

The Future of Europe – Private or Public?

The question of Europe's future is quite a challenging one. Without any doubt, our continent is at a crossroad. After the Cold War and the development of the European integration process, it is quite clear that we have to contribute to the shaping of Europe. Europe before 1989 did not really exist: one part was voluntarily connected over the Atlantic with the United States, while the other part less voluntary with the Soviet Union. It is not only the change of the political system in the East, but also a change of approach of the western part of the continent. We have to decide if we are able to build a common Europe, and to create a critical mass in a European Union of 27 or maybe soon 28-member states. Will this European Union be able to compete globally as one or will be divided by different factions, opinions and systems? To put it bluntly: Does Europe have a future or is it only a big history, which has influenced other parts of the world indirectly without being able to create leadership both within and to the outside? There are endless publications on the subject and you are familiar with the expressions of old Europe and new Europe. You know the

comparison between Mars and Venus or even the historical comparison of old Greece and the Roman Empire. Do not forget that all empires rise and fall, but this is not the subject of today's discussion. These are questions which will be decided in the next ten or twenty years. Twenty years ago it was difficult to predict how Europe would look like, and it is also difficult to predict now how Europe will look in twenty years.

The question is even more challenging if you consider the theme of this meeting: should the future of Europe be private or public?

Marketplace and Temple

Basically, for me this question is a non-starter. Private matters impact public ones and public ones have an impact on the private sphere. In this respect George Orwell's "1984" comes to mind. Going private implies being very individualistic and focusing too much on the "self" can near anarchy. Ernst Jünger described in a novel that this has similarities to life in the jungle. The solution can lie somewhere in between but first we have to define if we are more private or more public? This is an important economic question, not only in Europe but also in the context of globalization. Let us begin by examining the political dimension: there is no comprehensive notion of public. We have more public situations on the level of a village, in our state, in

our country, in our continent, in the world. The notion of public differs, but one thing is quite sure, you need the public. Carlo Mongardini argued that we are living in the tension between the market place and the temple. The market place is totally public. You sell your goods, you meet neighbors, and you engage in politics, as was done on the agora of the old Athens. Obviously, there are hidden thoughts in the notion of public, very private ones but the market place brings things out into the public. The contrary is the temple where some hidden goods exist. It might be god, it might be some treasures, it might be a philosophy or an ideology, and it might be a central committee, the Oval Office of the White House or the Pope and his Cardinals. It is also of public importance what is hidden in the temple and who watches over it. Who are the servants of the temple and in which way do they influence the public. Both sites have an importance for life and interaction within it, which produces the results in our "respublica" or even on the world. For the moment we need to develop the market place and the temple. Europe, for example, has no real market place because a European public does not exist. But decisions are made in politics in a very private way and they have to be public. If you look to the European elections, nobody wants to participate even though they are of great importance. Nobody knows the public importance – therefore the citizen decides to be private. The question is, which ideas should be brought out of the temple because hiding in the temple is not the solution. One of the

problems of the European constitution is that decision-making is carried out in a rather hidden manner, away from the public eye. The average citizen "on the market place" does not support this process because it is not transparent. Real democracy is based on information, knowledge and participation.

Leadership is asked

We speak of leadership. A popular saying in old Athens used to be, "demagogy is leading". "Demagogos" literally translated means "leader of the people". One also has to be very loud to be heard on the market place. It is also tempting to be simple with no distinction of the spirit. That is where the temple comes in. There must be some philosophers, scientists or even priests, who make a distinction of the spirit, speak about truths and the consequences, not for the day but for a longer period of time. The public role of private persons requires lots of interface and interaction, making leadership necessary. In the German translation the word "Führung" and "Führer" leave a nasty sound, coming out of the Nazi-time. Therefore it is quite difficult to speak about it in this context but orientation is needed. In following the light through darkness and haze, it is important how bright the light is and in which direction it shines. New enlightenment is needed – it has to be relearned. Such navigation and orientation has public importance but it has to be developed in a private way under personal responsibility. One

of our main problems is that we are not quite sure who is responsible for what. This depends on leadership. This is a responsibility of politicians, the media, academics and the business community. In this sense, there is a lack of engagement from the side of the private sector. This is a mistake because it is wrong for individualism to avoid public responsibility. It is extremely difficult to find a politician who wants to take responsibility. There is a tendency among politicians to identify areas in which they are not responsible instead of ones in which they are. I am asking you all to take responsibility for the future, not in an abstract way but in a clearly defined one, in every field in which you are working. It is a public responsibility of the private.

