

Trends in social cohesion, No. 23



## Towards a Europe of shared social responsibilities: challenges and strategies

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# **Towards a Europe of shared social responsibilities: challenges and strategies**

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## INTRODUCTION

At the beginning of this 21st century, Europe faces a number of major changes in society that seriously undermine the social achievements of the last century:

- the rise in poverty, inequalities and unemployment and social insecurity has meant, among other things, that even the prospect of starting a family is becoming virtually unattainable for many young people;
- ageing of the population means we need to rethink the type of social contract to be made with the youth of today, bereft of any certainty in their future, and strike a balance between the aspirations and rights of different generations;
- the difficulty in preserving commitment to universal protection and rights for everyone – ideas which since the 1950s have been linked to material growth – may result in the abandonment of long-term visions in favour of short-term results, carrying the risk of irreversible damage to one of Europe's most important common assets;
- the increase in migration and asylum applications multiplies the risk of violations of fundamental rights of the most vulnerable and calls for urgent decisions on reception policies;
- climate change means we have to take new criteria into account in the economic choices we make, especially in the use of non-renewable resources, reducing waste and seeking out opportunities for self-fulfilment and self-assertion other than unnecessary consumption;
- mistrust of democratic institutions and growing doubt about the effectiveness of their responses jeopardise their legitimacy, significance and ability to mediate, prompting citizens to withdraw into fear, or worse, to consider violence as a response to insecurity.

Such developments come about in a context of interdependence heightened by globalisation which, while it may create opportunities, exacerbates competition for natural resources and investment. Such changes make Europeans aware that poor people from other continents also aspire to well-being, yet the distribution of employment opportunities is, unfortunately, increasingly linked to reduced wages. It is against this background of acute tension that the Council of Europe, in co-operation with the European Union, wishes to reflect on the concept of shared social



responsibility in order to ensure a dignified life and well-being for all, future generations included, and to harness the energy and intelligence of citizens and all stakeholders to focus on this objective and the policy decisions and actions needed to achieve it.

There are several factors that show why we need to explore other ways of sharing responsibility.

First, there are the shortcomings in public institutional arrangements to manage such change and resolve new conflicts. Admittedly, states have shouldered social responsibility by creating standards and principles of solidarity and protection and have reformed certain institutions to deal with new problems such as climate change and responsibility for future generations. Nonetheless, given the complexity of the problems and in the absence of shared social responsibility with citizens and private players, the public authorities find it hard to come up with solutions and decisions able to garner the support of the stakeholders concerned (both weak and strong). Many major problems remain without an appropriate political response or, worse still, are used as a means of increasing fear, as has happened in the field of migration and asylum. Controversial reform is undertaken without consulting all interested parties, even though such consultation would lead to greater awareness of what was being requested of them, as witnessed by the absence of any young people in negotiations on pension reform. Citizens are asked to make an effort – for example, by reducing energy consumption and avoiding waste – without any open dialogue, based on clear information accessible to all, on the consequences for the environment and society.

Second, there is the gap between vision and behaviour, between the formal recognition of rights and fundamental principles (such as universal protection, social justice, respect for the environment) and current practice which pays scant regard to such principles. This has the result of sapping confidence in our ability to control societal development, undermining the legitimacy of the reference frameworks built up over a long period with so much effort, and making it difficult to transmit these references to future generations. Young people in particular often see that behaviour is out of line with declared principles or is guided solely by short-term motivations, emphasising a culture of instant results or, worse still, seeing the future as a convenient place to offload the negative external consequences.

Third, and linked to the above, are the conceptual and methodological failures to understand collectively the challenges, to clarify and lay down our priorities in a context of social justice and to harness skills. These failures can be seen in particular in the inability to develop the knowledge relevant

to common aims, while creating the moral motivation and capacity to act. Accordingly, we need to create opportunities for and tools of deliberative democracy, alongside those of representative democracy, to promote forces for concerted proposals and mutual commitment and recognition, all of which are indispensable in the genuine democratisation of social life.

The fourth factor placing the question of sharing responsibilities on the agenda is the lack of any mechanisms to control the way we respond to the challenges facing society and the use of natural and financial resources. Since political action and decisions on production arrangements remain confined to sectoral aspects and responsibility for action is defined within the activity parameters of each entity, the evaluation of results is of necessity somewhat biased. Nor is it subject to the considerations of other players, especially those who bear the brunt of the decisions or the externalities of the choices made without having been given the opportunity to take part or express their approval or disapproval, as is the case with public over-indebtedness and the over-exploitation of environmental resources, both of which sign away the future of the new generations.

The papers in this volume – divided into two parts, Part I focusing on the challenges and Part II on the strategies of shared responsibility – offer food for thought and suggest possible avenues to explore to address the political and institutional shortcomings which are leading our societies to an impasse and to fear. Although it is difficult to reach consensus on these challenges, it is nonetheless essential, in a context of profound interdependence, for a debate on responsibilities to be placed at the heart of the European agenda. The fact is that interdependence radically alters the impact of choices and decisions, including private choices in the use of resources and generation of waste. Even private choices which maximise utility and individual well-being can have negative consequences for more general equilibriums.

These papers – written by both renowned academics and young people starting out on their professional life – reflect on the challenges of transitions in the organisation of individual and community public life; they ask questions which cannot be answered by existing institutional and political arrangements. In order to build new arrangements, the political objectives to be institutionalised need to be promoted by deliberative processes in which both strong and weak players can – through impartial agreement – identify common targets.

The solutions to be found cannot focus solely on economic aspects; they must also take account of other key dimensions, such as confidence, socially available or unused resources (such as moral and affiliation

resources) and other factors which play a part in motivating co-operation. In order to find winning solutions for everyone, rather than continuing to create victims, we need to incorporate long-term visions into the short-term approach.

In order to address these challenges, responsibilities – as these papers point out again and again – are no longer simply private, legal or sectoral; they are common. This is why we set shared and consensus-based objectives – with the participation of the weakest members of society and taking into account future generations and common goods as key factors in prioritisation – for our society and its administrative structures, which need to find a new direction to their action.

Accordingly, there is an urgent need to address the the configuration of responsibility in Europe, because we are currently witnessing a process of disorganisation, with the multiplication of conflicts, negotiations that break down from the very beginning and similar problems. Even forming governments is difficult in certain cases. Democracy presupposes the ability to resolve conflicts through institutional mediation and acknowledgement of solutions as effective and legitimate. We face a series of unresolved problems – such as religious intolerance, intolerance of minorities and other forms of rejection of democratic process – which show that unless we move towards the equitable sharing of social responsibility, by experimentation and researching appropriate methods, there is a risk of stagnation on a political level of our ability to analyse, engage in dialogue and resolve conflicts, in other words our ability to govern, at a time when the challenges facing society require genuine progress in these areas.

Shared social responsibility is a concept which challenges the inefficiency of the fragmentation and pursuit of objectives decided upon without consultation and dialogue; at the same time we must bear in mind the need for structures and individuals to have autonomy of action and decision-making. Fragmentation imperils the future of our societies and prevents any social innovation in response to the above-mentioned challenges.

Which means that in order to promote shared social responsibility, public authorities have a key role to play. They must be able to grant legitimacy to multi-player areas of deliberation, where both weak and strong, public and private stakeholders decide by means of impartial agreement – with due regard for the authority differential – to give priority to arrangements satisfying several requirements: making what has been achieved in the social sphere irreversible, reducing the negative effects of decisions on the weakest or on those who have been unable to express their interests, drawing up a realistic idea of progress and restoring confidence in the

future and in others on the basis of reciprocity in commitment; in short, making all interested parties able to act as one and interact.

The papers in this volume put forward a wealth of ideas to this end and offer a contribution to the major public debate that needs to be held on these questions which are so vital for the European society of tomorrow. We hope that you will find these papers thought-provoking.

**Gilda Farrell**

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# **PART I**

## **CHALLENGES OF SHARED SOCIAL RESPONSIBILITY**

### **JUSTICE, SUSTAINABILITY, DEMOCRACY**



## **SHARED SOCIAL RESPONSIBILITY: THE NEED FOR AND SUPPLY OF RESPONSIBLE PATTERNS OF SOCIAL ACTION**

*Claus Offe*<sup>1</sup>

Responsibility is a three-dimensional concept; accordingly, whenever we use it, three implicit questions are being raised and need to be answered. First, who is (held to be) responsible? Second, what is the range or scope of the responsibility in question; to whom and for what does someone's responsibility apply, and what are the legitimate limitations to the responsibility to act as "my brother's keeper"? Third, to whom is the agent in question responsible (meaning: by whom can she or he be held accountable, or to whom is he or she answerable) – either in respect of what the agent has done so far, or in respect of what he or she will have done at a later point? In the formal sense suggested by these three questions, all responsibility is social in that it refers to an interaction in which an agent (A), a category of people and concerns affected by the agent's action (X) and a monitoring observer (M) (even if only an agent's self-monitoring conscience) are involved, determining whether or not A has complied with the duties of his or her responsibility. Depending on the answer, sanctions may range from public praising to public shaming or personal feelings of guilt. Sanctions also include formal criminal punishment and the imposition of legal penalties on those who are found (in court) to have violated their responsibility.

The notion of "shared social responsibility" that plays an increasing role in the public policy discourse of many European states (though certainly not all, cf. Scholz with Konstantinidis 2011) often appears to mix up two ideas that need to be kept separate for the sake of analytical clarity. On the one hand, "shared responsibility" (in the sense of burden-sharing) refers to well-known problems of co-operation, collective action and the production of public goods. Such problems can be solved only if (ideally, all of) those who stand to benefit from their solution are placed in a position of sharing in the costs and efforts involved, by accepting an obligation or responsibility. The other understanding often associated with shared social responsibility refers to a norm of sharing one's resources with others by engaging in or complying with redistributive measures in favour of the less privileged. While there can be overlaps between these two interpretations (burden-sharing and redistribution), I shall focus here on the first understanding of shared responsibility.

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Arguably, the concept of responsibility occupies a central place in both sociological theory and the philosophy of social justice, including criminal justice. In sociology, responsibility denotes the reflexive awareness of actors of the demands that all kinds of norms make upon their behaviour. Norm-guided behaviour differs from affective, habitual or conventional modes of social action in that it is motivated by the awareness of norms and the (contingent) readiness of the actor to comply with those norms. “Responsible” behaviour responds to the claims made by norms, and responsibility in this sense can be defined as a meta-norm: the norm that norms should be complied with.

There are three kinds of norms which demand our responsibility to comply: legal, moral and social norms (Elster 2007). They differ in their enforcement mechanism (although empirically many norms are simultaneously legal, moral and social, thus relying on all three of those mechanisms). If we fail to perform duties as defined by legal norms, state actors will step in and coerce compliance. If we fail to comply with moral norms, the inner voice of conscience is supposed to step in and generate feelings of guilt as a sanction. Finally, if we fail in our duties as defined by social norms, we will be “horizontally” shamed, held in contempt or ostracised by others in whose eyes we have lost respect and worthiness of recognition.

What makes social norms special in comparison to the two other types of norm is their lesser degree of counterfactual validity. In particular, legal norms are robust in the sense that, no matter how many people violate them and no matter on how many occasions, they continue to assert their validity (until, that is, they undergo a formal revision that must comply with legal/constitutional procedures). Moral norms, as backed by considerations such as “everyday Kantianism” and generalisability, do not lose their validity (but may arguably even gain in force) by the evidence of their being widely violated and the indignation triggered by this evidence. In contrast, social norms (such as the expectation that parents supervise their children’s homework, the observance of dress codes at funerals, standards of marital fidelity, neighbourly help and so on) seem to be much less immune to the impact of their empirical violation. As people are seen to be unwilling or unable to observe specific social norms, the latter can lose their validity and simply evaporate. What sustains the validity of social norms is the (fallible) confidence in their continued validity, that is, their binding nature for others. Yet violators can simply choose to move out of the reach of those who try to shame, ostracise or scorn them in response to their violation of social norms, thus rendering the specific sanctioning

mechanism of this kind of norm inoperative (to the extent, that is, that it is not additionally supported by either moral or legal norms).

I interpret the discourse on responsibility<sup>2</sup> (that seems to be spreading in academia and among policy elites<sup>3</sup>) as a symptom and reflection of the perceived need to strengthen and defend social order against the decay that is caused by the prevailing theory and practice of socio-economic libertarianism. The resulting symptoms of state weakness encourage a vision of social order that is essentially based on voluntary and informally controlled compliance with social norms – in spite of their vulnerability to decay from non-compliance.

If the everyday behaviour of individuals and organised stakeholders is to be informed by voluntary compliance with a social norm that the burdens of responsibility should be shared, there must obviously be some method to assign shares of the burden to actors. As Scholz and Konstantinidis (2011) say, “consensus is unlikely, however, on how much responsibility each party should bear in the future”.<sup>4</sup> Without such consensus and an institutional method of reaching it, as soon as the sharing of responsibility is perceived as costly by those who share, they may all just wait for everybody else to do their share, in which case the synergy of co-operation and the solution of collective-action problems are unlikely to be set in motion in any durable fashion. One rule for allocating responsibility (mentioned in passing in Scholz with Konstantinidis 2011) is the rule that “responsibilities

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2. The discourse on responsibility plays a role in debates on invigorating forces of civil society and social order, but it is also central to the liberal-egalitarian theory of distributive justice (luck egalitarianism), which claims that inequalities are normatively unproblematic only insofar as they demonstrably derive from and correspond to what people are responsible for (their efforts, ambitions, decisions, choices), not from conditions or circumstances beyond their control (such as place of birth or genetic inheritance); cf. Dowding 2008. An analogous standard of justice applies in criminal justice: those convicted are penalised in strict proportion to the violation for which they are demonstrably responsible.

3. Examples of such discourse among policy elites include appeals to “corporate” social responsibility or the charitable engagement of actors in “civil society”; the widely commented-upon transition from concerns with government (that is, activities originating with state institutions) to those with governance (resulting from multilateral co-operation of state institutions and non-state stakeholders) falls into the same context (Offe 2009). Individual citizens are also addressed by policy makers, sometimes with good reason, as being ultimately responsible for policy outcomes, for instance in health, labour market, migrants’ integration and environmental policies. Albenaz Azmanova (2010) has called this move “citizen responsabilisation”; she highlights its implications of *sauve-qui-peut* risk privatisation and subsequent victim-blaming. These transitions correspond to shifts from exclusive reliance on legal norms to the additional reliance on social norms.

4. Page references in this paragraph are to Scholz with Konstantinidis 2011.

are proportionate to the possibilities open to [people]”, which is theoretically neat – “can implies must”, the inverse of the lawyers’ *ultra posse nemo obligetur* – yet calls for a procedure of possibility assessment. Nor does the thorny problem of determining shares go away by routine appeals to a “common duty of everyone” (p. 12), the “dialogue between all the relevant stakeholders” (p. 21), “a sense [or culture] of shared responsibility” (p. 29) or an “operational vision of shared responsibility” (p. 35).

It should be clear from these distinctions that things can go wrong in a number of ways. For instance, A is assigned a responsibility to do X, yet is unwilling to accept it, thereby violating a legal, moral or social norm of responsibility (think of a parent who is unwilling to care for his or her child). Yet the rejection of responsibility out of unwillingness may be more easily excused if the (assumed) beneficiary is not one’s child or some other specific person, but “all of us”. For in this case, every agent’s willingness to do “his” or “her” share is, except in quite exceptional situations, contingent on the perceived willingness and ability of others to reciprocally do their share. Also, A may (claim to) be unable to perform assigned responsibilities, in which case it appears unfair to burden him or her with them. Finally, the monitor M may misattribute some failure to comply with the demands of responsibility, as in the case of victim-blaming, scapegoating, rationalisation of personal failings or an agent’s claiming of credit for good deeds that others have performed. Sometimes it is almost impossible to ascertain, and agree, to whose (in)action the (un)desired outcomes can be causally attributed, and who is to be blamed or praised for (not) having discharged his or her responsibilities; if so, any judgment on the part of M is bound to be somewhat arbitrary. A further problem with the monitoring agency M emerges if it lacks the unbiased neutrality that is needed for credible statements on whether or not A has actually, in line with his or her responsibilities, performed X.<sup>5</sup>

The content of X – the social and substantive range of responsibilities – can vary widely. At one extreme, individuals are assigned the responsibility to care for themselves at any given point in time. A famous saying<sup>6</sup>

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5. An illustration of this problem is the virtually complete absence of independent evaluation mechanisms in activities relating to corporate social responsibility (CSR). Instead, we often find a fusion between A and M in CSR, resulting in a self-laudatory exercise of agents who make favourable judgments about their own activities.

6. It was originally used by Abraham Lincoln who addressed it to the slave owners of his time. Today, its equivalent is commonly used when mainstream politicians address the long-term unemployed in order to activate them or blame them for showing insufficient responsibility for the improvement of their condition.

comes fairly close to this extreme: “If you need a helping hand, look at the lower end of your right arm!” From that point zero of individual, self-centred responsibility<sup>7</sup> (at which point all three categories of agent identified above – A, X, M – merge into one), we can move conceptually in three directions.<sup>8</sup> One is by extending temporal inclusiveness, as illustrated by La Fontaine’s tale of the grasshopper and the ant. The grasshopper has failed in its responsibility to care for itself by not thinking of and preparing for the coming winter, thus violating some (social) norm of prudent solidarity with one’s future self. Secondly, responsibility can be extended in the social dimension, ranging from “my partner” to “all of humankind” or perhaps the number and categories of people who are intended to benefit from “my” responsible action. Thirdly, we can think of extending responsibility even further by demanding that agents must be attentive to and knowledgeable about events, developments and causal links that frame the situation of their action.<sup>9</sup>

As Thunder (2009: 261) puts it, this cognitive dimension of “social responsibility requires both a certain habit of ‘seeing’ or noticing social needs, and the disposition to respond to them intelligently”. For instance, acting responsibly as a parent presupposes that he or she must seek information and education about the nutritional needs of (young) children; he or she must be aware of the risks that lead to child obesity. Likewise, military commanders are formally held responsible, according to the principle of “command responsibility”, for knowing not just what they happen to become aware of but also “what they could have known” about action taken by their troops in combat. Hannah Arendt has even spoken of citizens’ “duty to know”.

In all three of these dimensions – temporal, social, cognitive – that define the extent of responsibility, we can easily imagine demands that become so exaggerated as to appear plainly unrealistic. Such is the case

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7. This notion of responsibility as self-responsibility (cf. the role of *Selbstverantwortung* in German labour market policy) indicates that the concept of responsibility need not overlap with that of solidarity, to say nothing of altruism.

8. Max Weber’s notion of an “ethics of responsibility” (*Verantwortungsethik*) would be worth a longer discussion here. In his view, A is clearly restricted to top political leaders, M cannot be specified (due to his “warring gods” view of a world that is “ethically irrational” as, in his view, proponents of an “ethic of conviction” fail to realise) and X, while (according to Weber) certainly not the democratic sovereign by whom the political leader might be held responsible, is someone who will look back (from the mists of the future) and assess the ancestor’s action as in fact “responsible”.

9. This cognitive responsibility can also apply retrospectively, as it requires the awareness and appreciation of relevant events and conditions in the past.

if someone were to demand that responsible citizens must be concerned with the long-term effects of all their actions on all their fellow citizens (or all human beings), on the basis of the fullest available knowledge about the world in which they act. While this extreme is plainly worthless in normative terms, the opposite extreme of “presentist” libertarian self-centeredness is equally hard to defend.

As a consequence, we can safely make two generalisations. First, the content of any realistic notion of “responsibility” is always somewhere between those extremes. Second, because there is no reliable yardstick for measuring the appropriate range of a given individual’s responsibilities, this range will be, and largely remain, contested and shaped by the comparatively weak forces of social norms. Policies of disciplining, educating, normalising, activating and guiding people to behave more “responsibly” often border on paternalistic control of behaviour and the implied threat of victim-blaming (using the logic of “I told you so”). The issue here is to develop standards of fair “responsibilisation” and adequately endow non-state actors with the resources and conditions that allow them to engage in responsible practices (an issue to which I return at the end of this paper).

Apart from strategic attempts by governing elites to “outsource” responsibilities to corporate actors, civil society and individual citizens, three other considerations may also play a role in explaining the new emphasis on governance and responsibility sharing.

First, at the level of international (essentially “stateless”) policy-making, the negotiated sharing of responsibility among sovereign states seems to be the only way (beyond super-power unilateralism) to achieve the production of global and international public goods like security and climate-related policies. Here, shared responsibility means negotiated sharing of commitments and burdens.

Second, it is well known that the provision of public (as well as most private) services is subject to a logic of co-production. This often requires the physical co-presence of the two sides, as in the doctor–patient relationship: The provider of services cannot start the “production” before the client/consumer is present and provides his or her “local knowledge”. Also, the client has typically a productive (if subordinate) role to perform in the service transaction, as when the patient is actually taking the medication or the student is doing the homework assigned. The client’s role also includes the performance of a (frequently rapidly increasing) share of “self-assembly” in the style of flatpack furniture. All these transactions are governed by social (e.g. professional) norms that

specify which side is supposed to take what responsibility in the essentially joint effort of service provision.

A third – and in my view the most important and least explored – challenge (to which responsibility sharing may be seen as a much needed and promising response) is this: we live in a world where many policy problems can be solved only if political elites succeed in enlisting not just the general support of constituencies, but the problem-specific involvement, enlightened co-operation and supportive action of specific categories of citizens. For instance, criminal wrongdoing is entirely framed, defined, monitored and sanctioned by legal norms and the institutions that are tasked with enforcing them. In contrast, nutritional wrongdoing – the eating and feeding others of food that is known to be detrimental to the duration and quality of human life – is something that cannot fully be enforced and monitored through regulatory agencies of the state, but just corrected and overcome by invoking individuals' responsibility and educated awareness.<sup>10</sup> What public policy must rely on in this policy area (and many others, often relating to the physical and social integrity of the human body) is the "soft" control mechanism of social norms, which lead people to do the "right thing" out of an informed sense of other-regardingness and future-regardingness. Examples of policies where appeals to social norms and responsibility are widely used include water and energy conservation, health-related behaviour (from H1N1 to HIV), child protection, drug and substance abuse, non-violence, gender and race relations, environment-friendly consumption and mobility style.

The practice of responsibility is widely and uncontroversially claimed by normative theorists (other than neo-liberals) to be a civic/political virtue – an attribute of an ambitious version of citizenship. In contrast, social scientists and policy makers may ask, in an empirical and functional perspective, what determines the need for and required kind and level – the demand side – of "responsible" behaviour of citizens. Most of the academic and political literature on the topic seems to converge today on the diagnosis that we need more responsibility than we actually see practised in social

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10. It is worth mentioning that many of the social pathologies that plague advanced societies – addictions, violent crime, teenage pregnancies, increasing divorce rates, pathogenic malnutrition, mental health problems – have been shown (Wilkinson and Pickett 2010) to correlate strongly with the degree of income inequality. Therefore it seems consistent to suggest that egalitarian solutions to "my brother's keeper" problems are not just intrinsically desirable for their own normative sake; they are also instrumentally preferable as promising (partial) remedies to those social pathologies.

reality: demand for responsibility exceeds its supply! As David Thunder (2009: 560) summarises:

A society that enjoys political and economic freedom cannot provide its members with a minimally decent way of life unless many of them have an active, outward-looking sense of responsibility for the lot of their fellow citizens and for the health of their social environment.

In this section, I explore further the question why the functional demand for citizens' sense and practice of responsibility is so acute and rising, as is indicated by the urgency with which the Council of Europe and numerous others are pursuing research and policy initiatives throughout the OECD world. Many writers, academic as well as non-academic share the concern that without policies that can help to strengthen citizens' sense of responsibility, the very social order of these societies will be in jeopardy, leaving behind a chaotic, unstable and potentially despotic condition of exclusion, fragmentation and *anomie*. Arguably, the now evident limits of the libertarian public philosophy, according to which the very notion of "society" is a mere illusion,<sup>11</sup> have sharpened the perception of the losses and dangers associated with a doctrinaire market-centred view of social order and social progress. At the same time, a wealth of literature on civil society (Cohen and Arato 1992; Offe 2000), social capital (Putnam et al. 1993) and solidarity (Karagiannis 2007) has helped to sharpen awareness of the fact that the state's logic of coercive enforcement of laws and contracts and the market's logic of self-centred partners in exchange do not, by themselves, add up to a foundation of a robust social order. Some items in this literature echo the Tocquevillean insight that it is only due to the "art of association" and citizens' voluntary involvement in it that society can defend itself against the ever-present dangers of despotism.

