

CONTRIBUTION BY PM C. SIMITIS
AT THE CONGRESS OF THE SOCIALIST
INTERNATIONAL

Topic : Socialism in the Twenty-first Century :
The Need for a New Political Agenda.

As we enter the new Millennium, we, socialists, are confronted with new challenges, new problems, new risks, new opportunities and prospects.

The greatest challenge we are facing is how to adjust to the rapidly changing international and European environment at the economic, social, political and cultural levels. The changes are more complex and multifaceted than the simple catch-phrases like "the end of history" or "the arrival of a new world order" purport to convey. The end of the cold war , the disintegration of the totalitarian regimes in (the former) Eastern Europe and the recent economic upheavals. have all shattered a number of comfortable certainties that used to guide policy orientation and behavior in the post- war era.

The challenges confronting us today stem primarily from a host of varied factors which have their roots in the globalization of economic relations, the spectacular technological advances and the disintegration of established social and cultural patterns of organization and behaviour. A great deal has been said and written about economic globalization. I am not going to dwell too much on theoretical questions. I would only stress that the gales of change which have swept through the global economy in the last ten years have been creative as well as destructive. They seem to have vindicated Marx and Engels who almost 150 years ago predicted "the coming universal interdependence of nations". But, while these changes have stimulated extraordinary feats of enterprise and innovation, they have at the same time unleashed powerful destructive forces. The "casino-capitalism", which has been striving to replace, and in some respects has indeed replaced, the mixed market economy, has already led to social dislocation, poverty, social deprivation, marginalization, political fragmentation and breakdown.

There is evidence suggesting that inequality is increasing both within and across states. Immense and widening disparities of wealth, power, capabilities, knowledge, resources, security and opportunity shape the world in which we live. Globalization seems to exacerbate the gap between rich and poor, within

virtually all developing regions. Globalization is eroding the cohesion and viability of the state and the capacity of governments to deal effectively with an increasing array of economic, social and political problems in some parts of the world while it is increasing the range of opportunities, the margins of power, influence and wealth in others.

Unregulated market capitalism is proving economically wasteful and socially destructive. It erodes mutual loyalty, trust and social bonds upon which free, democratic, solidarity-based societies have been constructed and depend for their survival. It saps the bases of social cohesion and the sources of social solidarity. It gives rise to unacceptably high levels of unemployment and social exclusion. Coupled with the unprecedented technological innovations especially in information technologies, globalization generates new cultural formations which threaten the existence of traditional cultural identities and the notion of citizenship which is associated with them. Thus, far from creating more equality among states, regions and other groups globalization tends in fact to widen the gap among states and regions.

Faced with these new realities, challenges and risks, we have no other option but to radically readjust our objectives, activity, strategies and methods of action while keeping our fundamental principles, values and philosophy- the values of

democracy, solidarity, social justice, equality and progress. We need to define a new agenda. We need to revitalize the social-democratic model by incorporating in it all the innovative elements of the twentieth century.

We need more specifically to re-examine with the view of re-adjusting:

- the role the state can perform in the globalized international system and the new economy of knowledge in order to advance our cherished values and principles
- our instruments and strategies for promoting our basic objectives, development and social justice worldwide
- the governance of the globalized international system with a view to making it more democratic and suitable of serving the interests of the whole humanity and not only of the privileged few.
- the significance of interregional cooperation and European integration as alternative, democratic formations to globalization.

It goes without saying that in order to survive in the next century as a dynamic, robust, coherent and influential political and moral force in world politics, the socialist movement needs to acquire a genuine supranational character in terms of its organizational structures, outlook, policies and strategies. It

must develop the ideological framework for strengthening political, legal, and social rights in pursuit of global justice.

In the context of Europe, this means that the Socialist movement must develop truly "European" structures and strategies in order to cope effectively with the supranational problems. Only if we manage to forge the genuine transnational links and solidarity, we will be able to shape the future.

But to do so, we must also be intellectually able to produce new ideas and communicate our ideas to a wider public. We must be able to dominate the intellectual discussion worldwide. For much too long the intellectual debate has been dominated by neo-liberal thinking. It is high time to recapture the intellectual ground. [In order to do so, it might be advisable to create our own *Centre of Analysis and Ideas*].

Towards a New Agenda

The activity of a modern socialist party must be inspired by some fundamental values, the values of equality, liberty, solidarity, and democracy. Values lasting through time, which must today assume new content in order to inspire citizens in current circumstances. Equality means equal opportunities for each and everyone to develop freely and realize his aims – and not uniformity or the leveling of all personalities. Liberty presupposes the absence of limitations and prohibitions and the existence of real potential and material opportunities as well. At

the same time, it is directly linked to the individual's responsibility towards society, and particularly towards its weaker members, thus reinforcing solidarity. The active support of the weaker, the satisfaction of their true needs, is more imperative today, in an age of reversal and uncertainty, than ever. Finally, the multifaceted participation in the matters of public interest by everyone and the actions of active, informed and conscious citizens are the most vital condition of the individual and collective well being.

Participation in a polity of liberty

Against an authoritarian, inefficient and inflexible state that drowns the creativity of the individual, it is essential for us to reinforce all those tendencies that converge to a powerful civil society. Our main support stems from the active participation of citizens in the formation of our common life. For that reason, means of deepening democracy must be sought after. We must create a new enriched notion of citizenship. The abilities of citizens to exercise control over the state authority and limit political and economic power must be enacted. The decentralizing process ought to be realized, through consultation, cooperation and co decision with organized or informal citizen groups during the formulation of policies concerning them, avoiding any kind of manipulation, suggestion or imposition.

