The Francqui International Conference 2014

Brussels, Palais des Académies, 8-9 May 2014



THE EU'S FIFTH PROJECT: TRANSITIONAL GOVERNANCE IN THE SERVICE OF SUSTAINABLE SOCIETIES











The EU's Fifth Project:

Transitional Governance in the Service of Sustainable Societies Integration within the EU has been driven forward by a limited number of major projects, each characterized by certain types of governance and requiring, for their implementation, a rebalancing of power both horizontally, between the various institutions, and vertically, between the Member States and the EU. Four projects have been particularly central in shaping European integration to date: the establishment of the internal market, since the beginnings but with renewed impetus since the Single European Act; the creation of an economic and monetary union since the Treaty of Maastricht; the establishment of an area of freedom, security and justice since the Treaty of Amsterdam; and, since 2000, the building of a 'knowledge economy' reconciling competitiveness with social equity and environmental sustainability, a project now contained within the « Europe 2020 » strategy. The 2014, Francqui International Conference shall explore whether a fifth project is now required: to establish a form of governance that can ensure the transition towards sustainable societies in Europe.

The transition towards sustainable societies goes beyond the ecological transition alone. Though it does include an environmental dimension and the shift towards improved resource efficiency, sustainability also requires a fundamental revision of the current trajectory of the EU and the model of growth upon which it is based. The project of European integration has much to gain from such a redefinition. Though they have delivered important benefits to EU citizens, none of the main projects through which integration has proceeded hitherto -- whether the internal market, the EMU or the area of freedom, security and justice -- has succeeded in creating a genuine sense of attachment to Europe within public opinion. Europe is in need of a new, mobilizing project that can give renewed meaning to the process of integration.

Yet, for such a project to succeed, we may need to revise our understanding of European governance. The focus of the 2014 Francqui International Conference on transitional governance is based on the conviction that support to social innovation and to local experimentation are key, as tools to accelerate collective learning. We have entered a race against time to mitigate the ecological damage our pattern of growth has caused and to build more inclusive societies in a globalized economy. To win this race, we need tools that allow us to adapt to a complex and fast-changing environment, recognizing the limits of our ability both to predict future trends and, especially, to identify in advance which solutions will work best in specific contexts. We therefore need something other than a new « model » of governance: it is the very idea of a « model » that needs to be questioned.

In the food, energy and transport systems, we may need to do more to stimulate social innovation, rather than simply pretending to drive change from above: the challenge is to support and enable bottom-up initiatives, often citizen-led and territory-based rather than sectoral in nature. Moreover, the successive enlargements of the last ten years have made the EU significantly more diverse. Attempts at achieving European integration through regulatory and policy tools that seek to uniformize European societies, as has been done in unification processes at the national level, have ceased to be credible. Instead, the conference will propose to see difference in the EU as an asset, rather than as a liability: it is thanks to diversity, not in spite of it, that the EU can accelerate learning across its member states, and win the race against time it has entered.

The current disillusionment with the European Union can be traced back not only to the absence of a truly mobilizing project, but also to the considerable gap between the severity of the crises our societies are facing -- ecological, social and economic -- and the ability of the EU to provide answers. Scepticism towards the EU is growing. The failure to address these crises effectively comes at a considerable cost for the legitimacy of the EU and its relevance in the eyes of its citizens. It is the failure of a specific kind of rationality: one that operates from the top down, technocratically, and remains trapped in a formalist conception of regulation. Governance must now decenter itself. The 2014 Francqui International Conference will explore how this fifth project can be launched by recognizing that the ecological, social and economic crises that the EU is facing, ultimately, are a challenge to its current modes of governance.

Outcome

THIS IS NOT AN ACADEMIC CONFERENCE. NOR IS IT A POLITICAL MEETING. IT BRINGS TOGETHER INTELLECTU-ALS, OPINION LEADERS AND POLICY-MAKERS, TO IDEN-TIFY THE CONTOURS OF THE MESSAGE ABOUT EUROPE-AN INTEGRATION THAT THE CURRENT SITUATION CALLS FOR. SOME HAVE PROPOSED THAT THIS EVENT SHOULD LEAD TO THE PREPARATION AND ADOPTION OF A MAN-IFESTO EXPRESSING THE COMMON DIAGNOSIS OF THE PARTICIPANTS, AS WELL AS THE KEY IMPLICATIONS THAT THEY DRAW FOR THE FUTURE OF GOVERNANCE IN THE EU. THIS OPTION HAS BEEN REJECTED. THE PARTICIPANTS WILL NOT BE ASKED TO AGREE ON A SINGLE DOCUMENT: THE VIEWS THEY EXPRESS, HOWEVER, WILL LEAD TO THE PREPARATION OF AN OUTCOME DOCUMENT THAT WILL SUMMARIZE THE KEY ARGUMENTS EXPRESSED, INCLUD-ING POTENTIAL DIVERGENCES, IN ORDER TO SET THE TERMS OF DEBATE FOR ADVANCING THE TRANSITION TO SUSTAINABLE SOCIETIES AS EUROPE'S FIFTH PROJECT.