Let me elaborate further on explanations which can account for the rising need of post-industrial societies for social responsibilities that are voluntarily accepted and discharged by citizens without them being politically mandated or economically incentivised. First, the co-operative dispositions of citizens and their voluntary compliance with declared policy objectives have become the strategic variable in many policy areas. In a manuscript aptly titled "The powerlessness of powerful government", Stein Ringen (2005: 11) argues that it is no longer enough for governments to legislate,

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11. Cf. Margaret Thatcher's famous statement in an interview of 31 October 1987: "You know, there is no such thing as society. There are individual men and women, and there are families. ... People must look to themselves first" (<http://briandeer.com/social/thatcher-society.htm>).

enforce laws and regulations, and steer citizens' behaviour with subsidies, transfers, taxes and other monetary incentives. Increasingly, according to the author, they also operate, and need to operate, through a third family of policy resources that the author calls "signals":

Signals are suggestions from the government. It encourages or recommends certain choices, actions or mind-sets, and discourages others. ... People are endlessly being told by their governments how to behave and what to do and not do. We are recommended to eat healthy food, to not smoke, to not drink and drive, to save more and spend less, or the other way around if the economy is lax, to take holidays at different times of the year, to use public transport, to practice safe sex, to keep children at home and off the streets at night, to not call out the doctor needlessly, ... to not litter the landscape, ... to buy home-made products, to pick up and dispose of dog droppings, to economise with water and electricity, to wash our hands before eating, to pay careful attention to consumer information on food products, to make ourselves computer literate, to take exercise. ... Hardly anyone or any activity is free from advice from government about what to do or how to think. Campaigns for or against this, that and the other are a constant feature of modern governance.

In these and other policy areas, citizens have adopted, it seems, the role of the ultimate executive agents of public policies.<sup>12</sup> Many of these policies have to do with the human body and its physical and social environment. In these areas, policies are harder (sometimes impossible) to police and enforce compared to, say, building codes or product regulations. The success of these policies depends on the prudent, voluntary, considerate, civilised compliance of citizens with social norms. Examples are policies of preventive health, nutrition, sex life or drug use; the control of violent crime; citizens' behaviour in families, gender relations, intercultural relations and schools; and the patterns of consumer behaviour and mobility behaviour which have direct impacts upon the physical environment, including climate and the sustainability of ecosystems. In all these areas, the citizen can neither be effectively coerced nor effectively incentivised to do what needs to be done in the interest of the provision of collective goods (and the minimisation of collective bads). That is to say, if the

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12. Indeed, in some policy areas governments are well able to back up signal-based policies by monetary incentives and then by coercive intervention. Anti-smoking policies are a case in point, but reliance on such traditional instruments of government is unpromising and even counterproductive when it comes to matters like environmentally-sound consumer behaviour. Here, people need to be persuaded in order for the policy to succeed.



policy succeeds at all, it succeeds through the responsibility people are willing to practise – their degree of other-regarding and future-regarding dispositions.

To overstate my point here, we might say that all of us are affected by (and therefore legitimate stakeholders in) what every single one of us does (or fails to do), not just in political, but also in private life. We are all (and are increasingly made to be) aware of the fact of interdependence and its challenges. The way you educate your children, organise your consumption and mobility, control your carbon footprint, interact with minorities and dissenters, your behaviour affecting your health – all these are known to impact, in their long-term, aggregate effect, on the environment, the supply of human capital, climate change, health, the forms and intensity of cultural and political conflict, patterns of urban life and other things. Everyone else's pattern of spending and saving determines my job security. And, of course, the same applies vice versa. This awareness of interdependence (from which not even the residents of gated communities can fully escape, though with them we may encounter a highly asymmetrical kind of interdependence) calls for and drives the cultivation and expansion of the demand for responsibility and its fair sharing.

A further reason why the discourse on responsibility appears to have moved up the list of priorities of governmental and supranational organisations is likely to have to be, as hinted above, the chronic need of most governments to unburden the state budget by replacing state-organised and state-financed programmes and services by voluntary ones provided by civil society actors. In this perspective, the appeal to citizens' responsibility and self-discipline, as well as their readiness to engage in the voluntary provision of services through the donation of time, skills and private funds is just the flip side of chronic fiscal stress. Much of it can be seen as a continuation of the privatisation of the heyday of neo-liberalism, with the difference that this time services are being devolved and responsibilities assigned not to the market but to civil society and its actors (such as charitable foundations, corporations, associations, religious communities and individual citizens). Thunder (2009: 562), citing the brilliant anti-statist conservative manifesto of Berger and Neuhaus (1977), enumerates some items to be transferred into the sphere of civic responsibility:

providing a decent education to those who have 'slipped through' the cracks of mainstream educational institutions; caring for the elderly and sick, often in mediocre working conditions or on low salaries; ministering to the socially marginalised or disadvantaged, such as

single parents, the unemployed, the homeless, and victims of sexual abuse; ... and reporting suspicious activity in one's neighbourhood.

Reviewing this list, it cannot escape the attentive reader, however, that every single one of these items is one that might alternatively be taken care of, and more universalistically, by properly funded and professionally operated welfare state institutions with their regulatory and compensatory capacities, such as a decent school system, social security and long-term care institutions, minimum standards for working conditions and wages, unemployment insurance, rent-controlled housing and adequate police protection.

The policy of substituting public services and social rights with private charity can be criticised on two counts. First, voluntarism in social services, from third-sector organisations, foundations, individual donations and NGOs, is known to be much more unevenly distributed across social space and time than services that are provided by welfare state organisations that operate through budgets, rights and entitlements. For instance, in the case of natural catastrophes such as major earthquakes, normally massive donations tend to flow in from individual, institutional and international donors (contingent, of course, on the degree of media attention the incident receives and the international standing and reputation of the country in question); yet such waves of enthusiastic solidarity and help coming from non-state actors tend to be short-lived, following the attention cycle, while the long-term assistance needed tends to remain in the hands of state agencies and largely state-subsidised organisations such as the Red Cross. Second, the outsourcing of services to civil society actors tends to suspend and water down the monitoring function M referred to above: virtually nobody bears accountability for the volume, quality, professionalism, durability and fairness of the services provided other than the donors themselves. These two points suggest that, in designing new policies for the assignment of responsibility, we should be somewhat hesitant about joining the widespread enthusiasm for transferring responsibilities to civil society and third-sector actors.

Even today, most of the responsibilities we assume for "others" (corresponding to altruism) or "all of us" (corresponding to solidarity) do not result from voluntarism and choice on the part of responsible agents, but rather from formal institutions that commit us to serving others without leaving us much scope as to whether we choose or refuse to do so responsibly. These institutions – the legal system of taxes and transfers, social security and public education being the most important – are examples of self-binding acts of pre-commitment: at their origin stands the political,

collectively binding choice, made in the past by some winning coalition of political forces, that whether or not, for instance, the unemployed are granted unemployment benefits should no longer remain a matter of choice and dependent on the voluntary adoption of responsibilities. Instead, this becomes a matter of formal rights and entitlements. In this perspective, the genesis of the welfare state can be seen as a process leading to the institutionalisation of responsibility which makes it viable even in the absence of supporting motivations on the part of citizens. In this perspective, institutions can be compared to the auto-pilot of an aircraft, which unburdens the pilot (for a while) from the actual practice of his responsibility. Of course, there have always been attempts to re-open that choice,<sup>13</sup> either in the form of political challenges to institutionalised responsibilities, or in the form of private circumvention, evasion or sabotage of tax and social security institutions.

There is a third criticism of reliance on voluntarism. Authors have argued that people need to get involved in voluntary other-regarding and future-regarding responsibilities and communal self-help because such involvement is seen to increase the quality of services and the adequacy of solutions. The suggestion here is that devolution of competencies to small local bodies (which comprise all those directly “affected” by problems at hand) would activate the ability of local populations to identify, in a process of deliberation, what their needs actually are; it would also bring to bear their local knowledge on how these common needs can best be met – rather than leaving the design of solutions to experts, managers and administrators (Fung and Wright 2001). Local actors, as opposed to outside experts, are supposedly “sufficiently familiar with the relevant facts to be able to act effectively” (Thunder 2009: 562). As Fung and Wright emphasise and convincingly illustrate on the basis of several case studies, a precondition for the success of such local voluntary initiatives is that, while remaining under the supervision and control of superordinate agents, they be granted formal decision-making powers and other resources that allow them to actually decide upon and implement solutions; responsibility must be “empowered” – a point to which I shall return.

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13. Examples are to be found in ultra-libertarian social movements such as the Tea Party in the USA of 2010. A rather bizarre example is to be found in a recent campaign that the German philosopher Peter Sloterdijk (2009) inaugurated when he denounced the state as a “money-sucking monster” and progressive income taxes as “expropriation” of the industrious forces in society. He called for an “antifiscal civil war” at the end of which, he suggested, society would be “reinvented” by abolishing “coercive taxation” and replacing it with donations that the wealthy would proudly opt to make in the public interest. For a spirited critique, see Honneth 2009.

Not all cases where “more responsibility” is being called for, however, lend themselves to such empowered devolution. As Thunder (2009: 564) rightly observes “remote and diffuse objects such as geographically, socially, and culturally [and, one might add: temporally] distant persons and groups are less likely to engage the moral imagination than objects closer to home such as the fate of one’s immediate family, friends, acquaintances, and colleagues.” Yet arguably the most urgent need for people taking responsible action occurs exactly in areas where responsible agents and the beneficiaries of their agency are remote from each other – be it remote in space (when the issue is protecting others from human rights violations and helping them to maintain their material level of subsistence through development programmes) or remote in time (as in all environmental problems and those of climate change, in our approaches to which we determine, for better or worse, the living conditions of generations to come). In such cases, feeling and acting responsibly for the benefit of remote others can be morally a highly demanding matter, as there are no ties of mutual obligation and direct cognitive accessibility to facilitate that action.

In order to serve others or “all of us” in ways that standards of responsibility require, you need others to join the action. That applies at least when we deal with positive responsibilities (the assumed duty of A to do X), as opposed to the negative responsibility to refrain from something that would be irresponsible to do (such as littering the park or committing tax fraud). In the case of positive responsibilities, individuals by themselves normally lack the material and organisational resources needed for “making a difference”, except for very small social units. Individuals, if their perception is that they are the only ones who care, will also easily be discouraged from complying with standards of positive responsibility demands, if they see themselves in the position of the “suckers” complying with norms that nobody else accepts as binding, and making sacrifices for causes that nobody else shares. Hence in order to assist others (thereby fulfilling positive responsibilities), we need the assistance of others for both instrumental and motivational reasons. The reasoning is: “I do my part if you do yours, or assist me in doing my part.” Responsibility does indeed thrive on being shared, and being shared visibly. If we are to believe claims of a secular decline of “social capital” – that is, the capacity to co-operate and join forces and resources with others (Putnam 2000) – the result is compelling: as many people have lost their social capital, the initial conditions for such “joining forces” and sharing responsibility tend to be absent. In such a situation, people may feel an abstract obligation to act responsibly yet do not see the agents to do it with, and therefore will easily give up.

This effect may even be exacerbated by a condition one might call the “invisibility of the other”. While monitoring and supervision of the other becomes ever more sophisticated in the vertical dimension (for instance, through consumer surveys or the surveillance of entire populations through CCTV), people seem to know less and less about each other in the horizontal dimension. In contrast to fund-raising strategies that were widely used a generation ago when donations were collected in neighbourhoods through door-to-door campaigning with the help of lists in which every donor could see how much previous donors had actually donated, today’s strictly unobservable electronic transfer of money does not allow us to get an idea of who among our neighbours has actually been ready to donate, nor how much and for what purpose.

Sociologists try to capture these and related phenomena by the concept of individualisation (Bauman 2001). By that, they refer to a tendency of societal modernisation to posit the individual (rather than classes, nations, groups, organisations, communities, families etc.) as the ultimate unit of social life and social action. Under the influence of this tendency, persons perceive success and life satisfaction as something that primarily results from the prudence and luck with which individuals play market forces, rather than from the efforts of collective actors (states, trade unions, cartels) to curb them. At a time when, under the onslaught of market orthodoxy, all kinds of collective actors are experiencing the defection of members and when democratic states and their governments are suffering from their citizens’ disaffection, the individualist framing of the social world spreads by default. Diversity, distinctiveness and the cultivation of individuals’ special tastes, styles, preferences, choices and identities are being emphasised by consumers whom the market and the media supply with ever more sophisticated means to signal their uniqueness to others. Individualisation is often seen as the flip side of globalisation, as the latter tends to liquidate any remaining collectivist arrangements of common protection and common agency. To the (considerable) extent that this description of trends and tendencies in modern OECD societies is accurate, it is entirely unsurprising that the notion of responsibility is in the process of losing much of its binding nature and normative appeal.

Finally, flexibility and social mobility (upward, downward, spatial, between jobs, between income brackets, across family situations) as well as the spread of labour market and social security precariousness cannot but demotivate practices of responsibility. Precariousness and fear (especially of losing one’s socio-economic status) shrink the horizons of other-regardingness and future-regardingness, and make solidarity with others

and the far-sighted solidarity with one's future self appear unaffordable at any given moment. The paradox is that it is exactly under conditions when responsibility and solidarity are most urgently called for that they are least likely to be forthcoming.

The policy question resulting from this tale of increasing demand and shrinking supply is simple enough. To quote Thunder once again: what is the design of "social institutions that might support the practice of responsibility ... [and] show how people's social relationships shape their attitudes and behaviour in the direction of social responsibility and make responsibilities psychologically salient and cognitively accessible to agents"? (2009: 574). As an answer to that key question, moralising appeals to encompassing values and identities are evidently not good enough, although they belong to the standard repertoire of political leaders. An example is Barack Obama's appeal in 2008 to the nation's citizens: "This victory is only the chance for us to make that change ... It cannot happen without you. So let us summon a new spirit of patriotism, of service and responsibility where each of us resolves to pitch in." In a more sober tone, the Canadian sociologist Benoit Lévesque (2005: 48) states that the goal is "to improve civic engagement and responsibilities" and recommends the promotion of consumers' and savers' reorientation of their spending and investment decisions. Even here, the question remains how consumers can be motivated to pay comparatively higher prices by complying in their purchasing decisions with fair trade agreements, or investors motivated to sacrifice a margin of their potential return by engaging in responsible finance, such as investment in micro-credits.

Let me propose, in conclusion, four promising rules of thumb for dealing with the dilemma of failing practices of responsibility.

First, we need to understand and appreciate that the promotion of civic responsibility and co-operation is (some might say: paradoxically) largely a matter of public policy. It is not the retreat of the state that lets civil society flourish; it is rather the outcome of public policies that encourage and help develop (through other means than mere rhetoric) the willingness and ability of citizens to assume and share social responsibilities.<sup>14</sup> In their analysis of determinants of the highly unequal distribution of health outcomes, Hall and Taylor (2009) conclude that these unequal outcomes are determined by what they term "social resources". But what deter-

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14. After all and symptomatically, it was a committee of the German federal parliament, not a civil society actor, which inaugurated the discourse on "civic engagement" (Deutscher Bundestag 2002) in Germany.

mines the availability and distribution of those resources? Here is their answer: "our analysis suggests that public policy-making can ... be seen as a process of social resource creation or erosion ... Public policy can influence the structure of social relations" (ibid: 97-8). For instance, public policies can have the side effect of spreading distrust among ordinary citizens towards each other when they operate on the premise that the latter are either largely incompetent or unwilling to co-operate in the attainment of policy objectives. Policies and administrative agencies can strengthen or encourage social networks and their capacities for enhancing responsibilities, or they can do the opposite. The authors suggest that "governments should pay as much attention to the conservation of social resources as they do to the protection of natural resources" (ibid: 103).

Second, I want to suggest that the distribution of discretionary time, demonstrably one of the most potent indicators of well-being and life satisfaction (Goodin et al. 2007), is a highly promising field of public policy aiming at the strengthening of active civic responsibility and its sharing. What we already see is a trend in family-related and long-term care-related social policies and services to create time for carers and caring, and increasingly so paid time, the remuneration of which is intended to (partly) offset the opportunity costs incurred by persons who provide care outside labour markets and the labour contract. While such policy innovations are welcome because they create time for caring, there are two inconsistencies here that are hard to defend. First, why should only those caring activities find support in policy programmes whose beneficiaries are family members of the care-provider? Why not extend such subsidised free time to other practices of responsibility which benefit the wider community? (Cf. the proposal of a "participation wage" in Atkinson 1996). Second, why are donations in monetary terms widely recognised and supported by tax exemptions, but not donations on which people spend time rather than money (perhaps just because they do not have enough of the latter). Visionary proposals, such as the one suggested and developed by Coote et al. (2010), extrapolate the same idea of making discretionary time available on a massive scale that would be used for the practice of shared responsibility.

Third, the practice of social responsibility needs an institutional shell that would make it inviting, attractive and more widely accessible. Many countries have reformed their legislation on foundations and large donations. But much more can be done for the objective of providing legal frameworks for co-operatives, private associations, philanthropic voluntarism and the provision of services to specific target groups.

Finally, transparency is decisive, because it provides the much-needed cognitive support for responsible action. Such cognitive support is needed in two dimensions. First, not just the media but also public authorities need to bring to the attention of potential volunteers the projects and other kinds of civic engagement that are available for the investment of time, monetary donations or expertise. As I suggested before, much of civil society exists today in a state of what one could call “cognitive closure” – a condition of inattention, ignorance of and affective distance from the needs and problems of others. Most of us speak most of the time with, and are knowledgeable about, the likes of ourselves: a state of suburbanisation of the mind. As to the second dimension of transparency, people need to know, given the opaqueness of civil society to itself, who and how many of their fellow citizens actually engage in practices of shared responsibility – and also what they actually accomplish by doing so. It is ultimately only the cognitive reassurance that others are doing “their share” as well that can establish and maintain “my” sense of shared responsibility and civic engagement.



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# FROM INDIVIDUAL RESPONSIBILITY TO SHARED SOCIAL RESPONSIBILITIES: CONCEPTS FOR A NEW PARADIGM

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## 1. Why a new allocation of social responsibility is needed

Any discussion of the idea of shared social responsibility on a European level should be introduced by an explanation as to why a new allocation of social responsibilities between public and private actors throughout Europe is needed: how it challenges received wisdom and how difficult it is – also considering the possible pitfalls into which the search for a new model could fall.

Putting things in very schematic terms, the old model – from which shared responsibility is a clear departure – was the liberal paradigm (widely accepted within economic theory, for example) based on a simple allocation of social responsibility between the two main social institutions, the market and the state, where:

- the market and agents operating in the market (firms, consumers etc.) are assigned responsibility for the efficient allocation of resources;
- the state is allocated responsibility for providing public goods and for reshaping the initial endowments with which individual agents enter the market so that through the market operation they may reach an efficient allocation of resources that also reflects the initial political choice on basic endowments.

The typical feature of the liberal paradigm is that individuals or organised agents operating within the confines of the market are required to fulfil a very limited set of moral and social obligations. The optimal allocation of resources does not require them to account for the outcomes of their collective actions or their compliance with any overarching ethical principle, other than the need to respect commercial law and specific contracts. Under the typical conditions of idealised perfect competition, the rational and far-sighted pursuit of self-interest is the sole behavioural requirement in order for the market to function properly. There are two versions of this minimalist view of social responsibility assigned to private market actors:

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(i) The first minimalist view maintains that broad moral responsibility is superfluous or even impossible for agents operating within the marketplace because they cannot intentionally affect the market outcome. Nevertheless this moral neutrality of market operations does not prejudice its outcome, which is a social optimum that fully respects negative freedoms.

(ii) The second minimalist view envisages a standard of greed and self-interested behaviour exactly as the unique role-specific moral responsibility that individuals, professionals or organised private (corporate) actors are required to respect in order to guarantee the proper functioning of the market, according to a typical assumption of the First Theorem of Welfare Economics. Not being personally greedy (for individual entrepreneurs or consumers) or not seconding the personal greed of owners and shareholders (for managers) would amount to a violation of the 'ethics of the market', thereby jeopardising its socially beneficial functioning.

The old paradigm has passed through different phases. After the Second World War, until the extension of civil and social rights in the 1960s and 1970s, the paradigm ideologically survived a significant expansion of the welfare state, since the requirement of social responsibility was still mainly limited to the government and public servants, even though the remit and number of the latter increased. It must be acknowledged that in the late 1960s the idea of corporate social responsibility arose again and inspired the "business and society" movement – just as it had been an important part of the 1930s academic debate on corporate governance and the fiduciary duties of the modern corporation (see Bearle and Means 1932, Freeman and McVea 2002, Kaufman 2002, Kaufman, Zacharias and Karson 1995). Nevertheless the main focus, at least in Europe, was on expanding the social responsibility of the public sector rather than on sharing social responsibility between different areas of society, including private agents operating through the market and the third (non-profit) sector.

Over the last thirty years of the neo-liberal or libertarian age, the old paradigm reached its apogee, since it was perfectly consistent with the rolling back of the welfare state and the re-allocation of many decision-making rights and broad discretion to private actors interacting through the market, in the belief that the social costs of public decision-making processes were higher than the transaction costs associated with the exercise of decision-making rights by private actors constrained by the logic of market competition (often assumed to be "efficient markets").

It should be noted that, according to the prevailing view, these further changes were again intended to comply with the principle of separability of responsibility, whereby responsibility for efficiency (except for public goods in the strict sense) is conferred on market actors while responsibility for social justice and fairness is assigned to the “inefficient” political process. Hence, the neo-liberal age stressed even more the belief that minimal social responsibilities should be borne by private agents (see Friedman 1970 for the classical formulation of this thesis).

This is rather paradoxical because, in general, removing decision-making rights from one agent and conferring them on another also entails transfer of the relative responsibility from one to the other. Not so for libertarians, however. Due to the doctrine of the ‘invisible hand’ (efficient markets as impersonal mechanisms spontaneously reaching efficient equilibria) the idea spread that the key to the proper functioning of the market and the achievement of socially desirable outcomes was not responsibility, but intelligent and far-sighted greed. Thus the only social responsibility required was the undemanding obligation that self-interest be pursued, albeit intelligently and far-sightedly.

However, perhaps as an unintended consequence of the neo-liberal age, the increasing allocation of decision-making rights, power and discretion to private organisations operating according to the rules of the market raised calls for the allocation of social responsibility to be reshaped in accordance with the new configuration of decision-making rights and powers. The same process that has transferred so many decision-making powers from the public sector to the private sector on mere efficiency grounds reasonably raises the question concerning the social justice and social welfare consequences of private-sector decisions. The requirement follows that – where relevant – fairness and social welfare standards should be met not just by public institutions but also by the decisions of powerful private agents, even though they operate through the market.

In fact there are social cohesion pitfalls in the effects of private actors’ decisions that the state does not cause and which it cannot face up to on its own. In such decisions, private actors exercise power and discretion mediated by market incentives. Some examples may concern us:

- (i) Immigration of workers from poor countries on low-cost employment conditions. Although this benefits domestic companies, private-sector (manufacturing and service) industries and families, the immigrant workers’ demand for public welfare is seen as overcrowding these services and taking a ‘free ride’ on the cost of their provision – especially when the workers operate on the irregular labour

market or their wages are so low that they pay little tax. This causes adverse social effects such as the repugnant racial hostility that jeopardises social cohesion in European societies. Social integration and the growing costs of welfare associated with the immigration of low-income earners would be much better dealt with *ex ante* by preventive responsible behaviour by private actors – which may contribute to the immigrants' social integration – rather than *ex post* by the state.

(ii) Global effects of financial turmoil related to perverse managerial incentives resulting from the principle of shareholder value maximisation. These generate the financial externalities on economic systems that have been widely apparent in the recent financial and economic crisis (reduced access to credit for companies, reduced demand by consumers etc.). States have responded to these effects with strong stimulus policies, but they may not be able to repeat this success in the near future because of the level of public debt incurred. These effects must then be prevented by responsible behaviour from the private sector.

(iii) Distributive inequalities generated through allocation mechanisms. Companies are 'team production' organisations in which many stakeholders co-operate by investing and contributing to wealth production. However, authority is vested in shareholders and boards of directors that are accountable to shareholders and are incentivised by returns conditional on the share value. Existing corporate governance systems do not give significant protection to corporate stakeholders. Nevertheless stakeholders also make firm-specific investments while being imperfectly protected by incomplete contracts. At the same time, they receive no guarantees from the exercise of residual rights of control, as owners, shareholders or directors do (see Sacconi 2000, 2006a,b).

