were five groups, each consisting of people from different categories listed above. They had to establish a profile of the current state of the country, considering such things as natural resources, motivation to work, know-how, physical infrastructure, ecological situation, value system, behavior, political institutions, economic systems and structure. These participants who normally has diametrically opposed views on nearly everything, were very surprised when given an objective analytical instrument, ended up with virtually identical assessments of the current state of the country and in a subsequent phase of the exercise, of the desired state. The workshop ended with each group proposing a series of recommendations on how to move from the current situation to the desirable future state. This was a demonstration that people, even at highest level, can be involved in a learning process for new tasks of governance. That experience, however, should have been repeated with other people and in a cascading process down the state hierarchy to have a real impact on how the country is governed.

What it is planning to do now is a rather massive program of economic education of the electorate via TV, radio, newspapers, seminars for journalists, booklets, articles, lectures, and also offer special courses for candidates in the forthcoming elections to the parliament. This will do with the assumption that an electorate, which is better educated in the economic realities i.e. the need for

transformation of the economic system, may elect somewhat more competent members of parliament who would also be committed to such a transformation process.

2. Redefining the role of Governments and Institutions

With its short-term sectorial vision, its hierarchical centralized organisms, its rules and regulations, its bureaucratic monopolies, the traditional model of government of the Nation-state cannot keep pace with the rapid change in our societies, the complexities of our problems, and our highly competitive regional and global markets. Policy options previously available to the nation-state are being curtailed by the dynamics of global communicators, anonymous financial markets, modernized multinational companies, uncontrollable migratory movements and other forces.

Faced with the dynamics of today's environment, major international companies such as Xerox, General Electric or Mercedes Benz, have undertaken radical restructuring and changes in the way they do business. Those that have changed their rigid, slow and cumbersome ways are today ahead. Governments must follow suit. Like companies, countries must become more competitive, more effective, less wasteful and wiser in their ways. This will be achieved not only by appropriate macroeconomic policies or implementing by decree but by day to day long term efforts as to the delivery of services such as education, health care, energy, communications, public works, management of the labor market, social assistance and other aspects of a country's economic and social organization.

We therefore have to raise questions about the governing capacity of the institutions we have set up (Will the democracy of the Western countries be capable of solving the world's problems?), about the role that the state can and should play in the economic area, and about how to give back to the populations of the industrialized countries, especially those of Europe, a taste for being once again complete citizens.

The key issues are the effectiveness of the political system, that of government structures, and the popular legitimacy of decisions made.

As we explore these issues, we must bear in mind the link between the local, the national and the international, which means that no problem should be seen from the European point of view exclusively.

Are the Institutions of the European Community obsolete?

To answer this question objectively, we can take a closer look at what has taken place over these past years at the European level, list the acts and decisions that appear to be dynamic on one side, and on the other those that weigh down the system or even bring it to a halt, then consider which way the scale is tipped.

On the positive side, the creation by the Treaty of Maastricht of a new Institution such as the Council of Regions shows that there is a good will to introduce more bottom up lines in the construction of the European integration and the daily life decision process at European Level. Though the power of the Council of Regions is largely limited and reduced to a consultative role, its creation is an indication of the attempt to decentralize the European system and give more space to the local and regional dimension.

The fact that present institutional European procedures have enabled a country like Denmark to disagree with some principles of the Maastricht Treaty with the view of defending their social contract and system is another sign of the open and dynamic character of today Europe's institutions.

The existence of directly elected European Parliament with increasing power is a sign of positive evolution. The stronger will be the power of the European Parliament, the less obsolete will be Europe's institutions.

Finally the European Communities have favored the growth and development of many bottom-up forms of European collaboration and integration based on thousands cases of intercities and interregional cooperation networks in all domains between firms, universities, public administrations, trade-unions and cultural institutions.

On the dark side we must mention the re-nationalisation of the Community Government systems and decision process. The reappropriation of power of direction and control by technocratic bodies at national level (and not by national parliaments) is reducing and making less effective and transparent the ability of the European Communities to take common and «right» appropriate decisions.

We can mention also the increasing technocratic character of Community political management. This is a consequence, to a great extent, of the re-nationalisation of the Communities decision system.

Finally and more importantly, the maintenance and the growing predominance of the principle of economic functionalism (i.e. first the market, the single unified market, then the monetary and economic union, the social and political union, and then the cultural union) dominated by competitive ideology.

This last point seems to be an obvious sign of the obsolescence of the institutions.

The political choices made in favor of a free-market economy directed by the rules of competition and guided by the principles of privatization of practically every sector of the economy, of deregulation of the market and of liberalization of national markets, have led to the structural dismantling of all social contracts in the European nations.

Indeed, the term «market» lends itself to terrible confusion. We identify the market with the economy and understand it to be the only sound way to organize it, i.e. according to the postulate that all economic relations and price determination is commanded by the famous law of «supply and demand», taken to be a natural fact. We end up forgetting that the true basis of the «market economy» of the past three centuries has been capitalism, some aspects of which are extremely disturbing: its power rationale, its combined function of capital accumulation and production, its goal to maximize financial profits in the shortest time possible, its total rationalization with no concern for the human factor, etc.

The failure of the totalitarian regimes in Eastern Europe (central planning and state-determined prices) has encouraged the natural tendency of the market economy to spread beyond the limits of commodity and land production to all human activity, thus reducing social relationships to money relations. How can we fail to see, beyond the contradictions inherent to capitalism, the tragic impasses into which we are led by the market economy?

The current results of the pretension consisting not only in letting the market represent the entire economy but also in having it as sole self-regulator are 24 million unemployed in the European Union, 40 million persons newly thrown into poverty in the United States (some say 66 million, and 53 million for Europe), without mentioning the 2 or 3 billion disaster-stricken persons in the countries of the South.

It is a fact that the market economy serves above all the better off and the more powerful. States treat the market as an instrument of their global strategy, by resorting, among others, to monetary distortions. The manipulations of the dollar weigh more on the world trade balance than the GATT agreements.

The most powerful states, grouped into the G7, have at their disposal a number of global-reaching instruments with which they can put pressure on the market economy in the name of free trade: GATT is one, as well as the IMF, the World Bank, and the OECD. International trade thus becomes an exchange zone managed by power relations acting to the benefit of the strongest. The weakest have even ceased to be exploited—they are simply eliminated from economic activity and social activity, simply from life.

Worse yet, the market economy is turning out to be incapable of keeping the upper hand on the present technological and cultural mutation. The first is leading to an unprecedented production of goods and services with less and less human labor. The second is seriously shaking the value of work as the cement in social bonds.