Programme A more detailed description of the various themes that will be under discussion is provided at the end of the programme.

DAY 1 - THURSDAY, 8 MAY

8.45 am Welcome of participants

I. Introduction

- 9.15 am The fifth project: the governance of transition Olivier De Schutter, University of Louvain and College of Europe
- 9.45 am Must we change our measure of «progress» ? Isabelle Cassiers, University of Louvain

Why must transition begin from below? Rob Hopkins, initiator of the Transition Network

Intervention: The role of the EU in meeting the ecological challenge Janez Potočnik, European Commissioner for the Environment (video)

10.45 am Coffee break

II. Defining the transition agenda

one → CONSUMPTION

11.00 am	How to move towards an efficient use of resources and reduce material consumption?		
	<i>Chair: </i> Jorgo Riss (Director, Greenpeace EU Unit) <i>Report:</i> Güliz Ger (Bilkent University, Turkey)		
		Discussion: Monique Goyens (Bureau européen des Unions de Consommateurs - BEUC),	
	Magda Stoczkiewicz (Director, Friends of the Earth Europe), Judith Hitchman (Urgenci globa Community Supported Agriculture network and RIPESS International), Alexandre Affre (Industrial Affairs Director, Business Europe)		
		1.00 pm	Lunch

The EU's Fifth Project: Transitional Govern

TWO -> EQUALITY

2.00 pm How corrosive are inequalities?

Chair: **Eric Marlier** (International Scientific Coordinator of the CEPS/INSTEAD Research Institute (Luxembourg))

Report: Kate Pickett (University of York) and Richard Wilkinson (University of Nottingham (emeritus)) Discussion: Laurence Weerts (Member of the Cabinet of Mr László Andor, Commissioner for Employment, Social Affairs and Inclusion), Pierre Baussand (Director, Social Platform), Cedric Rio (Observatoire des inégalités and Inequality Watch)

Three \rightarrow GENDER

3.15 pm What is the role of gender empowerment in the transition agenda?

Chair: **Françoise Tulkens** (President, Fondation Roi Baudouin, former vice-President of the European Court of Human Rights)

Report: **Jeff Hearn** (Örebro University, Sweden; Hanken School of Economics, Finland; and University of Huddersfield, UK)

Discussion: Viviane Teitelbaum (European Women's Lobby), Pauline Moreau (chair of the Management Board, European Institute for Gender Equality (EIGE)), Daniela Bankier (European Commission, in charge of gender equality within DG Justice)

Four → FINANCE

 4.15 pm Can finance be put in the service of the transition? Chair: Philippe Lamberts (Member of the European Parliament) Report: Thierry Philipponnat (FinanceWatch) Discussion: François Passant (Executive Director, Eurosif), Carlos Trias Pintó (Member of the European Economic and Social Committee), Cédric du Monceau (formerly European Bank for Reconstruction and Development and president of WWF-France), Pascal Canfin (former Minister for Development Cooperation in the French Government)

III. Transitional Governance

5.30 pm	How can EXPERIMENTALISM contribute to the transition?
	Chair: Henri Malosse (President of the European Economic and Social Committee)
	Report: Charles F. Sabel (Columbia University, New York) and Jonathan Zeitlin (Univ. of Amsterdam)
	Discussion: Pierre Defraigne (Executive Director, Madariaga - College of Europe Foundation)), and
	Gil Penha-Lopes (ECOLISE network and coordinator of the Climate Change Impacts, Adaptation and
	Modelling (CCIAM) at the faculty of Sciences, University of Lisbon)
6.30 pm	Close of the discussions
6.45 pm	Concert - piano (A. Papazoglakis) and violoncello (A. Tsilogiannis)
7.30 pm	Dinner - A Europe built on citizens-led transitions , May East (Global sustainability leader and interim council member of ECOLISE - the European network for community-led initiatives on climate change and sustainability)