These considerations should preliminarily show what shared responsibilities do not entail. It should be made clear that in proposing that responsibilities be shared, we are not embracing the view of shifting social risks (and hence responsibility for such risks) to individuals, who are the weakest players and hence the least able to bear such risks. To cite only a few examples:

(i) Company employees are required to bear entrepreneurial risk in terms of flexibility of their employment conditions and liability to dismissal; at the same time, there is no corresponding proposal that employees may receive protection similar to that deriving from the fiduciary duties owed by managers to owners.

(ii) Citizens are required to bear the risk of adverse social events and to insure themselves against such events by means of private insurance, even though they are not best able to bear such risks; but private insurance schemes are less efficient than public insurance (universalist welfare-state) schemes, and the recent financial crisis suggests that financial markets are unable to re-insure the systematic social risks associated with poor people's needs for housing, health services and so on.

At the same time, the recognition that individual agents have only bounded rationality and are subject to systematic cognitive biases has made the case for some degree of 'liberal paternalism' (see Sunstein 2002, Thaler and Sunstein 2008). This is intended to give people cognitive cues in order that they may take care of themselves, and also to prevent imprudent risk taking. However, it also suggests that they are insufficiently rational and well-informed to bear significant social risks. In general, this change of viewpoint on the cognitive capability of individual agents stresses the role of social responsibility duties that should be borne by those institutional actors in the private or public sectors that act as trustees for the people and must comply with the fiduciary duties placed on them.

Moreover the shifting (as opposed to sharing) of social responsibilities – from the government to private individuals, families or the market – brings with it the risk of not only reducing the extent of coverage of positive social rights but also changing the nature of those rights, causing detriment to the universality of social citizenship and to the impartiality and equality of treatment of people by service providers.

## **2. A minimal definition of responsibility and the challenge of extending it**

Before embarking on any deeper discussion of 'shared responsibility' we need a clear definition by elaborating on some minimal but unproblematic definition of responsibility. What, at minimum, does 'responsibility' mean? According to a standard view in philosophy of law (see Hart 1968), being responsible means having the capacity to be subjected to blame or praise due to an action or the outcome of an action in terms of some norm (legal or moral) from which a duty is derived.

Duties can be associated with any right according to the logical construct of 'claim-right' (in fact, contrary to the notion of a right as liberty/permission, a right may consist in a claim to some benefit, action, inaction or state which entails a correlative duty incumbent upon another agent to



provide that benefit, action, inaction or state; see Hohfeld 1923). This is therefore a quite basic and overarching definition. Responsibilities can be established for compliance with duties deriving from negative but also positive claims – that is, social rights where the claim concerns not just refraining from action (as in negative rights such as ownership) but the provision of a service (this point will be returned to in the next section).

### **2.1. The allocation and disclaimer of responsibility**

The above definition of responsibility is useful because it leads us directly to the question of what it means to be in the condition of ‘having the capability for being subjected to blame or praise’. Philosophers (and common sense) answer this question with the postulate “ought implies can” (see Hare 1963, Danley 1988). Hence one cannot be attributed responsibility for an act if one cannot make a choice regarding that action. Admittedly, this is rather obvious, but nonetheless it immediately raises a basic challenge to the definition of shared social responsibilities: we cannot share any responsibility with another (natural or legal) person if that person cannot make any choice concerning the matter. (I have already used this idea when criticising the alternative idea of shifting social responsibility to private citizens or families who are the least able to bear these risks.)

To be somewhat more precise about the conditions for the attribution of responsibility, two more qualifications must be made:

- (i) in order for an agent to be held responsible for a state of affairs *S*, it must exert causal force over *S* by means of an action that (at least in part) causally produces *S*;
- (ii) moreover that action must be at least to some extent intentional, so that the agent concurs in the production of state of affairs *S* by means of an intentional action.

Intentionality can be characterised in various ways. According to economic methodology, an action is intentional for a given decision-making problem if it can be construed as utility-maximising in that context. Thus the agent acts intentionally if he has a complete and coherent system of preferences over a set of courses of action (and their consequences), whereby the behaviour observed may be derived as a best choice given the agent’s ordering of preferences (i.e. it is ranked as the most preferred action vis-à-vis the decision-making problem concerned).

Alternatively, an agent can be said to act intentionally in a given context if his or her observed behaviour can be interpreted in such a way as to satisfy a mental representation (which the agent happens to hold) of a

goal, and of an act that is an effective means of achieving that goal. If the behaviour described cannot be said to satisfy, through a consistent mind/world correspondence, a mental model that the agent holds regarding the agent's goal and the action which is conducive to that goal, then it cannot be said to be intentional (see Searle 2001).

However, a proper understanding of the conditions for the attribution of responsibility requires that they should not be too demanding, in order not to extend or restrict unreasonably the range of subjects to whom responsibility may be attributed. For example, linear causality – or uniquely determining causal force – should not be required. Otherwise, practically no social event could be attributed to the responsibility of any agent, because it is obvious that the causal determination of social events always involves multiple variables. For example, it is usually said in organisations that “multiple hands” are the cause of a given state of affairs (see Thompson 1985), or in games that the outcome is brought about by the interdependent decisions of the participants.

Moreover, direct intention – such as having the mental representation of an outcome *S* as the proper goal of the individual's action – also seems to be excessive. In order to be responsible for *S*, the agent need not have represented *S* as her or his true goal; s/he can simply have represented that state as a by-product of the action that s/he intentionally performs in pursuit of another goal, so that s/he is aware of *S* simply as a possible undesirable side effect of his/her action. The same also holds for the ‘preference explanation’ of intentionality. In order to attribute responsibility to an intentional actor understood in a preferential sense, the outcome need not be represented as if it were the end state that s/he most prefers. It can be considered merely as a cost that s/he is ready to pay in order to achieve the desired outcome.

As a matter of fact, the agent will not have a complete representation in his/her mind of all the characteristics of any particular state of affairs, so that in preferring an action that includes the state *S* as a possible consequence, s/he would also reveal a preference ordering of all these states. *S*/he will explicitly apply the preference ordering only to some salient features of outcomes – those characteristics that are grasped as explicit decision-making variables of interest to the decision maker within the frame of the decision-making problem that comes to the agent's mind (‘framing’ will be discussed again below in this section). Nevertheless, for the purposes of attributing responsibility it is sufficient that the agent be aware of it as a related state of affairs even though it is not the specific object of his or her desires. What counts for awareness is the effective cognitive mental representation of *S* as a state of affairs associated with the course of action.

This will reduce the number of states of affairs that may fall within an agent's area of responsibility. Since an agent is boundedly rational, s/he is effectively unable to foresee every possible state of the world. On the other hand, requiring a complete preference ordering, including all the possible states of the world, would exempt practically all real-world agents from responsibility, given that none of them would in practice be able to satisfy such a high standard of decision-making consistency (we impose a preference ordering on states only in terms of the relevant features, which makes it possible to factor out many non-salient details).

To sum up, an unintended consequence – one not envisaged *ex ante* as the agent's goal or preferred outcome – deriving as a composition effect (that nobody specifically wanted) from the interaction between many intentional players can be attributed to the responsibility of those agents, provided that each of them acted according to some intentional goal and was aware of that outcome as a possible unintentional by-product of the composition process.

Conditions for the attribution of responsibility are typically invoked by private and/or corporate agents and by individual citizens as grounds for disclaiming responsibility. For example, companies disclaim all responsibility for inhumane working conditions or child labour in the low-cost plants where they have delocalised the production of components necessary for their own manufacturing process, or for the employment of immigrant workers on discriminatory conditions (or without any contractual protection at all).<sup>16</sup> In doing so, they resort to arguments like the following:

(i) No information was available about what was going on in the plant (which was not supervised), and hence no intentionality can be imputed to the action that contributed to bringing about a bad state of affairs.

(ii) No intentionality may be recognised in the action, even under conditions of perfect information about employees' labour conditions, because the company was not free to choose to improve working conditions in the supplier's plant, since it must remain competitive in the market, which means that the best strategy is to reduce the cost of components acquired through the supply chain.

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16. The attribution of moral responsibility to corporate actors has been extensively discussed; see for example Danley (1988), Danley (1990), DeGeorge (1982), French (1984), Goodpaster (1984) Ladd (1984), Velasquez (1983) and moreover Sacconi (2005).

(iii) No causality can be attributed to the company's action (even if it is aware of the consequences) because the abominable working conditions in the supplier's plant would have been exactly the same had the company decided to cancel the supply contract, or not to conclude it at all. Given the ongoing competitive conditions of the market, another company would have been induced to buy similar components at exactly at the same price conditions from the same supplier.

Similarly, individual citizens may disclaim all responsibility for the depletion of natural resources or insufficient contribution to providing local public goods (such as reduced pollution, energy use and greenhouse gas emissions, responsible consumption initiatives etc.) by denying that certain conditions for attributing responsibility are satisfied in the case in point. For instance, pollution is an unintended collective composition effect of the decisions of many individuals, whereas each of them takes his/her individual decision while bearing in mind a personal goal or intended outcome that is completely different from the composition effect. Thus there is no intentionality. Moreover, no causality on the composition outcome can be imputed because each individual action makes only a minute contribution to the global outcome. The same would be the case even without the contribution of the single individual.

Of course, many of these claims can be rebutted simply by a more accurate consideration of the conditions for attributing responsibility. For example, it could be stressed that the company voluntarily decided not to supervise the supplier's plant, and that in general it cannot pretend that it was unaware that labour conditions can only be poor in such a factory at that price level. Moreover, the decision to remain competitive on the market by this kind of cost-saving policy is an intentional and deliberate choice concerning one's ultimate professional goals, just like any other. Thus the entrepreneur cannot disavow responsibility for the consequences of that deliberate decision as if the action had been carried out under duress ("it must necessarily remain efficient on the market in order that the cost-saving policy automatically follows").

Finally, the market structure in the relationship between supplier and buyer is probably not perfectly competitive. The buyer decided to relocate to that plant the production of components that it previously made itself in its home country. There was probably something like an exclusive contract that locked the supplier into a privileged business relationship with the buyer, because the latter was the former's only client for that specialised component, which amounted to the largest part of the

plant's production. There was something like a bilateral duopoly situation between the two parties, by which the buyer had the stronger bargaining position. Since the company had bargaining power over the supplier, if the buyer wanted, it could have demanded that working conditions be improved in the plant, perhaps at the same time permitting the supplier to take advantage of improved contractual conditions. But by contrast, the company exploited its bargaining power (for example, the threat not to honour an incomplete contract) with the goal of reaping as much of the surplus resulting from the exchange as possible. Given the part of the surplus left to the supplier, the latter could not do a great deal to improve labour conditions at the plant.

For private citizens, responsibility disclaimers can be rejected on the grounds that the individual cannot claim to be unaware that the cumulative outcome of many individual actions, even if *prima facie* aimed at different goals, ultimately results in the depletion of a natural resource or an environmental common good. Moreover, at least at the level of local public goods or commons, the contribution of one single agent may not be minuscule and may not make a negligible contribution to the causation of a suboptimal outcome. In fact, the situation resembles more a multi-player Prisoners' Dilemma or Free Rider problem with a finite number of players than the pure public-good paradox involving an infinite number of agents.

All this only proves that individual responsibility can be expanded to account for social outcomes that are partly within the discretionary range of certain private agents. It should be noted that every rebuttal of a responsibility disclaimer refers to the existence of conditions in such a way such that the disclaiming individual nevertheless retains some discretion over a social outcome, and hence s/he can be attributed responsibility for that state of affairs. However, nothing has been said thus far about the possibility that individuals may share social responsibilities for implementing certain desirable social goals (welfare objectives or norms) decided at the level of a collective body or society at large.

## **2.2. From individual to shared responsibility**

Defining shared social responsibilities requires identification of a collective body (a group, society) that shares social welfare goals or principles of social justice among its members, exercises intentionality in pursuing them and also has causal force over the determination of states of affairs that are consistent with such intentions. It is also necessary to have an argument which proves that, starting from a goal or a set of principles shared by a collective body, responsibility for that goal or those principles

can be allocated to its members, such that they share responsibility for fulfilling the goal or principles of the collective entity.

Before discussing how this step can be achieved, let me try to define a view of society that can legitimate the idea that there is something like a shared social responsibility among its members, or that suggests that individuals share responsibility for some social situation in terms of a goal or a set of principles established on societal level.

Shared responsibility seems to be associated with a duty to behave according to certain principles or goals that are of value, along with other agents (citizens, organisations, institutions), and/or to pursue the achievement of some common goals or states of affairs. It suggests treating (European) society as a co-operative venture for the mutual advantage of its members (Rawls 1971). In order to support the continuous participation and contribution of all its individual members, such an entity must be grounded on agreed principles of social justice concerning the production and distribution of primary goods and basic capabilities (Sen 2009) necessary for the well-being of all its member citizens.

When these principles are agreed to (and hence shared) by citizens, this entails that citizens are responsible for behaving in accordance with these principles. This may be interpreted as a shared responsibility borne by them (even though it is differentially allotted between them), their private organisations and associations, companies and firms, and public institutions on different levels. From this perspective, shared responsibility means that public authorities, citizens, non-profit and for-profit organisations and their stakeholders are included within areas of responsibility under the terms of some principle or standard of social justice and welfare, and that collective action or the generation of a social outcome is required. Different outcomes associated with the notion of social cohesion may be the object of agreements and may flow from the agreement process properly defined.

To be precise therefore, shared social responsibilities require (as a prerequisite for their allocation) that corresponding duties be identified and attributed to members of society (or some relevant subset of it) because they are derived from values or goals that are shared by the same members understood as a collective body and who have made a choice (an agreement) about them. At the same time, the members of society must also be able to discharge these responsibilities effectively according to the conditions establishing their responsibility: viz, their capacity to act, to have causal force and to exercise some degree of intentionality. In other words, the merely formal assignment of duties from an independent collective level

may not be effective in engendering true responsibility if the members of the collective do not perceive themselves as having the capacity as agents to agree on those duties and hence to discharge the duties from which their responsibilities stem.

Since a number of paradoxes of collective action (such as the Free Rider problem or the Prisoners' Dilemma) that sever the link between collective moral goals or principles and the individual's actual capacity to accomplish the corresponding duties are well known, the conditions for the effective ascription of shared social responsibility remain problematic. To summarise the paradoxes for the benefit of the reader, let us consider first the Free Rider problem. Many players participate in collective action for the provision of a public good. When some amount of the public good is provided, its consumption by some individual does not make physically impossible that the same amount also benefits other individuals (what entails non-rivalry in consumption), while participation in production or paying a price for the good cannot be a basis for claiming a special exclusive stance for the appropriation of a share of the public good, since nobody can be excluded from benefiting from it (i.e. non-excludability from consumption, for example by imposing a price). However, participation – even where minimal – amounts to a cost for the individual participant. Thus, each individual member of the relevant group, by acting on the basis of his/her mere rational self-interest, will decide to abstain from effective participation in the collective action, since by this individual strategy (no participation) s/he nevertheless still has access to the fruits of the collective action and at the same time s/he dispenses her/himself from bearing the cost. Since none may predict the case in which s/he is determinant in reaching a threshold of participants in the collective action which is necessary for the good provision, this individual decision is not conditional on the prediction of how many people will participate in the collective action. Consequently, participation should come to an end and the public good provision should disappear.

The Prisoners' Dilemma is an even more skeletal instance of strategic interaction. At least two players may gain a mutual benefit from reciprocal co-operation, but in the event that one fails to co-operate, while the other plays his/her part, the former will fare much better. Moreover, where the other player does not co-operate, it would not make sense for either player to co-operate, since it is more beneficial to adopt the defensive strategy of non-cooperation as well, whereas co-operating would subject the player to unilateral exploitation by the counterpart. Whatever the predicted behaviour of the other party, non-cooperation is the best

strategy for each player, assuming that each reasons from the perspective of individually rational self-interest. The paradox lies in the fact that, while non-cooperation is the dominant strategy for both players, the resulting outcome for both of them is worse than the outcome that would obtain had they both decided to co-operate against their rational self-interest.

These “social dilemmas” (Ostrom) typically lead individual agents to disavow their individual responsibility for the collective harm which is the outcome of their interaction. Even though their actions are intentional and they exercise (together with other agents’ actions) some causal power over the social outcome, agents fail to see the rationale for accepting responsibility for the failure to achieve the socially optimal outcome. In the Free-Rider case, each agent argues that her/his individual contribution cannot by itself make the difference in provision of a public good. The player could only accomplish the task through success in co-ordinating many contributors. But, according to rational self-interest, no other player will contribute. Therefore it is not the case that s/he may be attributed responsibility for the failure to bring about the social optional outcome.

Even though the causal role of the individual player in the Prisoners’ Dilemma game is much more relevant in determining the outcome, s/he follows similar line of reasoning in disclaiming his/her responsibility for the failure to achieve the Pareto optimal outcome of reciprocal co-operation. S/he cannot avoid recognising that the suboptimal outcome is the joint responsibility of both the players. Nevertheless, since non-cooperation is the dominant strategy for both of them, there will be no chance for either of them to predict that other players will co-ordinate in order to achieve the co-operative outcome. By acting unilaterally, each can only generate a situation of unilateral exploitation to his/her own disadvantage – but of course putting her/himself in the situation of falling prey to unilateral exploitation may go far beyond his/her reasonable obligations.

These arguments do not provide a valid refutation of the players’ individual responsibility in determining the social harm. But what matters here is whether there is also a solid basis for making an argument in favour of accepting individual responsibility for bringing about the social good. ‘Ought implies can’, but – as long as the behaviour of other players is determined according to the requirements of the standard theory of rational self-interest – a player cannot modify the suboptimal outcome through his/her individual decision, and thus s/he cannot feel responsible for not having satisfied an ‘ought’ which goes beyond the reach of his/her individual decision.



Quite obviously, the demand for responsibility may be shifted to a different level, viz the responsibility for favouring a change in the form of the game played or in the rules whereby the same game is played.<sup>17</sup> This would allow for some co-ordinating mechanism, credible co-operative agreement or availability of additional sanctions against non-cooperative behaviour such that players could agree on a joint plan of action permitting a different social outcome. Thereafter, individual responsibility could be predicated on the individual's decision to carry out an individual action that concurs with other agents in order to determine the best social outcome. In sum, individual responsibility can be rejected insofar as each player perceives him/herself (i) as an individual agent who makes her/his best individual decision given a rational prediction of the other agents' non-cooperative behaviour, and not (ii) as a component of a collective agency unit that settles (and is committed to) a common goal and undertakes action consistent with pursuit of the goal itself. In particular, the individual players in Prisoners' Dilemma fail to recognise their responsibility for co-operation until there is no identification with an agency unit, a collective goal or a shared principle requiring that both players play the game according to the joint strategy (co-operate, co-operate).

A highly effective way of explaining the shift from collective values to individual duties and responsibility within such social dilemmas is suggested by the theory of "We Thinking" and "Team Reasoning" (Bacharach 1999, 2006, Sugden 2000, 2003, Tuomela 1995). Team reasoning, according to Bacharach in particular, requires the following premises: for each individual member of a group, it is true that s/he knows (and s/he knows that every other individual member also knows) that (i) s/he is a member of the group, (ii) the group has a goal, (iii) every member of the group identifies with the group and hence takes the group's goal as her/his own goal, (iv) there is a joint action that satisfies the group's goal better than any other, and members of the group calculate it; (v) from that calculation each member knows the individual action which is the projection of the common action

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17. Different approaches have been proposed over decades of research into game theory, which may be formulated in terms of suggestions to the players: "play the game repeatedly so as to allow reputation effects", "change the given rules of the game so as to pass from a non-cooperative to a cooperative game", "insert the game in a meta-game where rules for playing a particular game can be chosen within a larger game", "allow deciding on rules for playing the game", "introduce a pre-play (apparently) cheap talk stage in which player may make an agreement under the veil of ignorance of the game's rules, and then see what happens to their preferences in the ensuing game" and finally (as discussed in the main text) "trigger the frame 'We' to bring it to the players' minds, and then let the players play the game as a group".

onto the individual strategy set of each player – that is, the part of the collective action that is under the control of each individual player. It follows that each individual member knows that s/he should carry out the individual action as the component under her/his control of the collective action satisfying the group's goal. Moreover, according to the same authors, this inference is a piece of valid reasoning according to the logic of "successful instrumental rationality" – it does not presuppose any further condition other than the above plus logic (see Bacharach 2006).

The key assumption behind team reasoning is group identification, which entails that for each individual there is a cognitive change in the understanding of the unit of agency. It is no longer the individual but the group as such that is considered as the agent. Once the agency unit has changed, the individual's goal (or payoff function) changes. S/he no longer identifies her/his objective–function with her/his own personal utility function. Instead, her/his objective–function is now identical with the objective–function representing the common interest of the group: that is, henceforth the individual takes the group's goal as the premise for her/his practical reasoning.

The conclusion as to what each individual should do follows as a simple valid inference according to the logic of practical reasoning. Since the group's goal is her/his own goal, and since collective action is the best way of achieving that goal, and moreover since s/he is able to infer from that action (a vector of individual actions) the projection onto the action set of each individual (the vector component belonging to each individual), then the individual must know that her/his best way of satisfying her/his goal (i.e. the group goal) is to implement her/his component of the collective action. Therefore s/he should carry out this action.

From this it is only a small step towards responsibility: the individual who team-reasons can recognise that s/he has been attributed responsibility for the performance of her/his collective action component. If s/he team-reasons, s/he also understands that s/he can be praised or blamed from the group's point of view for having played or not played her/his part in implementing the collective action conducive to the group's goal.

It should however be noted that team reasoning is not valid in general but only contingently. It is based on a matter pertaining to cognitive social psychology – identification – which is not necessary but contingent in itself. An ever-possible alternative in fact is that the individual does not identify with the group and continues to see him/herself as the unit of agency.

What triggers group identification according to Bacharach is the cognitive psychological mechanism of 'framing'. If the individual enters the "We"

frame, then s/he will see the group as the unit of agency, and the rest of the team reasoning will follow. But if s/he remains within, or enters into, the “I” frame, s/he will see her/himself as the unit of agency and the logics that s/he will follow will be the canons of typical strategic reasoning used in game theory (albeit subject to some rationality bound). In this case, the logical consequences are the collective-action paradoxes, or (so to speak) the typical calculation of an individually dominant strategy in the Prisoners’ Dilemma that leads to the collective suboptimal outcome (i.e. agents individually do not discharge their responsibility toward the collective goal).

Neither framing is unique or voluntary: it happens that a frame comes to the individual’s mind. But it may also occur that another frame emerges – in the same way as the adoption of some (internally consistent but mutually exclusive) alternative way of perceiving things is always possible given certain figures according to *Gestalt Psychologie*. If it is the case that the “We” frame comes to the individual’s mind, then it circumscribes the reasoning that the individual can implement, given what s/he can see and account for within the bounds of that frame. For example s/he does not keep a mental account of the rational opportunity of unilateral defection in the Prisoners’ Dilemma because this is not rational within that frame, where s/he identifies with the group’s goal and hence strives to achieve the co-operative outcome (which is the best outcome from the team’s point of view). When, however, the “I” frame comes to the individual’s mind, then s/he reasons in terms of the individual’s best response and hence is perfectly capable of accounting for the decision to defect as a rational individual action with respect to his/her present goal (to maximise personal utility).

Triggering the “We” frame is therefore essential for the effectiveness of team reasoning. Even if framing is contingent and not voluntary, a given frame is triggered by some clue or salient element occurring in the situation and that attracts the individual’s attention through some experience that helps the relevant frame to come to the individual’s mind. And this occurs exactly at the same time that another frame for the same situation is still available. This should be borne in mind when seeking to understand the implications for shared responsibility.

In fact, on this view, responsibility follows the same route as team reasoning. If the “We” frame comes to my mind, I will identify with the group goal, which results in my duty to play my part in the collective action that is instrumental to that goal, assuming that it is calculable. Moreover, if this is the case for all the members of the group, they will all share the responsibility to play their part in achieving the group’s goal. Thus each individual shares the goal and hence shares responsibility for carrying out

his/her component of the collective course of action conducive to the group's goal. It follows that shared responsibility can be allocated to each group member who identifies with the group goal due to the fact that the "We" frame comes to her/his mind.

However, it must be remembered that responsibility for the group's goal can be shared only if the cognitive phenomenon of framing does indeed occur. Hence – assuming that Bacharach's explanation of team reasoning is true (which is not completely certain) – it is possible to understand how challenging it is to satisfy the conditions for attributing shared social responsibility: what is needed is to discover on a social level what conditions/clues (so to speak) favour the adoption of the "We" frame.

