



# Carrefours

## • Newsletter •

### Editorial

In contrast to divination, science fiction or even common-or-garden prediction, futurology, as a discipline, stands out by virtue of its global approach and vision, the way in which it takes account of both qualitative and quantitative elements and, above all, the variety of different possible futures it yields. This discipline, which has for a long time remained little-known, is increasingly becoming the stock-in-trade of debates on the future intended to guide present-day action. The few futurological studies that have received public attention have been interpreted as ringing alarm bells. Examples would be the 1971 Club of Rome report (*The Limits to Growth*), the 1987 World Commission on Environment and Development report (*Our Common Future*), the Worldwatch Institute's annual 'State of the World' reports and, to a lesser extent, the 1994 report by the Commission on Global Governance.

What is less well known is the fact that futurology is extensively used by big business (primary industry, transport and energy in particular) and governments (for example the Office of Technological Assessment and the Research Institutes in the USA, the Economic Planning Agency in Japan and the *Commissariat au plan* in France) and that a large number of university and private institutes are involved in futurology.

Another little-known fact is that, despite being a relatively new, globally oriented discipline, futurology bears features characteristic of the cultural traditions that produced them. Here I am thinking of the humanist strand in Scandinavian futurology, the interdisciplinary approach in the French tradition and the more business and production-oriented line taken in studies from Asia.

An equally little-known fact is that the originally short-term and highly target-specific trend in American futurological studies has, for some years now, been increasingly giving way to greater consideration of atypical, irrational and disruptive factors as being inherent in the nature of life. This trend, which is becoming increasingly apparent in Europe too, aims at combining the best of divinatory traditions and post-war commitment to scientific method. With its focus on human concerns, it also involves marking out a role for futurology in developing democracy.

Agnès HUBERT—■

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## Our symposium

**AN ETHICAL INSPIRATION  
FOR EUROPE**  
*Santiago de Compostela, 7-8 May 1997*

**O**n 7-8 May the fourteenth Carrefour des sciences et de la culture was held in Santiago de Compostela, the capital of the northern Spanish region of Galicia. The main theme on this occasion was the «ethical dimension» of European integration. As is always the case at such conferences, the participants came from the most diverse walks of life and reflected the widest possible range of views and beliefs.

It was Marcelino Oreja who had suggested that the Carrefour discuss the ethical basis of the European Union. As the Member of the Commission responsible for cultural affairs and institutional matters, he continually deals with questions relating to the meaning and essence of the European venture. However, there can be no doubt that his third area of responsibility, which includes information and communication, also leads him to consider questions of this kind. The Santiago Carrefour was held just a few weeks before the Amsterdam summit and the conclusion of the Intergovernmental Conference, which he had been attending throughout on behalf of the Commission, and he wanted to use the occasion to give a signal and make clear that all the negotiators' efforts, all the compromises, all the formulations, articles and institutional safeguards would count for nothing unless they expressed the values underlying the policy of European integration.

Given the considerable ethical differences and the prevailing pluralism of values, however, could it be assumed that the fundamental beliefs shared by the founding fathers fifty years ago were still relevant? There was broad agreement that the European tradition of plu-

ralism and respect for others and their differing convictions itself constituted a valuable ethical position. Recognising this fact was the crucial first step on the way to establishing the consensus on values that needed to be found.

### VALUES MUST BE MADE EXPLICIT

**I**n Santiago there was no disagreement on this point either: if the objective of political union was to be successfully accomplished, there had to be an ethical inspiration, itself necessarily deriving from such shared values.

Above all, an ethic is needed to underpin integration policy with regard to the Europe that has still to be built. This ethic will require of the institutions, especially Parliament and the Commission, that they define and redefine the priorities and the reasons for European integration, giving due prominence to active endeavours to maintain peace in Europe and the world at large.

But the Europe that has already taken shape also desperately needs ethical inspiration. Without it the Union as a political community can have no long-term future; with it, on the other hand, it would at the very least be greatly strengthened. If a catalogue of civil rights and liberties, including basic social rights, were to be incorporated into the Treaty, the ethical contours of the Union would be more clearly defined and Union policies, which until now have largely been driven by economic considerations, would carry more conviction.