Therefore, a group of countries seeking to build a system based exclusively on trust in a competitive, privatized, deregulated and liberalized market economy can in no way provide the basis for an effective governance. The market does not provide governance. Everyday life clearly shows that the market cannot give Europe institutions that could, as they ought to, conciliate social justice, economic efficacy, political democracy, environmental awareness, and cultural diversity.

The prevailing competitive market economy in an increasingly privatized, deregulated and liberalist global economic framework is the main cause of Europe's institutions obsolescence also because such an economy does not allow to identify the public interests. The more the market prevails the less it is possible to define the European public interest.

Furthermore, such an economy prevents from building up the necessary foundations for a cooperative global governance such as to take into consideration the satisfaction of the basic needs and aspiration of global population (there will be eight billion people in 2020). Competitive market global economy will not pay attention to the massive amount of poverty and misery throughout the world.

The governing problems in the region are rooted in the fact that things are progressing at great speed and that the large number of options available are putting politicians in dilemmas. The cooperative governance model raises more and more problems and no action capacity has been developed to meet them. At the same time, the national level of governments is facing the new challenge of the globalization of problems, while their decision structures have not followed the trend at the same pace.

National decision structures, preserved for their formal and mental legitimacy, lose their legitimacy when their capacity to produce action is not adequate for solving problems.

The history of European integration offers many examples to support this comment.

At the very beginning, the Community acted within the very clear and limited framework of the Treaty of Rome, for a Common Market. As time went by, a growing amount of sectors were integrated into this process and the Community got involved with education, social policy, environmental policy, and so on.

The Europeanization of tasks and issues was not followed at the same pace and at the same level by that of decision-making instruments. Under the pressure of the events of the last decade, the European parliaments progressively lost their capacity to govern.

The history of European integration also comes under the topic of the reform movement undertaken from the end of World War II to the Treaty of Rome, of the establishment of European political institutions and the monetary system, and of the Single Act of the Maastricht Treaty.

The institutions defined for a 6-member Community have had to deal with management problems generated today by 12 members, who will soon grow to 16, 20, 24 or more.

The European Community is, in a sense, a victim of its success.

The Community's action capacity will have to be enlarged, and it may turn out that the Maastricht Treaty is not sufficient. Similarly, in the area of democracy, another level of legitimacy than the one defined at the very start is necessary. So far, the legitimacy of the European system is derived from the procedures and the commitment of the national parliaments.

The Maastricht Treaty extends the rights of the European Parliament, but this extension stops short of the transfer of authority from each country to the European Community. The result is a flaw in democracy: Many areas of power have been transferred by the national governments to the European Community without there having been any urgency in transferring control to the European Parliament. This discrepancy is one of the aspects of the governance problem.

Naturally, the complexity of the European political system will grow with the arrival of new members from Eastern Europe and

we shall have to adapt and bring about the necessary reforms. However difficult this may seem, there is no alternative. Who could imagine, in fact, that the construction of Europe could take place at no political or financial cost?

Governance problems are not just a matter of tools or the management capacities of our élites; they are also related to the attitudes and beliefs of our societies, to problems of identity.

European societies need to have political objectives that include normative aspirations and vision about the way in which we, as Europeans want to live. Without this commitment, the political culture of the West will destroy itself.

Governance

There is no universally applicable ideal model of governance; any system to retain its relevance and effectiveness must from time to time be modified to deal appropriately with the daily issues which affect the quality of life of each person.

The effectiveness of any society depends on the nature of its societal order which consists of a value system (and the typical behavior resulting from it), political institutions (governance system) and the economic system. It is not only the intrinsic nature of these three components that is important but the compatibility between them. For a society to function well, there also have to be compatibilities between its societal order, its physical environment and its geopolitical position.

Before taking up some issues of governance, present realities must be put into perspective. Enough to look back fifty or twenty years to realize that in critical respects the present situation of humanity as a whole and of Europe in particular is much better. In particular, the European Union is a heroic success which reverses more than three hundred years of growing ascendancy on nation states, thanks to what is in essence a new invention in governance.

But success in the past does not guarantee success in the future in the face of mutating situations. Therefore, it is essential to continue and upgrade capacities to govern in innovative ways not bound by obsolete ways of thinking.

Limits to the capacity to govern

Demands on governance, difficulty of it, the burden and cost of it have increased greatly in recent decades, because of rapid technological changes, shrinking distances, compressed time dimension, rapid diffusion of information, multiplication of linkages bet-

ween people, issues, problems, within countries but also between countries, thus greater interdependence between different entities.

One can postulate that the complexity of governance of any political entity seems to increase exponentially as a function of geographical size, cultural, linguistic and behavioral diversity. Other factors add to the complexity, thus burden of governance, such as differences in the levels of education, disparity of incomes, technological intensity, complexity of interaction with other political entities. The above is one of the reasons that caused the disintegration of the Soviet Union.

While the economic and technological logics push countries towards integration into bigger entities, current experience seems to indicate that it is either small countries or those among the bigger ones that are relatively compact, culturally and inglutitically homogeneous, that are governed more effectively. We have been brainwashed into the technological and economic logic which stresses the «advantage of scale». The advantage of scale is a step function, but essentially a linear one. What we have tended to ignore in the past is the offsetting burden of governance which grows with the «scale and complexity» and leads to big overhead cost of any such political entity.

What about Europe extending from the Atlantic to Vladivostok. The idea that one could envisage it in the near future as some kind of political entity is not very realistic. Talking, therefore, about the possible incorporation of a huge country like Russia into a European, political entity, be it only of a highly confederated nature, implies a great risk of unbalancing the process of construction of Europe. Mention of special relations with North Africa and even South America reflects a «euro-centric» view of the world, which given the colonial history of Western Europe would not be very wise.

The question, therefore, is not of governance of the expanded «united» Europe but rather of friendly coexistence and cooperation between different entities within the zone in question.

The capacity to govern

The systems of governments in Europe post 1930 drifted towards the centralist model in both capitalist and communist societies. The structures of government need to be sufficiently flexible to accommodate shifts in the external and internal factors which interact to determine the nature of society for which the system of governance is devised. The system requires to be relevant to the society being governed. There is no need to have a system modelled on a single formula, yet there are common characteris-

tics within any society suggesting a certain commonality to the foundations for a relevant system. Each individual has the same desire for dignity, self fulfillment and hope for a better future. The capacity to govern requires recognition of the individual at the personal and community level. Once there is increasing access to wealth and education on there is a commitment to political and economic freedom, the centralization of political power and decision making is out of harmony with the liberalization of individual thinking, action and expectation which accompanies freedom.