ance in the Service of Sustainable Societies

DAY TWO - FRIDAY, 9 MAY

8.45 am	Welcome of participants
9.15 am	 How can SOCIAL INVESTMENT contribute to the transition? Chair: Philippe Pochet (European Trade Union Institute ETUI) Report: Anton Hemerijck (Univ. of Amsterdam) and Frank Vandenbroucke (KULeuven) Discussion: Benjamin Denis (European Trade Unions Confederation - ETUC), Heather Roy (President, European Social Platform), Lieve Fransen (Director responsible for Europe 2020: Social Policies in Directorate-General Employment, Social Affairs and Inclusion, European Commission), Axel de Martene (responsible for social entrepreneurship, Cabinet of Mr. Barnier, Member of the European Commission in charge of the internal market)
10.45 am	Coffee break
11.00 am	 How can SOCIAL INNOVATION AND NEW DEMOCRATIC PRACTICES contribute to the transition? Chair: Maria da Graça Carvalho (Senior Adviser, Bureau of European Policy Advisers) Report: Tom Dedeurwaerdere, Olivier De Schutter and Marc Maesschalck (CPDR, UCL) Discussion: Kurt Vandenberghe (Director for Climate Action and Resource Efficiency, DG Research and Innovation, European Commission), Filippa Pimentel and Sarah McAdam (Transition Network), Frank Moulaert (Chair of the Leuven Research Centre on Space and Planning, KULeuven), Andrea Calori (Urgenci International Network)
12.45 pm	Lunch
1.30 pm	 How can TRADE be put in the service of sustainable development ? Chair: Hélène Ruiz Fabri (Univ. of Paris I-La Sorbonne) Introduction: Jean-Marc Nollet (Minister for Sustainable Development, Walloon Region) Report: Sanjay Reddy (New School, New York) Discussion: Tobias Troll (CONCORD - European Confederation of relief and development NGOS), Paul de Clerck (Friends of the Earth Europe), Franziska Keller (Member of the European Parliament, Greens - Germany), Arnaud Zacharie (CNCD-11.11.11. and Roosevelt2012)

IV. Next Steps

3.30 pm	Organizing the ecological transition in the EU from the bottom up, Jorgo Riss
	(Director, Greenpeace EU Unit)

- 4.00 pm Moving to implementation? Tentative conclusions following the debate by Philippe Maystadt, former president of the European Investment Bank and former Chair of the Belgian Federal Council for Sustainable Development
- 4.30 pm Meeting with the media

THE FRANCQUI PRIZE

The Francqui International Conference 2014 is organized with the support of the Francqui Prize. The most prestigious scientific prize in Belgium, the Francqui Prize is awarded by the Francqui Foundation every three years in the field of the social sciences and the humanities. It has been awarded in 2013 to professor Olivier De Schutter for his contribution to the advancement of EU law, the theory of governance, and human rights law.

Detailed description of themes under discussion

1. Must we change our measure of progress?



Over recent years calls have been growing to move beyond the growth of GDP per capita as a measure of progress. The UNDP pioneered the use of a « Human Development Index » to move beyond a vision of development focused on the increase of income per capita alone. The OECD's « Better Life Index », developed more recently, is based

on 11 indicators deemed essential to well-being both in terms of *material living conditions* (housing, income, jobs) and *quality of life* (community, education, environment, governance, health, life satisfaction, safety and work-life balance). In 2008, at the initiative of the French government, the Commission on the measurement of economic performance and social progress was established. Chaired by Prof. J. Stiglitz, and supported by Prof. A. Sen as Chair Adviser and Prof. J.-P. Fitoussi as Coordinator, the Commission presented its final report in September 2009. It noted the importance of what we measure and define as « success » on the design of policies, and its members agreed on the need to « shift the emphasis from measuring economic production to measuring people's well-being », and to measure well-being in a context of sustainability.

The European Commission built on the findings of this report in a communication on « GDP and beyond: Measuring Progress in a Changing World » (COM(2009) 433), and subsequently in drawing up the Europe 2020 strategy, which defines a set of targets for a number of indicators that go beyond GDP, and was adopted by the Heads of State or Government in June 2010. But are these initiatives sufficient? Can GDP growth be part of a broader set of indicators without holding back the transition to sustainability? What would policy frameworks look like if they were no longer centered on achieving GDP growth? Could alternative indicators of progress have a real impact on how policies are shaped and implemented? What provisions would be made to ensure the continued financing of social policies and to manage the burden of public debt?