Of course, it is not enough simply to establish that there is a need for such an ethic. The values and principles that could and should inspire the European integration process also need to be made explicit.

Looking back at the founding of the European Community in the early fifties, it is easy to identify peace, reconciliation, tolerance, soli-



parity, justice and freedom as the influential and motivating principles, values which had been rediscovered through the terrible experience of a war arising from untrammelled nationalism and a totalitarian ideology that placed little value on human dignity. Together, these values formed the framework for an ethical consensus, which in turn provided the basis for the process of European integration and its most important concrete achievement, the Community/Union.

The problems facing us both now and in the future invite us to revive and perhaps to reappraise these principles. They are just as indispensable to the Union today as they were to the Community in those early decades. But in view of the challenges now before us, these principles need to be interpreted and applied in a more general manner. For nowadays the basic problem is no longer how to maintain peace between European peoples and States, but rather how to maintain social peace, which is threatened by poverty, exclusion and the loss of solidarity, and at the same time world peace, which is threatened by the glaring differences between rich and poor continents. Today, therefore, the major issue is reconciliation and the reconstruction of justice and solidarity within European societies and within "world society." With this in mind, to prevent society from fragmenting at various levels and to overcome social injustice (which leads to unrest and the loss of freedom), the rule of law must be established everywhere as the basis for peaceful coexistence, especially in the global context of "One World."

#### **ETHIC OF RESPONSIBILITY**

**G**oing beyond the principles that have traditionally provided the basis for the process of European integration, social and political responsibility is gaining ground as a guiding principle for European policy in a changed context. This can be seen, for example, in the importance attached to subsidiarity, whereby local and regional authorities assume

responsibility for matters at their particular level and thus share responsibility for resolving problems at other levels. Members of the general public have a similar degree of autonomy when attempting to find appropriate solutions to problems in the areas for which they have chosen to take responsibility. Growing awareness of a direct responsibility towards future generations, necessitating a constant search for "sustainable" development, is also part of this picture. The same applies to the concept of equal and considerate partnership, which is being advocated in many areas of life (from marriage and the family to the world of work and social relations). And, last but not least, this new political ethic is expressing itself in responsibility towards the less-favoured members of society and in international solidarity towards those continents, countries and peoples whose poverty has prevented them from attaining a satisfactory level of development consistent with human dignity.

This call for an ethic of responsibility is not, of course, directed exclusively at institutions. Responsibility must also be borne by the individual, who in turn needs to be encouraged by institutional measures to make a contribution, to participate and to take responsibility within the framework that citizenship of the Union should provide.

Such was the scope of the discussions that took place at the Santiago de Compostela Carrefour, where a host of European topics and socio-political problems were debated from an ethical viewpoint. The discussions clearly showed that the progressive integration of national societies and State structures within the Union framework and the coming enlargement of the Union to the East create an obligation not merely to recognise but also to proclaim the identity of a Europe that is in the process of achieving unification. In the humanistic and individualistic tradition of European democracies, this identity must be defined in open terms which avoid all ethnic, national or religious references that might be a source of bias or exclusion. The image which



the European Union has of itself can be seen not least in the values that form the basis of the European model of society and the European constitutional order, and in the national versions thereof. Awareness of these values must be stimulated again and again by naming and justifying them, so that they can provide reliable ethical guidance for the attitudes and actions of Europeans.

Thomas JANSEN / Jérôme VIGNON — ■

## THE PARTICIPANTS

- \* José Maria Gil Robles, President of the European Parliament
- \* Manuel Fraga, Minister-President of Galicia
- \* Carlo Martini, Cardinal of Milan
- \* Maria Jepsen, Lutheran bishop
- \* Tariq Ramadan, European Muslim
- \* Jean Kahn, chairperson of the Committee on Xenophobia and Racism
- \* Maria-Lourdes Pintasilgo, former Minister-President of Portugal
- \* Gesine Schwan, political analyst
- \* Bronislav Geremek, historian and politician
- \* Jean Yves Calvez, Jesuit
- \* Olivier Abel, Protestant philosopher
- \* Johan Verstraeten, Catholic professor of ethics
- \* Esa Saarinen, sociologist
- \* Gilbert Trausch, historian
- \* Arij A. Roest Crollius, Jesuit
- \* Inge Lönning, Protestant theologian
- \* Janne Haaland Matlary, political analyst
- \* Julian Barrio Barrio, Bishop of Santiago
- \* Juan Antonio Carillo Salcedo, legal expert
- \* Oligario Gonzales de Cardenal, Catholic theologian
- \* Marcelino Oreja, Member of the European Commission