Given the changed expectations of individuals, the goal of governance is not the glorification of the nation state but should be the security and well-being of the individuals who together make up the nation state. It is time for nation state governments to withdraw from some of the detailed interface with the governed and to return more of that responsibility to an accountable locally elected system of community based government. The role for the nation state can be re-focused towards solving internationalized issues which until resolved limit the capacity of any government to change the human condition which for millions world-wide has progressed little.

The approach suggests there is a role for the nation state but at a level which genuinely acknowledges and fulfils the desire for individual recognition and opportunity within the community to which one most frequently relates. A focus of governance at that level will strengthen the bond between governor and governed through a shared commitment and involvement.

Looking into the future, with all uncertainties it is clear that the evolutionary potential of Europe, and of humankind as a whole, is expanding with additional possibilities both for the better and for the worse. Humanity and Europe are on what Alexander Soljenitsine calls a knot. Politics and governments must play a major role in making critical choices, which are beyond the scope, capacity and legitimate domain of other social processes and of markets.

Upgrading capacities to govern is less a matter of efficiency, effectiveness, quality of services to the public and handling of current problems, however important. Rather, upgrading of capacities to engage in tasks extraordinary of setting societal and global trajectories into the future is essential.

Related difficulties are exposed by a test issue acute in Europe: A strong case can be made that both moral imperatives and realpolitical considerations require Europe to make sacrifices now in order to avoid very grave dangers in the future, such as in

relations with North Africa and Russia. But, just as strong a case can be made that democratic politics within the foreseeable future will not permit such essential long term policies to be adopted and implemented. Hence, a tentative diagnosis: much of present democratic politics is in the cul-de-sac of being shackled by short-term considerations, with assured dangerous consequences in the longer run. Therefore significant redesign of significant features of democratic governance is essential ¹⁰.

3. How to improve the systems of governance

Changing mentalities

The model of democratic government which we have now was the product of the industrial age. As Europe and the world advance towards the year 2020 within a post industrial knowledge based economy, conscious or constrained by the limits of growth, a new model must emerge in order to meet the challenges that lay ahead. It will not emerge overnight nor in any one country, but rather it will evolve through visionary or necessary experimentation of bold and wise leadership in many countries and the exchange of information on successes and failures. In this way we will advance the theoretical conceptualization of the democratic governmental paradigm for the next century.

Seriously addressing the problems is a tall order. It requires a sustained, prolonged effort for which national consensus must be built. Consensus begin through consciousness of the nature dynamics, and scope of our problems and of the values that in solving these problems will make our society fairer more sufficient and sustainable. This is the task of leadership.

Consensus is built, of course, not only through social dialogues or compacts, bipartisan or multi-partisan efforts, but also through the cementation of successful initiatives over time.

Industrial age environmental rapacity and protectionism were not only an economic way of life, they were a social way of life and a governmental way of life. The clear limitations on the previous ways of growth and the need to operate in freer open markets demand and will impose a new government life style more concerned with value costs, efficacy and quality results in the art and practice of governance.

¹⁰ Presented by Professor Yehezkel Dror in his report «Governance and the capacity to govern».

For the consolidated democracies of the highly industrialized countries the extent to which such change is undertaken will reflect itself in the level of growth rates and degrees of social unrest. In the emerging democracies and open market economies, the lack of effective, value oriented governments will go beyond economic and social effects, and may bring about relapses into varying degrees and styles of authoritarianism.

The changes are not ideological. They deal neither with liberalism or democratic socialism but with the means, the governmental processes to implement the preference of the electorate, so that the votes deposited in the ballot boxes may be more than wishes or aspirations.

These changes include structural changes geared to a new mentality, one that can operate real development. This requires creating a value laden enterprising spirit in all layers of government aspiring to move countries towards their collective purpose as opposed to the traditional bureaucratic inertia resistant to changes in the ways things have been done up to now.

The strategies and tactics for shaping a new model of government are emerging in numerous countries throughout the world. From Canada to Sweden, from New Zealand to the U.K. changes in this direction are unfolding. Changes in the traditional ways that governments go about their business in order to provide built in incentives, instead of disincentives, to create an enterprising mentality in governmental organisms and public servants towards the pursuit of the collective purpose as defined by the electorates.

In New Zealand, the Labor Party undertook the most fundamental changes taken so far in this direction. In the U.K. the Tories have taken the leadership. In Australia and Sweden both major parties have done so. In the United States change has just begun under Democratic leadership but with Republican support.

In presenting his major restructuring plan for the Federal Government, President Clinton stated: «We cannot longer afford to pay more for –and get less from– our government. The answer for every problem cannot always be another program or more money. It is the time to radically change the way the government operates –to shift from top– down bureaucracy to entrepreneurial government that empowers citizens and communities to change our country from the bottom up».

Preparing politicians

As said before, the morality and competence of politicians cause much concern. Overall cultural values of consumerism, permissi-

veness, «entitlement», rights without duties, and market ethics, aggravate the problem. The disappearance of a sense of shame from politics is a serious symptom. Financial costs of succeeding in politics add an institutional incentive to corruption. Essential though inadequate countermeasures include reducing the costs of election campaigns for candidates and punishing transgressions harshly. France recently took measures of this nature and invalidated the election of several parliamentary representatives whose campaigns costs had gone over the authorized sum.

Measures include also paying politicians a high salary together with promulgating strict codes of ethics. These steps are useful but grossly inadequate. A nova-Platonic conception of a high governance elite is essential for building up governance as a moral endeavor and for assuring needed knowledge by senior politicians. This elite is to be democratically elected, open and pluralistic, but elitist in qualities, sense of mission, and an ethics of service with elements of asceticism.

Let us a glance at the «taboo» problematique of the knowledge of politicians. Being democratically elected to high office is essential, but cannot be accepted as sufficient a qualification. Simplistic opinions to the contrary are a prescription for catastrophe.

It is clear that many very senior politicians lack essential knowledge and abilities, such as capacities to exit themselves, think coldly on hot issues, and change their mind by learning rather than panic reactions.

Recommendations for upgrading the knowledge of politicians include: setting up policy colleges where politicians, together with public engaged on knowledge possessing persons, spend a couple of weeks to consider in depth main policy issues; providing fully paid study leave for politicians; and encouraging professional writings directed at politicians, on line of a renewed version of classical «mirror for princes» statecraft and character building literature. But more is required to assure adequate cognitive faculties and moral character, returning us to the necessity to combine democracy with elitism.

Long-term thinking

Moving on another major already mentioned issue, too short time perspective are a serious disease of governance. Lengthening the time interval between elections may be an essential countermeasure. Another recommendation is to establish a European Council for Long Range Issues, composed of some of the best brains available and having consultative status with the right to submit

papers to the top bodies of the European Union and propose items for the agenda of the European Parliament.