This must be the case not just for the members of a single group (which would entail group responsibility but also parochialism). It is also necessary that the identical "We" frame be triggered for individuals belonging to different groups: for example, individuals who belong to different stakeholder categories and are normally able to perceive themselves as distinct from other stakeholders because they have distinct sectional interests at stake (and different locations) within a particular decision-making domain. In other words, what should be triggered are frames like "We the society" or some relevant part of it, "We the territory X", "We the town Y" or "We Europe".

This relates both to the *ex ante* identification with the collective and its objectives (which is not at all obvious, given the existence of distributive conflicts between different stakeholders), and the *ex post* generation of the motivational forces that support execution of the individual action by each single agent. It may be useful to think of some sort of law of conservation for the sense of commitment needed in the move from identification with collective action (assuming it exists) to its projection onto the individual's action (coinciding with the collective-action component under the exclusive 'responsibility' of one particular agent).

According to team reasoning, once the individual component of the best collective action has been calculated, and assuming group identification, the second step should be a mere matter of valid reasoning (i.e. a syllogism). But we may doubt that this is the case (Sugden 2003). In addition to identification on the societal level with some common goal and principle, it is also necessary for the causal conditions (cognitive and motivational) that give us the specific impulse to carry out our individual component of the collective action (to play our part in it) to be satisfied.

The idea suggested here is that activation of the "We" frame on the social level – resulting in shared responsibility for the common goal (with

its projection onto the individual of responsibility to play one's own part) – depends on whether it is possible to conduct the thought experiment of the “social contract under the veil of ignorance in an original position” (see Rawls 1971). Even though some moral philosophers would see this as a pure exercise of rational autonomy, and hence as perfectly voluntary, from a social science point of view it must be admitted that it conflicts with numerous cognitive biases and specific particular interests. (It is simple to say in theory, but difficult to implement in practice, when all agent-related beliefs and motivations must be taken into account). It is therefore necessary to identify and accurately sketch out the institutional, organisational, cultural and governance-related conditions that constitute the potential social clues favouring the establishment in people's minds of the relevant frame of “We the parties in the social contract”.

The most challenging aspect of this task can be put as follows: identifying the conditions – those that affect beliefs and motivations – that allow for the preservation of the “We the society” frame (or a relevant part of it) when the agent enters a decision-making or interactional domain in which it is obvious that (a) carrying out an action in accordance with the common goal or principle is an individual choice, and (b) an individual decision to free ride on the shared responsibility is an open possibility – as is typical in compliance contexts. These challenges however go beyond the scope of this chapter (although see the related essay on multi-stakeholder governance, Sacconi 2011b, *infra*). Yet before identifying these conditions, we have still to consider a preliminary question concerning the possibility of such a social contract from which the norms of shared social responsibility are derived, given the diversity of the interested parties' claims and the stakeholders involved.

### **3. The multi-stakeholder agreement whence shared social responsibilities (SSR) ensue**

In order to bring about SSR, it is necessary to identify a collective unit of agency capable of establishing agreement on shared (among the members) principles and goals which can be transferred into the shared responsibility of each member – not only during the deliberative stage but also, and principally, in the stage when each member is called on to contribute to implementing those shared principles and goals. Here the “we thinking” mode of reasoning (and motivation) may play an important part (where there is one).

The task is not easy. At whatever possible level of analysis, the relevant collective agency unit will consist of some multi-level (local, regional, national, continental) and multi-stakeholder group. In fact, without this multi-level and multi-stakeholder composition of the relevant group of agents called upon to share social responsibility, the word “shared” itself will be meaningless, or almost so. Complete homogeneity of the group of agents involved in sharing responsibility for a collective goal and action can be excluded even in the simplest representations of the problem provided by simple models of ‘social dilemmas’ – such as the Free-Rider or the Prisoners’ Dilemma games. Even in such abstract contexts, where the existence of a best joint action is obvious, there is in fact a conflict of interest (resulting in divergent actions). Each player prefers his/her individual defection over co-operation (or non-contribution) once s/he expects that the other player will co-operate.

However, when such an abstract and simple representation of the problem is accepted – which minimises the scope for differences lying behind distributive conflicts – it may be conceded that there is a unique Pareto optimal course of collective action which collectively dominates over any other course of action and outcome. Consequently, if reasoning in terms of what would be better for the players’ group as a whole is allowed, all agents belonging to the group will unanimously prefer that course of action and the corresponding outcome whereby they all “fare better” as a group. In the Prisoners’ Dilemma this is of course the joint action consisting in the strategy pair (co-operation, co-operation). In the event of a public-good game, it is the joint level of contribution that maximises the joint benefit of public-good provision, net of the costs of its provision. Hence, if the possibility to act in a co-operative and co-ordinated manner is assumed (i.e. the players consider their group to be an agency unit and they do not consider during the agreement stage that they could individually breach any agreement), it is quite obvious that all of the group’s members will agree to adopt such a plan of action and its outcome as their common goal.

The only problem persisting in this case would relate to implementation: the need to overcome the incentive to depart from the optimal collective course of action when it is realised at the implementation stage that, by co-operating, each member incurs a cost that s/he as an individual player could save by acting opportunistically. But this is exactly where the “we thinking” can play its role. It consists in assuring consistency

for all the group members between the agreed collective plan and the individual course of action in the implementation stage.<sup>18</sup>

Nevertheless, from a less abstract perspective on SSR content, conflicts between stakeholders' interests are likely to emerge. This is natural, given that claims of a different nature may clash even if they are held by the selfsame individual at different points in time, so as to classify him/her as a different stakeholder. (For example at different stages the same individual may be a young person who has not yet entered the productive life-stage and needs skills and resources to do so successfully, then a participant in a productive venture occupying a specific professional role and claiming recognition of her/his efforts, and finally a vulnerable person in need of health care).

The social contract is suggested as an answer to the demand for a cognitive mechanism capable of providing the idea of a group unit of agency and the 'we' frame that can solve the 'ought implies can' problem underlying the allocation of shared responsibility. The idea of the social contract must then satisfactorily deal with conflicting interests and different claims. Here I do not consider possible analytical developments in the idea of the social contract, which is deferred until a later chapter in this book (see Sacconi 2011b, *infra*). Here I am only concerned with the possibility that stakeholders with different stakes and claims may agree to settle their shared obligations according to the moral priority of those stakes and claims. The focus is on the extent of moral legitimacy and priority that an impartial agreement may grant to different stakes and claims, so that their ordered satisfaction may be translated into the shared responsibility of all parties to the agreement. "Moral" is understood here in the contractarian sense of an impartial and fair term of agreement. In other words, my concern here is with the core idea of the social contract as a rational and impartial agreement on principles of justice whereby stakeholders' claims may be ordered according to certain priority principles.

The discussion cannot yet be confined to the 'ideal theory' of the social contract, where the subject matter of the agreement can be assumed to be already well defined due to the very nature of the 'original position' where

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18. Note that a compatible and perhaps more convincing explanation can be given by the idea of a "sense of justice" (Rawls 1971), i.e. the idea that conformity preferences supporting voluntary compliance with an agreed principle of fairness will develop when there is public knowledge that all the participants have endorsed the fair agreement and moreover it is expected by all parties that all participants will reciprocate compliance with the agreement itself (Grimalda and Sacconi 2005, Sacconi and Faillo 2010, Sacconi 2011a).

the agreement ideally takes place. (For example, according to Rawls, given the nature itself of the 'original positions', only 'primary goods' are considered.) On the contrary, we must admit that from a 'non-ideal' perspective, stakeholders called upon to share social responsibilities may bring to the negotiating table not only fundamental claims (that is, basic rights over primary goods and basic functioning) but also claims that seem less fundamental, though still legitimate, such as the claim for fair remuneration of effort devoted to some productive contribution to general wealth and welfare. In fact, it would be unrealistic to assume that these different claims are not staked in any real-life situation where shared responsibilities for the accomplishment of some common goals are established.

Moreover, from a 'non-ideal' perspective, the power of different stakeholders may be unequal and not necessarily aligned with the relative legitimacy and priority of their claims. What can thus be expected is that, according to their threatening position, those stakeholders who control the most valuable resources and are better organised and concentrated will control the group's decision, and thereby affect the allocation of responsibility in a manner favourable to themselves. That is to say, they will shift some responsibility onto weaker stakeholders – by denying some of their legitimate claims – and at the same time disclaim responsibility for the most burdensome tasks or goals by emphasising some other conflicting claim. It is quite likely that large groups of people characterised by a state of need for some basic good (e.g. education or civil rights) may, precisely because they are needy, not have resources to spend on political organisation, while at the same time may be so dispersed across a large territory as to render political co-ordination and organisation difficult. At the same time, since smaller professional or business groups are well concentrated and easy to co-ordinate, and do not illegitimately hold highly valuable assets, they may coalesce effectively in order to exercise their influence over public allocatory decisions. A reasonable view of the social contract that is capable of accommodating different claims on different levels would thus also have important consequences in terms of the prerequisites for design of an institution able to prevent strong but illegitimate (or less legitimate) stakeholders from exploiting the decision-making process that resolves the allocation of shared responsibility.

The importance of this point cannot be overstated. If the agreement does not reflect the proper priority ordering of morally legitimate claims, it may fail to induce those who have the most urgent claims to identify with the group, thereby dooming the idea itself of sharing social responsibility to failure. In fact, even though their capacity to take advantage of decisions



on the allocation of responsibility may differ significantly, each stakeholder, whether strong or weak, has some strategy for avoiding proper compliance with its responsibility, perhaps by taking advantage of limited monitoring and control and concealing its behaviour.

Put as simply as possible, the aim here is to propose an impartial acceptability test of the agreement whereby principles and goals are settled in order to assign responsibilities to each stakeholder. Stakeholders' claims may be differentiated according to their level (the type of stake) or – within the same type or level – according to the degree of incompatibility between claims of the same type put forward regarding distribution of a given set of scarce goods or a bundle of rights over scarce resources, control over which may be complementary only to a very limited degree. The agreement must be able to accommodate conflicts deriving from both these sources of differentiation, and what must be accomplished first is the priority ordering of stake-types or claim-levels whereby stakeholders may put forward their different and perhaps conflicting claims.

## **4. Different stakeholders' claims**

In the following section, three types of stake or claim-level put forward by stakeholders will be analysed in sequence: need-based claims, merit-based claims and externality-based claims.

### **4.1. *Need-based claims***

Here the interests at stake – the interests that prompt agents to stake claims – are conceived as needs for primary goods that are necessary in order for individuals to accomplish whatever life-plan they may have. Moreover, they are needs for capabilities to transform such fundamental goods into successful (or at least acceptable) functionings within some activity or sphere of human flourishing which is also consistent with any life-plan. Such goods or capabilities enable individuals to achieve states of well-being understood as voluntary achievements of a level of decency or excellence in some condition or activity according to how they are understood through the public use of reason and discussion in any given society. As is clear, this definition accommodates both Rawls's and Sen's views of well-being and justice (Sen 2009), and also a mild Aristotelian interpretation of 'functionings'. 'Needs', understood to be more basic than mere 'desires', can be identified as the means required by anyone in order to pursue any life-plan, or the capabilities that anyone needs in order to function successfully within a wide array of activities and conditions.

When all individuals equally require the same primary goods or capabilities with respect to any life-plan or broad array of basic functionings, it may be said that their needs are the same.

Cardinal utility may be used as a measure of needs by significantly departing from standard utility theory, where it is defined as mere representation of subjective preferences. Utility in our case may be taken as a measure of how much (technically) a good or capability is “instrumental” for the life-plan of a given agent – as an effectiveness measure of the relevant good or ‘capacity to function’ indispensability as a means to the end of accomplishing a life-plan (or some part of it). Intuitively, ‘utility’ here means the extent to which a good is useful in order to achieve a goal, and in the event that a good or a capability is in many senses nearly indispensable as a means to reach the end of a life-plan, it could be said that it is ‘needed’ for that plan, and hence its ‘utility’ (in an instrumental sense) is very high. This may be regarded as the total probability associated with the event that a given good or ‘capacity to function’ may happen to be the effective means for accomplishing (in the sense of a means–end causation) the individually chosen life-plan across the various possible states of the world and situations in which it can be used (see Roemer 1996). Thus utility is a measure of the extent to which an agent needs a good or capability given his/her life-plan.

Even though utility in this case does not represent subjective preferences, but stands for ‘expected effectiveness’, it can still account for some of the diversity between individuals. Two individuals with different life-plans may have different instrumental utilities for certain primary goods or basic capabilities, according to the differences between their life-plans and the related differences in the probabilities that some good or capability will be an effective means for fulfilling those life-plans. Thus, if we fine-tune the analysis of the use of goods or capabilities as a function of the expected success in fulfilling different aspects of life-plans, any two individuals’ needs for the same goods or functionings may be different. However, since no acceptable realisation of a life-plan can dispense with certain primary goods and basic capabilities to transform goods into basic functionings consistent with it, it follows that all agents equally need such primary goods and basic capabilities.

Consequently, these individuals also have similar understandings of the relationship of instrumentality (or causality) between these means and the ultimate ends of life-plans, and hence of the extent to which a person will need these goods and capabilities. There is therefore nothing to prevent an interpersonal measure of utility of these means from being

agreed, in order that a common unit of measurement can be deployed to express the extent to which a given good or functioning can help achieve some aspect of the life-plan pertaining to any individual in general. Put differently, searching for a metric of the causal relationship (utility as usefulness in reaching some goal) between primary goods and functionings on the one hand, and the realisation of the ultimate ends of life-plans on the other, does not encounter the standard difficulties relating to interpersonal comparability that on the contrary arise when utility is defined as a measure of subjective preferences.

Hence, given the life-plans of two different individuals  $j$  and  $i$ , we can in principle say that some primary good or capability has more utility for the achievement of agent  $j$ 's life-plan ends than for the achievement of agent  $i$ 's life-plan ends. We are able to understand in interpersonal terms the extent to which a good or capability is instrumental to agent  $j$ 's life-plan as against the extent to which it is instrumental to agent  $i$ 's life-plan. In other words, we can determine whether individual  $j$  needs a good or capability more than individual  $i$  (even if, in order to reach a decent level of success in any life-plan, primary goods and basic capabilities in general are needed in equal measure in order to accomplish both individual  $i$ 's and individual  $j$ 's life-plans).

Formally, this relationship between the needs of different agents can be expressed in terms of relative needs: that is, as the ratio between the positive marginal variation of agent  $i$ 's utility for a positive marginal increase in the use or possession of a given good or capability (in terms of variation in the degree of attainment of his/her life-plan) and the negative marginal variation of agent  $j$ 's utility for the corresponding marginal decrease in the same good or capability used by agent  $j$  (in terms of variation in the attainment degree of agent  $j$ 's life-plan). The greater the need of agent  $j$  (compared to agent  $i$ ) for the good or 'capability to function'  $x$ , expressed in terms of its marginal utility for her/him, the greater will also be the marginal increase in its utility for him/her with respect to the marginal decrease in the utility of agent  $j$  for the same good or capability  $x$ . We can thus estimate different distributions of primary goods or capabilities across different stakeholders in terms of those stakeholders' relative needs for them (different distributions will be associated with different ratios of the marginal variations in utility for the agents).

In order to be clear about the measurement of relative needs, let us assume that an amount of a given primary good or 'capability to function' is fully distributed between two stakeholders, so that there are no

further allocatable shares that can further enhance the utility (needs satisfaction) of both the agents involved. In other words, by allocating the good or functioning capability we reach the Pareto frontier (in economic jargon). Along this frontier, only Pareto-indifferent distributions can be found (i.e. allocations that may satisfy one stakeholder's needs slightly more, but only at the cost of slightly reducing the satisfaction of another stakeholder's needs).

It should be noted that, whilst a given amount of some primary good or 'capability to function' may be allocated in various positive shares of different magnitudes to two stakeholders, when the Pareto frontier is reached relative needs will react to these different allocations by different marginal increases (or decreases respectively) in agent *i*'s utility compared to different marginal decreases (or increases respectively) in agent *j*'s utility. In fact, agents *i* and *j* can both gain as long as their shares can both be augmented – which may occur insofar as their shares can both be moved from some inferior status quo towards the Pareto frontier (where all the different allocations of the entire amount available are represented). However, once this frontier has been reached, only trade-offs (involving conflicts of interests) between different stakeholders' needs will be feasible.

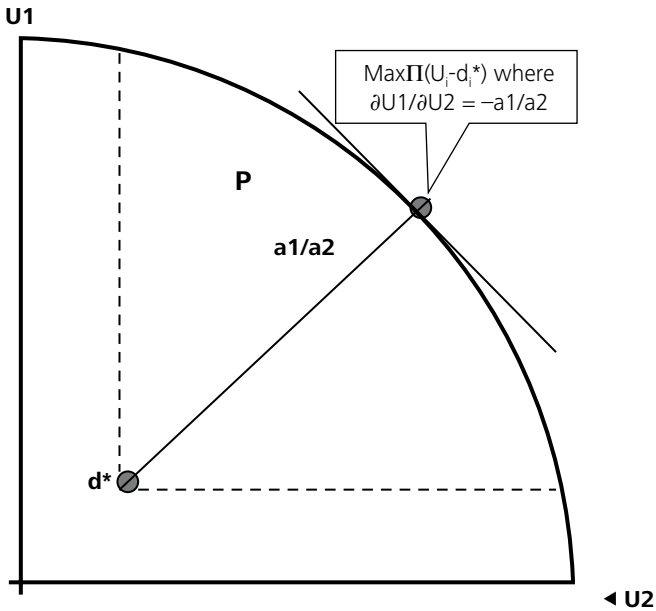
Nevertheless, agreement must be reached on some distribution on the Pareto frontier. A distribution by the criterion of relative needs is one that allocates goods and capabilities to stakeholders in proportion to the (inverse) ratio between marginal variations in the agents' utilities (needs), which is associated (along the Pareto frontier) with the allocation itself.<sup>19</sup> This occurs at the locus of the Pareto frontier where the Nash bargaining product is maximised: the point where the multiplication of stakeholders' utilities – deriving from agreement on the allocation of shares – after deducting what they would have gained anyway in the absence of any agreement, *is maximal*. This, in fact, is the mathematical condition for a rational solution of the co-operative bargaining problem over the distribution of primary goods or capabilities between two or more stakeholders represented through utility-payoffs. It also

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19. It may not be obvious, but this condition is not trivial: given a unique measure of relative needs (i.e. the inclination of the tangent to the Pareto frontier), there is only one proportion in the distribution of goods and capabilities that can equate the relevant ratio between the marginal variations of needs. And, if the measure of relative needs changes continuously along a convex Pareto frontier, only one possible value of this ratio of marginal needs can be produced through a distribution of goods and capabilities according to a proportion reproducing the same (inverse) ratio (see Figure 2.1).

coincides with proportionality to relative needs (see figure 2.1).<sup>20</sup> It identifies a unique solution for the bargaining problem between stakeholders proposing need-based claims.

**Figure 2.1. Nash Bargaining Solution**



(Figure 2.1 illustrates the Nash Bargaining Solution of a two-player co-operative bargaining game in the event of a symmetrical payoff space  $P$ . The point selected on the Pareto frontier maximises the multiplication of the players' utility differences ( $U_i - d_i^*$ ); the bisector starting from the status quo  $d^*$  allocates payoffs (representing needs for goods and capabilities) according to a ratio  $-a_1/a_2$  – identical to the ratio  $\partial U_1 / \partial U_2$  of marginal utilities (relative needs) represented by the inclination of the tangent to the frontier exactly at the point where the Nash bargaining product is maximised. Hence, by selecting the point where the Nash bargaining product is maximised, the distribution of payoffs is also proportional to relative needs. See Brock 1978.)

Primary goods and 'capabilities to function' may be understood as the contents of basic citizenship rights. Thus, needs-based claims are the appropriate basis for allocating citizenship rights over scarce primary goods and entitlements to capabilities that enable an agent to use goods in order

20. In fact, the unique proportion of shares of goods and capabilities that may be allocated in order to equate the ratio of marginal variations of needs occurs at exactly the place on the Pareto frontier where the Nash bargaining product is maximised (see Brock 1978, Sacconi 1991, 2000, 2006a).

to transform them into achievements of some relevant functionings. In order to give every stakeholder equal consideration and respect, rights of control over such goods and capabilities must equate the stakeholders' needs; that is, in order to make their rights equal, distribution must be proportional to relative needs. But it has already been stated that, even if details of individual life-plans differ and hence may require some fine-tuning in the distribution of goods and capabilities in relation to different individuals' life-plans, primary goods and basic capabilities are nevertheless equally needed by every individual living under similar external (social, economic, technological, environmental) conditions. In fact, under similar conditions they are equally necessary for the appropriate realisation of all life-plans, so a distribution of rights (entitlements) to primary goods and basic capabilities that can be recognised as proportional to relative needs is basically egalitarian.

#### **4.2. Merit-based claims**

In this case, the interests at stake are understood according to the "interest in gaining access to some benefit in proportion to one's personal contribution or effort". Merit is therefore understood simply as contribution to some social surplus. The claim to a share of the surplus is fair insofar as it reflects a personal contribution.

Moral merit is not invoked here, because it is an empty notion that must be defined according to some further moral concept. For example, someone may morally deserve a share in a given pie in proportion to his/her need for the pie or to her/his contributions to the pie's production. Merit-based claims may also implicitly refer to talent or natural endowment with some skill and biological capability, since it is obvious that talent affects the capability to contribute or to produce effort at a lower psychological cost. Unless remunerations are to be proportional to the pain of producing effort, merit-claims may therefore consist in claims to higher remuneration for more talented persons. Otherwise, if the pain of putting effort into a job were considered more important, then – assuming equal effort – talented persons would be paid less than untalented ones because producing the same effort level would cost the talented person less pain than the untalented one.

However, an implicit reference to talents does not seem to provide a sound foundation for meritocracy. Rawls's criticism of talent-based principles of justice is compelling: talents are the fruit of a morally arbitrary natural (and socio-biological) lottery, and nobody can claim either to deserve her/his natural talents or to possess any merit for having been given such talents.

Hence, if the casual distribution of talents were reproduced by the distribution of goods or rights, the final distribution of outcomes and the corresponding social structure would become morally arbitrary (Rawls 1971).

Insofar as talent affects the natural endowment of capabilities, it seems to interfere with the distribution of capabilities according to needs. If we assume that basic goods and capabilities are distributed according to relative needs, then the people who are most talented have the least need for capabilities. They should therefore receive less, so that a wide distribution of capabilities according to relative needs could attempt to level out these differences in capabilities by giving more primary goods and learnable capabilities to the less talented. But this egalitarian redistribution of capabilities seems idealistic and unreal. There is probably no way, at least in the short run, to equalise natural capability endowments through redistribution, even when needs constitute the basic criterion for allocating entitlements to resources that can be used to 'learn' capabilities.

Moreover, the exploitation of talents must be incentivised through some reward for their use and cultivation. At the same time, inequalities resulting from the exploitation of talents would be unjustified unless such exploitation were justified by some principle. This is the reason why a regulation of inequalities generated through the differential exercise of talents is required according to a principle of justice such as the Rawlsian "difference principle".

Since inequalities that result directly from talents are not justifiable, even if some reward may be causally necessary to incentivise their use and cultivation, the differential remuneration due to talents may be based only on the benefits for all (including the worst-off) resulting from their use. Since inequalities incentivising the use of talents favour the talented, the only relevant criterion by which to decide on the magnitude of these inequalities is the extent to which they affect the position of the worst-off. Thus, the maximum deviation from equality that is acceptable for incentivising the use of talents and their cultivation is that associated with the maximisation of the absolute level of the satisfaction of the needs of the worst-off, and hence the overall capacity to contribute to mutual benefit (not just the talented's benefit). Any wider inequality is unacceptable.<sup>21</sup> Thus there cannot be any justification on talent grounds (for example the talent in using financial tools) for the huge increase in social inequalities

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21. This is a moral inference of the distributive "difference principle" from a more basic idea of moral equality; for a different game-theoretical deduction see Binmore 2005 and Sacconi 2010.

throughout the world over the last three decades. This is certainly the case for developed countries such as the US, the UK, Ireland and Italy, as well as most of the developing ones – with particular reference to managerial bonuses and shareholder returns compared to average wages. To summarise, only contributions, and not talents, can be regarded as a further legitimate source for claims to shares in some social surplus.