## WHICH MODEL OF SOCIETY FOR EUROPE ?

*Munich, 21-22 November 1996*

**T**he *Carrefour européen des sciences et de la culture* of Munich was dominated by the common concern about how to develop Europe as a place for democracy, political freedom, high economic performance and social solidarity all at once. If the European model of society is about an equilibrium between differing values and social, economic and political

forces, and if this equilibrium is in danger, then Europe has to find ways to re-establish the balance.

The question concerning the possible future appearance of European society excites the imagination and brings out all sorts of ideas. While the 1992 *Carrefour* in Lausanne about «the European model of society» wallowed in discussions about what constitutes a «model» and what especially makes up «the European model», the Munich *Carrefour* made rather more progress. Participants started from the premise that some kind of European model of society does exist and discussed concepts for its future development.

An historical review was first used to show up what may be specific European characteristics in societal developments. Political, economic, social and philosophical notions were identified which describe a European model of society. The rule of law, universal human rights, economic performance and high productivity coupled with different forms of the welfare state, as well as ideas about the liberty and dignity of man were all included.

## THE IMPORTANCE OF EQUILIBRIUM

**A**t the beginning of the discussion it was stressed that during the Renaissance the European model of society was founded on equilibrium between its constituting elements: the Church, the Municipality, and the Market. However, some participants complained that today the market formed the dominant element. Other participants thought that the equilibrium in the European model of society in more recent times, and still today, is between the market economy and the welfare state, founded on a triangle of state, trade unions, employers; it forces all those who play a role in this triangle to cooperate. Europe had only been able to face up to the challenges of the twentieth century because of its welfare state provisions.



However, the equilibrium between the market economy and the welfare state is in danger. The corollary of a strong belief in the merits of the social model is a fear of losing them, posing a number of challenges which need to be overcome.

- *New geopolitical conditions:* The profound geo-political change can bring about even the risk of possible disaggregation of the Euro-Atlantic partnership and certainly the threat of ecological and social dumping coming from the Eastern European countries. However, in change there lies also an opportunity to rebuild the whole European continent as a continental democracy.

- *Globalisation:* In a world of globalisation, be it in the economy, in the media or in communications, the European model of society is held up to critical comparison which does not only include economic, but also cultural and political rivalry.

- *Internal threats:* From the inside the European model of society also encounters several challenges. There are independent factors such as organised crime, social exclusion, the growth of intolerance and exacerbated nationalisms and the persecution of national minorities, which are disturbing contemporary European societies. At the same time, the welfare state has sown the seeds of its own decline by creating a culture of dependence.

The discussion about the future of a European model of society led to ideas about a civil society which is based on the notion of solidarity. Starting off with a diagnosis of the financial, social and cultural crises of the present welfare state, it was proposed to create an institutional and social framework which fosters social commitment and thus the creation, so to speak, of a welfare society rather than a welfare state. Responsibility for the weak in society would not be the sole responsibility of the state, but also of the private sector.

The aim of developing a new or re-newed society should be - according to some of the

participants - the re-establishment of an equilibrium between economic productivity and social welfare, between individualism and solidarity, between the individual and the community. The criteria for judging the new model should be economic and political efficiency as well as political and juridical legitimacy and social justice. A new equilibrium should lead to social and cultural cohesion in Europe and would determine the success of the European model of society both internally and in the eyes of the world.

Perhaps a blend of market and democratic principles would help to find a new equilibrium? Referring to an interpretation of the market as an expression of liberty, it was proposed to consider the market as a forum for the participation of citizens, as well. Furthermore, the extension of participatory democracy could be the best way of achieving economic proficiency. Europe should embrace the idea that economic performance is based on social participation. A new European model of society has to be first and foremost a model of participation and dialogue, in order to find a consensus.