There is another main finding having major implications: for many problems no good options are known. Even when senior politicians have power and economic resources, issues such as drugs, long range employment and relations between the rich and the poor countries are very hard to tackle because of lack of any promising alternatives. The resulting sense of «cognitive vertigo» and of «being cornered» is aggravated by the breaking of policy compasses which worked in the past, such as main economic theories, and the overwhelming nature of mutations in situations, such as the implosion of the Soviet Union and communism. Hence, the need to «withdraw and think» as proposed by Toynbee, and the imperative to tell population the truth that governments do not know what to do on many pressing issues. On the institutional level, establishment of an European Think Tank of adequate quality and size to consider main policy issues is a must.

The very innovation of the European Union as a new form of governance provides a strong and promising basis for further essential inventions, if creativity fatigue can be overcome. Further European inventions in governance directed at upgrading capacities to engage in trajectory setting tasks extraordinary, are essential for the sake of Europe, while also constituting a significant contribution to emerging global governance as a whole.

Which type of democracy?

For the increasingly well-educated and well-informed population, some features of direct democracy seem necessary for people at different levels of societal organizations to be ultimately responsible for their own destinies. More self-governance is badly needed. A mixed electoral system is probably the best, so that strong personalities could be elected, but proportionality is required in order to have sufficient representativeness of the voters in the parliament. Cabinet members should probably be elected by the parliaments for fixed period of time and removed only by the parliament for gross incompetence or transgression of law. This would enable cabinet ministers to work without undue pressure and with longer term objectives.

Giving different weights to voters of different age brackets might be a way of ascertaining that the longer-term future is properly dealt with in the political decision-making process. For dealing with trans-country issues more international para-governmental institutions would have to be created, i.e. with people from different countries having the support of their respective govern-

ments but not being just the mandated spokesmen for their countries interests and thus able to act with greater objectivity for common interests of different countries.

How to govern Europe

How can we come up with a realistic political project which, while claiming a European identity that the world will recognize, will be seen as such as by its citizens too?

Two ways of thinking are suggested here. Two «voices» will be heard. For a brand new situation, a new political formula is required. The first way is a fresh political perspective of a confederate type, which is only roughed out in its general lines: this is a study project, to be worked out in common in order to formulate an organization for the Next Europe.

The second direction is based on the political needs expressed about the European construction, which is first grounded on economy. The new step has to be based on a process which gives its real dimension and significance to the politics of the European process. Everyone will take from it what feels to him judicious, in an outline which will have to be polished and specified.

The Soviet bloc—the last of the European empires—demonstrated the futility of solving the problem of nationalism by repressive means. Actually it was based on the domination of the Russian majority over all the others. The universality which the Soviet empire provided was a false one, because it was coerced; and the illusory unity it produced was unable to quench the identity passions of the various groups. It rather made them simmer and intensify under the surface.

Can there be a democratic system, that is, a non-repressive, supra-national framework capable of satisfying the identity drives of its constituents (at least in part) and yet holding them in check, not through the unilateral use of force by the democratic transfer of certain areas of control and authority?

There is no way to eliminate the identity passions. So they must be restrained in other ways namely, by satisfying them to some extent, and by keeping the remainder under the democratic, non-repressive control of Universalist principles.

Because there is no historical example from which to draw, the idea of the «democratic European system» in sufficient detail cannot be spelled out. This task should be left to further theoretical work (collective and interdisciplinary) and to the trial and error

of practical life. However, the basic principles of the New Confederation can be delineated, based on the needs of it is supposed to answer. Most important for the New Confederation is its non-repressive character –the fact that it is based upon free association and cooperation between semi-independent states, which remain largely autonomous even after ceding part of their authority to the center.

The confederation will be more powerful than a «United Nations of Europe» and less centralized than a «United States of Europe». The center will not be organized as a Federal European government, but as a flexible, lean, yet powerful authority. That authority itself is to be decentralized between several branches: executive, regulative, consultative, judicial and legislative assemblies.

These powers will be regulated by a three-member panel.

The Confederation's major roles are: to control a united defense policy and military command; to determine monetary policy and to safeguard minority rights and democratic procedures in its member states. In addition, the center will be responsible for such common interests such as environment, infrastructure, social insurance, and fair communications policy. «Centre» means a constellation of several authorities. One of the center main responsibilities will be to safeguard the rights of component states, regions, churches, ethnic groups, etc. It will arbitrate minority conflicts and will have, after due process, the right to overrule local decisions and even, in extreme cases, the right of intervention.

Although effective in its designated domains, the center will be lean, in the sense that it will administer only those issues that cannot be dealt with adequately on a lower level, state or local. In addition, the center itself will be partly decentralized. For example, the central bank will be independent of the executive, as will also the confederate authority for the environment, and the social security corporation. The confederate judiciary, too, will be split into several courts, some of them dedicated to specific issues like minority rights, constitutional issues and conflicts between semi-autonomous bodies within the confederation.

The present nation-state will have to cede some major powers to both the levels above and below it. Nevertheless it will remain the pivot of the system. The confederation will have to listen to state-interests on every level of decision.

An example of governance in New Zealand

The New Zealand case study is not being suggested as the ideal or role model for universal application. It represented a start, a major change of direction which was politically achievable

New Zealand current system of governance seeks to preserve a strong central government while providing for autonomous significant and independent local governments with emphasis upon efficiency in resource use and with increased accountability to citizens on the basis that:

- Citizens should be able to influence the political management of their community by having the right to be informed about, and to voice an opinion on, the problems which need to be addressed.
- Participation can lead to a collaborative rather than an authoritarian consideration of major issues, with a greater likelihood that the outcome would be the result of consultation and thus make political sense.
- There is no reason why modern performance oriented management techniques cannot be applied to a political system which recognizes the need to separate political and management roles.

Six principles underlay the reform of local government in New Zealand:

- Local government should be selected for the provision of services only where the net benefits exceed those obtainable through other institutional arrangements.
- Functions should be allocated to the authority which represents the appropriate community of interests.
- Operational efficiencies to be achieved through a smaller number of stronger authorities.
- Authorities were to have non conflicting objectives separating service delivery and regularity functions.
- Trade offs between objectives were made clear and transparent to ensure those affected could adequately exercise accountability.
- Clear and strong accountability mechanisms were put in place including electoral improvements, mandatory information flows, special community consultative procedures and contestability in the provision of services.

The New Zealand reform started from a zero base with two key objectives:

- to get better management of publicly owned resources and
- to achieve a higher standard of accountability to the public at the political and managerial levels in the use of those resources.

Accrual accounting was introduced as a mandatory requirement including a balance sheet to establish assets and liabilities and making provision for asset depreciation. Success is measured by performance related to outcomes rather than to inputs.