Contributions are given to coalitions of agents that jointly produce marketable goods (enterprises) or that through collective action provide some universal public goods, local public goods, commons or club good. These are co-operative activities that often involve specific investments by their participants. Specific investments are decisions to specialise in some asset or resource in order subsequently to increase its value within a given specific bilateral exchange or transaction. Such investments are sunk costs which are not recoverable outside a specific relationship. They create a reciprocal (but not symmetrical) relationship of dependence for mutual advantage.

They may have different natures: human capital may become more specialised by learning specific techniques, languages or codes of behaviour. Creative or inventive work entails specific investment of human capital in a specific project before any result can be achieved. If the worker is removed from the project before the result is obtained, the sunk cost of all of the preparatory activity – which is essential for the invention – cannot be recovered by embarking on another project. Specialist training may be a specific investment, but even workers who are not highly skilled may carry out specific investments, sunk costs and idiosyncratic work relations – for example immigrant workers are idiosyncratically locked into specific employment relationships if a breach of their contract of employment may entail their expulsion from the country and loss of their sunk immigration costs.

Specific investments may also be made by the providers of services and technologies specifically dedicated to the productive process of their client's firm or organisation. Financial risk capital may be idiosyncratically invested in the acquisition and development of technologies, plant and equipment so that their costs cannot be recovered before some long period of production activity has elapsed. Social capital (fiduciary relations and trust) is a specific investment that cannot be useful outside a given relation-network, and so if an entrepreneur, worker or consumer endowed with high social capital is expelled from his/her relation-network, then her/his social capital will also be significantly devalued, and consequently so too all of his/her trust-based transactions. Consumers also invest specifically in research, information



gathering and relation-building in order to establish idiosyncratic relationships with professionals who are selected in order to establish a long-term service relationship based on trust (consider the cases of doctors and lawyers, but also financial, banking and insurance professionals).

Specific investments are often multilateral, complementary and conducive to team production. The typical feature of team production is that increasing the number of contributors who join a coalition and make specific investments will increase the coalition's productivity more than proportionally. In other words, the production function is super-additive. Moreover, the team's additional surplus – compared to the alternative scenario of separate production – cannot be ascribed to any particular individual and split into separate shares attributable to any of them, because it is only the co-operative interaction within the team that makes the surplus possible. Thus the good side of team production is that co-operation between the team members produces more than the sum of their separate activities. The surplus (or parts of it) cannot be attributed to any of the team members, but only allocated to the group as a whole. However, there is also a problematic side: because there is no separable measure of personal productivity, it is impossible to remunerate individuals in a way that reflects their personal contributions. When an individual's contribution cannot be separated and rewarded as such, opportunistic behaviour may arise within the team, without being detected and directly sanctioned. Given a suboptimal collective output with respect to the potential best joint output, it is impossible to say who has contributed efficiently and who has not; and it is also impossible to pay team members in proportion to their actual individual marginal productivities.

However, to assert that productivity and contributions are joint, and investments are specific and complementary, is not to imply that there is no measure of how much individuals contribute to co-operation. In fact, the contribution of any additional member is the marginal variation of the coalition's value as a function of each new additional member who joins the coalition. Put simply: this is not a measure of the separable contribution of any particular member and cannot be attributed only to his/her merit. Exactly the same marginal increase of surplus can in fact be observed also by reversing the order in which individuals join the team – so that by interchanging the marginal individual joining the team according to any order, the same increase in team productivity will still result. In other words, whoever is marginally added to a given team dimension will induce the same marginal variation of the coalition value. This means that all the group members can be allocated responsibility for any variation of the

team value. Thus their contributions are equal. Summing up, a measure of the individual's overall expected contribution is the marginal variation of the value of each coalition that s/he may enter as a member (in whatever order) multiplied by the probability that any coalition structure will occur, assuming that each member's contribution is equal when specific investments are multilateral and complementary because it is equally essential for the surplus as a whole.

Contribution-based claims – understood as both individual contributions and team-production contributions – are legitimate claims to shares of the wealth surplus created by co-operative ventures in companies, organisations and collective action in the production of marketable private goods or public or quasi-public non-marketable goods (club goods, local commons etc.). The moral basis for these claims is simply that whoever participates in the production of a given surplus should receive a share in proportion to his/her contribution to its production. It is then intuitive that many apparently meritocratic reward systems that bring about large inequalities in developed and developing countries cannot be justified on the basis of the principle of proportionality to contribution. In fact there is no reason to think that the tenfold or greater multiplication of the remuneration differentials between CEOs and average employees in the typical capitalist company over the last two or three decades has been related to a proportional increase in top managers' efforts or their personal contributions to the overall value created by the company compared to the contribution provided by typical employees (which would have decreased in proportion tenfold or more). Nor there is any evidence to support the belief that the largest remuneration differentials and highest bonuses paid to top managers occur in companies where the shareholder value has increased most in the long run.

There is also a theoretical reason for not believing that the striking growth in inequalities and pay differentials in many companies has any relationship to any notion of merit. In fact, incentive mechanisms – such as bonuses and stock options – introduced in order to link managers' remunerations to share-value performance, are based on the realistic hypothesis that information held by principals and agents is asymmetric. Thus, assessing managers' contributions directly in terms of observation of their behaviour and efforts is impossible for their principals. Managers hold private information on their efforts and hence cannot be rewarded on the basis of their own reports of their efforts. For this reason, managerial pay is based on financial outcomes which are only probabilistically and indirectly correlated to unobservable effort. Share value is taken as an indirect proxy indicator of the consequences on shareholder equity of managers' behaviour and efforts.

But it should be noted that, in order to encourage managers to work harder, rather than adopting a line of managerial slack in situations with higher productivity, an outcome-based remuneration structure must pay them more for different outcomes that would occur with exactly the same effort level, but under different exogenous productivity conditions. When high effort under unfavourable exogenous productivity conditions produces the same output as low effort under good productivity conditions, only this kind of incentive may encourage a manager to choose high effort under good conditions in order to obtain the best output. But this involves paying different compensation for the same effort (merit). Premiums paid for better outcomes constitute an “information rent” that managers are able to extract by threatening not to make an effort when it is impossible to distinguish between cases of high effort under unfavourable productivity conditions from those of low effort under favourable productivity conditions. Thus, according to an honest reading of economic theory, the level of bonuses and financial incentives paid is proportional to the managers’ threat to resort to opportunist and lazy behaviour when their efforts cannot be directly measured. However, the principle “to each according to his/her threat power and informative advantage” sounds quite different from “to each according to his/her contribution (merit)”.

### **4.3. Externality-based claims**

Interests in this case are claims to redress for social costs and externalities that spill over onto stakeholders – individuals, groups or entire communities – as the external cumulative effects of multiple individual decisions.

Externalities originate from the interference of market transactions with the allocation of public or common goods, or failures of collective actions aimed at their production or preservation. Basically, they occur according to the logic of the Free Rider: one or both of the parties to a market transaction may consume some public or common resource, thereby generating social costs (i.e. external to the transaction) that spill over onto third parties – or also onto the parties themselves, insofar as they are interested in concluding their transaction within certain constraints on the consumption of common resources (excessive consumption generates a social cost while reducing the private costs borne by participants in a particular market transaction). Some participants in collective action aimed at the maintenance of a public good or a common may refrain from playing their part, profiting unfairly from the other parties’ contributions. But also in a purely private domain, some members of a team may exploit the unverifiability of individual contributions to team production in order to refrain from more efficient efforts, so as to gain advantages from the other members’ work.

The main source of difficulty, where there is a large number of actors involved in decisions giving rise to an externality, is that it is a cumulative effect that spills over onto other agents, or onto the same agents, although these decisions are not intended to induce such effects, but are instead aimed at gaining profit from a private transaction involving only a subset of the externality's stakeholders (regarded as participants in a private exchange). Since externalities are the cumulative effects of many decisions, the individual agent may not recognise his/her causal power over them. In actual fact, the decision may be deliberately intended to yield some advantage from an apparently freely available resource or an opportunity to reduce costs. But because the individual decision is not directly intended to achieve that cumulative effect, the agent may not recognise the intentional nature of the decision contributing to the cause of the external effect. Hence the individual agent will disavow any responsibility for it. This difficulty is even greater when an externality may be brought about by decisions whereby some merit claim is met in a parallel domain (private production of some marketable good). Moreover, needs-based claims may already have been met for the same common or public good in the past, so that the externality subsequently interferes only with its marginal use or enjoyment by third parties, without calling the entire basic entitlement on such goods into question. Thus the infringement of needs principles of justice is not apparent.

The sharing of social responsibility for these claims is not immediate, since those who are typically responsible for externalities do not perceive themselves as the relevant decision-makers. Indeed, these claims are not usually raised within a process of collective decision-making on co-operative joint action, such as when a primary good must be distributed or a coalition must be formed to develop and exploit it. But it is under these circumstances that agents may accept a "we frame" as co-operators. Externality, on the contrary, emerges only as an unintentional interference with the implementation of these decisions. Externality-claims must be brought against individuals participating in a market decision who do not regard themselves as involved in decisions on needs and the reproduction or development of public goods or commons, and who *prima facie* disclaim their responsibility for them.

Overall, however, these situations obviously make distribution inconsistent with contribution, if contribution is considered also to concern the joint maintenance, development and exploitation of some commons or public goods. Moreover, they may contradict a previous distribution proportional to relative needs. In fact, even if two individuals co-operate in a bilateral

transaction and share a surplus proportional to their relative contributions, they may also collude in order to profit from the appropriation of some common resource to the detriment of other parties who do not participate in their private transaction, and who thus see their access to the commons reduced (or crowded out), or their involuntary consumption of some public disadvantage (i.e. pollution) increased.

Accordingly, externality-based claims may be regarded as not being independent of those based on the other two principles, namely proportionality to needs and proportionality to contributions. They should be better understood as claims for redress brought because previous need-based claims and merit-based claims have not been met. This is part of what is understood here as externality-based claims: they are claims for redress or compensation for the failure to honour more basic moral claims based on needs or merits. Nevertheless, due to their individual characteristics they should be considered as distinct from other claims because they may be made after some initial decision on primary goods or capabilities has been taken according to needs; and they may be made collaterally to allocations and distributive decisions made in a domain where proportionality to contributions appears to be met. Thus, externality-based claims are made as further stakes *prima facie* independently of, and sometimes in addition to or against, claims based on the other two principles, typically against some special case of distribution according to contributions in the market domain.

As a first example, access to a common environmental resource may have been initially allocated in proportion to needs between A, B and C. Then private activities begin wherein a subset of stakeholders (say A and B) participate in the production of some private good and are remunerated according to their contributions, but their use of the environmental resource creates externalities for agent C who does not participate in it. As a result, over time agent C may draw on a smaller endowment of natural resources, without having benefited from the private business of A with B. In this description, need-claims are respected at time 1, contribution-based claims are met together for A and B at time 2, although at time 3, because the externality spills over onto C, the principle of relative needs in the allocation of the common good is no longer effective. This justifies agent C's externality-based claim for redress.

In a second example: at time 1, resources to provide collective security or basic education are allocated to A, B and C according their equal need for security and basic education. They are then under the obligation to participate in a collective action of ongoing maintenance and the development

of security or education. Their relative contributions may result in wealth differences, though without interfering with their equal claims for security and basic education. However, A and B may develop a technology for their private exchanges that enables them also to improve their private security and the education of their children through their private exchange. They thus reduce their participation in the collective action providing collective security and basic education, yet nevertheless gain from C's continuing participation in the collective effort. (Remember that private security is worse than public security if the third individual stops providing public security, and also overall education is in general worsened if agent C stops his/her contribution to basic education.) Overall, C obtains less security and lower-quality basic education than what s/he deserves, and this provision is also inadequate for his/her needs. A and B instead fairly profit from their contributions to their private transaction, but they also enjoy additional security and education due to C's contribution to public security and education, so their level of security and their children's education are somewhat higher than the original level (low-quality basic education is supplemented by private specialist education). Thus, need-claims are met at time 1, and merit-claims are apparently respected within a stakeholders' sub-domain at time 2. But at time 3, from a broader perspective, merit-claims to the maintenance of security and basic education are not respected, and the distribution of security and education no longer respects C's needs. Hence C makes an externality-based claim for redress.

Thus, even if externality-based claims are not logically independent, they may arise empirically and temporally as claims separate from needs- and contributions-based claims. *Prima facie*, externality-based claims may clash with contribution-based claims that only on further reflection reveal themselves to be illegitimate changes compared to previous distributions according to need-based claims. They may also clash with contribution-based claims related to the functioning of some sectional productive coalition which is shown on closer analysis to infringe other contribution-based claims seen, from a broader perspective, as being based on fair contributions to the maintenance, development and production of some public good or commons. Externality-based claims thus make it possible to consider a dynamic element within our representation of possible types of claims and stakes: how previously stated needs-claims or merit-claims can in logical terms be turned against themselves, and how they can be restored in different form through redress and compensation after other merit-claims, mainly exercised through market transactions, have been made and met.

## **5. Spheres of distributive justice and the priority ranking of claims**

The problem of the priority of the types of moral claim considered above may be resolved as follows. First, it is necessary to determine the proper context in which each type of claim predominates in the argumentation aimed at reaching impartial agreement. Second, the relative priority of each context is settled in terms of a model of constitutional and post-constitutional social contract. In other words, we must first identify the sphere of application in which each principle of justice is intuitively appropriate, and then use the idea of a social contract to settle the logical priority and succession between different spheres so as to derive the overall agreement that sequentially satisfies each principle (type of claim) in due order. The relevant spheres of justice are three.

### ***5.1. Manna-from-heaven context***

This is a context where unanimous agreement must be reached on rights that give each stakeholder a privileged relationship with shares (if divisible) or use-rights (if not divisible) of primary goods or basic capabilities seen as “manna from heaven”. Manna is taken as given, not produced. Before any productive activity begins and any contribution is made to the manna’s maintenance or development, and before any production is undertaken through its use, a collective agreement on the criteria for the distribution of manna must be endorsed by all the parties involved. A constitution of rights must be established, before any further co-operative productive activity is undertaken, whereby rights granting control over goods and capabilities may be employed as assets. Co-operation at manna level occurs before any co-operative employment of the manna, because stakeholders can use it for any goal only if they first agree on a principle of fair and impartial manna distribution. Otherwise primary goods and capabilities will vanish, or be destroyed by the eruption of conflicts among stakeholders. The idea is that manna is co-operative in nature, since it is only useful for furthering the society members’ life-plan; it is unsuited to living in a state of nature characterised by radical conflict, which would entail its rapid depletion.

### ***5.2. Non-manna-from-heaven context, type I***

These are contexts within which ‘manna goods and capabilities’ are actively employed as inputs for the production of further goods and services and to bring about various co-operative surpluses. Surplus, of course, is not manna. In this context, individuals join coalitions of various sizes in

which they contribute their manna endowment as inputs, and co-operation within coalitions makes complementary-specific investments and team production possible. Effort (based on capabilities) is provided on an individual basis and also as inseparable productivity. Individuals expect some return from the various coalitions in which they participate in the production of many social surpluses. Coalitions are mainly seen here as firms and productive organisations operating in the market and providing marketable goods and services.

### ***5.3. Non-manna-from-heaven context, type II***

Many primary goods are public goods (universal, local or club goods) or commons, or include components of them (for example education has a public-good component). Though they may be initially distributed as manna, the maintenance, reproduction and development of these goods is the result of collective action. Many individuals contribute their basic endowments of such primary goods as resources to an all-inclusive coalition, or to sub-coalitions including subsets of the population, aimed at the maintenance, reproduction or development of universal public goods or local public goods and commons. Type II non-manna contexts are mainly non-market productive organisations providing types of social surplus through co-operation. However, type I non-manna activities interfere with the maintenance of public goods or commons, through external effects. Thus, individuals who do not participate in a non-manna productive type I coalition may see their manna endowment that is allocated to collective action in the non-manna type II context reduced or devalued as a result of externalities spilling over onto them from these collateral market activities.

It seems natural to order these contexts in to a logical sequence whereby, as the first step, the manna context arises; rights are then allocated over basic goods and capabilities that have not yet been produced or developed through co-operation, whereas they are appropriated as they are given exogenously. These are resources that agents can voluntarily employ for the purposes of their life-plans only after their entitlement has been settled.

Secondly, the non-manna context of type I subsequently occurs and the manna endowments are exploited as resources for producing something extra (surpluses) by investments in co-operative activities and exchanges determined by private transactions between various individuals – which can take place only according to voluntary agreements concerning the rightful use of manna endowments.

Subsequent to the manna context, but in parallel with the first non-manna context, the non-manna context of type II also occurs in step 3: now



public goods and commons, which are part of what was initially allocated as manna through rights assignments, are preserved (manna, if not cared for, may deteriorate), improved and developed, and then used for the purposes of individual life-plans. These are also co-operative and voluntary activities carried out through coalitions of varying degrees that arise only because individuals confer their initial manna endowments. Hence this step is strictly logically subsequent to the first step in the manna context. In this non-manna setting, market activities carried out in type I non-manna contexts may interfere through externalities that diminish the available level of manna, reduce its usefulness for right-holders and cause the failure of co-operative activities devoted to preserving and improving manna. Such co-operation is subject to the typical Prisoners' Dilemma and Public Good games paradoxes, so it may also fail by itself.

It can thus be ideally argued that, in the initial step, participants in a collective decision face a problem of distributive justice in allocating the manna: that is, in allocating resources that are available before any contribution has yet been made, and that can be used to enter mutually advantageous co-operation only after allocation. At this stage therefore, the only acceptable principle is proportionality to relative needs, since no claim based on merit can be put forward yet – since no contribution has yet been provided and natural talents do not matter as a basis for distributive principles. Rights settled by agreement – which are logically claim-rights (Hohfeld) – may only have the content of claims based on relative needs, so that the principle for the allocation of rights is “to anyone according to his/her relative needs”.

Thereafter, individuals use primary goods and capabilities over which they have control to make investments and establish further co-operative relations by participating in various joint production and exchange activities, which generate surpluses in terms of both private and public goods or commons. Parties enter into multiple co-operative coalitions, to which they contribute within the limits of their original endowments with the aim of increasing the value of what they may enjoy compared to how they would fare by relying on their individual endowments. This can sometimes be done through complementary-specific investments and team production. Participants join a coalition by agreeing on the rights they will later legitimately claim over distribution of the surplus produced by the coalition. Since needs have already been met and participants make contributions, the distribution of benefits must be proportional to relative contributions. At this stage, rights to distributive shares can only take as their content claims based on merit, understood as relative contributions.

Thus the rights allocation principle is “to anyone according to her/his relative contributions”.

However, since each individual deploys at this stage exactly the resources that s/he has received at the first step, and since these resources were allocated according to the relative needs principle, the end result (by definition consistent with the proportionality-to-contributions principle) must also reflect the proportionality-to-needs principle. In fact, rational participation in any co-operative venture is regulated on an individual level by utility maximisation, which in our context is essentially a measure of needs satisfaction (i.e. utility maximisation means that a resource is deployed efficiently by the individual as a means to accomplish her/his life-plan). Assuming that opportunistic behaviour does not prevail, each individual pushes his/her co-operative effort in any coalition as far as it is conducive to satisfying his/her needs. Of course, this cannot prevent inequality of needs satisfaction if individuals have arbitrary or strongly unequal endowments. But this is not the case here, because the non-manna context is reached only after the distribution of basic goods and capabilities at the first step has been carried out in proportion to relative needs. Therefore, considering that agents maximise their utility (in our needs-related sense), the final distribution according to contribution (and merit) is also proportional to relative needs. Meritocracy in this sense is literally secondary to the priority of the needs principle, and it is necessary in order to achieve a final distribution that reflects relative needs.

This still only occurs if productive coalitions, using the basic endowments of their participants, do not negatively affect the basic endowments of other stakeholders: that is, if they only deploy the shares of basic endowments that agents voluntarily confer in order to participate in collective action or voluntary exchanges without causing external negative effects on other, non-participating agents. Special attention must therefore be paid to the third step, where the non-manna context is entered into with regard to the preservation, development and deployment of public goods and commons. Since this too is a non-manna context, the proper principle of justice is proportionality to relative contribution even though, in contexts where individual contributions are not separable, remuneration based on contribution must be egalitarian. However, the essential feature is that in these contexts externalities deriving from co-operative activities undertaken in the non-manna context type I are possible. Therefore, to maintain consistency with the basic principle of relative needs and the condition relating to relative contribution, at this stage the distributive principle must be “redress anyone according to the external effects to

which s/he has been subjected". Thus the contents of rights settled at this stage are claims based on externalities.

A natural way of encapsulating the operation of ordering spheres of justice, and the priority of the relative-needs principle with respect to other principles of justice, is to represent the subject by means of a social contract model organised as a two-step collective bargain: the constitutional contract and post-constitutional contracts (see Brock 1978, Sacconi 1991, 2000, 2006a, 2010). The first stage is a collective choice of the constitution of rights modelled by a bargaining game among all co-operating stakeholders. The second stage is a coalition game that the stakeholders play within the rules of the game (the constitution) selected during the first stage. This second step generates a final allocation of payoffs.

Because they are linked sequentially, the two games can be resolved by reasoning backwards. Constitutions are regarded as restrictions on the strategies available to players in the second-stage game (restrictions on one agent's freedom of action correspond to other agents' rights, protections and endowments). Each second-stage game has a solution in terms of payoff allocation, so that from the perspective of the first stage, a constitution may be selected according to the final allocation of payoffs associated with the second-stage game as foreseen from the *ex ante* constitutional perspective. Because this is a bargaining game, the first stage is resolved by the most accredited solution concept for such games, the Nash bargaining solution, which prescribes maximisation of the product of the players' payoffs for agreements after deduction of status quo payoffs. Formally, this coincides with a distribution of the surplus proportional to relative marginal variations of the players' utility. Under the additional assumption of interpersonal utility comparability, this may be interpreted as distribution proportional to a measure of their relative needs. The second stage is a coalitional co-operative game played within a given institutional framework (a given constitution of rights) that assigns each player certain rights and obligations. It must be solved by a concept that allocates a quantum of utility to each player related to his/her importance for each possible coalition. This brings us to a distributive principle based on proportionality to relative contribution. But it should be noted that the institutional arrangement – a structure of rights and duties that influences the level of each player's contribution to each coalition – is chosen on the constitutional level, so that what players are able to gain on the basis of their contributions is also a distribution acceptable from the constitutional point of view according to the relative-needs principle.

In addition to the two-step bargaining game outlined above, a third step must be introduced to account for the *ex post* decision on the amount of redress that it is agreed to pay after a coalitional game has been selected via a constitution, if the game's co-operative solution relative to some domain causes external negative effects on the participants' endowments that gives rise to a deviation from the bargaining solution as foreseen from the initial constitutional perspective. (In fact, the solution to the selected coalition game due to externalities will not coincide with the Nash bargaining solution in the constitutional step because, within the given constitution, a coalition game does not prevent external effects affecting the basic endowments of some players.) Thus in the post-constitutional stage, a third solution agreed by participants is added to each constitution concerning fair redress. These rules associated with each constitution can also be envisaged from the constitutional agreement perspective, so that in the first stage only a constitution with the proper fair-redress procedure added to the second-stage coalition game will be selected. This corresponds to a specific constitution that, thanks to the proper-redress rule, allows only for the formation of coalitions that either do not induce external effects or incorporate fair redress for social costs, so that the end result again approximates to distribution according to relative needs.

## 6. Concluding remarks

The above pages have set out an abstract model of constitutional and post-constitutional contracts. By adhering to the logic of agreement appropriate at each step of the model (bargaining, coalition co-operative games and agreement over redress rules) we can infer the required priority order of the different stakeholders' claims discussed in the previous section. However, the most interesting aspect here is the implications this will have for a non-ideal view of the agreements that can be settled on SSR policies. The deliberative process and implementation mechanism for principles and goals whereby shared social responsibility is allocated to different stakeholders must reflect the priority ordering of principles of justice that entail fair treatment of the stakeholders' different claims. SSR can follow from the legitimacy of claims satisfied by the policies. However, nothing will follow in terms of sharing responsibility if claims are not satisfied in the proper order according to the social contract model.

We may therefore conclude that a *de facto* agreement on policies by stakeholders that puts merit-claims before the satisfaction of the needs-claims of the relevant stakeholders (for example, consider health schemes designed to yield maximum profit for private insurance companies or to

improve doctors' pay, or rebuilding plans after earthquakes that favour construction companies) is illegitimate, and hence unable to bring about any effective sharing of social responsibility. In this case, the policy would not be consistent with subordinating the 'remuneration according to contributions' principle to the goal of achieving outcomes that satisfy need-based claims.