#### CONCEPTS FOR THE FUTURE

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**T**o achieve consensus, the economic, social security, juridical and political systems have to undergo some change which could be illustrated by some of the following considerations.

- *The economic system:* One important thing could be the interlocking of the welfare sector and the enterprise sector. For example, additional markets, separate from the formal economy, could become a source of employment based on non-monetary forms of exchange. Such ideas reinforce the logic of redefining economic activity to include non-economic activity, especially domestic work.

- *The social security system:* Most participants stressed that public as well as private actors should participate in the social security sys-



tem. However, the extent of private or public engagements and the institutional and legal framework for the social system were rather controversial aspects of the debate.

Some intellectuals stressed the importance of personal commitment as opposed to state action in a cohesive society. Individual social service should become part of everybody's worklife. The principle of reciprocity has to be applied in the field of welfare payments. Recipients of social benefit should in return give some social service to the community.

The legal experts rejected the idea of solidarity without rights and warned that Europe should not follow such a path because, without rights, solidarity became charity and the welfare state a benefactor state. They agreed that not only should the state define and organise the respect of social rights, but all sectors of society shall play a part as well. However, they demanded a definition of social rights in sufficiently clear terms so that these rights can be made subject to jurisdiction.

In contrast to this, other participants refused any institutionalisation of solidarity, because it would discourage the active participation of citizens and would undermine pluralism. They refused welfare state bureaucracy as well as simple individualism and proposed schemes such as private insurance or mutual funds instead.

Some experts stressed the importance of education in order to ensure equality of opportunity and to combat unemployment. Subsidising those people, who cannot pay for further education themselves could enable them to improve their position in society by acquiring new skills and knowledge.

This argument was challenged by the statement that giving money to people does not guarantee that the donations are properly spent. It was suggested instead to give to everyone the right to choose, that is to increase consumer's choice also for the poor. This could

be by achieved lowering total labour lists by the state relief on wage taxes.

- *The juridical system:* With reference to the debate on whether social solidarity should be institutionalised in the form of some sort of legally-defined social rights, it was agreed that without such an operational definition, high flown declarations on rights cannot be enforced: in order to lay claim to social rights, one has to be able to rely on codified laws. Such a codification at the European level would not allow differing models at lower levels of government .

The new model of society could include a new form of European citizenship, which is better developed on the issues of participatory democracy and work. Employment and education are, in this perspective, the keys to benefitting from European citizenship.

- *The political system:* In the political sphere the rethinking of the role of state authorities will have to continue. «Decentralisation» is the key word, but the participants understood it in different senses, either in the sense of geographical devolution or in that of delegation or even relinquishment of roles. In reverse, the role of the civil society would become more pronounced.

The profound change of the role of the state was mentioned in this context. Central authorities will have to think about their own role. The claim that the centralised welfare state possesses, as a matter of principle, all the necessary competences, will have to be given up. Authorities working as arbiters bringing different actors in society together will emerge. In the same line of thought a greater role for the towns and municipalities was proposed. They could be the best authorities to offer room for manoeuvre and initiative on the part of the citizens. To let this happen, the local authorities' competences in the field of social policy should be furthered.

However, there remains a doubt about a limi-



ted role of the state in a cohesive society. Although conceding that the state cannot play the role of the sole social actor, the legal experts stressed that it should keep to itself the exercise of sovereign power.

There were also pessimistic views about the feasibility of the concepts of cohesive societies: in reality people are too individualistic; the creation of a cohesive society would imply changing people; also the idea of a participatory democracy is bound to fail as in general only a minority is willing to participate in politics and society. Therefore, the new model of society would suffer from a lack of legitimacy.

Nevertheless, several participants did not consider these difficulties as unsurmountable obstacles. They stressed that the new European project would just take time to develop. Others put their hopes on local participation of citizens, which would help to create a wider willingness to participate.

#### **THE ROLE OF THE EUROPEAN UNION** \_\_\_\_\_

**I**n order to promote and to defend a European model of society it was recommended that the Union improves its capacities to find and to apply solutions concerning its social problems and that, at the same time, the Europeans play a more active role in the world.

