

SD policy and governance in Europe



EU POLICY AND STAKEHOLDER PERSPECTIVES

**A PRESENTATION IN BERLIN BY
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Freedoms



- January 6, 1941, Franklin Delano Roosevelt coins the concept of the four freedoms
- Freedom to worship
- Freedom of speech
- Freedom from fear
- Freedom from want



- Almost to the day 50 years later the EU establishes the four freedoms
- Free movement of capital
- Free movement of labour
- Free movement of goods
- Free movement of services



- Whereas Roosevelt's four freedoms are inclusive
- EU's four freedoms are exclusive
- The two sets of freedom express an understanding of freedom based on entirely different values



- Before I get in to the text of the documents relevant to this workshop, I would like to say something about governance and sustainable development -



- The relationship between ideas, knowledge and action is a complex one
- Concepts often remain concepts in search of applications....



- The application for sustainable development is the so called three pillar approach
- That SD rests on three pillars
- Economic
- Social
- environmental



- Environmental sustainability is largely a concept of community or common purpose
- To build a consensus in support of sustainable development is a necessarily democratic and participatory exercise for at least three reasons:



- 1 – a breaking down of the polarized and polarizing languages that reflect entrenched ideologies
- 2 – environmental values and democracy are bound together at the level of principle
- 3 – the challenge of global sustainable development demonstrates that the crises of ecology and democratic legitimacy are inextricably linked



- **The challenge for strategies for sustainable environmental development is threefold:**
- **to determine which issues are best addressed at which level;**
- **to ensure coherence between policy options pursued at different levels; and**
- **to find ways of ensuring local people are involved, even where it appears the policy agenda is best focused at national or international initiatives.**



- **A sustainable development strategy is defined by UNDESA as**

a coordinated, participatory and iterative (repeating) process of thoughts and actions

to achieve economic, environmental and social objectives in a balanced and integrated manner at the national and local levels.

What is the problem with governance?



- **Add a small word to governance, and discussions never end –**
- **The word is 'good'**
- **And the question remains unanswered –**
- **What is good governance?**



- The European Union defines principles of good governance (2001):
- **openness,**
- **participation,**
- **accountability,**
- **effectiveness and coherence**



- These principles are echoed by the World Bank

The Bank operates a set of aggregate governance indicators based on:

- **Having a voice and accountability;**
- **political stability and no violence;**
- **government effectiveness;**
- **regulatory burden; the rule of law; and graft (bribery and corrupt measures)**



- Governance is overwhelmingly associated with the work of governments. Yet during the last two decades, the governmental mode of governance has been complimented by modes of governance in which non-governmental organizations and the private sector are key partners.



- This trend is illustrated by the sustained growth of private sector standards such as certification, and of public-private partnerships, at the local to the global level.

Good governance at a minimum



- **Participation**
- **Accountability**
- **Transparency**
- **Implementation**
- **Access**



- The term governance refers to the process or method by which society is governed, or the ‘condition of ordered rule’.
- Today this would reflect the structures and processes of regionalization and decentralization, which have tended to build on previously informal interactions between government and other actors.



- It has been described as a:
- **a continuing process through which conflicting or diverse interests may be accommodated and cooperative action may be taken. It includes formal institutions and regimes empowered to enforce compliance, as well as informal arrangements...**
- **The condition of ordered rule implies an understanding of the ‘responsible opposition’**



- There is no single model or form of global governance, nor is there a single structure or set of structures. It is a broad, dynamic, complex process of interactive decision making



- It is an understanding of international society as something more than a crucible for the resolution of competitive state interests, with law the mere handmaiden of power,



- **Governance implies a more cosmopolitan notion of international society than one composed solely of states. Most notions of governance thus envisage participation by other entities, such as non-governmental organisations, industry and business and civil society in general**
- **In many cases this reflects the ideal model of the EU**

The 2020 document



- Let me now turn to the EU 2020 document –
- If this document is going to replace the Renewed EU Sustainable Development Strategy from 2006, then the EU has weakened its position on SD and governance considerably;
- If the latter document is expected to be integrated into the Europe 2020 document, when it comes to SD issues, the 2020 document is still not good enough



- I have a number of issues and comments I would like to make about the 2020 document, but I have been asked primarily to deal with governance and stakeholders in the context of EU and SD policies –
- Still a few comments are warranted:
- The entire document is rife with correct terminology - that is, almost correct terminology –
- The flagship initiatives, the background analysis, the description of problems including their solutions talk about sustainability



- There is talk about
- The sustainability of the future
- Of banks, of business, there is talk of sustainable growth, of a sustainable industrial base, or as a sum of definition of the 2020 strategy has it: "What is needed is a strategy to turn the EU into a smart, sustainable and inclusive economy delivering high levels of employment, productivity and social cohesion."