In real-world situations, *de facto* bargains resting upon power relations between stakeholders participating in a deliberative process may give rise to decisions achieved by stakeholders only by pursuing merit-claims. In fact, it is simpler for them to join a collective action, since they are already concentrated into a homogeneous professional group, are less dispersed across a broad territory, and have valuable resources to be dedicated to political pressure. By contrast, it is simple to predict that externality-based claims may be under-represented in the deliberative process leading to the settlement of principles and goals to be implemented by a call for SSR. In fact, externalities (for example environmental ones, but also depletion of the public-good component of education) typically spill over onto a large number of dispersed (and not necessarily communicating and co-ordinated) people who are unable to affect the decision process. In all these cases however, since actual deliberation procedures and implementation mechanisms do not comply with the social contract model, no proclamation of SSR can be effective in eliciting a real sharing of social responsibility. This means it is even more important that the governance mechanisms and deliberative processes of SSR that can incorporate the normative requisites deriving from the social contract model (see Sacconi 2011b *infra*) be properly designed.

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## SHARED SOCIAL RESPONSIBILITY AS A KEY CONCEPT IN MANAGING THE CURRENT INTERREGNUM

Mark Davis<sup>22</sup>

This paper seeks to contextualise the importance of developing the key concept of shared social responsibility in response to the current complex of social, environmental, political and economic crises that have characterised the first decade of the 21st century. I do this by outlining these crises as part of a current period of *interregnum*, a time when many of the old certainties are being eroded and a new age is starting to emerge. Starting from this premise, I put forward practical suggestions that target the need for systemic and individual behaviour changes if we are to create a Europe of shared social responsibility. I do this through the lens of my own area of expertise, namely research into the social and political consequences of consumerism in a global age, and I introduce the notion of 'responsible consumption' into these debates. I begin by offering an interpretation of the current *interregnum*.

### The current interregnum<sup>23</sup>

The crisis consists precisely in the fact that the old is dying and the new cannot be born. (Gramsci 1971: 276)

One of the most intriguing statements on the current state of global human societies has been offered by Keith Tester. Informed by the above quotation from the prison notebooks of Antonio Gramsci, Tester (2009: 25) suggests that the various crises that dominate social life at the dawn of the new century can best be captured by the idea that we are presently living in a period of *interregnum*. The various challenges to established liberal models of representative democracy; the (perhaps not so) sudden uncertainty surrounding the neo-liberal principles of global capitalism; and the wider challenge of seeking adaptive solutions to the threat of climate change, would all seem to portend that the 21st century is beginning with a dramatic stage of transition away from the social, economic, political and environmental certainties of the recent past.

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23. This opening section is adapted from a forthcoming paper: Davis, Mark (2011), "Bauman's compass: navigating the current interregnum", *Acta Sociologica*, Vol. 54, Issue 2.

Bauman (2010b), following on directly from Tester's observation, has ruminated on the term *interregnum* by noting that it was originally employed to mark that period of acute uncertainty in society during the constitutional gap created by the transition from one sovereign ruler to the next. Bauman, like Gramsci before him, re-imagines the concept of *interregnum* in such a way that it goes far beyond the routine process of transferring hereditary power and instead helps to capture those seminal moments when an entire social order starts to fragment and lose its authority, but unnervingly at a time when there is no new social order ready to take its place. That is to say: Bauman (2010b) suggests that the very fabric of the "solid modern" social order that was once founded on the unity of territory, state and nation, is now falling away and there is no new "king or queen" made to the measure of the new globalised world of "liquid modernity". But precisely which old ruler is it that has just passed?

There has certainly been no shortage of proclamations of that which has ceased to be. Fukuyama (1992) was by no means alone in offering a provocative statement about the "end of" something that was previously thought to be an eternal part of human social life. To give a few examples, others have explored the possibilities and consequences surrounding the "end of geography" (Virilio 2007), the "end of ideology" (Bell 2000), the "end of democracy" (Crouch 2004), even the "end of consumerism" (Soper 2000). If we are to follow the diagnosis offered by Slavoj Žižek (2009), however, we find that the recently deceased old ruler is none other than liberalism itself. In his thought-provoking study, Žižek proposes that the first decade of the 21st century has seen both the political death of liberalism (represented by the events at the World Trade Center in 2001) and the economic death of liberalism (represented by the Great Global Recession of 2008). These 'two deaths' of liberalism have fostered a culture of acute uncertainty, prompting doubts about the legitimacy, and thus longevity, of extant political and economic structures. This has resulted in challenges to the economic hegemony of neo-liberalism and to the presumed now-and-forever political bedfellows, liberalism and democracy (Gould 2009; Hardt and Negri 2000; Mouffe 1993, 2000; Schwarzmantel 2005).

Few readers sympathetic to Bauman's account of "liquid modernity" would doubt that we live in uncertain times (Bauman 2000, 2005, 2006, 2007a). At the end of the first decade of the 21st century, individuals appear to be increasingly unsure of how best to go about their everyday lives. At least a part of this difficulty would seem to be that throughout the 1990s, which fostered the era of "happy globalisation" fuelled by economic growth and the hedonistic pursuits of a globalised consumer

culture (Bauman 2007b, 2008; Davis 2008; Smart 2009; Ray 2009), men and women became accustomed to managing uncertainty – whether over job security and the economy at a time of global recession; over our own identities and the shape and strength of our personal relationships; over the future prospects of ourselves and our children; over perceptions of fear and crime; over our faith in politics and the integrity of our political leaders and representatives – to managing those uncertainties as individuals. And as individuals set free – perhaps ‘cut adrift’ is more accurate – from the modern structures of collective security that were once promised and guaranteed by the “social state” (Bauman 2007c).

In the new century individuals know only how to manage their increasingly privatised concerns as consumers, hoping to find solutions to their problems on the high street. Having largely ceased to act collectively as citizens who share common troubles, which once were brought to the fore in a public sphere of civil society in that important space between market and state, we now measure the capacity to manage the endemic uncertainty of this current “liquid modern” *interregnum* in terms of the freedom to choose as a consumer. The more choice one has as a consumer (i.e. the more resources one has, both time and money, as the essential ingredients to realising that choice in practice), the more able one is to negotiate (i.e. to shop around for solutions to) the daily troubles and frustrations that are part of everyday life in today’s global capitalist societies.

In the current crisis, however, this once simple option of shopping to find a greater sense of security and well-being is being blown away in a confusing and rather contradictory storm of indignation about the irresponsible acts of ordinary men and women pursuing their habitual lives as consumers. That is to say: the consumer model of the life-project – seemingly the dominant and legitimate pattern to follow, or to aspire to follow, until very recently – is now increasingly targeted for blame as answers are sought to larger social and natural problems. As Žižek (2009: 37) remarks, throughout the current economic crisis leading public figures from all spheres of life – often citing irresponsible lending and borrowing, as well as adaptation to climate change, as the inspiration for their proclamations – have cited the root cause of shared global problems as being the excessive greed and selfishness of individual consumers, seemingly incapable of exercising the necessary restraint and abstinence in the face of the many bright delights of the globalised consumer dreamworld.

By placing the blame squarely upon the already burdened shoulders of individual consumers, Žižek stresses, the extant structures of the global capitalist system are seemingly absolved of all genuine responsibility when

judged by the subsequent response to the crisis; absolved also are those hidden hands of the global finance markets whose speculative endeavours assuredly played their part in creating the current predicament. And, as if identifying the cause in this way was not provocation enough, the global solution to recapitalise the world's banking system, and the speed with which it was enacted, provides some justification for further irritation. As Žižek (2009: 80) states:

Saving endangered species, saving the planet from global warming, saving AIDS patients and those dying for lack of funds for expensive treatments, saving the starving children ... all this can wait a little bit. The call to 'save the banks!' by contrast, is an unconditional imperative which must be met with immediate action. The panic was so absolute that a transnational and non-partisan unity was immediately established, all grudges between world leaders being momentarily forgotten in order to avert the catastrophe.<sup>24</sup>

Returning to Bauman's analysis, these actions by world leaders amounted to the truly remarkable creation of a "welfare state for the rich" (Bauman 2010a: 21), assembled by immediately employing the full might of global states to protect the vested interests of an elite few, while the legitimate daily demands of the many were once again simply brushed aside and left for another day. Furthermore, whereas the regular welfare state for the poor continued to be underfunded, left to fall into disrepair or deliberately dismantled, no such fate awaited the global banking sector, whose senior members rewarded this worldwide display of benevolence by refusing to suspend their usual bonus culture, even after widespread public indignation (Jenkins 2010). As Bauman (2010a: 22) remarks:

The moment it was halted at the edge of a precipice by a lavish injection of taxpayers' money, Lloyds TSB Bank started lobbying the Treasury to divert part of the rescue package to shareholders' dividends; despite expressions of official indignation, it proceeded to pay bonuses to those whose intemperate greed had brought disaster on the banks and their clients.

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24. This united action is all the more striking when compared to the Climate Change Conference in Copenhagen in December 2009. In spite of the rhetoric before the conference, it delivered little other than a "weak outline of a global agreement" (see [www.countercurrents.org/vidal191209.htm](http://www.countercurrents.org/vidal191209.htm)) amid a resurgence of global grudges, particularly between the West and China, with explanations tending to focus on the lack of time available due to various heavy bureaucratic procedures. Compared to the speed and decisiveness with which the banking sector was saved from catastrophe, it is easy to see why the climate change agenda continues to foster feelings of scepticism around the world.

Confronted with the apparent injustices and inequalities of the current crisis, one might be forgiven for finding just cause for an acutely pessimistic analysis of human social life at the end of the first decade of the 21st century. There seems sufficient evidence that “happy globalisation”, with its promises of consumer prosperity for all, now and forever, was far more contingent than the implicit or explicit advocates of the “end of history” thesis would have us believe. If Žižek is right, however, and we have witnessed the ‘two deaths’ of liberalism, then perhaps the current *interregnum* presents as much cause for hope as for despair. Amid the fallout from the current social, economic and political crises, the sudden frailty of the liberal hegemony gives an opportunity to rethink global societies in the enduring drive for greater equality, stability and sustainability around the world.

Having offered this brief interpretation of the current *interregnum*, I now move on to assess how best we might respond to the challenges of the new century, and I start by outlining the notion of responsible consumption. This is because I believe that any adequate response to the current crises demands a fundamental rethink of the role of consumerism in our lives.

## **Towards responsible consumption**

Responsible consumption is a concept that is just starting to emerge in theoretical and policy-relevant discussions, and in wider popular debates about how to rethink consumer behaviour. It has emerged in the light of the challenges that have come to define the first decade of the 21st century: the Great Global Recession of 2008 and the increasingly urgent need to seek adaptive solutions to the threat of global climate change. Although it is a little early to offer any final word on the utility of the concept, it is nevertheless worth considering as part of the development of shared social responsibility because the idea of responsible consumption seems to reveal growing disillusionment with the narrowly individualistic behaviours associated with ‘green’ or ‘ethical’ consumption.

Simply put, responsible consumption represents a belief that there is an urgent need to perceive our actions, our consumer choices, not just individually, but also socially, co-operatively. The concept is informed by, but at the same time distinct from, debates and issues raised by ‘green’ or ‘ethical’ consumption. The difference in meaning is both nuanced and revealing because it illuminates contemporary concerns over the impact that consuming ‘ethically’ can have in meeting those challenges identified above. A crucial difference between these three related concepts is this: ‘green’ and ‘ethical’ consumption appear to some to have become a relatively

unthinking, un-reflexive act, co-opted by astute advertising and marketing professionals who have identified – not just a sign of global awareness and resistance among informed citizens, but also – something akin to a rather lucrative niche market that can be targeted for profit generation.

That is to say: being an ethical consumer has come to mean simply buying those products and services that are labelled as ‘ethical’. Products in the ‘ethical’ category provide testimony of their ‘ethical’ credentials from various agencies and organisations established for this purpose. And yet, with the greenwashing<sup>25</sup> of ever more products and services, the role of marketing and advertising in the sphere of ethical consumption is fast becoming acknowledged and increasingly criticised. As a result, well-meaning consumers who are sensitive to the ‘ethical’ message can find deciding what to buy is highly problematic. In asking whether individual ethical consumption – though part of the solution – is becoming little more than another profit-driven marketing strategy, the notion of responsible consumption implies that there are other ways of changing identified patterns of consumption that look beyond the individual making choices at the point of purchase.

Thus, responsible consumption seeks to move beyond this level to explore more social, co-operative and community-based solutions. This is partly motivated by the fact that consuming ethically is not an option available to everyone.<sup>26</sup> So, one of the major ideas behind responsible consumption is the feasibility and desirability of consuming less from the marketplace and becoming far more resilient as communities. The act of choosing one product over another simply overlooks this. From one perspective, consuming less could be the most responsible choice and a basis for sharing social responsibility, because it is a genuine option for a far wider socio-economic demographic than the option (increasingly normative for some demographics) to purchase the typically more expensive organic or fair trade goods and services. This is a persuasive point: it is surely problematic for those who wish to consume ethically if they cannot afford to make those choices at the point of purchase. This can be represented neatly as a fundamental tension between ‘values’ (principles) and ‘value’ (price). Consuming less – rather than simply consuming differently – seeks to resolve that tension.

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25. Greenwashing is like making a smoky factory chimney acceptable by simply painting it green. An internet search offers many hits, especially: [www.guardian.co.uk/environment/series/greenwash](http://www.guardian.co.uk/environment/series/greenwash); <http://stopgreenwash.org/>; [www.climategreenwash.org/](http://www.climategreenwash.org/).

26. This links in with the discussion of capacities in the section “Towards shared social responsibilities” below.

Responsible consumption is an explicit attempt to break out of what we might call, following Herbert Marcuse (1964/2002), the “one-dimensional” role of individual consumers as passive users of public goods and private services, and proposes a new model of co-production<sup>27</sup> – the collective initiation of projects on the basis of actual material needs of sustenance and quality of life and the implementation of them jointly with producers. The approach is to develop socially responsible consumer networks, to create a support group for the co-production of goods and services that will meet specific local needs. Good examples of this approach can be found in the trend to community-supported agriculture, explored by Thompson and Coskuner-Balli (2007), and the web-based networks at Freecycle<sup>28</sup> and the Furniture Re-Use Network.<sup>29</sup>

What stands behind these initiatives is the idea of re-skilling, of individuals and community groups becoming much more resilient in the hope that they can rely far less on the rampant, irresponsible consumption of the past and perhaps genuinely begin to move towards a “post-consumerist” future (Soper 2007) in which we may make use of all our creativity, capabilities and skills and not simply our ability to shop. And there is plenty of evidence that this is taking place already, as individuals come together to form groups offering creative solutions to our shared problems in global consumer societies. As we have seen from the impact of Transition Towns and ecomotion in the UK, *Cittaslow* in Italy<sup>30</sup> and countless other examples, there is a rising number of socially responsible consumer networks, where people come together to harness existing skills within a local community to provide goods and services and share responsibility for meeting their specific needs.

To summarise, responsible consumption seeks to replace the common process whereby individual consumers buy anonymous products from anonymous producers. By collectively negotiating production at a local level to meet local needs, the aim is to reintegrate individuals into communities, foster collective values and thus promote well-being and social cohesion – in essence, seeking an alternative to the individualising processes of private consumption, something that purchasing ethical goods does not

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27. For more on the idea of co-production, see the contribution by Anna Coote in this publication. Also, see this Joseph Rowntree Foundation publication, which builds directly upon pioneering research by the New Economics Foundation: [www.jrf.org.uk/publications/co-production-people-outside-paid-employment](http://www.jrf.org.uk/publications/co-production-people-outside-paid-employment).

28. See [www.freecycle.org](http://www.freecycle.org).

29. See [www.frn.org.uk](http://www.frn.org.uk).

30. See [www.transitiontowns.org/](http://www.transitiontowns.org/); [www.ecomotion.org.uk/](http://www.ecomotion.org.uk/); [www.cittaslow.org.uk/](http://www.cittaslow.org.uk/).



really address. By becoming more reflexive, by rationalising individual acts of consumption as part of the broader implications of consumer choice and by exploring imaginative, alternative, collective ways to meet the needs of individuals and communities, responsible consumption implies that it is possible to re-shape global societies for the greater well-being of all. The concept captures a variety of existing and emerging practices that could replace the one-dimensional approach of the market as the solution to all global challenges. Buying fair trade products should not stop us asking the bigger question: why isn't all trade fair?

So, while recognising the importance of continuing to consume ethically, those who wish to take the next step and move beyond this individualising approach are urging responsible consumption because it points to a potentially more radical shift in attitudes and behaviour. To develop this point further, I wish to explore this wider social context by discussing the different capacities of individuals to become responsible consumers and thus to foster a sense of shared social responsibilities.

## **Towards shared social responsibility<sup>31</sup>**

In one of his conversations with Keith Tester (Bauman and Tester 2001), the sociologist Zygmunt Bauman remarks that in today's societies the dominant perception is that "power is measured by the speed with which responsibilities can be escaped" (quoted in Fearn 2006). Given this, it is a matter of great urgency to develop a sense of shared responsibilities so we can collectively address the challenges that each of us face in the early 21st century. Social cohesion and individual well-being need to become baselines for our societies. But what do we mean by shared social responsibility? And how might this differ from individual responsibility? This section explores the notion of shared social responsibility, and the capacities<sup>32</sup> of different social actors to behave and choose responsibly.

As I outlined above, previous discussions in this context have adhered to a rather individualistic concept of responsibility, with a notable tendency to (over)emphasise individual responsibilities in framing solutions to environmental problems in the context of adapting (individual consumer) behaviours so that societies can become more sustainable. It is also instructive for

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31. This section draws very heavily on Middlemiss, L. (2010), "Reframing individual responsibility for sustainable consumption: lessons from environmental justice and ecological citizenship", *Environmental Values*, Vol. 19: 147-67.

32. The word 'capacity' here is used to mean the ability of the individual to take on responsibility.

us to understand responsibility within a broader sociological framework, because this includes both individual and shared social responsibility. Part of the problem, after all, is the focus on individual responsibility without an equal awareness of (and thus emphasis on) how responsibilities are shared across different social actors, organisations and groups. That is to say: individuals often do not have an accurate appreciation of the real boundaries to their own responsibility – including a recognition of what is and is not possible for an individual to achieve – and so they rarely link the responsibility for living more sustainable lives to the structural players (e.g. business and government) in society. In short, narratives in sustainable consumption research and policy proposals focus too narrowly on the individual: “the consumer as the principal lever of change” (Sanne 2002).

By way of example, consider the well-known model of the ecological footprint, which implicitly judges the individual consumer and her/his success or failure in meeting their individual ecological responsibilities, without any recognition of the very real structural constraints that often frustrate attempts to live more responsibly. What the carbon footprint model fails to acknowledge, therefore, are the social reasons why individuals behave as they do. That is to say: my carbon footprint may be tiny, a source of personal pride, but this may be because I have adequate resources, access to good public transport, a local organic farm shop, my own vegetable plot at a local allotment and no need to drive or fly anywhere in the course of my working week. In contrast, my carbon footprint may be vast, a source of personal shame, but this may be because there is no adequate public transport where I live and no local shops left because of the enormous supermarket that just opened nearby; plus I have no outside space to grow my own food and the only job I can find requires two hours’ commuting in the car every day. What the carbon footprint model overlooks – or, worse, considers irrelevant – is the social setting in which individuals make choices and act out their daily lives, and so it misses a crucial point about why we behave as we do.

Such tendencies to individualise responsibility are a consequence of the neo-liberal movement, introduced in earnest in the 1980s with the intention of reducing the role of the state by shifting responsibility to the individual, specifically to the individual consumer (Maniates 2002; Middlemiss 2010). Maniates, in particular, highlights how this strategy sees individual ‘laziness’ and ‘ignorance’ as the cause of social and environmental problems, but marginalises structural influences on individual behaviour. In so doing, it is unwilling or unable (unable because unwilling?) to develop more substantive solutions that take account of the shared social basis of responsibility.

As a discipline, sociology offers the most extensive analysis of the role of structure in situating individual behaviour within a wider context of action and constraint. Authors typically stress the importance of social context in giving meaning to their everyday lives. Appreciating that individual behaviour takes place within a wider structural context allows for two additions to our understanding of responsibility: first, that fulfilling responsibility depends on ability (or 'capacity', which I discuss shortly); and second, that individuals clearly have different abilities or capacities and thus have more (or less) chance of fulfilling their obligations. In short, some individuals have more capacity than others to fulfil their responsibilities and only a fragmented and narrow concept of responsibility would place the entire burden on the shoulders of individuals, so we need a concept of shared social responsibility. It is little wonder that research into consumer behaviour frequently finds that individuals feel guilty about continuing to live 'unsustainable' lives and feel genuinely frustrated and hopeless when considering how best to change their behaviours given the real social-structural constraints on their everyday lives (Middlemiss 2010).<sup>33</sup>

To illustrate this point further, it is worth taking the issue of sustainable consumption as a specific example. By emphasising the role of the individual consumer as both the creator of, and solution to, climate change, there is a built-in normative claim that producers of goods and services are acting to fulfil their responsibility (making choices that lead to favourable outcomes) whereas consumers are failing in their responsibility (by taking the wrong choices and behaving in irresponsible ways). This emphasis on individual responsibility is far from inevitable, however, and by exploring both the limits of individual responsibilities and the interactions between individual and societal responsibilities, further insights and strategies start to suggest themselves.

A crucial first step is to consider reframing the responsibilities of the individual as those of society, shifting the emphasis to include social structure in explaining the causes of (and solutions to) the issue of sustainability (Spaargaren 2003; Southerton et al. 2004). An individual's responsibility to live a sustainable lifestyle can be reframed to include the responsibility of society to provide the infrastructure that enables individuals to live sustainable lives. In order to foster a sense of shared social responsibility,

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33. Here 'structural constraints' includes the various resources available to the individual (economic, cultural, social), the normative pressures on the individual (such as the requirement to 'fit in' with the actions of others) and the material and infrastructural constraints on the individual (e.g. the spatial proximity of services that enable choices).

we can see the responsibilities of society as the rights of an individual. In sum: the individual can be seen to have the right to live a sustainable lifestyle and therefore the right to be provided with the resources and opportunities to do so by a fundamental restructuring of society.

In this context, I would emphasise two points drawn from Middlemiss (2010):

- Considering sustainable consumption in the context of justice and citizenship leads to a more subtle understanding of responsibility for sustainable living, which does not automatically accrue to the individual, but is rather a shared obligation between individual and society.
- Justice and citizenship perspectives suggest that responsibilities are likely to differ between individuals, given people's ability to engage with change and the nature of the social context within which they operate.

The crucial point is clearly this: the notion of shared social responsibility takes into account the differing capacities of individuals to engage with society in pursuit of a more sustainable and inclusive way of life; it is thus a concept that allows us to appreciate fully the social-structural context within which individual behaviour takes place. Middlemiss (2010) identifies four key capacities – cultural, organisational, infrastructural and personal – that enhance the possibilities of sustainable living, but which also provide the basis for fostering shared social responsibility.

### ***1. Cultural capacity***

Cultural capacity refers to the norms and values that a person holds and how these affect that individual's ability to take on responsibility. The main point here is that if sustainability is somehow connected to a person's world-view, then they are more likely to be enabled to act than if their world-view does not relate to sustainability. This is not to say that some world-views or cultures are compatible with sustainability and others are not, but rather that different cultures can make different connections to sustainability. Focusing on norms and values is vital in fostering a sense of shared social responsibility, because they are the roots of new decision-making processes and will also help to integrate citizens in a wider process of interaction and dialogue. This is crucial, because it avoids the notion that preaching from above is sufficient to have the desired impact. The distinction is one between normative compliance (voluntary, in relation to an identified and agreed norm) and coercive compliance (enforced, often in conflict with agreed norms) with the former being much more effective.

## **2. Organisational capacity**

Organisational capacity refers to the resources of those organisations that a given individual has contact with. Regular contact with organisations that somehow support an ideal of sustainability (in work, home or community life) better enables individuals to take on responsibility for sustainable practices. Organisational support might be in the form of an overall agreement with broadly defined goals of sustainability, or a regular engagement with sustainable practices in the day-to-day work of the organisation. As above, the principle is one of fostering shared norms and values in order to create a social context within which responsibilities can be shared.