2. How to move to sustainable consumption?



Agenda 21, the programme of action adopted at the 1992 « Earth Summit » in Rio de Janeiro, noted that « Achieving the goals of environmental quality and sustainable development will require efficiency in production and changes in consumption patterns in order to emphasize optimization of resource use and minimization of waste. In

many instances, this will require reorientation of existing production and consumption patterns that have developed in industrial societies and are in turn emulated in much of the world » (para. 4.15). However, much remains to be done to understand the respective roles of public authorities, market actors, and consumers, in driving this change. Markets are increasingly demand-driven: producers shape their products in accordance with the changing expectations of consumers, for whom environmental and social considerations play an ever greater role. Price remains, nonetheless, a determining factor in the everyday choices of consumers, suggesting a need to better align economic incentives with sustainability.

More fundamentally, much of what we consume remains fueled by status competition and the quest for social recognition and acceptance: this suggests that in order to make progress in curbing excessive consumption and its impacts on sustainability, we may need to reconceive consumption not merely as a matter of individual choice but as one of social norms that is tied in with broader efforts to achieve social justice. The « desires » of consumers, as distinguished from the « needs » that must be satisfied as a condition for a decent life, are largely shaped by the structure of markets, by technological change, by advertising, and by the physical environment, all of which are beyond the ability of the individual consumer to change. This calls into question the idea that sustainability can be advanced simply by changing the « values » consumers adhere to, or by improving awareness about the impacts of individual choices.

If social norms are such a big driver of consumption, how can these norms be made to evolve? How can technological change be reoriented around sustainability, instead of the never-ending quest for economic efficiency, increased labor productivity, and profit maximization for technology owners? How can markets be reshaped in order to favor the shift to more sustainable consumption patterns, sometimes referred to as « voluntary simplicity »? How can governments, businesses and households contribute to the shift to greater resource efficiency and a « circular economy », and how can a better alignment of these efforts be achieved ?

3. Are inequalities an obstacle to achieving sustainability?



The corrosive impacts of inequalities and their relationship to sustainable development are better understood now than they were a few years ago. Since the mid 1980s, the average GINI coefficient, the most commonly used measure of inequality, increased by about 10 percent. In a globalized economy in which

competition for resources is increasing, the tastes of consumers in affluent societies are pitted against the needs not only of disadvantaged members of their own societies, but also of vastly poorer populations in the global South. This poses ethical issues relating to social justice within affluent societies and globally; addressing these issues goes hand in hand with addressing the sustainability challenge. Arguments have been advanced that economic inequality and environmental degradation are mutually reinforcing: large income inequalities can lead to runaway resource use by those at the top, whose relative purchasing power is huge, putting major pressures on the environment; and the more a society is unequal, the more consumption can be driven to unsustainable excesses by status competition. Perhaps more importantly, high levels of inequality grant certain groups in society a privileged position and the power to veto any significant changes to existing economic incentives.

How solid is the evidence that more equal societies are better equipped to address the challenges of sustainable development? How concerned should we be about the growth of inequalities in OECD countries over the past thirty years? Is the pressure to pursue economic growth a substitute for the adoption of more redistributive policies and greater equality?

4. Can the redefinition of gender roles contribute to sustainability?



It has been suggested that the gendered division of roles within society, in the professional sphere but especially in the domestic sphere, leads us to grossly undervalue activities that are essential

both to production and to reproduction, limiting the ability of both women and men to flourish and leading us to underestimate the value of « social investment ». Indeed, societies have valued and rewarded lifestyles and attitudes generally associated with men (such as competitiveness, a willingness to put in long work hours, etc.), and have undervalued activities traditionally associated with women (such as those linked to the « care » economy, but also household responsibilities). However, many of the social innovations that will be key to succeeding in the transition to sustainability depend on the latter. Revaluing them -- and at the same time, freeing men and women from the gendered division of activities and expectations -- may be key for such a transition to succeed.

How can the persistent inequalities between women and men be addressed? How can the linkages between more inclusive societies and a more sustainable use of resources be recognized in the EU's equal treatment and social inclusion policies? How can we better acknowledge the crucial role of men in building gender equality as equal partners with women?

5. Can finance be put in the service of sustainability ?



More can be done to put finance in the service of sustainable human development. Reforms of corporate law and the financial markets may be needed to ensure that investment will serve sustainable development and that the increasing financialization of the economy does not constitute an obstacle to

reform. The social economy, a sector representing 10 per cent of the EU economy and 6 per cent of total employment, may have a

significant role to play in this regard. Encouraging steps are being made to build on this trend, such as the launch of the Social Business Initiative in 2011 to support the rapidly expanding social economy, the release in March 2013 of the European Commission's Green Paper on the long-term financing of the European economy; and the increased interest in socially responsible investment. However, the debate continues on how to regulate the financial markets, how to reduce the corrosive impacts of speculation, and how to ensure that investors will adopt a longer-term view in their investment choices.