That is especially true for science and technology. It is not necessary that the researcher considers what might be the outcome of his/her research and what impact it might have - positive or negative. It is necessary that scientists are able to discuss what are the consequences of their research and which could have on societal development. There are many concerns in European public on issues surrounding scientific research, such as the controversies surrounding genetic technologies.

Religion is a special issue. Marxist thinking argued that religion was a private matter. That is not true. That was even proven by the Communist regimes that had a very public approach to

religion. Religion is a public issue because it is important who believes in what and which rules serve as guidelines to ethics and morality. The Christian religions and churches are currently becoming more private, which, in my opinion, is a mistake. On the contrary, in Islam we are witnessing some movements which are becoming more public, and we see this on our TV screens on a daily basis. Some groups are acting in the name of Allah in order to promote their own agendas, which can endanger world peace. This also happened in Europe during the Balkan wars of the 1990s when messages from orthodox Serbs, catholic Croats and muslim Bosniaks were seen in our newspapers. If you know the real percentage of believers in this region, than you can see that religion was used by a few to manipulate the public and spread the wrong message.

An other question concerns the media. Media have a great impact on our life; everybody now has forty or fifty TV channels from which to choose and private lives are invaded by the constant ringing of mobile phones, especially in public space. We are living in a world of multi-media and mass communication with endless possibilities yet we seem to have a problem communicating among ourselves. This is a subject that needs to be explored but the bottom line is that there is a real interface between public and private and the quality of our life, especially in politics, is affected by this interface. Sometimes I think it would be very necessary to have more

private life because too much is now public. I am not interested in how kings, princesses, presidents, actors, sports other celebrities live. It would be quite more interesting to discuss what impact all these elements have on the public and on our private lives.

The future of the nation-state

The role of the state is of utmost importance in the debate on the relationship between public and private. First at all, I have to say that I have my doubts that the nation state, which developed in the 19th century, is still the only truth of our public and private life. In reality we are very much influenced by what is decided by multinational organizations such as the World Trade Organization or the ICTY in The Hague. Environmental issues are also very global (Kyoto Process) and the development of multinational conglomerates effects us all more and more, also research and technology. There is also a tendency that many people are going more private in the local context. We cannot live life on an island because we are more and more effected by larger general developments. There are also levels of regions, nation states, as well as international communities. The phenomenon of Al Qaeda shows us that terrorist ideology knows no borders. I was amazed by the fact that Osama bin Laden, through Al Qaeda, offered a truce to the European Union, if its member states pulled out of Iraq and that

the European Union declined. Who is Osama bin Laden? Is he a leader of a state? Or is he head of international organization? It is obviously a private association, which has a deep impact on public life, and I was astounded that the European Union responded. The traditional categories of international law are not covering such moves but this is the current reality of our life. The decision of individuals to go on suicide bombing missions, is it private or public? The consequences are public and are horrible.

We also have to examine the leading ideas in the relationship between the public order and the economy. On the one side, we had for a very long time a Marxist model, which made every thing public and created a special situation out of private. On the other side, we had the forces of the market economy, also called neoliberalism or neoconservatism or what ever you want to name it. There are also some efforts in the direction of an autonomous sector or a communitarian perspective moving in between, but this has no real power against liberalization or globalization. There is currently a debate on the future of the welfare state. Some argue that this is a contradiction between Europe and United States because we have, on the one side, a type of social market economy, even with ecological aspects and, on the other side, the tendency for global competition and capitalism with no social and ecological experts. It is difficult to know what is really true because everything is a mixture and