## **3. Infrastructural capacity**

Infrastructural capacity is interpreted here in a very broad sense, referring to the provision of products and services to the individual by government, business or the community, and how these can be brought into line with a given agenda. One suggestion, from the field of sustainable consumption, would be to establish a universal standard labelling index to identify the impact of infrastructures on environmental and societal resources, in order to move beyond regarding the individual as both the principal cause of and the solution to climate change.

## **4. Personal capacity**

Personal capacity includes a broadly positive attitude to society and the environment, understanding of the problems and challenges faced, and the skills or characteristics of reflexivity, knowledge, enthusiasm, negotiation, motivation and curiosity. The personal capacity to act is increased if the other three capacities are all already enhanced, because individuals then no longer feel isolated and frustrated by the burden of responsibility on their shoulders. Seeing other individuals, communities and organisations sharing responsibility in this way encourages individuals to participate more fully, as far as their particular social context and resources allow. In the context of shared social responsibility, there are two major conclusions to draw from the article by Middlemiss (2010).

First, the social context of individual behaviour necessarily implies that some actions are difficult (or impossible) for some people as a result of their own capacities or those of the structural context which they inhabit. The importance of this insight cannot be overstated because it challenges both academics and policy makers to think about the feasibility of the demands made of individual citizens (in the name of sustainable consumption, or

assuming greater levels of responsibility), who – given their social and personal context – are very far from a homogeneous group. It also helps to address those feelings of guilt associated with ‘unfulfilled responsibility’ when individuals are unable to act, in spite of sharing the norms and values that encourage them to do so. Structural constraints have to be addressed if shared social responsibility is to become meaningful in practice.

Second, as a consequence of the above, an individual’s responsibility is not always easy and straightforward to ascribe. As the boundaries of individual responsibility are subject to the above capacities, the precise responsibility of an individual for their actions is likely to be a matter of ongoing debate. In sum, individuals have differing capacities and so ought to have different expectations placed upon them. Those who have the most advantageous matrix of capacities and who are thus better able to accept greater responsibility for the well-being of all should do so.

It is crucial therefore that, in the name of shared social responsibility, individuals are fully aware of precisely how responsibility is being shared among a wider set of actors (public, private, government, etc.), who will have differentiated capacities to act and contribute more or less. To close, by framing responsibility in a social context, we can move beyond the discourse of individual responsibility fostered by neo-liberalism and instead encourage more collective, socially-cohesive strategies that include both public and private actors. It is essential that shared social responsibility is established as a baseline reference for our societies if we are to respond adequately to the crises that dominate the early 21st century and move towards a wise, sustainable and inclusive future in Europe. The first step in this process, I suggest, is to appreciate a basic sociological point by recognising the wider social context in which individual behaviour takes place.

## **Beyond the current *interregnum***

Thinking about all the above, what would a better society actually look like? Despite concentrating on consumerism in this paper, I am certainly not proposing that the goal is to stop consuming completely. Human societies have always consumed in one form or another and will need to do so in the future. But this should not stop us rethinking how and why we consume, or at what rate.<sup>34</sup>

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34. As mentioned above, it should be possible to develop a new culture of consuming less by fostering the notion of responsible consumption.

As I see it, the goal is to strike a more responsible balance between our individual role as a consumer and our wider roles as citizens, friends, family members, colleagues and members of communities. One way of trying to achieve this is to seek solutions at the social level, rather than the individual level. As noted above, the (current) neo-liberal belief in the free market as the single legitimate solution to our shared global problems doesn't allow us to achieve this sense of balance, nor the sense of shared social responsibility that the papers in this volume are aiming to promote. Responses to the current *interregnum* that focus too narrowly on shifting the behaviour of individuals run the risk of simply repeating the mistake of those who follow the neo-liberal belief in focusing solely upon the individual unit, thus regarding the private actor in the marketplace as both the cause of – and, curiously, also the solution to – all the problems we currently face. For too long, I propose, society has adhered to this neo-liberal position and as a consequence it has been reshaped and remodelled in order to serve the needs of a particular economic framework. It is now time for the economic framework to be reshaped and remodelled in order to serve the needs of society.

With the resurgence of interest in the writings of Maynard Keynes, following the soul-searching in the immediate aftermath of the Great Global Recession, we are reminded that the market economy has done what it set out to achieve. It has created a world of abundance, both in the financial wealth generated and the standard of living offered to our citizens. The enduring challenge of our times is the way these abundant resources continue to be inequitably distributed within societies around the globe. In the face of such abundance, scarcity should no longer be a problem for any of the world's inhabitants. The fact that scarcity so evidently remains a problem is a condemnation of social arrangements at the systemic level, rather than the fault of individual actors behaving irresponsibly.

Fundamentally, we need to shift from a market state to a social state, which will require new ideas and concepts, new forms of political action, support from the business community (who are increasingly sensitive to the green agenda), and new laws and regulations to buttress the changes against the inevitable and predictable challenges from the few who benefit from the current system to the detriment of all. One of the most corrosive processes to affect our political structures is the perception (too often supported by evidence) that the current neo-liberal system works in the interests of an elite few rather than the many. This perception breeds suspicion, cynicism and disillusionment, which undermine our democracies,

and it is for these reasons that we need the kind of fundamental systemic change that can foster new values and norms among individuals.

Of course, this is not a simple proposal. How might we begin to make changes at the systemic level? In order to draw together all the issues raised in this article and offer a conclusion, I would like to offer two specific proposals that I believe should inform the development of shared social responsibility and help us all to move beyond the current *interregnum*. First, as sociologists are well aware, there are four key criteria for genuine social change to take place:

- a strong sense of grievance that something is badly wrong with the current system;
- a hopeful vision of something better that mixes desirability with feasibility;
- the creation of a group of people strong enough to make that change happen;
- a significant event or visible turning point that triggers a fundamental rethink about the way society is organised and what purposes it serves.

I propose that all four of these conditions are now either in place or beginning to emerge in increasingly visible ways. A host of academics, policy makers and progressive organisations across Europe and beyond are trying to shape a vision of a better society for all. Drawing on some of this work, as well as my own research on the social and political consequences of consumerism, these are my proposals for how we can begin to create a better society that secures the well-being of all.

### ***1. Greater regulation and/or a social tax on advertising?***

There are important precedents here. Sweden has banned advertisements targeting young people for decades (Plogell and Sundstram 2004). There is a wealth of literature on the damaging effects of advertising on young people, not least that they do not have the space in which to become citizens before they adopt the role of consumer (e.g. Barber 2008; Mayo and Nairn 2009; Schor 2006). From infancy, children are a target market for advertisers and are quickly socialised into the role of *homo eligens* – a choosing being – so the chances of becoming a citizen first and a consumer second are drastically reduced.

There are also policies from further afield. Sao Paulo in Brazil – one of the largest emerging world economies – has banned all billboards in



public spaces, returning civic life to the people and limiting the impact of commercial interests in their lives (Rohter 2006). Nowhere is this required more urgently than in the UK, I think, where public space in major cities is dominated by the visual pollution of advertising, through traditional posters, interactive billboards and large digital screens.

A more radical suggestion – in line with the Tobin Tax<sup>35</sup> or what has been re-labelled the ‘Robin Hood tax’<sup>36</sup> – is the feasibility and desirability of introducing a social tax on advertising revenue. After all, we are bombarded with up to 3 500 sales shots each day, equivalent to one every 15 seconds of our waking lives. In 2004, companies worldwide spent more than £200 billion on advertising. In the past decade, the number of British TV advertising spots has increased from 3 000 to 8 000 and the number of television channels multiplied from four to 123 with the introduction of cable/satellite broadcasting (World Advertising Research Centre 2004). A social tax on advertising would address both the horizontality and verticality of shared social responsibilities, as those who benefit most directly from advertising are also required to make a contribution to the collective good, by increasing the level of revenue they generate for social (rather than private, commercial) ends. Again, the burden of shared social responsibility ought not to fall upon the shoulders of individual consumers alone (in choosing to buy this or that product), but must be shared – and, crucially, must be seen to be shared – among all members of our society.

Finally, why do we not harness the incredible imagination of creative industries such as marketing and advertising for socially useful (rather than privately commercial) ends? The ‘social advertising’ movement in the UK is emerging, as it is in Italy through organisations like *Fondazione Pubblicità Progresso*,<sup>37</sup> and so there are existing trends in this direction that could be further developed.

## **2. Addressing the work–time balance and introducing co-production models**

In the UK, we work more hours than any other nation in the European Union – an average of 42 hours per week (*The Independent*, 23 Feb 2006). A clinical study found that people who work 41 hours or more a week are

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35. For a brief history of the Tobin Tax, see [www.telegraph.co.uk/finance/financetopics/financialcrisis/6521360/The-Tobin-Tax-a-brief-history.html](http://www.telegraph.co.uk/finance/financetopics/financialcrisis/6521360/The-Tobin-Tax-a-brief-history.html). For further discussion, see <http://news.bbc.co.uk/1/hi/8264774.stm>.

36. See <http://robinhoodtax.org.uk>.

37. See [www.pubblicitapgresso.it/](http://www.pubblicitapgresso.it/).

significantly more likely to have high blood pressure than those who work fewer hours (Yang 2006). A survey presented to the European Parliament in Brussels in 2007 predicted that the stress of over-scheduled lives means that 60% of middle-aged adults will suffer from high blood pressure by 2027 (Kanavos et al. 2007). One of the principal drivers of this trend is a culture of overworking whereby status is increasingly attached to being overworked as a sign of success. A study by the Institute for Social and Economic Research in the UK concluded that “Busyness, and not leisure, is now the badge of honour” (Gershuny 2005).

The need to address the work–time balance in order to enhance the capacity of citizens to share social responsibilities is supported by a wealth of argument about the need to reconsider the nature and primacy of economic growth as a measure of prosperity and progress. Wise, sustainable and inclusive societies that promote the well-being of all will need to consider very carefully how the existing commitment to growth at all costs facilitates or frustrates the development of shared social responsibility. Our habitual insistence that GDP is the only measure of well-being that matters has been undermined frequently; it is no longer a meaningful indicator of the well-being of a society (Jackson 2009; McKibben 2007). Indeed, the need to move beyond GDP has become a primary consideration at European level.<sup>38</sup>

Progress towards a better society ought to be measured by our achievement in levelling out the discrepancies between rich and poor, leading to a reduction in inequalities and injustices. This is increasingly urgent. To give just one example, a report has demonstrated that between 1979 and 2009 the UK became an increasingly divided nation, where the richest 10% are now more than 100 times as wealthy as the poorest 10% of society.<sup>39</sup> By any reasonable measure, this is not progress.

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38. See [www.beyond-gdp.eu/](http://www.beyond-gdp.eu/).

39. The report, “An anatomy of economic inequality in the UK”, was commissioned by Harriet Harman, then Minister for Women and Equality, and produced over 16 months by the National Equality Panel led by Professor John Hills of the London School of Economics. It followed research published by Save the Children which revealed that 13% of UK children were living in severe poverty and that efforts to reduce child poverty had ceased to make progress even before the recession began in 2008. Researchers analysed inequality on a number of measures, one of which indicates that by 2007-8 Britain had the highest level of income inequality since the late 1940s. The new findings show that the household wealth of the top 10% of the population is at least £853,000 – over 100 times higher than the wealth of the poorest 10%, which is £8,800 or less (this includes cars and other possessions). If the highest-paid workers, such as bankers and chief executives, are included, the division in wealth is even starker, with individuals in the top 1% of the population each possessing

As with the proposal for a 'social tax' advertising, there are existing trends in this direction that could be further developed. The important work of the New Economics Foundation<sup>40</sup> in the UK has opened up a debate on the urgent need to rethink our use of resources – wealth, time, knowledge and skills – and has proposed alternative models of work and employment that take account of the need to develop the core economy and enhance co-production.

To conclude, I suggest that it is only by fostering shared social responsibility that those with the greatest capacity to act can demonstrate their commitment to sharing (rather than just transferring) responsibility. Only by developing shared social responsibilities will we be in a position to crown a new ruler equal to the challenges of the complex of social, environmental, political and economic crises that have come to characterise the first decade of the 21st century and so to move with hope beyond the current *interregnum*.

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total household wealth of £2.6m or more. Although critical of the Labour government, the report also attaches considerable responsibility to the Conservatives, who presided over the dramatic divisions of the 1980s and early 1990s, and thus it is likely to have made uncomfortable reading for the current coalition government in the UK. For further details, see: [www.equalities.gov.uk/national\\_equality\\_panel/publications.aspx](http://www.equalities.gov.uk/national_equality_panel/publications.aspx). For a wider discussion of the report, see: [www.guardian.co.uk/society/2010/jan/27/unequal-britain-report](http://www.guardian.co.uk/society/2010/jan/27/unequal-britain-report).

40. In particular, see: Coote, A., Simms, A. and Franklin, J. (2010), *21 Hours: Why a shorter working week can help us all to flourish in the 21st century*, New Economics Foundation, at: [www.neweconomics.org/publications/21-hours](http://www.neweconomics.org/publications/21-hours).

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## **FROM INDIVIDUALISM TO INTERDEPENDENCE: A BASIS FOR SHARED SOCIAL RESPONSIBILITIES**

Mark Davis<sup>41</sup>

*If I read the temper of our people correctly, we now realise as we have never realised before our interdependence on each other; that we cannot merely take but we must give as well.*

*(Franklin Roosevelt, Inaugural Presidential Address, 4 March 1933)*

### **Introduction**

We need to develop a concept of shared social responsibility in order to meet the various social, environmental, political and economic challenges of the new century. In short, we need to do this to restore our society to the citizens, who feel ever more distant and alienated from established political and global economic processes (Bauman 2002, 2010). As debate in Britain has highlighted, a central concept here is the idea of 'fairness' (Hutton 2010). At present, we have no shared understanding of what this means.

The rich argue that it is fair for them to be wealthy. They believe that they owe little or nothing to society, government or public institutions because their successes are the result of their own hard work and talent. They increasingly accept no limit to their wealth, and their right to accumulate ever more wealth, because they benchmark themselves only against others who are like them – the rich. The poor, in the view of the rich, also deserve their plight because they could have chosen otherwise. As individuals, they either lack the talent or refuse to work hard; otherwise, they too could climb the social ladder and become successful and rich. In a world that believes in individual choice as the only remaining absolute and universal value, the poor could be different if they wanted to be. They have simply chosen to be poor, so why should the rich indulge them by giving them state handouts or seeking to improve their situation? Surely their plight is the fair outcome of many poor choices?

This increasingly dominant world-view must be challenged if we are seriously to stand a chance of meeting the challenges of the new century like tackling poverty and developing a smart, sustainable and inclusive economic

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framework. Before any practical social reforms can be developed, the individualising logic of the dominant neo-liberal consensus must first be exposed as fundamentally flawed and in need of desperate correction.

Developing a concept of shared social responsibility is a crucial part of this task, precisely because it encourages and facilitates another way of understanding our relations to each other as social beings on a shared planet, not as individual rational-choice agents motivated solely by self-interest. Shared social responsibility should be the indispensable value that underpins a good economy and society, the basis for a European model to emerge from the wreckage of the 2008 Global Recession.

Shared social responsibility is the value that must saturate and animate the reinvention of Europe's political and economic order in order to re-involve citizens in collective decisions about our shared future, to make them the drivers of change. Too much power is concentrated at the centre, with a perceived lack of adequate checks and balances, too little fair representation of plural strands of opinion and not enough deliberation and debate. The idea of shared social responsibility is to involve citizens in political processes so that democracy is fully embraced rather than merely simulated. To achieve this, we need a powerful and legitimate narrative that addresses all these concerns directly and enables all of us to move beyond them. Shared social responsibility is a vital part of this narrative and the text that follows is my humble contribution to that task.

In what follows, I seek to begin the process of rethinking the dominant neo-liberal consensus by drawing on basic lessons from the sociological imagination to reveal the many ways in which our interdependence far outweighs our independence as individuals. In over-emphasising the right to individual consumer choice, global societies of the 21st century are running a very real risk of not recognising our fundamental reliance on each other all around the world and, in so doing, wilfully believing that our individual actions are inconsequential for others. To develop these points, I begin with some basic sociological observations about the complex relationship between the individual and society.

## **Beyond a society of individuals**

Being free and unfree at the same time is perhaps the most common of our human experiences. It is also, arguably, the most confusing. (Zygmunt Bauman, 1990)

One of the many ways that sociology sets itself apart from other academic disciplines is to claim a particular knowledge of explaining individual

human action within social structures. That is to say, sociology seeks to understand the complex relationship between free will and constraint (or, in more popular language, freedom and dependence). One way sociology attempts to unravel freedom and dependence is to see human action as “elements of wider figurations”, to use the terminology of Norbert Elias, the pioneer of figurational sociology, which I consider below.

Sociologists typically observe that – though obviously invested with free will – human action is not random but rather follows certain patterns and habits, and conforms to certain expectations. This is because, despite being independent in a sense, individual actors are nevertheless locked together in a web of mutual dependence. Mutual dependence is thus a state in which the probability that human action will be undertaken, and the chance of its success, changes dramatically in relation to what other actors are, what they do or what they may do. Sociologists ask what consequences this being locked together – this interdependence – can have for the possible and actual behaviour of individual human actors.

One of the central questions of sociology as a discipline, we might propose, is this: in what sense does it matter that, in whatever I do or may do, I am always dependent on other people? Furthermore, in what sense does it matter that I live (and cannot help but live) in the company of, in communication with, in some (social, economic, political, environmental, generational) exchange with, in competition with, in co-operation with, other human beings?

In all of these senses, my individual relationship to society is one that can be viewed as both independent and interdependent, negotiated by varying levels of freedom and dependence.

### ***Freedom and dependence***

There is plenty of evidence to point to the truth of my independence. I am free in all sorts of ways. I can choose and I do make choices. I can go on writing this article for the Council of Europe, or I can stop and make myself a cup of coffee. Or I can forget the whole thing and go for a walk. Because I can do all of these things, what I end up doing is surely the result of my individual choice – they are each courses of action that I have selected from among the many available alternatives before me.

Making decisions in this way testifies to my individual freedom. Indeed, in one sense, freedom means the ability to choose and to decide. However, though I do make choices, nevertheless (as Karl Marx knew only too well) I do not necessarily do so “under conditions of my own choosing”. If

I choose to do something that other people do not allow or normally abstain from doing (if, so to speak, I break a legal or moral rule), then I may be formally or informally punished. The punishment – we are left to hope, in the name of justice – will confirm that I am responsible for what I have done. The punishment will confirm that I could, if only I wanted to, refrain from breaking the particular rule.

Sometimes, however, I am told of my individual freedom (and so also of my individual responsibility) in a form that is far more complex and so far more difficult to grasp. I may be told, as is often the case in the worldview promoted by the dominant neo-liberal consensus, that remaining unemployed is entirely my own fault (the result of individual vices and poor choices) and that I could make a perfectly respectable living if only I were to try hard enough, stretch myself and apply myself more earnestly to the task at hand. In short, that my situation is my responsibility and requires my individual effort to alter it. Of course, I may have looked for a job as earnestly as possible only to find that there wasn't one available. Following this disappointing outcome, I may then have re-trained and re-educated myself for a different profession that, now I am proudly qualified, is no longer hiring people because many others have been hired just before me.

This basic example – and surely one that is widespread in the current economic climate – reveals to us something very important, fundamental, about all human social life: as an individual, I may freely decide entirely on my own what goal I want to pursue, and then pursue it with all my heart, but that is only one part of life. The other part of life is being able to act on my words, to have the capacity and the necessary resources to reach the goal that I am pursuing. And it is this that reveals our interdependence on each other (Davis 2011). What I mean by this is that the results of my individual choices and actions will always also depend on someone else. They depend on other people who decide and who judge who is to be included and excluded (to continue the example above, like those people who decide if I have the necessary skills to become an employee, or if I am – yet again – to retrain). Such people set the rules of the game and they are the referees who decide who achieves their goals and who does not. They possess the right of discretion and they enjoy what Giorgio Agamben (2005) calls in a wider context the “state of exception”. In sum, their freedom to choose and to decide seems to draw very real boundaries around my freedom. They are the final arbiters of how successful I am in acting on and thus realising my choices.

In a very real sense, my freedom of action is dependent on their freedom of action, because their decisions, their choices, introduce an element of

uncertainty into my situation. It is a factor that I cannot control myself, but it nevertheless heavily influences the outcome of my own individual efforts. I am dependent on them because they are in control of this uncertainty in my life.

Contrary to the dominant neo-liberal view, I also learn from this that my individual determination and goodwill are just not enough if I also lack the resources (social, cultural, financial and temporal capital) to act on my decision and see it through. To continue with the pressing example of unemployment, I may decide to follow the jobs and move to a different part of the country (or continent), only to find that the house prices, rents and daily expenses there are far more than I can afford. Or I may wish to take my family away from the environmental and visual pollution of the urban cityscape in which I live, and raise my children in the fresh air of the green countryside, yet again only to find that I simply cannot afford to do so. I may wish to educate my children at a better school, but find that there are no better schools for which they are eligible in my local area; or, if there are, that I cannot afford the monthly fees.

What these and countless other examples show is that individual freedom of choice does not by itself guarantee freedom to act effectively on one's choice; still less does it secure the freedom to achieve the desired results. To be able to act freely, truly freely, I need resources in addition to free will. Free will is a fundamental part of the human condition and it is distributed equally around the globe. Sadly – and this is the most important point I wish to stress – the same cannot be said of resources. It is this basic observation that informs the current debate on 'fairness' in the UK (Hutton 2010). It is simply not correct to state that the poor, blessed with free will, could have chosen otherwise; that being poor is the result of many bad choices. Such an observation fails to recognise the inequitable distribution of resources – that, having chosen otherwise, the poor face very real obstacles to overcoming their situation because they do not have a 'fair' share of available resources that are found in abundance among the rich – such as social, cultural, financial and temporal capital. The concept of shared social responsibility addresses these issues and it aims at a fundamental shift in values in order to recognise these differing capacities of people (Davis 2011).

What I wish to highlight here is the mistake often made when adopting an overly individualised interpretation of the social world. Success, happiness and well-being are to an extent based on individual will, effort and determination to pursue and achieve one's own individual goals. But, as sociologists are right to remind us, the goals that we pursue and our varied means of getting there are socially determined and are always

already dependent on other people, both around us in the here and now and in the many generations of human beings that have preceded us. Likewise, our actions in the here and now ought to take into account the many generations that will follow us.

The concept of shared social responsibility enables us to rethink those overly individualised world-views that have been increasingly dominant and to begin to reveal the many ways in which all of us are – as we have always been – entirely dependent on other people.

And it is here that the idea of interdependence is crucial. If we shift the focus from independence to interdependence, in order to overcome the individualising logic of the dominant neo-liberal model and create a Europe of shared social responsibilities, we can learn from the ideas and terminology developed by Norbert Elias and his figurational sociology.

## **Interdependence: lessons from figurational sociology**

No house can be built of houses, but only of specially formed stones;  
no tree can grow from trees, but only from differentiated cells.  
(Georg Simmel, 1950)

We might say that Elias's work poses a simple question: what makes people bonded to each other and thus interdependent? A complete answer is far beyond the confines of this short paper, but it is useful here to observe that people's dependence on each other is obviously not always the same in all societies at different stages of development. People's interdependence changes as societies become increasingly differentiated and stratified.

Elias (1970/1978) invites us to consider interdependence in relation to the pursuit of gratification. What constitutes gratification varies enormously between cultures, but a universal feature of gratification is that it depends to a great extent on other people. In typically focusing on striving for gratification solely in the sense of 'I', as a solitary and self-contained individual with my own wishes and desires, I often overlook how much this striving and the nature of this gratification relies on other people.

For example, I may wish to buy a new computer to replace the one that has just been infected with a virus and lost all my recent documents. This decision is taken as the result of an incident that happened to me alone and that requires me alone to decide how to correct it. However, in considering this solely in individualistic terms, I am choosing to misrecognise how my decision is entirely reliant on a cast of thousands of others in order to achieve my aim of replacing my computer.

Obviously, first and foremost, I rely on all those who played a part in the history of technological development – and not just from the arrival of the first micro-processor and the home computer, but in a very real sense upon the entire development of human knowledge up to and including that point – but more visibly I am reliant on new computers being made available for sale, for the marketplace in which I can obtain the item itself, for the good fortune to have a means of payment that allows me to afford a new item like this and for a system of transport that will take me to and from the marketplace in order to complete the transaction.

Likewise, if I wish to read a book, to attend a sporting event, to go to the movies or to meet friends for a drink, these are not things that I can accomplish on my own. I am entirely dependent on other people to have written and published books; to have built the stadia, organised the event and learned to play the sport; to have written, directed, produced and distributed the movie; to have provided a venue that offers drinks, to be my friend.