Councils were made more accountable to the public by requiring, prior to the commencement of each financial year, the preparation of a draft annual plan and budget, setting out the Council's significant policies and objectives which is placed in the public arena for submission and consultation. The plan adopted becomes a contract or compact between the Council and its citizens. At the end of each financial year the Council is required to publish an annual report including performance achievements against its annual plan objectives, all of which are subject to independent audit.

The changes to the New Zealand system of governance were achieved through a reasoned approach to reform and a political will to see it through.

4. New industrial policies

Order systems are interdependent: there are often dynamic, reciprocal interconnections between the economic order, the government order and the legal order.

The competition-conforming organization is a constituent of the problem of directing the economy. It is more important than the question of property.

Systems of orders come into existence as spontaneous order or as a un-order. But the economic sphere cannot develop independently from the social sphere and the biosphere. In the market economy, however, there is no guarantee that the systems of order that are created spontaneously or via instructions are competition-conforming. The modern economy is a conglomerate of competition-conforming and competition-opposing systems of order.

The industrial-political discussions conducted from time to time are merely a reflex of the regulation cycle in which the relationship between the state and the market is changed in one direction or the other. Studies conducted on this subject have shown that a new mode of regulation becomes necessary whenever new technological basic structures and infrastructure are created and have to be pushed forward.

To be efficient, the market rationale, which is a source of energy, initiative and creativity, needs to be applied in its own domain. It must, however, be kept within its limits, and never be applied, with its rules of exaggerated competition and power-seeking, in areas of common, permanent interests such as education, health, culture and environment. These areas require indexes that are not based exclusively on the quantitative growth of goods and

services (the report on Human Development published by the UNDP is a first step in this direction). The fiscal and financial circuits need to be managed in such a way as to allow flows between the different economic orders (financial profit is progressively corrupting all of society: politics, the arts, sports, etc.). For this, the public authorities have to recover their arbitration role.

Society requires an exorbitant investment push, one which cannot be financed with the methods of the old social compromise. A new mode of regulation has to be discovered, negotiated and implemented. This is in itself often an extremely painful, conflict-laden process. This is reflected in economic policies. The industrial policies of the old promotion-oriented era, with its upswing in consumption and its standardized mass production are related to the Keynesian pattern of regulation, for example. The reason this pattern failed in the 1970s was that other necessities has assumed primacy in the interim; the demand for standardized mass produced goods was no longer the lever of industrial progress.

The new industrial policy of the 1990s follows a pattern that is in keeping with the post-promotional paradigm. Firstly, the new industrial policy must be based on a consensus among the different interest groups in society. This consensus must be conveyed, promoted and directed, but not controlled or administered, by the government.

Secondly, the new industrial policy has a decentralized orientation and will be more closely linked to regional politics. Following more than a decade of globalization, reasons of real economic practicality dictate renewed regional concentration. The interfaces with regional politics apply to all task areas of industrial policy.

Thirdly, the new industrial policy should avoid the exclusiveness of financial regulation and the money standard.

Fourthly, industrial policy is now environmental policy to an increasing degree.

Finally, this new industrial policy must –especially in this period of system transformation– be closely intermeshed with labor market policy, competition policy, and technology policy (research and innovation).

The necessity for the government to exert influence in these areas is scarcely questioned.

Rehabilitating political economy

If we examine the current economic failures, we find that the role of the state is paramount, not only in the developed countries, but also in the developing ones.

The same liberal aspirations have given way to contradictory views on the role of the state in ensuring the full development of man. Long before Marxism appeared, there were profound differences of opinion as to what the desirable extent of state intervention might be. This dilemma is more crucial today than ever, and approaches to it remain very doctrinaire while the problems themselves are becoming more critical by the day.

We are in the presence of a «triumphant» capitalism, which seems nonetheless to be working against its own survival in the long run. Indeed, the capitalist system is undergoing increasingly serious dysfunction, with consequences of acute environmental damage, the underdevelopment of three-fourths of humankind, and the growing marginalization of populations in the wealthy countries.

«Common sense forces us to say that these problems will not be solved by miraculous recipes, whether they are inspired by economic neo-liberalism calling for a non-interventionist role of the state in the economy, or a post-Keynesian interventionism demanding a greater role of the state in the economic machine.»¹¹

Reform is necessary as much in state management and intervention as in the behavior of large private enterprises.

Contemporary capitalism is undermined by a concentration of the economy on financial products, and this is partly due to certain types of state intervention, which have led to non-responsible conduct by leaders of large industrial and banking enterprises, including rigidity, waste and profit for the very few.

The rise of Communism and the Cold War context influenced all economic thinking. Despite the political changes, economic behavior remains the same, especially in relations with the Third World, as well as among the middle classes in the developed countries, whose tendency is to remain permanently dependent.

Similarly, the leaders of the large industrial firms, the engineers, and the bankers have escaped the economic penalties for bad risk management by being in the protective shadow of the state.

¹¹ Georges Corm, *op. cit.*

On the other hand, neo-liberals are so set on reducing the economic role of the state, that they forget the aberrant behavior of private firms. Inflation, for instance, is merely considered to be the result of too much general state intervention in the economy. The only remedy they have advocated for any situation has been a generalized deregulation of economic activities, a reduction in state expenditure, and a violent manipulation of interest rates. This has only resulted in a strengthening of ties among the state, the banking bureaucracies and the large private industrial firms. This setting up of economic feudal systems increases the non-productive income that is really at the root of inflation.

Despite the remarkable performance of many public enterprises in industrialized countries, and the manifest substandard results of certain gigantic private enterprises, the neoliberal doctrine does not seem to comprehend that the dysfunctions in the current economic system are not a problem of the legal status of the enterprise, but a problem of the way the economic system works in general (see box). The dichotomy in the approach to world economic dysfunctions between a public sector responsible for all evil and a greatly idealized private sector, is bound to reinforce the feudal nature of the economic systems.

Dossier

The economic world disorder

By imposing upon the world in 1971 the end of gold convertibility for the dollar, which is the international payment and accounting currency, then by having the floating exchange-rate system sanctioned in 1976, the United States abolished the very foundations of the international exchange system. The world entered the monetary and financial disorder in which it is still struggling today. Discipline, which the globalization of exchanges and commercial competition among nations should have reinforced in order to ensure the normal working of capitalism, has been replaced by an economic no-rules competition. Thus the United States made the health of the world economy a prisoner of its own performances, while the issuing of international means of payment became totally dependent on the American trade deficits and the new credit mechanisms (out of central-bank control) linked to the spectacular development of the Eurodollar market.

The development of informal economies thus became possible on a world scale, including the enormous drug trafficking and the laundering of its profits, as well as generalized capital flight under the cover of bank secrecy.

