

## **The Future for European Society: Subsidiarity, Federalism, New Humanism**

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The fall of the Berlin Wall in 1989 created widespread expectation that a new phase would open up for the world: one of increasing integration within a stable, pacified international context, and based on the economic, political and social model of the United States of America.

According to the traditional liberal model, the market is situated within a state order which guarantees that it will function in the general interest. The end of the bipolar order has placed the United States in a position of pre-eminence on the international level; American leadership was believed capable of making up for the lack of international institutions, and of ensuring governance of the market on a world level, beyond the borders of single nations.

Globalisation and liberism have come to the fore; the institutional doctrines of political liberalism have now been described as «obsolete». Post-modernism has solidly adhered to the processes of globalisation and radical liberism in defining a new order for an internationalised society.

The reality soon proved to diverge from this vision. The end of bipolarity has created a space in which some states, with the size of a continent, have been able to assume increasing responsibility. Europe no longer forms the frontier between the two superpowers which at Yalta had divided it in two. Moreover, it has found growing capacities for taking the initiative: the European currency has been born, borders have widened till they reached Russia, the Treaty of Lisbon has given the European Union its first true constitution.

The international community and civil society have revealed fresh capacities for renewal, and for launching deep processes of transformation. This new dynamism has quickly emerged, as well, within the United States: once again, as in its historical past, it has declined any possible temptation to act as empire.

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In this context, Europe emerges as a laboratory for advanced experiments, capable of pointing the way to the future for the entire world. Europe has designed a new form of statehood: one in progress, which remains open to social needs. Civil society is cultivating new values, and new capacities for fixing them in history.

To a great degree, the future of Europe today depends on the capacity of European society to reorganise, in order to signal to the world that a new phase of human civilisation is about to begin. As we evaluate progressive change, new humanism, federalism and subsidiarity will be our anchors.

### **1. Post-modern Culture, Globalisation and Liberism versus Subsidiarity, Federalism and New Humanism**

In order to understand what is new, we must understand the crisis which has struck the preceding order. A process of transition towards a new, more advanced order, has greater chances of arising during times of crisis. The importance and relevance of the historic moment we are now living, lie in the fact that so-called «post-modernity» is coming to an end, while a new stage<sup>1</sup> is beginning<sup>2</sup>.

Post-modern theory sees a weakening in the great systems of interpretation, in universal values, in ideologies; such weakness throws into crisis the very possibility of elaborating overall models and interpretative frameworks<sup>3</sup>. Thus, an enormous void is created which may be filled by systematic doubt, by pragmatism, by the co-existence of differing world visions, without searching for criteria of truth. This is the reign of relativism, fragmentation and complication: a reign seen as the prime foundation of the new world<sup>4</sup>.

According to this interpretation, post-modern society tends to annul hierarchies; it fuels continually evolving fluxes that at any minute might change direction. Post-modernism renounces any trust in a meaningful pathway, in man's capacity to plan and construct a historical path towards affirming universal values in the world: it fails to consider transcendence. Post-modernism does not worry about whether or not to give order to chaos; it accepts chaos and lives without certainties. It is not interested in giving explanations, in seeking the truth.

<sup>1</sup> J. Habermas, *La crisi della razionalità nel capitalismo futuro*, Bari, Laterza, 1975.

<sup>2</sup> T. Kuhn, *La struttura delle rivoluzioni scientifiche*, Torino, Einaudi, 1977.

<sup>3</sup> G. Vattimo, *La fine delle modernità*, Milano, Garzanti, 1985.

<sup>4</sup> I. Prigogine, *Le leggi del caos*, Bari, Laterza, 1993.

The post-modern is liquid; it cannot reach understanding by way of traditional knowledge or by value-anchored thought<sup>5</sup>. Post-modernism confronts itself and the world containing it, in the same way. Just as it refuses any ideology, analogously, it tends to elude self-definition. A complete description of post-modern thought can be made only by one placed outside it; those who place themselves within the post-modern perspective participate directly in the vagueness qualifying its world vision. Spectacle, communication, syncretism, hedonism, the absence of rules: these could be entries in a possible «decalogue» for the post-modern person, provided that it is not presented to them as a decalogue<sup>6</sup>.

At the heart of post-modernism we find a solitary individual who lives without any point of reference in institutions; he lives in mutable aggregations; he sees himself – she sees herself – as a citizen in the web, so that the network assumes value as a substitute for true relationships with others.

Those who have investigated such behavior widely agree in describing the post-modern human as an individual who uses his rationality less and less, in favor of emotions, sentiments, extemporaneous opinions. Opinion polls become the main instrument for understanding the mutable orientation of persons who lack a culture anchored to certainties.