The hope was expressed that by finding a new internal equilibrium the Union could be able to work for a world-wide equilibrium, and a new form of global governance, which ought to be characterised by the reciprocity of cultural and political exchange. In this spirit, it was stated that the values of the European model of society can translate themselves into acts of international solidarity. Therefore it is crucial not to be introspective about what differentiates Europe from others; but to make the most of the influence of Europe's model in the world at large.

The *Carrefour* in Munich could not, of course, give a comprehensive and definite answer to the question it had raised. However, many of the elements that have to be considered before reaching a lasting consensus were discussed. Furthermore, it became quite clear that the search for this consensus constitutes in itself an important part of that model which the Europeans must define. Their national models are getting obviously obsolete as they do not fit anymore with the dimensions requested by the transnational and multicultural European context in which their societies are embedded today. On the other hand, these national models which are strongly determined by their respective cultural heritages as well as by the constitutional and political traditions of the Member States are very present in the debate and must be respected. It is therefore worthwhile to try, in a *Carrefour* composed of people from different countries and representing not only different academic disciplines but also different cultural sensibilities, to find out how to convincingly design the «European model of society».

Wolfgang BUECHERL / Thomas JANSEN —■

#### **THE PARTICIPANTS** \_\_\_\_\_

- Warnfried DETTLING, publicist
- Heinrich OBERREUTER, political scientist
- Michel DUMOULIN, historian
- Teresa FREIXES, constitutionnalist
- Fernando VALDES RE, lawyer
- Tuire SANTAMÄKI-VUORI, researcher
- Valérie PEUGEOT, general delegate
- Frances GARDINER, political scientist
- Paola ANTOLINI, anthropologist
- Mario TELO, political scientist
- Janne HAALAND, philosopher
- Agnès KOERTS, journalist
- Maria Regina TAVARES DA SILVA, adviser on equal chances
- John KAY, economist
- Amin ASH, geographer
- Bo ROTHSTEIN, political scientist
- Alfred MUSCHG, writer
- Edmund STOIBER, President of Bavarian Government
- Jacques SANTER, President of the European Commission



**OMNI-LATERALISM  
WITH EUROPE IN THE MIDDLE**

**I**n a nutshell and at the risk of simplification, one can say that in the objectives and goals of their East Asia policies, the European Union and the United States share an overriding interest in the opening of markets, ensuring competition in trade, and supporting fundamental rights and democracy.

However, as for the method to implement such goals, there seem to be differences between the extremes of the confrontational «unilateralism» of a superpower on a world-wide mission and the long-range consensus-building of a soft power in the making. In addition, the individualistic and pragmatic case-orientation of the Anglo-Saxons sometimes diverges from the continental-Europeans' more dogmatic tenacity.

The ideal Western combination hence would be a transatlantic understanding on the common goals with a mutual complementarity in the methodology to implement them vis-à-vis East Asia. Thereby, there would be neither a basis for any «ganging up» by the West against the Rest nor for a «divide et impera» by third partners. In theory, there exist plenty of opportunities for concrete cooperation in the Triad to set positive examples to lead to global governance in a multilateral framework.

Unfortunately, however, in practice such cooperation (e.g. recently in part on deregulation in Japan) seems to be rather the exception than the rule. It is a fact that differences in the method can also impact the objectives. For instance, the Anglo-Saxon case-by-case approach limits changes to be expected in the structure of a system (e.g. Kodak and Japanese distribution). Another illustration of such divergences relates to preference for meagre short-term results with immediate political effect through the media (for «quarterly reports») instead of

more profound changes inducing cooperation in the long-term (e.g. imposition of dealerships for cars or internationalisation of standards; sending expatriates or training managers on the spot).

**DEATH OF DISTANCE**

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**S**uch differences already in the approach within the West and even wider divergence from other civilisations has led me to coin a new expression of «omni-lateralism» as the result of a long-term reflection on global governance in the future. In order to prevent not only the foreshadowed «clashes of civilisations», but also avoid conflicts with emerging cultures, the existing Western-made multilateral system must open up to and encompass new members' basic understanding and integrate it into its thereby all-comprising rules.