- But the sustainability of business is a concept which is very different from business for sustainable development, a sustainable future is something entirely different from a future working towards sustainable development, a sustainable economy is entirely different from an economy for sustainable development.



- Sustainable development implies the three pillars of SD, 'the 27 Rio principles, the principles and discussions of Agenda 21, the JPOI etc



- "The condition for success is a real ownership by European leaders and institutions. Our new agenda requires a coordinated European response including with social partners and civil society..." final paragraph of the intro by José Manuel Barroso

Towards a green economy?



- Where is the real understanding for the environment and if it is understood, is this at all integrated in the analysis
–
- Low carbon economy
- Resource efficient
- Transportation efficiency
- New energy efficiency
- Scp
- Regulatory initiatives, building standards, phase out harmful subsidies
- Promote CSR

What is our future going to look like?



- At the beginning of the document, the call is for the EU to define where it wants to be in 2020.
- We want to grow out of the crisis – to put it simply;
- What are the merging issues?
- The safety and security of the risk society is at the bottom of our thinking
- Fight insecurity
- Create a secure and safe society – as is reflected in the discussion leading up to 2012 – in energy security food security – central elements in the sectoral approach to green economy.



- **‘Moreover, what we may be witnessing, as security increasingly dominates the agenda, is the end of politics as a forum for open debate, which is the crucible in which democracy flourishes.’**

**Professor Frederick Powell of the Irish University in
Cork**

Towards stronger governance?



- Strengthening the governance of the financial institutions in order to address the weaknesses identified during the financial crisis in the area of risk identification and management
- **Filling** the regulatory gaps **promoting** transparency, stability and accountability as regards derivatives and market infrastructure

Delivering on governance, § 5, pp 25 - 29



- The thematic and country reporting process seems weak
- Governance focuses on institutions but not reform of the institutions, it is all about
- The European Council
- Council of Ministers
- The European Commission
- The European Parliament
- And only on national, regional and local authorities is civil society mentioned; and in the paragraph called 'Stakeholders and civil society, it is not even mentioned,
- But civil society is expected to help implement the decisions of the European Council

The overarching governance challenge



- **We are in a quandary:**
- We need quick actions but will see no quick results.
- We need quick capital and massive finance to pay for these actions, with no promise of quick and massive returns.
- We need simple understanding to complex problems.



- We need commitments to last for 30 years and more, but our fear and impatience, do not speak of maintaining a high level of commitments for as long as it takes.
- To make the right choices, and have these choices supported by people, and have the choices improve the lives of everybody, we need to base our choices on a number of well established values that are intrinsically found in democracy.

Among these values are two pillars



- one is about the individual person being able to make an informed choice.
- The other is that the individual person will be able to understand the consequences of the informed choice.



- In a small society
- In a big, complex society
- In a technological society
- In a complex and technologically based and technologically oriented society
- In a global society
- In a fast moving society?



Are they so difficult to understand that we will inevitably come to rely on:

- elites?
- experts?
- control systems?
- In short will we be subject to a dictatorship of circumstances?

In larger freedom, 2005



- **“We fundamentally depend on natural systems and resources for our existence and development. Our efforts to defeat poverty and pursue sustainable development will be in vain if environmental degradation and natural resource depletion continue unabated. (§57)”**
- To operationalize this....

§ 42, from the "Renewed EU Sustainable Development Strategy, 2006



- "Member states could make use of the existing European Sustainable Development Network with the aim of facilitating the exchange of good practices and experiences. It could gather views on specific priority themes and issues to be discussed by Member States in order to exemplify and document good policies and practices. This network could also be used to enhance the mainstreaming of sustainable development issues, vertical integration and coherence between the EU, national and sub-national levels of policy-making"



- But to do that, to fulfil the standards of good governance, the Europe 2020 document needs to be strengthened on the governance-civil society nexus, considerably

At the heart of the EU lies:



- “The presumption of innocence is not just a legal concept. In common sense terms it depends on that generosity of spirit which sees the best, not the worst in every stranger”. Kingman Brewster
- “Such generosity is demanded in a world that connects millions of strangers by a mouse-click every microsecond of the day.” Susan Neiman

A greeting from a confused optimist



- **I love humanity, it's people I cannot stand**



- “Those who create –
decide” David Sasoon



- **“Good governance at the local, national and international levels is perhaps the single most important factor in promoting development and advancing the cause of peace”**, Kofi Annan, former Secretary General of the UN

Thank you



- And remember –
- 'it is too late to be a pessimist'

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