The new model of growth

As the industrial era is reaching its end and a new economy of knowledge is emerging, abilities, skills and technology are the basic elements of economic growth. And as the technology and globalization are altering the nature of global competition, we need to formulate new policies and approaches. The basic element of this new reality is the *new role of the state*. The private sector - and to a great extent the small-medium enterprises - are the main source of wealth creation and employment in the economy. Therefore, the augmentation of entrepreneurship, the creation of those circumstances beneficial to the creation and blooming of new businesses and entrepreneurial initiatives are a prime necessity. The role of the state remains exceptionally important in this new environment but it differs from the past. It is the role of a 'headquarters-state', preserving market competition, reinforcing innovation and research, investing in human resources, guarding over the interests of workers and rights of the citizens, caring for the unemployed and the forthcoming generations. It is a "state-regulator", a "social investment state" not a "state-producer" in the economic domain.

Manpower development

The main source of wealth and the competitive advantage of every country is today its *manpower*. The new economy is based on specialization, flexibility, and adaptability.

Our priorities are equality in knowledge access in as much as its distribution throughout the economy and society, and the reinforcement of initiatives for knowledge investment as well. In this context, the reevaluation and redefinition of our educational systems in a way considerate of the progress of new technologies are deemed essential.

However, the development of manpower concerns the entire range of citizens' lives. Equally important are all the initiatives aiming at lifetime education and the creation of a better-trained labour force, with the appropriate skills for the professions and new employment positions generated by the new economy.

Only thus will we be able to tackle the *unemployment and combat social exclusion problems*. And achieving the highest possible levels of employment remains- it must remain- one of the overriding priorities of the socialist movement.

Social cohesion

The preservation and strengthening of the social fabric is the greatest challenge in the years to come. The market economy should never be allowed to lead to market society. Social cohesion and solidarity must prevail. But the developments and uncertainties in the labor market, the languor of traditional institutions, and the ageing of many societies entail the need for the development of a new system to cover needs – a social safety net – whereby the *organized* solidarity of the whole of society now shall intervene to promote social cohesion, giving every citizen certainty in confronting his future. Thus there is a requirement for (a) a new relationship between growth and social protection as economic growth creates a “growth dividend” allowing for new initiatives in social policy, (b) the fight against unemployment through education, the active response of the entire population and the restructuring of labor so, among others, to facilitate the development of new technologies and (c) to secure the future of the insurance system. There is also a need for advancing further gender equality

Environment – quality of life

For a modern socialist party, growth is a qualitative process. For that reason, it positions the problems pertaining the quality of life as the focal point of its activity. The rapid

degradation of the natural environment increases our responsibility towards the forthcoming generations to whom we owe leaving a heritage of an equally rich environment. Thus we must investigate all the potential provided by modern technology to guarantee sustainable development. Furthermore, on a more daily level, issues concerning the citizens by putting the quality of social coexistence to test must be dealt with.

The central importance of culture

In a tolerant, polyphonic society a cultural act is a concern of the citizens themselves. At the same time however, this cultural act is a right of all the citizens, without – as far as possible – exclusions or manipulations by the forces of profit. Thus, there arises a demand for active and multifaceted initiatives guaranteeing polyphony and the depth of the modern cultural creation, initiatives that aim to limit cultural inequalities on the one hand and form infrastructures enriching the expressive and adaptive abilities of all the citizens on the other.

Socialists in the world

In the global sphere, the socialists should be extrovert, pursuing cooperation. Our ultimate aim must be to create a more democratic and just world order, a world order that would ensure equality for all nations. Our immediate priority must be to reshape the governance of the globalized system in such a

way as to make it more democratic, participatory, accountable and representative of present realities.

Existing multilateral institutions are still hierarchically arranged. Order is still maintained through inequality and the will of the most powerful members to impose rules and norms of behaviour for the whole of the international community. As aptly said, globalization is exacerbating the power to make and break rules. The present dilemma for the powerful states is whether to accept losing some of their own control and power in order to reap the advantages of stronger and more effective and legitimized institutions. The alternative of course would be to maintain the present hierarchical system of institutions and governance even in the face of lack of legitimacy and ineffectiveness in dealing with new risks, challenges and problems. Our objectives must be to break the vicious circle and create the new international institutional structures that would reflect the legitimate needs and aspirations of all.

The recent experience in Kosovo while it imposes upon us the need to re-consider some basic concepts like those of sovereignty and international law, domestic order and human rights, it necessitates the strengthening of the capacity of the legitimately structured international institutions, notably the UN, to avert human catastrophes and gross violations of human and minority rights before they escalate into bloody conflicts.

This means that socialists ought to process a new model of conflict prevention, management and resolution on the planet – in the service of peace actions and humanitarian missions that are now substantial aspects of foreign policy. Socialists should pursue the resolution of issues within the context of democracy, human rights protection and international legitimacy. Socialists must contribute to shaping the international civil society. Finally, socialists should cooperate in the construction of an order guaranteeing security and prosperity of the people. Stable and sustainable security must be based on the decentralization of military power. Policy ought to combine a clear stance on transborder crime and illegal immigration, which could create explosive problems, with understanding and support towards all seeking shelter from war, persecution and poverty, and on the creation of conditions for peace and growth in those areas. Furthermore, the opposition of socialists towards instances of xenophobic attitudes and behaviors must be unequivocal.

The challenge of globalization can surely be better managed by fostering greater regional cooperation and integration. Hence the paramount importance of European integration and for that matter Balkan cooperation for European socialists. The deepening of European integration including political and defence integration must therefore be a central priority for European socialists. Efforts must of course

be made to avert the risks associated with unmanaged regionalism that breeds primitive nationalism....

Ioakim/SIM.Socialist Int10.doc