How can the power of financial markets be put in the service of the sustainable development agenda? What could the contribution of the business community be to this new project? Which regulatory reforms are required to reconcile the increasing financialization of the economy with the need for a different form of sustainably-oriented investment in the longer term? What role can social impact bonds play in supporting the transition in the financial sector?

6. What role should social investment play in the sustainability agenda?



Social investment refers to approaches that seek to strengthen people's capacity to participate fully in employment and social life, to prepare them for the requirements of a fast-changing society, and, through this "active inclusion", to avoid long-term dependency on assistance. It involves an emphasis

on education, quality childcare, healthcare, training, access to placement services for accessing the labour market, and rehabilitation. The European Commission adopted the Social Investment Package in February 2013, calling on Member States to prioritise social investment of this type in reforming their welfare policies.

The social investment agenda has a major contribution to make to the shift to sustainable societies, by virtue of its insistence on more inclusive societies built on a better work and family life balance, and its focus on strengthening the capacity of all, children and adults alike, to learn and constantly renew their skills. But a wedge may be emerging between the shift to more sustainable lifestyles on the one hand, and, on the other, an expectation that the growth economy should deliver wellbeing through work and employment-based social integration.

The EU cannot succeed in its shift to sustainability without taking into account the demographic challenge and the need to finance social policies: this is in part why such policies should be active investments in the future. Meanwhile, the reform of European welfare states and the shift towards social investment cannot ignore fundamental questions about the ecological limits of growth, the relationship of material affluence to subjective perceptions of well-being, or the impact of status competition on the « needs » of consumers. May the two agendas be better aligned with one other? Where exactly may incompatibilities exist, and how could such incompatibilities be addressed?

7. Must we link trade to social and environmental standards?



While the EU is seeking to shift to sustainable societies within, its trade policies are still geared towards deepening the international division of labor with a view to efficiency gains and to stimulating growth. The linkage between trade and social/environmental standards is generally weak. Al-

though it is an important feature of the EU's generalized system of preferences benefiting developing countries (177 under the GSP scheme in force until 31 December 2013; 90 countries after 1 January 2014, under the new GSP scheme for 2014-2024), the inclusion of « sustainable development » chapters in bilateral trade agreements has generally met with resistance from the EU's trading partners. The adoption by the EU of unilateral measures such as increased import tariffs for products not complying with certain social or environmental standards may lead to retaliation by the countries concerned.

Is it consistent to support strong labour rights and greenhouse gas reductions within the EU, while at the same time expanding trade with countries not adopting similar standards, thus creating the risk of social and environmental dumping, particularly in the form of « carbon leakage »? For the transition to sustainable societies to succeed, must the EU's trade policies be aligned more explicitly with that objective? How could this be achieved in ways that avoid protectionism, and instead, support developing countries in moving towards sustainable development?

8. How to re-imagine transitional governance?



Integration within the EU has proceeded through the pursuit of a limited number of major projects, each characterized by certain types of governance and each requiring a rebalancing of power between the EU institutions and between the EU member states and Brussels. Though they have

brought important benefits to EU citizens, none of these mobilizing projects has yet created a genuine acceptance of the European public sphere among citizens. Moreover, successive EU enlargements have increased diversity within the EU, making it ever harder to achieve European integration through regulatory and policy tools that seek to uniformize European societies.

The transition to sustainable societies can take this lesson to heart and forge a new pact between the EU and its citizens. The EU5P conference is based on the conviction that support for social innovation and local experimentation are key, as tools to accelerate collective learning. We must recognize the limits of our ability both to predict future trends and to identify in advance which solutions will work best in specific contexts, and we must start to see difference in the EU as an asset, not a liability. This intuition is at the heart of theories of governance that emphasize the need to learn from diversity and to promote experimentalism within the EU, not least by prioritizing tools that support social innovation.

All across Europe, people are inventing new ways of relating to one another, of transforming their environment, and of making the shift to resilient and sustainable societies. How can such innovations be supported in the multilevel system of governance of the EU ? How can their dissemination be facilitated ? And how to learn from both successes and failures in social experimentation ? There are a limited number of places available for the general public.

REGISTRATION FOR THE CONFERENCE IS FREE BUT REQUIRED.

To register, please visit the page of the conference (http://www.srfood.org/en/eu5p) or go directly to the registration page (http://www.srfood.org/en/registration) and provide your name and email address. Since many people would like to attend, we request that you do not register unless you are certain to be able to attend both days.

The concert that will close day 1 is open to all participants in the conference. The dinner that will follow is on invitation only.