there are no clear structures in this discussion. It is quite interesting that the Austrian economists such as Friedrich August Hayek and Ludwig Mises influenced the United States quite significantly. On the other side, we have John Maynard Keynes, Alva Myrdal or Jürgen Habermas, Claus Offe, Gøsta Esping-Anderson and Antony Giddens. In reality you have some distinctions with a lot of problems. This is clear if you are looking to questions of the budgeting in Germany and other EU-countries. The primitive distinction between a European model of economy with social responsibility and US model of total competition and capitalism is not really working. It is clear that the state quota concerning income is higher in Europe, even at the United Kingdom. Social security is more developed in the European countries but there are a lot of differences within Europe. On the other side, it is said that the structures of the United States are giving higher figures of economic growth and lower unemployment rates. Liberal economists argue that lower unemployment rates are not an indication for better development because nobody knows the general macroeconomic constellation, but also which kinds of jobs are being created. Some lead to total mobility and security. The question of lower wages is connected with this, and I believe that this will be a problem for not only incoming new EU member states but also for Eastern Europe, as well as for India, China and other parts of the world. There are also problems concerning health care and social security, as well as problems

concerning infrastructure such as railways and highways. In this context you have also to look to the education system, to the universities and to life long learning, private in US – public in Europe. In addition, there is also the problem of social discrimination because there is tendency to have “services for the poor, become poor services”. Many are abusing the social system and draining it of its resources. Public service institutions can not compete with the impressive office spaces and services in the private sector.

The general problem is how to finance the public sector. Does public debt help economic growth or does it lead to a weak state. This is connected with the question of the effectiveness of public services and how their clients accept them. Scandinavia is a good case in point. If you are going the neoliberal way like Milton Friedman you have to use the argument that lower taxes leads to lower social services. Therefore the individual responsibility for health and also for retirement is increasing, which for sure is questioning the role of the welfare state today.

On the way to a global state?

In this context the globalization is playing a very important role. If there is no global state, therefore the individual or private sector dominates. The private entrepreneur is on the global market but it is also the individual, which is confronted with this

situation. It makes no sense to fight globalization. This is one of the main mistakes, which is done by a lot of NGOs. It is more the question if the European Union and others are able to influence the process. Obviously, technological developments, transport, and science and research are paving the way for it. Here, only the individual is really able to manage it but there is a problem with those, who are not able to cope with these tendencies. Therefore, the welfare state and also the social market economy are very much connected with the possibility to develop a continental and global system. If not, than we can expect tough competition. That is the reason why the EU Commission, under the auspices of competitiveness, is trying to reduce the influence of organized lobbies in the memberstates. Control is necessary to give the chance to the private. It is especially also a problem for the small and medium enterprises, because otherwise it is very difficult for them to survive. Or it is even possible that the gray economy is developing more and more.

I think it is necessary to come to a clear division of labor. It should not be forgotten that, for example, the GPS system in the United States is developed from the state, namely from the side of the military. On the European side, for example, Galileo should be driven by PPP solutions. It is the same for the transeuropean networks. The United States have a very successful system of interstate highways. Therefore, it is quite

necessary to discuss development in a socio economic context and this is a request for leadership. Security in military and civil matters is partly not a state responsibility alone anymore, in Iraq and elsewhere it is done privately.

Why is leadership needed?

For the business community, the future is vital because if you are not successful in an enterprise, you will be kicked out. But you need also leadership to cope with the global and continental developments. Nobody else can do it. It has to be done by CEOs, by research institutions, by developers, by services and so on. Looking to the situation, only the private side is really able to move. But it has to influence the public side in order that we are getting the right level of initiatives on the national level, the right framework by treaties legislation and so on. It is clear for the business community that leadership is needed. It is more problematic on the political side. For the moment we are lacking a kind of leadership, which has to be established in a very democratic way. This is certainly not so easy because leadership and majority voting does not always fit together. Therefore we have a lack of politics. It is very important that an individual works on a public opinion, giving some direction and trust. In addition responsibility and morality should come into play. Individuals also need to discuss seriously amongst themselves what kind of future they envision.

This can not be imposed by politics and the business community can not impose it but it has to be done in a common interest. This is very relevant for a leadership meeting because everybody can pick up something for his or her use. We also need a public dealing with such problems, which are common ones and not only an economic one or a political one. Private business has to go more public - public is already going more private. Input from different sides, especially from science and research, the media, the churches and religions and outstanding personalities like philosophers is very much needed. So far, I am convinced that our Bled meeting is a contribution in the right direction.