Japan as the first successful non-Western economy in GATT (politically not commensurately active?), now South-Korea in OECD (labouring with Labour Laws) and probably soon much more so China in WTO (fata morgana?) with their ingrained societal particularities overstretch and dilute the Western concepts underlying these multilateral bodies. Not the absolutism of Fukuyama's claimed «End of History,» but the forces of pertinent, traded cultural notions and new patterns of communication («death of distance»)<sup>1</sup> are too strong to be any longer neglected in global governance.

Just to give one concrete example on the highly topical issue of protection of the environment: The old Buddhist principles of interdependence in nature and cycles of reincarnation lend themselves much better to understand the need for recycling than our Western illusion of creation from zero. Holistic views of nature would rather conserve, whereas our analytical approaches would often tend to divide, before finding common ground.

While for the emerging countries modernisation does not necessarily anymore mean



Westernisation, only with them participating as really pro-active stake-holders can we construct world bodies which are not only Western multi-lateral, but truly «omnibus», i.e. for all. This, of course, does not at all exclude the existence of universal fundamental values, as then agreed upon by all omni-laterally. Otherwise from an oriental cuckoo's egg dragon(s) might emerge and impose their own rules on others.

For Europe as «Weltkind in der Mitten»<sup>2</sup> between the extremes of «American Exceptionalism»<sup>3</sup> and Japanese «yunikusa»,<sup>4</sup> then naturally there evolve opportunities to assume a stronger role as mediator. The Cold War had strengthened the alliance between Europe and America, but left a «missing link» with Asia. Now starting with ASEM, the Asia-Europe Meetings started in March 1996 and its follow-up, it is high time and presently a window of opportunity that the «Weltkind» regains its balance in an omni-lateral framework!

Wolfgang PAPE —■

<sup>1</sup> Expression borrowed from *The Economist* referring to the «global village»

<sup>2</sup> Expression borrowed from a letter from Goethe to Charlotte von Stein

<sup>3</sup> Title of a book by Seymour Lipset, N.W. Norton & Company, NY, 1996

<sup>4</sup> Japanese term used to describe the uniqueness or exceptionality of something

## MEASURING PROGRESS TOWARDS SUSTAINABLE DEVELOPMENT

**A**ccording to public opinion the environment protection policies of the Union have been quite popular and effective. Satisfactory as that may be, it would be better still for the public to have a *measure* of the contribution which this effort has made towards a more sustainable model of development. In the late 1980s and early 1990s, the Commission felt more and more the need for some clear measures which could be used to gauge progress. Good and pre-

cise measures of progress would probably be a big help in determining which areas of environmental protection policy would need the most attention in future; and in which sectoral policies environmental concerns needed to take a higher profile.

Against this background, the FSU was asked to thrash out the problem of how to measure actual progress towards a more sustainable development model. There were numerous and sometimes heated meetings with inside and outside experts, academics, industry representatives, policy professionals, and non-governmental organisations before we could arrive at our choice as to how best to do this.

### WHY WAS IT SO COMPLICATED ?

**T**he first problem encountered was that, although everybody intuitively knows what «sustainable development» means in a broad sense, it is in fact excruciatingly difficult to define the expression in terms precise enough for policy professionals to use; far less for the methodologically meticulous statisticians who would actually have to produce the measures of progress towards it. At the time we started, we counted over 70 working definitions of «sustainability»; and today there are even more. To resume this problem: if you're not quite decided on the nature of your goal, it's not obvious how to measure your progress. The second problem was the apparent shortage of the raw data which would have to be used to construct indicators, once one had decided which indicators were going to be useful.

In fact, a large proportion of the environmental statistics which do exist in Europe today have only been collected as a consequence of the introduction of environmental legislation, which generally includes reporting requirements. This leaves us relatively bereft of data which could be needed insofar as one were to want to include issues which had not yet been the subject of national or European legislation. Improving data availability would also imply some costs for the statistical services of the member States; which meant that these organisations also had to be convinced of the useful-



ness and appropriateness of the indicators we would compile. This was not easy, because some member States had already made choices of their own about what to measure in their own national contexts, and were quite far advanced with their own preparations; while other member States were still very much in a learning phase.