Even the traditional areas of culture are being attacked by post-modernism; in light of this fact, one could consider post-modernism as «anti-culture»<sup>7</sup>.

The post-modern scientist tends increasingly to be self-referential, favoring the popularisation of information without in-depth study or a systematic vision of the major themes. For such researchers, frequency of citations, rather than content quality, gives value to their efforts.

The researcher therefore inclines toward the passivity of Internet rather than dialogue and human relationships, as a source of personal enrichment. Communications come on fast and thick, but at the same time, they are precarious and superficial, destined to implode in only a short time. In the world of culture, as well, an ephemeral kind of consumption prevails, denying culture itself<sup>8</sup>.

Post-modernism tends to conceive the man as an isolated actor who passes through existence in radical incredulity, feeling no need to relate with others within an order guaranteed by institutions.

<sup>5</sup> H. Foster (ed.), *Postmodern Culture*, Trowbridge, The Cromwell Press, 1983.

<sup>6</sup> J.F. Lyotard, *La condizione post-moderna*, Milano, Feltrinelli, 1982.

<sup>7</sup> P.M. Rosenau, *Postmodernism and the Social Sciences*, Princeton, Princeton University Press, 1992.

<sup>8</sup> A. Spaemann, *Per la critica dell'utopia politica*, Milano, Angeli, 1995.

One dangerous limitation of post-modernism is its tendency to underestimate the institutions. This limitation must be linked to the globalisation process which evolved during the second half of the 20th century. During that historical period, along with acceleration in the process of internationalisation, we saw the advent of a world market outside the control of any state. This advent was the direct consequence of the differing dimensions of market and state<sup>9</sup>.

This outlet in the flow of interdependence has been theorised as a totally positive event; radical liberism has theorised that market mechanisms are superior to the regulating role of public institutions; in the global market, devoid of guidance from any institution endowed with corresponding geographic dimensions, radical liberism believes it as a chance to establish a more advanced order. We must stress the profound difference between the liberist approach described above and the traditional liberal approach, which has always considered the market as a reality within a state order: one responsible for protecting the general interest, not merely particular interests arising from the initiatives of single operators. A state-less market has nothing to do with the cultural heritage of the liberal tradition<sup>10</sup>.

According to the traditional liberal approach, the management of a world market requires governance by institutions; innovative forms of statehood may form on a world level, just as they have gradually done in Europe, in order to direct a market extending beyond national borders<sup>11</sup>.

The attempt to substitute the state with the market (liberist globalisation) does not correspond with any of the forms in which democratic thought has developed in the Western countries.

Globalisation has struck all the systems, not only in their international relations, but also internally. The liberist concept, preferring the market over public institutions, has spread at every level. Globalisation and post-modernism have fused together, presenting themselves as an alternative model for society and the economy.

In the face of this evolution, Europe is building an alternative model, one of new humanism, thanks to the capacity to renew statehood by defining an institutional order shaped by the values of subsidiarity and federalism. The role of institutions has been reaffirmed in a new way.

<sup>9</sup> S. Zamagni (ed.), *Economia, democrazia, istituzioni in una società in trasformazione*, Bologna, il Mulino, 1997.

<sup>10</sup> J. Rosenau, E. Czempel (eds.), *Governance without Government: Order and Change in World Politics*, Cambridge, Cambridge University Press, 1992.

<sup>11</sup> A. Quadrio Curzio, *European Union and Italian Federalism. Is There a Catholic Thought?*, in «The European Union Review», no. 1, 1997.

Liberty, humanism, the integral development of the person, require institutions. These values can find their place in history through the indispensable relationship between individuals and institutions.

Our reference to the growth of institutions places today's crisis within a precise historical framework. In Europe today, subsidiarity and federalism are the principles which inspire institutional change, along a pathway of progress having a *telos* which gives it meaning<sup>12</sup>.

The meaning of the interaction between globalisation, liberalism and post-modernism has not yet been studied in adequate depth<sup>13</sup>.

The integration of economies on the international level is an inevitable historical pathway. The path of growing internationalisation may be travelled using various solutions. Globalisation posits an internationalisation process governed by market forces. The European experience demonstrates that an internationalisation process may be governed by institutions, to the point of creating a more advanced type of statehood.

The interaction between federal integration, subsidiarity and new humanism is central to an alternative way of thinking which culture is striving to develop.

## 2. Work and Integral Human Development

On the international level, widespread discussion has arisen in recent years concerning company responsibility, giving unprecedented importance to a theme which is not new.

Such reflection, inspired by real problems and animated by undeniably praiseworthy intentions, has been harmed by a certain amount of semantic confusion.

Globalisation has given rise to a world market outside the control of any state.