Suitcases full of dollars travelled all over the planet, including in the Communist countries, to pay for all informal or illegal transactions.

Once laundered, these masses of currency were able to enter the electronic monetary circuits, to be used to speculate on the stock-market or the stock exchange, or even the forward market. Indeed, this new type of saving needs first to protect itself against sharp exchange-rate or interest-rate fluctuations, then to try to produce profits; it is therefore condemned to speculating on currency and raw materials.

It is not alone. The large multinational firms, including banks, who are active on a planetary scale, also have to protect their patrimony, in particular their cash balance, against exchange- or interest-rate fluctuations. They must also try to minimize their costs in raw-materials supplies and to maximize the potential profits on their stocks. To this end, they turn to the stock exchange, to the raw-material stock market, thus amplifying the permanent upward and downward movements in values, which were triggered by the termination of the fixed exchange-rate systems.

In 1992, multinational firms were involved in 37 % of the world's trade. That same year, the turnover of the largest of them (General Motors, Exxon and Royal Dutch) was greater than China's GNP.

Initial criticism progressively disappeared, beaten back by the advantages of the development of an informal economy and the new financial tools for monetary and financial speculation, as well by the aptitude of industrialized countries and large multinational firms to adapt to the situation and benefit from it.

Attempts by the IMF to find a substitute for the US dollar in international economic relations through special drawing rights were abandoned in the early 1980's.

The European Economic Community countries have secured a relative stability in their national economies thanks to the European monetary system and the strength of German currency. In the Far East, the vigor of the Japanese economy and of the yen have also been a safeguard against chaos.

The internationalization of unbridled capitalism has mostly been damaging to the countries located outside of the EEC and Japanese umbrellas: vast areas of Latin America, the Middle East and Africa, left out of the globalization circuits, have been strangled financially. There only recourse has been an ever-increasing informal, non-productive economy of unearned income: drug and arms trafficking, huge commissions on state contracts, and capital flight. This type of capitalism, however, also causes broad sectors of the population in the industrialized countries themselves to suffer constant impoverishment, and contributes to undermine the political democracy of these countries.

5. The respective roles of capital, management and labor

Since the loss of unity of capital and management ensured by the old-style entrepreneur, the importance of capital has continued to decline. The significance of capital as a tool in the economic process has been preserved. Yet, its management contribution required by the rules of our economic order has declined in a way liable to jeopardize the entire system.

Because the critical success factors in industry will be «management» and «staff» in the future, capital would be well advised to support reforms designed to induce these two groups to dedicate all their efforts to the success of the company.

The current difficulties in the working world are basically attributable to the different interests and objectives pursued by «capital», «management» and «labor». In analyzing the problem the question emerges whether it might be possible to move these interests and objectives closer to one another or possibly even harmonize them altogether.

From the experience gained in our century one may derive the conclusion that the harmonization of the objectives of capital, management and labor will be prevented by unbridgeable differences of opinion on what constitutes the «equitable wage». That different negotiating methods can lead to better results has been demonstrated to us for decades. In addition, we should consider whether the option of capital and profit participation might not be one way of taking the sting out of this problem of the equitable distribution of wealth. Industry must replace the goal of «profit maximization» by the demand for the «best possible performance contribution by the company to society». This demand includes the interests of labor too.

Capital should recognize, primarily in its own interest, that the formula of profit maximization as the sole corporate objective has long since cease to meet the need of current realities. Industry must recognize that the overriding objective of a company today is its contribution to society. Only if it recognizes this contribution to society as its supreme corporate objective will capital have the right to optimize its profits and to make a contribution to corporate management.

Management is the most critical success factor of any company. The optimization of the staffing and the organization of management must therefore be seen as a priority task. Social and economic reasons in our day and age have created a situation where

the tried form of entrepreneurial management is only used at a limited extent. The increase in the degree of complexity and the extent of capital requirements have rendered the management technique based on individual persons obsolete. As a consequence we are observing a separation of the functions of «management and «financing». So, instead of the successful coordination of all factors of influence by the entrepreneur we often see today a target conflict at the expense of corporate success.

The division of the entrepreneurial function into «management» and «financing» and its consequence have done serious damage to the efficiency of the capitalistic system. This comment incidentally applies in particular to the large-scale companies. Especially in these companies management and capital are moving further and further apart.

The stagnation and the subsequent demise of many major international corporations are powerful evidence that the development of management technique has gone in the wrong direction. We must ask ourselves the question why this development in corporate management has misfired and whether a different management approach might produce more satisfactory results. It is true that in industry we have learnt to develop highly sophisticated planning and controlling tools. This has certainly produced a more systematic approach, but not more creativity and judgment on the part of the managerial staff concerned. The intellectual contributions of the specialists can really only become effective if they are evaluated and coordinated by personalities who possess the original entrepreneurial creativity.

The position of the production factor of labor in industry can currently only be described as very much oriented towards the past. A striving for social security and redistribution efforts are still dominating the dialogue between trade unions and employers. The way they see their respective tasks and functions is still influenced by the old confrontational strategies.

Neither the employers nor the trade unions have so far taken cognizance of the fact that the working requirements have changed as fundamentally as the self-perception of the people. The identification of employees with their jobs requires the delegation of responsibility as much as the creation of working conditions that will be perceived as equitable and humane. In defining their objectives both sides, trade unions and employers, have as yet failed to realize that the self-fulfillment of employees in the working world will be an indispensable prerequisite for performance and success in industry.

6. A new type of citizenship

Globalization has caused humankind to lose its «barbarians»: gone is the outsider against whom aggressiveness can be directed to the benefit of peace on the domestic front—instead, we have new forms of internal barbarism. Our democracies must modify their practices in reference to the new forms of citizenship currently emerging on the international scale.

The citizens of Europe are now to fulfill major missions, hand in hand with the other citizens of the world, especially to cope with our responsibilities towards future generations and the future of the biosphere.

There are immense and most valuable assets of untapped resources of knowledge and moral energy for this purpose. Women and men together should actively contribute to building a renewed humanism of universal solidarity, filled by the creative joy of constructing a new world.

Whether within the social-services, the marketplace, or civil and political framework, individuals are more often left out of decision making than asked to give their opinion. This is partly a practical problem. The complexity of modern life and the tremendous number of persons involved in each of its aspects limit the personal-interaction possibilities. Group action is often necessary for institutions to work and develop to the best of the citizens' interests.

These groups, usually called «non-profit associations» in developed countries and «NGOs» in developing countries, include those who complement or make up for government action (in the realms of culture, leisure, solidarity, and humanitarian aid, for instance, but especially of economic and social development in the Third World countries), as well as those whose objective is to act through pressure on the public authorities (political parties, parent-teacher associations, human rights groups, and so on).