## USER-FRIENDLY MEASURES

**T**he key to resolving the problems in determining what measures the Commission should use was, in retrospect, very simple: user-friendliness. The measures should be usable by the general public - or at least by journalists - so that progress, or lack of it, is easy to communicate; and the measures should be suitable for immediate use in the policy departments most likely to be concerned, such as environment protection, transport, and energy.

The choice which the Commission then made, and which was strongly endorsed by the European Parliament, can essentially be resumed in three points<sup>1</sup>:

- The Union shall have logically consistent sets of environmental indicators which measure the *pressure* which we place on our environment, which describe the corresponding *state* of the environment, and which measure *the response* we are mounting as a result of changes in the first two. Experts in the field will recognise this so-called pressure-state-response model which is, incidentally, popular within the OECD. Each indicator (one for noise, for example) will be constructed in a modular fashion which allows the matching of each module to the corresponding economic sectors, notably to those which generate the pressures (the relatively noisy transport and construction sectors, for example).

- The Union shall have «satellite accounts», so as to be able to get a complete picture of the progress, or lack of it, towards sustainable resource management. Normally, the national accountants' way of accounting for natural resources is incomplete because only financial or «market» transactions are recorded in the account. This can be put right in «satellite accounts». For example, the forest satellite account will inclu-

de not only the economic transactions of the sector which contribute to the economy, but also its non-market contributions such as generation of amenity; the water satellite account will account for changes in the value of water assets caused by quality changes, and for their depletion; and so on. These satellite accounts will also be constructed in a fashion which allows their matching to branch accounts and input/output tables.

- Attempts to combine «social» sustainability concerns with environmental sustainability concerns shall be a matter for research. Our very considerable research effort on the external costs of the energy sector will also be pursued and will contribute data and methodological insights to the work on pressure indices and satellite accounts.

These choices do have the attraction that the measures will be user-friendly. A user, such as a member of Parliament or a policy administrator certainly wants to know not only what the state of the environment is, and whether the pressure on it is increasing or not; but also to be able to make the connection between any change in pressure on the one hand, and the economic sector(s), which cause that on the other hand. Knowing the «real» value of a natural resource, as measured in a satellite account, will also help in reflecting on whether or not natural resources deserve more protection. Of course, not every decision can or even should be reduced to cold appraisal of costs and benefits - decisions can for example be so expensive that they really only can be taken «in the heat of the moment» such as in the aftermath of an accident. Most probably this is going to be the pattern more and more in the future. Nevertheless, carefully-prepared indicators and satellite accounts of the type selected by the Commission do strike us as fulfilling a definite need for direct users and for the public at large.

## «SUSTAINABILITY» WHAT DOES IT MEAN ?

**T**here are a number of important conceptual questions to be dealt with in deciding what you mean by «sustainable development» and how to measure progress towards it. Here is a selection:



Firstly, do you choose a «strong» or a «weak» definition of sustainability? In a «strong» one you assume a low substitutability between the natural and the man-made capital stocks which you want to hand on to the next generation; and in a «weak» one the substitutability is supposed to be high. If you choose a weak definition you might be relatively unconcerned about measuring natural resource depletion, and thus not need to include it in your measures or indicators, so long as the act of resource depletion created some other wealth. If, on the other hand, you choose a strong definition, this implies including resource depletions as a negative item in the measure of progress towards sustainability.

Another big choice is to know whether or not to mix in «social» sustainability factors as components of the measure. For example, it is widely presumed in Europe that large income differentials in a society would make that society a less «socially» sustainable one. Similarly, it is widely presumed in Europe that social and environmental sustainability are linked, in that a cohesive society is better able to make the changes needed to respect environmental constraints. If, therefore, one chooses to include social considerations in the definition of sustainability, there are important consequences for the range of items that one has to measure when one wants to gauge progress towards a more sustainable model of development.

A third question which often raised its head, and still does from time to time, was to know whether or not it would be more practical simply to alter or to «correct» the best-known existing standard measure of progress, namely GDP, and produce some sort of «green GDP» as a measure of sustainable economic development.