Some enterprises, typically large ones, have chosen to operate on the world market, seeing the absence of a regulating, protective state as an opportunity. This has occurred in the industrial sector, in banking, finance and services. We have witnessed corresponding phenomena even in the fields of research and medicine.

<sup>12</sup> D. Velo, *La grande impresa federale europea. Per una teoria cosmopolitica dell'impresa*, Milano, Giuffrè, 2004.

<sup>13</sup> U. Beck, A. Giddens, S. Lash, *Modernizzazione riflessiva*, Trieste, Asterios, 1999.

A series of intolerable circumstances due to such behavior has fueled a demand for rules and ethics, in the sphere of globalisation. Enterprises active on the global market have been called to play a role in substitution of institutions; these enterprises have been asked to draw up an ethics code and to promote codes of responsible self-regulation among all personnel.

These enterprises have thus found themselves assigned a role outside their competence. In this vision of responsibility, the enterprise is attributed with legislative legitimacy. Legislator, controller and controlled coincide<sup>14</sup>.

A radical interpretation of this tendency would lead to the idea that ethics may be founded on a form of self-regulation among the economic actors endowed with the greatest contractual power.

A somewhat analogous phenomenon has emerged in cases where an enterprise active on the world market has been asked to respect the norms of its country of origin, in the absence of equivalently advanced norms in countries – normally less developed ones – where its factories or other operative units exist. There has thus been an attempt to create islands of law within the territory of countries where branches of the globalised enterprise operate: legal islands based on the norms of the country of origin<sup>15</sup>.

In this case, as well, the phenomenon has been linked to the concept of company responsibility. The differences between this behavior model and the previous one, however, remain undeniable.

A profoundly different concept of company responsibility emerges carrying the same label, among those who attempt to adapt the concept to new forms of statehood, shaped according to the principle of subsidiarity<sup>16</sup>.

The enterprise is thus conceived as an institution; as an intermediate body beside other intermediate bodies, in a renewed social, economic and statehood order.

The decision-making processes carried out in the enterprise are part of the system's governance, conceived as the set of decision-making processes organised according to the rules of subsidiarity. With this framework, we can have a more complete picture of integral human development, since the person is placed at the centre of a constitutional order which

<sup>14</sup> C. Cattaneo (ed.), *Il bilancio sociale nell'evoluzione dei rapporti tra economia e società*, Milano, Giuffrè, 2003.

<sup>15</sup> S. Sciarelli, *Economia e gestione dell'impresa*, Padova, CEDAM, 1997.

<sup>16</sup> C. Millon-Del Sol, *L'Etat subsidiaire*, Paris, Presses Universitaires de France, 1992.

recognises his or her right to citizenship in every dimension of coexistence<sup>17</sup>.

The autonomy of the economic dimension is now subject to debate. The economic dimension is correlated to the general framework in which it is situated, and where it assumes a more advanced significance. The market actually constituted a front line of human advancement at the end of the eighteenth century, when it served in recognising the innovative role of the bourgeoisie as a motor of progress, compared to the aristocracy.

In the present situation, any vision of the market as a place where the autonomy of the economic moment finds concrete expression, depends on the failure to recognise the historical evolution in support of subsidiarity: subsidiarity as a new form for organising people within the communities in which the overall Community organises itself<sup>18</sup>.

In an enterprise organically placed within an order that sustains the principle of subsidiarity, the economic, ethical and politico-institutional dimensions converge. Company responsibility, thus conceived within a framework of subsidiarity, suffers from a contradiction to the degree in which subsidiarity can be achieved only in an advanced society: therefore, in the present situation, in only part of the world<sup>19</sup>. Integral human development can be fully achieved only once we have reached a framework of world unity sustained by a real planetary homogenisation of development.

A man can be free only if all men are free. Integral human development is such if affirmed and implemented for every man. The principle of subsidiarity is the principle upon which the most advanced regional federations have begun to organise: Europe, first of all. They have thus opened the way to a new organisation of the world community.

Subsidiarity is bound to reach an international level. Therefore, we have a right to consider Europe today as a laboratory, a forerunner for experiences in other regions of the world. Today we can try out new creations that just may find full expression in a later, more advanced stage in the world's peaceful unification<sup>20</sup>.

Institutions and society are reorganising by modifying the roles of the various individual actors, and the ways in which they interact<sup>21</sup>.

<sup>17</sup> A. Sen, *Etica ed economia*, Bari, Laterza, 1999.

<sup>18</sup> Personally, I am disappointed that the European Community changed its name to European Union; the term «community» has a deep, evocative meaning not enjoyed by the term «union».

<sup>19</sup> D. Usher, *The Economic Prerequisites of Democracy*, New York, Columbia University Press, 1981.