Why should groups such as these be necessary in a democracy? Are not elected officials, local and national, enough to represent the various interest of the populations, together with the institutions acting in the name of the state? The answer is no, for a variety of reasons.

First, elections take place at intervals of several years, and new needs between two elections should have a channel of expression. Furthermore, elections being by definition the reflection of the majority, they can leave minorities with no voice. Moreover,

in all democratic regimes, there are pressure groups that sometimes need to be checked (for instance, on environmental and industrial issues).

Non-profit associations structure society and introduce a network of human relations in areas that have sometimes lost their social bonds, something elected representatives would be totally incapable of. Finally, even in the most secure of the planet's democracies –a minority at that– there can be unfortunate deviations among the public authorities; it is good not only to be able to denounce them, but also to educate the public not to accept them.

Associations therefore have an irreplaceable role to play in education on the working of democracy.

Of all the new productive forces of the future, non-profit associations show a vitality that stands out among the other forms of collective organization. Their number in the world is immeasurable. Their aggregate benefit is difficult to estimate with the market-economy yardstick because a very small proportion of their activity is commercial. Their uniqueness is precisely their specific combination of various forms of exchange: household exchange, mutual exchange, redistribution and market exchange. This blend simultaneously promotes the emergence of a new social demand (such as service to persons), partially provides an individualized response, generates activity, and above all, produces a driving effect on the market, and eventually on employment.

If we consider a vigorous development of this activity sector to be desirable, the criteria for distribution and redistribution of wealth need to be redefined in terms closer to the reality of what it is produced by. It is also necessary to establish a social-utility status for these associations (an objectives contract between the association and the public authorities).

Finally, associations should become collective players to demonstrate the efficacy of a new form of economic and social production in the present context. «“Associationism” was a democratic necessity. By also becoming an economic necessity, it is forging a new political project.»¹²

We must therefore insist on the importance of non-profit associations as forces structuring society independently of constituted bodies. Thus civil societies have been able to emerge in a number of countries, thanks to some people's conscience and sense of

¹² Lennarth Johansson (Sewdish Planning Institute) and Mats Thorslund (professor of social medicine in Upsala).

responsibility toward the close or extended community, on the planetary scale.

Within East and Central Europe, the non profit sector is often understood as part of an emerging civil society. The term «civil society» was popularized by the democratic opposition movements in the Czech and Slovak Federal Republic, Hungary and Poland in the late 1970s and early 1980s. Through a strategy of «social self-organization» emphasizing change from below, these movements sought to emtipate civic values and grass-roots activities long suppressed by the pervasive party-state system. The revival of civil society saw the blossoming of independent organizations, initiatives, and movements which repopulated the almost barren political and social landscape, and helped to spark the dramatic citizen revolutions of 1989.

These democratic breakthroughs underscored the importance of creating of small circles of freedom capable of overcoming the region's feudal past and communist systems. The promise of the post-communist era rests largely on the potential for creating a more vibrant and deeply rooted network of organizations and institutions that mediate between the citizen and the State: the connective tissue of a democratic political culture.

The events of 1989 provided the public space to build and expand civic structures throughout ECE. Over the past three years, Central Europeans have utilized the insight, courage and imagination that prompted their liberation to create new forms of associations and foundations. The advance of nonprofit initiatives, however, has been hindered by several parallel developments.

First, much of the energy, resources and hopes of these societies –and of Western donors– has been focused on creating market economies and formal systems of democratic governance. The major emphasis of the political transition has been at the national or macro-level: in establishing or revitalizing the rule of law, political parties and parliamentary practices. Less attention has been devoted to building and supporting grass-roots, citizen-bases initiatives.

Second, many of the most talented activists and intellectuals of the democratic opposition movements left independent and organizational activity for state politics.

The influx of these leaders into the new political parties, governments and parliaments is helping to build democratic states in the region –a critical basis for free and open civil societies. However, the leadership and direction of many NGOs and initiatives has been weakened as a result.

Third, the former civil society opposition was united by a common enemy: communism. The fall of oppressive regimes led to the search for new forms of groups identity. This fact, combined with post-communist political splintering and economic insecurity, have given rise to virulent forms of nationalism which has tended to divide people and divert energies.

Fourth, after 1989, the transition to market-type economies triggered economic austerity and crises, which imposed new challenges on citizens accustomed to stable jobs and subsidized prices. Moreover, many citizens who had grown dependent on central authorities under communism remained passive after its demise, believing that a new benefactor would take care of them –whether it was the «free-market», Western aid or a new democratic government.

As already said, while a market economy may be effective at producing consumer goods and services, it is inherently limited as a mechanism for addressing a range of social needs.

In the context of East Central Europe, non profit organizations are an important alternative to –or partner with– the State in insuring that the common good is not neglected. Current economic hardships throughout the region call for the rapid emergence of new social actors able to help cushion the double effect of government austerity measures and declining state services.

***From our special corresponden in 2020
News of the Future***

Elections

One of the serious problems faced by the governing authorities in the era of our forefathers of the last few decades of the 20th century, was a lack of participation at elections. The re-election of Bill Clinton, the last American president to be elected with the old election methods, had been obtained with a mere 38 % of the voting body. Europe, where things were somewhat better, more or less managed to get half of the potential voters to cast their ballots. The preparation and the holding of elections were an enormous expense to the state and to the candidates (approximately \$400,000 per list of candidates for the posters, the ballot paper, and their distribution among the polling stations), resulting in an ever-decreasing civic participation and an ever-diminishing trust in the governments, which were the emanation of a minority of the population.

Simultaneously, numerous polls, organized by political parties, newspapers, non-profit groups, and a variety of institutions, put the politicians' popularity on a roller coaster responding to the events of

the day, thereby undermining the possibility of undertaking the slightest long-term policy.

The first elections that showed the way to today's democratic institutions were those held for the European Parliament in 1999. By that time, computer terminals has been installed in every European household, and 378 million Europeans (the European Union had extended by then to include the EFTA countries, but not Switzerland) in their respective countries elected their European members of parliament without having to go out. On this occasion, abstention was limited to under 12 %. This election was controlled by means of an individual voter's code of access to the data banks recording the votes in each country. The code, as it still is today, was the number attributed to each person at birth, which in France was called the INSEE code, for instance, and in Great Britain the National Health Number, a practice that was generalized throughout Europe in the 1990's. As each country had its own separate census, the elections were held within their national boundaries. We must remember that it has only been 10 years since all the European countries pooled their national data in a standardized form in the central computer of the European Union. This is what now makes it possible for any voter in the European Union to vote from where he is. The European Government, made up of two persons from each of the Member states (i.e. 36 members), was elected by universal suffrage for the first time last year. And while we are in the historical chapter, we would like to mention for the sake of our younger readers, that 2004 was the year when all national elections (for parliamentary representatives, senators, mayors, etc.) were abolished and replaced by the election of City and Country Councils elected for 10 years on the basis of a Contractual Program, and the members of which can be revoked individually for mismanagement or fraud. As a result, these practices are constantly shrinking. Local elected representatives are in the best position for taking local problems to the European levels of government, and decisions at the European level can therefore be immediately applied. During the first term of the City and Country Councils, 32 % of their elected members were revoked. Since the last elections, the choice of representatives seems to have been more judicious, as the rate of revocation so far has not gone beyond 11.5 % for the whole of the European Union.