A fourth question which merits a mention in this brief article is that of geographic scope: should we measure «sustainability» only within Europe's borders, knowing that we may be achieving sustainability at home, but only by dint of «exporting» unsustainability onto the rest of the World? For example, some crops need a lot of water to produce, to the extent that producing them in regions of Europe where water resources are scarce may be «unsustainable». To switch to importing such crops instead of producing them

in Europe does give an impression of improved sustainability within Europe. But if they are imported from countries where water resources are even less sustainably managed than in Europe, there has not been an overall improvement - the problem has just been shifted elsewhere.

## EFFORTS UNDERWAY

The Commission is not of course by any means the only organisation which has been busy reflecting on what indicators of progress to use. There is substantial activity in the private sector, as large industrial firms and their associations seek alternative methods of measuring their performance otherwise than in purely cash terms: the currently fashionable terms like «stakeholders» and «benchmarking» assist this movement. There is also a big effort underway at global level: the Commission on Sustainable Development (CSD) of the UN is proposing a set of «indicators for sustainable development» which is now entering its «test» phase - which means to say that some indicators sets have been compiled for some countries, according to the CSD's 1996 «blue book» methodology and now they can be tested for usefulness in the policy context. Efforts are underway at the level of national governments as well, as mentioned above; some of these adhere to UN methodology and scope and some, not surprisingly, depart from it.

An interesting thing which emerges from all these efforts to select and test indicators (an «early harvest» of the Commission's own pressure indicators and satellite accounts will come out in the next months) is that they are all always criticised for being «selective» as if all-embracing aggregated indicators would somehow be better. The very frequency of this criticism seems in fact to illustrate something quite inescapable: that the sets of indicators which are suitable for use in policy guidance will *always* be selected according to the needs of the users, and that for the Commission to have gone ahead on this basis in 1994 was certainly no mistake.

Looking to the future, what next? The earliest results of the environmental indicators and



«green» (satellite) accounts will soon be available and will provide useful information. By being amongst the earliest, they are likely to provide something of a model for others to converge upon, to emulate, and no doubt improve upon. Looking further ahead, the Forward Studies Unit is wondering whether there is any danger of divergence rather than convergence in the methodological choices which can be made by indicator users. One would not want, for example, an industry's choice of methodology (for example, how to aggregate pressure indicators, or how to weight them in an index) so radically to differ from the regulators' methodology that it became difficult for the two to deli-

berate together. Conscious of this risk, the Forward Studies Unit is looking into the factors which guide the methodological choices now being made in the private sector. As yet, there are no signs of trouble.

William FLOYD —■

<sup>1</sup>For more detail, one can refer to the Commission Communication COM(94)670: «Environmental indicators and green national accounting; directions for the EU».

## M i s c e l l a n e o u s

### NEW PUBLICATION «LA COMMISSION EUROPÉENNE À L'ÉCOUTE DU CHANGEMENT»

**W**ith a preface by Jacques Santer and a conclusion by Jacques Delors, this book, which is already in the shops<sup>1</sup>, is an account of a rather special event: the Leiden Seminar. This was held just before Jacques Delors left the Commission and brought together writers, philosophers and politicians to discuss three major issues in European integration: *identity, democracy and work*. It was no easy task producing a report on the vast range of conflicting ideas expressed by intellectuals from 23 countries, representing some ten different social science disciplines, without misrepresenting the diversity of the points made or oversimplifying.

But this was the task undertaken on behalf of the Forward Studies Unit by J. L. Arnaud<sup>2</sup>, who

leads us through the debates, the thought provoking presentations and the wide ranging conclusions.

All those who took part in the Leiden Seminar were exposed to the cut and thrust of lively debate. The same stirrings, like the very heartbeat of Europe, will be felt by anyone, along with the Commission, now reading Arnaud's account of the seminar.

<sup>1</sup> Available in French from sales outlets of the Office of Official Publications of the European Communities (2, rue Mercier - L - 2985 Luxembourg) and in bookshops from June 1997 (published by Apogée).

<sup>2</sup> Also author of an account of the Forward Studies Unit's first series of seminars, published in 1995 under the title «En quête d'Europe» (same publishers).

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*In the near future you will be able to retrieve the contents of literature associated with the European Carrefours on Science and Culture from the server Europa: (<http://europa.eu.int>)*

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