

**FIRST P.E.S. COUNCIL**

**Speech**  
**by the Prime Minister**  
***Costas Simitis***

***Topic: The Future of Social Democracy***

**Warsaw, 14-15/11/02**

## I.

Dear Comrades,

Dear Friends,

The recent victories of socialist parties, in Sweden and Germany and elsewhere in Europe, demonstrate convincingly that social democracy has indeed a future. Our social democratic comrades provide the most telling examples and inspiration for our future strategies. Nevertheless these victories, which take place after several electoral defeats, should not interrupt the process of reflexion and reorientation that has been initiated within social democracy after the Fall of the Wall.

Social democracy, the political power with the deepest impact on the 20<sup>th</sup> century's social and political life, is at critical crossroads. It is extremely useful therefore that we could have a debate about the "future of social democracy". It is a debate urgently needed. It is a debate that can and must enable social democratic forces across Europe to confront the new problems and the new challenges that have emerged at the beginning of the 21st century.

## II.

Dear Friends,

My central point and message is quite simple, and I hope, quite clear: social democracy has to transform itself. It has to innovate in order to respond to the challenges of globalization, the rapid demographic and technological change, the new economy of knowledge. It must adjust to the information age and the era of Internet. It has to take into consideration the identity crisis of today's citizens, the danger of the privatization of the public sphere, the threats to privacy. It needs to take the rise of racism and xenophobia and the growth of ultra-right forces seriously. It also needs to be responsive to the demanding and growing aspirations of the citizens.

It is my deep conviction not only that the political project of the Enlightenment, the project of the mankind's emancipation of its economic, political and symbolic bonds, is still unfulfilled, but moreover that only a modern social democracy is able to fulfill it. A social democracy which is not reluctant to self-criticism and renovation, which does not delude itself in front of the new problems. A social democracy which, at the same time, does not abandon the vision of changing the world.

Our core values and ideals remain unchanged: autonomy, solidarity, social justice and democracy, equality not only within nations but also among nations worldwide. But our strategies, instruments and policies must always be adjusted to better pursue our ideals. Social democracy is not a static organism; it is an evolutionary process striving always to adjust its strategies and find new means and instruments in order to advance its ideals.

In doing this, we have always to affirm the primacy of democratic politics, institutions and processes over the market. As aptly said, “we want a market economy but not a market society”. We have to stop the seemingly unstoppable movement towards unrestrained egoism and market hegemony. We need to create a dynamic balance between the economy, the society, the political system and the culture.

We, social democrats, want a new sense of solidarity and social cohesion. One thing that we can certainly do is to strive to achieve a new balance between individual responsibility and collective solidarity. Social welfare, provision of basic public services and collective goods, security in all forms for our citizens, employment opportunities for everyone through traditional as well as flexible strategies, responsibility towards the old age must be key components in this effort. We must cultivate a new notion of “social citizenship” that would enable the ordinary citizen, the young mother, the unemployed, the elderly people to identify with the community.

We, social democrats, want a new sense of democratic participation. That is why we strive for the strengthening of the civil society, of voluntary associations, of the third sector. That is why we try to introduce new forms of civic participation at every level of the public life. This is the reason why it is necessary to enrich democracy with new forms of decentralization, new institutions of social control and new mechanisms of deliberation. We have to consolidate the credibility of politics by regulating the relations between institutional spheres in a way which counters the present tendency towards the colonization of the political and the cultural sphere by the economic.

We, social democrats, also want a new sense of autonomy and creativity. We are aware of the immense importance of symbolic power as well as of its unequal distribution. In that respect we have to sustain a rich cultural context of choice so that every citizen can realize her / his potentialities and find the meaning of life.

Finally we, social democrats, want a new sense of openness, civility and tolerance. We strongly believe that a polity that creates a framework of social cohesion and provides valuable educational and cultural opportunities to each one [by facilitating, to offer an example, the international exchanges between students] one can face effectively the serious dangers of xenophobia and racism.

### III.

Dear Friends,

Of course, we ought to recognize that today the nation-state is not always the appropriate framework to articulate collective preferences. Globalization and interdependence have eroded the distinction between domestic affairs and foreign affairs. National borders are becoming more and more porous and national governments less and less capable of addressing problems on their own. Interdependence impose upon us rigid constraints in shaping economic policy and framing social choices. The framework of the nation-state appears at times too small for tackling problems and at other times too large. We need, to put it another way, global solutions for international problems and local answers for meeting the demands of local communities and citizens. The well-known slogan “think globally, act locally” has a certain truth in it. So there is very little we can do alone, at national level.

If we recognize the limits of national frameworks, then, in order to renew social democracy and secure its future, we have to work both at the European and global levels.

Let me take the European level first:

The debate about the “Future of Social Democracy” is inextricably linked to the ongoing debate about the “Future of Europe”. One of the strongest challenges facing European social democracy is the europeanization of its policies, strategies and objectives. European social democracy can secure a promising future only as a coherent force for European integration aiming at imbuing the European Union with our values, visions and ideals. The European Union is the framework within which we can realize our objectives by solving supranational problems.