<sup>20</sup> D. Velo, *Il governo dello sviluppo economico*, Milano, Giuffrè, 2009.

<sup>21</sup> G. Vittadini (ed.), *Liberi di scegliere*, Milano, ETAS, 2002.

Subsidiarity modifies the organisation of labor, giving new space to individuals<sup>22</sup>; it sustains the development of a new kind of statehood allowing more advanced forms of participation.

If the enterprise observes the principle of subsidiarity, coherently assuming the role of intermediate body in the framework of a renewed statehood, the worker's way of participating in the enterprise will be seen as fully analogous with the citizen's way of participating in the public life<sup>23</sup>. Humanism is becoming a project involving the person, in every moment of his or her life.

Such a vision can gain coherence, to the degree in which institutions are experienced as places where progress finds form. The individual acting outside community experience is fatally condemned to experiencing the solitude of anomie.

The participation of each individual in the history of the world requires his or her participation in the institutions comprising human organisation. The dramatic defect of globalisation is to have fueled the idea of a society and market without institutions.

The development of subsidiarity allows work to become less and less alienated for a growing number of citizens. It allows real participation in the public life to assume an intensity and a degree of liberty never before experienced<sup>24</sup>.

A new theory of organisation is taking shape and constantly expanding.

The organisation has traditionally considered the worker as an instrument, a component in the productive process. To the degree in which it adopts the principle of subsidiarity, the enterprise today opens the way to considering the worker as end. Kant's statement shows how such developments can be conceived as a contribution toward establishing a new humanism. In turn, the new humanism creates a situation in which such developments can take root<sup>25</sup>.

Organisation is good orientation. Disorientation is disorganisation. Only an adequate institutional order can allow the passage from disorganisation to organisation. In this framework, the value dimension, which is human-centred, constitutes the condition allowing such mechanisms to operate in depth.

The economy is freeing itself from the area of technology in

<sup>22</sup> S. Zamagni, *Non profit come economia civile*, Bologna, il Mulino, 1998.

<sup>23</sup> C. Cattaneo (ed.), *Terzo settore, nuova statualità e solidarietà sociale*, Torino, Einaudi, 2000.

<sup>24</sup> U. Beck, *Il lavoro nell'epoca della fine del lavoro*, Torino, Einaudi, 2000.

<sup>25</sup> G. Montini, *Al mondo del lavoro*, Roma, Studium, 1988.



order to become part of a historical process oriented toward cosmopolitanism and a new humanism. Economic goods are instrumental means; they are losing any value as ends; they are subordinate to ends which are not identifiable as material goods<sup>26</sup>.

Traditional management techniques are driven by possessive individualism<sup>27</sup>. In the newly emerging circumstances, in a business perspective, this element is not even functional to the economic interests of the enterprise. Possessive individualism is not the most efficacious motivation when the worker is asked for creative commitment. The growing importance of knowledge is now a dominant trait of new-generation enterprises; in this context, individualism reveals all its many limitations.

The new order founded on subsidiarity is capable of sustaining integral human development; in turn, it needs to be developed by persons who aspire toward an integral realisation of their own humanity.

In reality, the person has always been at the heart of society. The theories elaborated by economists have prevalently referred to the mechanisms regulating relations between enterprises and institutions, more than to man; an orientation corresponding to characteristics traditionally assumed by the economic system<sup>28</sup>.

The person has become the object of in-depth analysis by economists only when he or she has assumed an extraordinary role; suffice it to recall the reference to Schumpeter's elaboration of entrepreneurial theory<sup>29</sup>.

The new element in our experience today is the centrality of man. Modern forms of enterprise are always based on the centrality of man. Subsidiarity places man at the centre of institutions and relations among institutions, where the enterprise assumes the role of intermediate body. In the economy, man has begun to occupy a central position, whereas before, the centre of attention was the mechanisms regulating the functions of a market considered to be more important than the persons composing it.

From this context arises the new humanism which wanders like a phantom today among the social sciences<sup>30</sup>.

<sup>26</sup> G. Manzone, *La responsabilità dell'impresa*, Brescia, Queriniana, 2002.

<sup>27</sup> L. Lombardi Vallauri, *Corso di filosofia del diritto*, Padova, Milani, 1981.

<sup>28</sup> H. Mintzberg, *La progettazione dell'organizzazione aziendale*, Bologna, il Mulino, 1985.

<sup>29</sup> G. Manzone, *Il mercato. Teorie economiche e dottrina sociale della Chiesa*, Brescia, Queriniana, 2001.

<sup>30</sup> P. Drucker, *Post Capitalism Society*, Oxford, Butterworth-Heinemann, 1993; Z. Baumann, *Voglia di comunità*, Bari, Laterza, 2001.