THE HANNOVER DECLARATION

The Cold War is over. But now there is a Cold Peace.

Europe, which has been the cause and center of two World Wars, is a good example of this paradox.

The collapse of Communism, the implosion of the Soviet Union, the reunification of Germany, and the war in ex-Yugoslavia have all suddenly forced us to rethink Europe's nature and role in a new world order.

Governments, non governmental organizations, business, universities now have a new opportunity to sketch the European Dream.

Could this be a new Europe stretching from Reyjavik to Vladivostock?

We are not pessimistic. This new era provides fresh opportunities for development. Europe can forge a new Renaissance.

Nevertheless in the new Europe, in a world of exceptionally rapid change, we are working with archaic institutions, and outworn economic theories and political systems which have run their course. Radical changes are needed in structures and mentalities. Mere modifications will not be sufficient any longer.

This situation requires the reorganization of our societies in Europe and forces us to rethink our relations with countries throughout the world.

A great deal depends on developing new systems of governance.

The European Union is a unique creation. It is the world's first attempt to pool some forms of national sovereignty – and to consolidate cultural identities throughout the area. It is moving from a customs union towards economic and political integration based on local synergies and increasing decentralized procedures.

But the European Union can no longer present itself primarily as a market. By redefining itself as a cultural and political process for a new common European development, the European Union –with the support of the United States and Japan– should design plans of co-operation to achieve the reconstruction of Central and Eastern Europe.

We recommend that the European Union set itself the target of ensuring that living standards in 2020 are equitable both in the East and West Europe, and so combat the poverty which is now growing throughout Europe.

The challenge of developing an institutional framework requires a fresh approach to governance. We must not be bound by traditional concepts.

Innovative forms of governance are required. Some ideas are set out in the forthcoming report to the Club of Rome «The capacity to Govern». Among the Report's recommendations are that more attention be given to educating politicians to the European and global challenges and that there be a European Policy College for this. Also there must be greater public scrutiny of people putting themselves forward as political candidates.

We fully support the process started this year in Vienna –an initiated by the Council of Europe– of regular summits of all the leads of state and government of Greater Europe in order to give a sense of direction to the political institutions within the region.

Such summits will assist in increasing a sense of European identity in the citizens of the constituent countries. We endorse the work of the Council of Europe in bringing together all countries in Europe to co-operate together on the principles of democracy, and human rights and responsibilities.

Europe is also faced with the challenge to change the direction of technological progress. Twenty First century technologies will have to be very much more resource efficient than the present ones. The new technologies must be oriented towards the general human good rather than the economic betterment of the few.

We recommend a new approach to developing such technologies.

This is based on an ecological tax shift. Energy and other resources should be taxed to make them more expensive, while human labor should become more affordable for the employers. This tax shift will provide an incentive to employers to be more cautious in their use of energy and other resources.

The present high level of unemployment and the prospect of continuing jobless economic growth resulting from technical innovations, necessitate a radical reassessment of the future of work. This must include a reassessment of occupations and leisure in the life of all human beings and should be based on the process of continuous learning.

Europe has historically been a continent of emigrants. Now it is a continent of immigrants. By the year 2020, a high percentage of Europeans will be of non-Europeans origin –mostly from Africa and Asia– with the new arrivals based largely in the cities.

If governments give more attention to the challenge presented by the arrival of immigrants –such as through the provision of multicultural education– then we recommend both a better public information campaign and the greater recognition of the rights of minorities in Europe. Politics has become a spectator sport. The mass media concentrate on personalities rather than policies and processes. They often fail to educate the general public about the full extent and complexities of the changes now taking place.

We recommend that the mass media pay more attention to the way in which they report on politics. The mass media need to see themselves as partners in the process of change.

With peace, political stability and economic prosperity, Europe in 2020 would be one of the world's great markets – and so able to compete with the other economic groupings in North America and Asia.

But this is not enough. It needs to be based on a new model of human, ecological and economic development and a sense of partnership with the developing countries, especially those in Africa.

We have a great faith in Europe's future. The Club of Rome looks forward to continuing its involvement in creating a new European destiny. With the right policies Europe will have endless hope – not a hopeless end.

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Fundación Banco Bilbao Vizcaya was born on the initiative of the BBV Group with the goal of expanding its capacity to respond to the social and cultural demands of contemporary society. Its activity is aimed at promoting forums for reflection and debate on the principal challenges and problems of our age.

Meeting present-day challenges and responding positively to the horizon of possibilities requires high doses of creativity and imaginative models constructed on the basis of broad consensus.

In keeping with this basic approach, Fundación BBV organizes Multidisciplinary Meetings and sponsors research projects. It has three Permanent Reflection Centres: the Centre for Studies of Public Economic Policy, the Centre for Bank Studies, and the Science, Technology and Society Centre. Fundación BBV is also active in leading universities, sponsoring the Fundación BBV Chair.

Fundación BBV regards it as a social obligation to publicly disseminate the results obtained in all of its activities. This task is carried out by its information and publications centre, Documenta.

On this occasion Fundación BBV collaborates with the Club of Rome to publish *Forging a new renaissance: Europe Vision 2020*, an analytical approach to the problems faced by Europe and the whole world, at the turning of this century.

The choice of Europe as the subject for discussion in the Conference held to mark the 25th Anniversary of the Club of Rome is certainly not a fortuitous one. The formation of a European block with the capacity to stretch from Iceland across to Russia constitutes a veritable force to be reckoned with in forthcoming years, provided that this adolescent, fragile Europe manages to find its identity and the course it must set through the world's contradictory seas.

What we cannot ignore, however, is that the stronger Europe becomes, the greater its responsibilities will be with regard to the rest of the world. If it manages to put aside its inertias, egotisms and provincial conflicts; if it learns how to talk to the other cultures to be found on this planet inspired by a real concern for the future of society; if it manages to rediscover its values and place man back at the hub of its development, Europe may once again fulfil a very important function in the future destiny of the world.



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