We, the Party of European Socialists, have now a unique opportunity to contribute to a re-fashioning the European Union. To make the European Union “bigger, better, stronger”.

- bigger by enlarging it,
- better by bringing it closer to the ordinary citizen,
- stronger by enhancing its global role.

First, to enlarge the Union. A bigger, enlarged Europe would be a force for peace, stability, democracy and prosperity not only for the continent but also for the wider world. By enlarging the European Union, we would certainly make a more substantial contribution for eradicating the root causes of conflict, instability, terrorism. In the coming few weeks we are going to take the important decisions that would make the “bigger, enlarged Union” a reality. As the Party of

European Socialists, we would be extremely pleased to welcome the countries of Eastern Europe, Cyprus and Malta and eventually all those European states that fulfill the prescribed political and economic conditions and seek membership.

Secondly, we have the unique opportunity to make the European Union "better" for its citizens and the society. The European Convention currently in progress provides the forum for shaping the reformed European Union. Our priorities in this context must be clear. I would summarize them in three broad points:

The first point is to provide the Union with a constitution as the basis for building European, decentralized [federated] democracy and "Europe for citizens" based on our shared values of solidarity, social justice, equality, respect for fundamental rights, openness and transparency.

The second point is to enrich the Union's objectives, missions and policies so that to render the Union more responsive to the real needs of European society and its citizens. Having established the internal market and the monetary union with the successful circulation of the Euro, we must now aim at creating a "European area of equal opportunities for all citizens" regardless of nationality or any other characteristics. The Union must thus evolve into a more effective instrument for social cohesion, consolidation of the European social model, sustainable development, employment, social inclusion. To that end, we must provide the Union with the necessary redistributive policies and budget. [I must admit that I find highly awkward the fact that there is a marked reluctance to enhance the redistributive dimension of the European Union]. To have social democracy at the European level, we need to have the appropriate redistributive policies at that level.

The third point is to make the Union's institutions more democratic and more effective. We need to endow the Union with legitimate, effective governance [of a federal nature] built on the Community model of integration and on the principle of equality of all member-states, be they large, medium or small. The role of the European Commission and European Parliament in this system must be safeguarded. What is important to bear in mind is that we need a European government as much by the people as for the people.

Finally, we have the unique opportunity to make the Union "stronger", to assert the Union's role and identity in the international system. As social democratic forces, we have a duty to work so as to enable the Union to evolve into a legitimate centre of power in the international arena. This would contribute to shaping a multi-polar global system, thereby redressing the present imbalances and asymmetries. History demonstrates convincingly that a unipolar

system is a dangerous system prone to conflict and hegemonic domination.

To make the Union a world actor for peace, stability and cooperation, we need to strengthen our Common Foreign and Security Policy as well as our defence policy turning it progressively into a "system of collective solidarity".

#### IV.

Dear Friends,

Let me move now to the global level:

There can hardly be any doubt that globalization is the defining feature of our era. And yet it is not a phenomenon of nature on which we have no influence. Rather, it is a network of economic, trade, cultural and communication ties that we can and must shape politically. The attacks of September 11 have exposed the dangers associated with unchecked globalization. At the same time, it has become clear that peace and security cannot be achieved and maintained with military and police resources alone. Even if one does not immediately see a direct link between globalization and international terrorism, there can be no global security without an agenda for global equity. And security, as a concept, encompasses today not only military but also economic, social and ecological aspects.

Our task, as socialists, is to transform globalization into a just process of sustainable development for combating poverty, eradicating misery, ensuring ecological balance, bringing developing countries into the world markets. Those who summarily dismiss the opening up of world markets are not helping developing countries, but, rather, are blocking their way out of poverty.

We must therefore neither work against globalization nor accept its actual neo-liberal version. Our aim is to make globalization a process beneficial to all, developed and developing countries. In that respect, we must take into consideration the justified sensibilities and demands of the anti-globalization movements. We must make a serious effort to influence the members of such movement so that they change their goals – so that they do not aim at the reversal of the globalization process, a utopian fantasy, but at its regulation in ways, which promote global social solidarity and environmental protection. This means that we must elaborate rules and codes of conduct that will help to ensure that the greatest possible number of countries and people can share in the unquestionable benefits of globalization. At the same time, we must ensure that the undesirable, deleterious

consequences of globalization for the present and future generations are averted. This cannot be achieved by the markets on their own. We need rules and institutions (e.g. the introduction of an international tax on arms sales) to underpin the globalization process. We need a new inclusive system of global governance that reflects our social democratic values and the realities of the "global village". Our response to the new global problems presupposes the democratic revision of the existing institutions, but furthermore the enactment of new ones.

Dear Friends,

This would help to humanize globalization, to empower peoples and societies and create the conditions for a new realist "civil society" and "good governance" in developing countries as the prerequisites for breaking the vicious circle of poverty and underdevelopment.

In the face of new risks and asymmetric threats such as terrorism and organized crime, we ought to work hard to ensure the ascendancy of international law and international collective institutions for promoting stability and peace in the world. We must not allow the world to slide into a Hobbesian jungle. We have to usher to a new world of vision and meaning, a realist utopia, a Kantian world of "perpetual peace".

Thank you!