These very basic examples reveal to us the mistake we often make when we assume a kind of naturally existing separation between the 'I' and the 'We', between the solitary individual and wider society. In reality, the two are always and forever intertwined, interweaved, and cannot be so easily separated. And, by considering the vast historical dimension to the above examples – in terms of how interdependent we are on previous generations to have accomplished all those things that constitute our present social world – we reveal the extent to which we are all responsible for the world that is to come for future generations. Past, present and future – we are all interdependent and so we share responsibility for the societies we create and the societies we leave for the generations that follow us.

So the decision to focus on myself as an individual (consumer, worker, friend etc.) and on my individual search for gratification is just that: it is a decision. It is a choice that I make about how to perceive the world around me and it often requires me to overlook or block out from my conscious mind the sheer complexity of my deeply embedded social relationships and dependence on others.

To employ the sociological language of Norbert Elias, the decision to focus on the 'I' is to choose one particular perspective from which to observe the same figurational processes. It is this language that I wish now to elaborate, because it can make a contribution to assisting the shift in perspective demanded by the concept of shared social responsibility.

## ***The language of figurations***

For Elias, a key metaphor when describing the figuration is that of the game, such as football. Being a member of a figuration is like taking part in a game of football, where the actions of the individual players are influenced by the moves being made by their team-mates and opponents.

In a figuration, just as in a game like football, the individual players are enmeshed in relations where they form alliances with some on the field of play and engage in hostilities with others, so that the changing pattern and formation of the figuration is influenced by a mobile balance of tension between the players. Crucially, a figuration is thus conceived as a social pattern, a network of interdependences between individuals, and created by individuals, but that is nevertheless the totality of their dealings with each other.

So, in professional football, there is a decision we make in choosing to focus on the talent, skill and hard work of individual players. The celebration of individual players who command the highest salaries and transfer fees – like Lionel Messi, Franck Ribery, Cristiano Ronaldo and Kaka, to give just a few examples – reveals that we live in a world that individualises collective achievements. For all the individual talent, skill and hard work that these individuals may possess, we are mistaken if we ignore their dependence on the coaching they have received, as well as their immediate dependence on other players on the field of play – both team-mates and opponents – in order to achieve the successes for which they are famous. Indeed, a common complaint about teams in the English Premier League, with its vastly inflated wages and transfer fees, is how to make a group of individuals play like a team – that is, to stop thinking solely in terms of themselves as individuals and instead to begin to think collectively, so they may recognise that they can achieve much more by sharing responsibility with others for the outcome of a particular football match rather than trying to do it all on their own.

The sociological concept of figurations seeks to reveal the ways in which this metaphor of the game is applicable to the entirety of the social world. It indicates the ways in which individuals as social beings are interdependent and it shows that the freedom of the individual to choose and act in certain ways, and the restrictions placed on their manoeuvres in certain other ways, are the result of the chain of interdependences that link them to others in a society. Social life takes place in complex networks of interdependence among individuals, groups and organisations – never in isolation, as advocates of the dominant neo-liberal consensus often claim by emphasising the rational choices of independent self-interested individuals.

Given this, a crucial lesson from Elias's work is that there is no meaningful separation between the individual and society, because such concepts as 'social systems' and 'social structures' are simply shorthand ways of saying 'sets of individuals involved in reciprocal actions'. A society is therefore a multitude of individuals engaged in a variety of social interdependences. It is a basic sociological error to speak in terms of individuals and societies because they are not separate entities: rather, they are simply different perspectives on the same figurational process. To continue our example, whether we choose to focus on individual football players – their individual passes, shots, tackles – or prefer to look at the way the team plays collectively as a coherent unit, we are making a decision about how to perceive differently the very same processes being played out in front of us.

For Elias, a central contribution of sociology as an academic discipline is to render the figuration as the basic unit of analysis. That is to say, it is only in the context of the figuration that the different perspectives of 'I' (the individual) and 'we' (the group as a whole) develop and have meaning.

## Conclusion

As societies have become more complex – that is, as the division of labour becomes increasingly differentiated and specialised in a global setting – it is far less common for us to be in direct personal contact with those on whom we depend. In an age of new technology, where time is an increasingly scarce resource, we spend less and less of the available time we do have in the (human) company of those on whom we depend. Unlike people in the pre-modern era of tribes and simple, local "mechanical" communities (Durkheim 1893), we have lost that strong sense of 'we' that provided the basis for a communal solidarity that was based on shared experiences, shared symbolic images and objects, shared knowledge about the world, and so on. In complex, "organic" modern societies (Durkheim 1893), the chains of interdependence that bind us to each other are far easier to misrecognise, even to ignore completely, because the dominance of the 'I' and a culture of individualism encourage us to overlook our very real dependence on others.

This represents what Elias (1939, 1970) calls a shift in the 'we-I balance', where longer chains of interdependence mean that we are far removed from – seldom come into human contact with – those on whom we are dependent, as implied in the examples provided throughout this paper and elsewhere (New Economics Foundation 2007). It is my claim that in stressing this imbalance in the 'we-I' relationship we can



reveal our interdependence and develop a sound basis for the concept of shared social responsibility.

In this context, Elias invites us to conclude that it is fundamentally misleading to use concepts such as 'I' independently of a position within the wider figuration. The tendency in our age of neo-liberalism constantly to individualise social processes and to think only in terms of 'I' is unjustifiably prioritises one way of interpreting the network of interdependence within which we all – both rich and poor – must live our social lives.

The current dominance of individuality as a perspective on the figuration reveals the extent to which a great chasm has opened up between the individual and the wider figurations of society. By focusing on 'I' at the expense of 'we', we are acknowledging the sense of separateness that we feel in relation to our individual lives and any sense of collective belonging to a social group beyond ourselves. In narrating and providing evidence for the many ways in which we are all interdependent, the concept of shared social responsibility provides a momentous opportunity to (re)prioritise the 'we' aspects of our daily lives in the ever more important drive for social cohesion throughout Europe and beyond.

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## WHAT IS COMMONLY UNDERSTOOD BY SHARED SOCIAL RESPONSIBILITY

Arne Scholz<sup>42</sup>

*The world is shrinking. National boundaries are blurring and interdependence is increasing. ... No country can ignore what is going on in the rest of the world. Today, everything is everybody's business. The effects of economic successes and setbacks spread like ripples on the water. Armed conflicts, pollution, terrorism and poverty are challenges that must be confronted by all the countries of the world together. We have a shared responsibility for our world.*

(Sweden, 2002)

### Introduction

Societies are increasingly interdependent and the impact of human actions is increasingly far-reaching. These two connected trends are widely acknowledged in government and other publications, such as the above-quoted government bill from Sweden. They are also the basis of the Council of Europe Charter on Shared Social Responsibilities. As I will show, the acknowledgement of these trends is often connected to an initiative to share responsibility among a range of actors in specific domains.

This article is based on publications (mostly by governments, national and regional, but also by supranational and international entities) that mention shared responsibility in connection with major social challenges such as poverty, sustainable development and social cohesion. Also included are documents dealing with the improvement of public service provision, but not necessarily with social challenges. These publications demonstrate good practice for establishing action networks and sharing responsibility in their emphasis on direct exchange and contact between governments and citizens.

Government authorship of many of the publications results frequently in a certain understanding of shared responsibility: a top-down approach with fixed objectives and defined duties assigned to actors based on each actor's established scope of work. The Council of Europe's charter differs from this

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approach in that it searches for a deliberative process in which the aims of the joint action, the roles of the actors and the way to reach the objectives are yet to be clarified. Nonetheless, several government publications to be cited in this article do indeed include a form of consultation or even deliberation with the people concerned, whether at the beginning of an initiative in defining its goals or in determining sub-targets and outcomes.

From this research, it is not possible to comment on the emergence in government publications of the term 'shared responsibility'. Maybe the fact that the term is used suggests in and of itself that its emergence is the consequence of an increasingly differentiated society where, on the one hand, responsibilities become ever more fragmented and less self-evident and, on the other hand, challenges become so complex that they must be solved through collective action. Claus Offe gives several more specific motivations for the apparently spread of discourse on responsibility (Offe, 2011). This discourse can be seen as a trial in which the social order is defended against the destructive effects of socio-economic libertarianism.

If the appeal to shared responsibility comes from government, it can be a response to declining state capacity – a way for states to shift their responsibilities to other societal actors. The appeal to shared responsibility is an important instrument to achieve global public goods, as in the government bill from Sweden (Sweden, 2002) in its reference to issues like sound environment, security or financial stability. Shared responsibility is important for public service provision because it involves both the provider and the receiver of the service, as is also seen in forms of co-production in public services (Coote, 2011). Another motivation for shared responsibility may be its potential to create a form of soft control in domains difficult to rule sufficiently by legal norms. All the texts considered in this article date from the decade 2000-2010, not because of a focus on this period but rather because the more detailed examples were published at this time. This also may point to an increasing use of shared responsibility as a governance principle.

In most of these cases the expression 'shared responsibility' is used as a keyword without a precise definition. In this usage, the term refers to a kind of common and literal meaning that is usually presumed. By taking into account the particular context, the understanding of shared responsibility becomes clearer, though the meaning in each context is not always consistent. Further complicating matters, shared responsibility is invoked in connection with almost every challenging topic in society today. We can identify from this broad range of context four major categories in the way the term 'shared responsibility' is commonly used and understood.

Firstly, shared responsibility can refer to the participation and contribution of all the actors dealing with a certain societal or political topic. For example, the challenge of improvement of health ideally includes actors from the highest to the lowest political level and from different societal sectors. In this context, shared responsibilities are duties shared between all relevant actors and their contribution to a joint objective. Approaches in this category may include or exclude citizens in the list of actors. The majority of publications reviewed in this article use this first concept of shared responsibility, since these are the most developed approaches to shared responsibility.

A second understanding of shared responsibility is a responsibility shared between equal actors in a situation of partnership where authority does not rest with any one entity, as in political fields where single states or state unions share responsibility. This is certainly connected to the level that a publication aims at. Publications on global challenges and for the global community usually refer to the responsibility of single states. Take, for example, a Colombian initiative against drug production and trafficking that views co-operation between nations as the main weapon against drugs in *Shared Responsibility* (Colombia, 2008). More such examples are given in the section on global development.

In a third understanding, shared responsibility is the mutual responsibility of contract stakeholders, as in the Shared Responsibility Agreements (Australia, since 2005) between the Australian Government and Indigenous communities in Australia. These agreements are a governmental trial of new ways to deliver services to Aboriginal people. The government's responsibility is to provide services, including infrastructure, while the Aboriginal communities' responsibility is to identify the issues they want to address and what they will do in return for government investment.

The fourth category is responsibility when shared between different entities of a single government, for instance, between different ministries. Here the term is used to clarify the competencies or accountabilities of each entity. An example is a publication of the Canadian Department for Environmental Policies in which jurisdictional roles and competencies of governance bodies in water management are clarified (Canada, 2010). Shared responsibility in government can be difficult to manage; notably, there is the risk of diffusing responsibility to the point where effective accountability is lost (Canada, 2000). Some of my other examples deal with this problem.

My examples are arranged by policy fields: social policy, environment, security, global development and public services. This is not meant to

be an exhaustive list, and shared social responsibility is the concern of many other domains. Examples are drawn from states all over the world. The structure of these publications is usually as follows: a general aim is identified – though publications differ in whether they assign sub-targets at the outset or during implementation by exchanges between actors. Usually actors with responsibility in a particular field are named. In the topics chosen here, the actors usually encompass all societal actors including public authorities at all political levels, the private sector, civil society and individual citizens. Additionally, the actions deemed necessary for achieving the overall goal are clearly defined. This includes specifying actors' roles and responsibilities. The actions to be taken were typically developed through experience with the topic at hand, through research and scientific knowledge, or through consultation. To briefly emphasise a point already stated, the process of consultation or deliberation is part of only some approaches. The same applies to explicit demands for evaluation or proposals of specific steps for evaluation. Conversely, in some cases even first evaluation results are included.

I hope this article and its examples may help people to understand what the Council of Europe Charter on Shared Social Responsibilities is, and what it is not. Some of the publications show good practice in shared responsibility and useful steps in implementation; others show shortcomings in comparison to the overall potential of outcomes achieved through shared responsibility.

## **Social policy**

This section presents just some examples of the variety of publications on social policy, which covers topics like poverty, employment, education, social security and migration.

The first study, *Overcoming poverty together: the New Brunswick economic and social inclusion plan* (Canada, 2008), is a good example of shared responsibility in practice, albeit with some limitations. In this case, the government of the Canadian province of New Brunswick set up and supported a poverty reduction plan during 2008-9. Central to this initiative was a public engagement approach chosen in recognition of the fact that successfully reducing poverty in New Brunswick is the shared responsibility of everyone in New Brunswick: individual citizens, including people living in poverty, together with the non-profit, business and government sectors. To supervise the initiative, a board was created of representatives from government, local community, businesses and low-income persons;

the provincial government funded its administrative costs. Implementing the plan began with a dialogue phase, where citizens could contribute their opinions on the causes of and solutions to poverty. This input was integrated in a second phase, where members of a roundtable established options, adopting the plan in a final phase. The result was a list of priority actions addressing opportunities – for basic needs, for life-long learning and skills acquisition, and for community participation. The poverty reduction plan was to last for five years, with the possibility of renewal through another public engagement initiative. The understanding of shared responsibility in this case led to consultation of all actors concerned, including people living in poverty; however, responsibility for implementation of the plan rested solely with the government through actions that affected other domains such as child care, education and health care. Nonetheless, compared to other initiatives, the broad consultation of citizens and the incorporation of their input in further steps of the programme set a good example for citizen participation.

Shared responsibility in combating poverty is seen in other publications, including an initiative of the European Union, *2010, The European year for combating poverty and social exclusion* (European Union, 2008), which names shared responsibility and participation among its four objectives alongside recognition, cohesion, and commitment and practical action. In this example, shared responsibility is understood as public support for social inclusion policies, collective and individual responsibility in reducing poverty and social exclusion and commitment by all public and private actors through proactive partnerships. Some of the principal actors mentioned are: the administrations of member states at national, regional and local levels, public- and private-sector players, social partners and all citizens, particularly those directly or indirectly affected by poverty. The initiative aims to foster awareness, commitment, exchange and debate, and to create activities. While this EU initiative gives an impulse to shared responsibility in poverty reduction, it remains at a general level without going into detail on the specific application or implementation of such shared responsibilities.

Another example of shared responsibility in the field of social policy is *La lutte contre le chômage: une responsabilité partagée* ('The fight against unemployment: a shared responsibility') (Luxembourg, 2005 and Luxembourg, 2006). In reaction to rising unemployment, the Luxembourgian permanent committee on employment, which unites government, trade unions and employers, met in 2005 to revise current methods for reducing unemployment. One main assumption of the committee was that all stakeholders must take action, on the basis of a global concept of shared responsibility.



Actors in this case included relevant state bodies, such as the ministries of employment, economy and education, local businesses, the unemployed, social partners and municipalities. This document also specifies the responsibilities of each actor, for example, the Ministry of Education's responsibility to rethink the education system to give students more skills and better orientate them towards the employment market; or the responsibility of the unemployed to look actively for work. An important aspect of this publication was that collaboration of this type between different actors was not only seen as an accumulation of individual efforts with the same aims, but it was a necessary prerequisite to reach the common aim. Government efforts were deemed inefficient if not leveraged by substantial contributions from businesses. Like the plan in New Brunswick, the results of the Luxembourg initiative were measures foremost taken by the state and merely co-decided upon by trade unions and employers.

Another publication that can briefly be mentioned here is *Protecting the rights of migrant workers: a shared responsibility* (International Labour Organisation, 2009), published by the International Labour Organization, which names the responsibilities of the countries of origin, transit and destination of migrant workers.

## **Environment**

The environment is one of the most obvious domains for asserting shared responsibility and there are many publications connecting shared responsibility and environmental issues. The reasons for this are evident: many national territories may involuntarily share the consequences of environmentally irresponsible actions; and environmental problems result from an accumulation of choices and behaviour where every person contributes to the problem, but an individual changing their behaviour has little impact on the problem because collective change is paramount.

A comprehensive example is *Environmental quality objectives. a shared responsibility* (Sweden, 2004/5), which summarises a Swedish Government bill adopted in 2005. It states that the legislative goal is to pass down to the next generation in Sweden a society where the major environmental problems currently being faced have been solved. To reach this goal, 16 Environmental Quality Objectives (EQOs) were established, aimed at reducing the impact of human actions on different natural resources such as zero eutrophication and sustainable forests. Responsibility for achieving the 16 EQOs is shared by a wide range of actors: public authorities, non-governmental organisations (NGOs), businesses, households

and private individuals. A central actor is the Environmental Objectives Council, which facilitates consultation and co-operation in implementing the EQOs. It comprises representatives from all the main stakeholders: central government agencies, county administrative boards, local authorities, NGOs and businesses. Key roles and responsibilities are specified for government agencies, county administrative boards and the business sector. For instance, county administrative boards have overall responsibility for action at the regional level. Part of their task is to develop and adapt regional goals, action programmes and strategies. Local governments have to initiate their own objectives and action programmes while the business sector is encouraged to reduce emissions, minimise the use of hazardous chemicals, promote more efficient energy use and improve waste management. The other stakeholders include an exhaustive list of public authorities that continue to exercise sectoral responsibilities, like the National Board of Fisheries and the Swedish Board of Agriculture, and – looking beyond Swedish actors to the global situation – other industrialised countries that need to change their consumption and production patterns. With this undertaking, Sweden aspires to increase international co-operation in addressing cross-border issues.

An important aspect of the approach is its practicality. Each of the 16 general EQOs defines the reduction goals of particular environmental impacts in numbers and deadlines. Every EQO is split into interim targets that allow pursuit of these goals in smaller steps, in turn enabling periodic evaluations. Fifteen of the EQOs were set up in 1999, along with 71 interim targets. The present publication contains an individual evaluation of achievements thus far for every EQO. Also important in this initiative is that the strategies for achieving EQOs insist that they are not only environmentally but also economically and socially sustainable. This approach uses a top-down distribution of duties to all the actors involved. It takes into account a global context and offers a national contribution to a global need. It is detailed, comprehensive and practicable, and several of its aspects could serve as a model for other initiatives.

A United Nations publication on environmental protection is the second of three UN World Water Development Reports, *Water. a shared responsibility* (United Nations, 2006). It gives an overview of water-related topics and problems that have social and political implications and is based on the assumption that

the headlong pursuit of material prosperity for the few has excluded far too many poor people from well-being, health, food and environmental security; has excluded the interests of the natural environment;

and has excluded adequate consideration of the interests of future generations (United Nations, 2006, 12).

The report urges an inclusive and integrated approach to water resource management. It advocates a cross-sectoral collaboration with co-ordinated management and development of land, water and related resources, to maximise the resulting social and economic benefits in an equitable manner without compromising ecosystem sustainability. The report describes, as a way of achieving this goal, a reiterative policy-making process that entails the identification of principal stakeholders and a roundtable to analyse the current situation, define the problem and develop basic principles. The reiterative process begins with the members of the roundtable agreeing goals, strategy, targets, criteria and indicators for the scheme. The next step is to assess and modify the legal, institutional and policy environment, then develop management plans and secure funding. Having completed these steps, implementation begins. Progress needs to be monitored and evaluated, and the results used to inform a second iteration of the entire process with updated goals, strategies, targets, criteria and indicators. This describes specific, useful steps in an ongoing multi-stakeholder decision process.

The report also mentions certain risks in sharing responsibility for water management, which is increasingly delegated to local authorities and water-user groups, on the principle of subsidiarity. Such delegation can lead to an inappropriate shifting of responsibilities: governments may transfer responsibility to sub-national entities that lack the capacity and resources to cope with such a task. Delegating responsibility to local actors is even more precarious for large-scale issues that cannot readily be dealt with at local level, such as allocations, pollution control or storage.

Another publication that combines environmental protection and shared responsibility is the Rotterdam Convention on the prior informed consent procedure for certain hazardous chemicals and pesticides (Rotterdam Convention Secretariat, 2004/8). It aims to promote shared responsibility among parties in the international trade of certain hazardous chemicals, in order to protect human health and the environment. Another useful publication is *Le développement durable: une responsabilité partagée* [*Sustainable development: a shared responsibility*] (Canada, 2003), published by Natural Resources Canada.

## Security

There is a wide range of publications on shared responsibility and security. Security threats are a typical example of the global challenges that must

be addressed by all states on all political levels. Today's security threats have become enormously complex; they cross national boundaries and are connected with each other. These threats go further than violent conflicts between and within states. They also include poverty, infectious diseases and environmental degradation, nuclear, radiological, chemical and biological weapons, terrorism and transnational organised crime.

A first example is a United Nations publication, *A more secure world: our shared responsibility* (United Nations, 2004). The collective security that the UN is trying to achieve requires collective strategies, collective institutions and a shared responsibility on the part of all states and international institutions. The complexity of today's security threats, along with changes in the political landscape since the foundation of the UN, has led to a broader understanding of security and a changed conception of the role and responsibilities of single states and the international community. Implicit in this changed international security environment is a changed understanding of state sovereignty. Sovereignty, previously seen as a state's privilege, has shifted to an obligation towards its citizens and their protection. This is connected to a larger discourse emerging in the late 1990s (see for example International Commission on Intervention and State Sovereignty, 2001). With the signing of the Charter of the United Nations, states benefit from the privileges of sovereignty and accept their related obligations. The report deals with changes in the general security situation over the past few decades and the character of new threats. It names the major security threats and proposes actions to face them, addresses the circumstances where military force is needed to maintain collective security and proposes changes to the United Nations Organisation. The actions that are proposed by the report are mainly at the national level of the states, but also at different political levels within states and in inter- and supra-national organisations such as the UN itself.

A very different issue of security is child protection. The Scottish Office, a department of the United Kingdom Government until the Scottish Government was established in 1999, published *Protecting children – a shared responsibility* (Scotland, 1998/2003). This focuses on everything that can be done in the education system, by cross-sectoral collaboration and shared understanding, to protect children from abuse or neglect. It names all the actors involved and all the professionals in contact with children with a special focus on education staff. Central to this approach are local inter-agency child protection committees which provide guidance and information alongside their role of developing, promoting, monitoring and reviewing local child-protection policies. There are detailed descriptions of

the responsibilities of all actors, with a focus on observation of suspicious activity and the appropriate action to be taken. Everyone involved in this approach had another role and responsibility in children's lives, as teachers, school nurses or ancillary staff. This is an important tool in increasing the likelihood of detecting child abuse since everyone contributes. Staff training is essential. As child abuse can be the result of many entities in a child's life, protecting children from abuse is a complex task. In consequence, a complex system for sharing the responsibility has been developed.

Another publication on security is *Shared responsibilities: a national security strategy for the UK* (Institute for Public Policy Research, 2009). This deals with several security issues such as war involvement, energy security, terrorism, defence policy and global governance, as well as others under similar premises as those in *A more secure world: our shared responsibility* but from the perspective of a single state.

## **Global development**

The following three documents deal with global development, but from different levels. The first looks at it from a global perspective, the second demonstrates a possible national contribution to this objective and the third illustrates a national sectoral contribution.

A widely known publication in the context of global development is the *United Nations Millennium Declaration* (United Nations, 2000), predecessor of the *Millennium Development Goals*. The declaration does not develop a detailed approach based on shared responsibility, but the beginning of the declaration outlines certain values considered fundamental to international relations in the 21st century. It names shared responsibility as one of these values, alongside freedom, equality, solidarity, tolerance and respect for nature. Responsibility is understood as the obligation of managing world-wide economic and social development, as well as threats to international peace and security, an obligation which must be shared among the nations of the world and should be exercised multilaterally. In order to translate these values into action, several key objectives are given: peace, security and disarmament, protecting our common environment, human rights, democracy and good governance, protecting the vulnerable, meeting the special needs of Africa and strengthening the United Nations. As in other publications that deal with global issues and responsibilities, the declaration addresses the states that share responsibility for these objectives.

Sweden provides a comprehensive example of how such responsibility of a state participating in global development might look. This is a bill presented

by the Swedish Government to parliament: *Shared responsibility: Sweden's policy for global development*, quoted at the head of this article (Sweden, 2002). The bill refers explicitly to the objectives in the *United Nations Millennium Declaration* and sets out what a state can do to reach them. It is based on a recognition of the fundamental interconnectedness of present societies, on solidarity and on the acknowledgment of human rights. The assumption of increasing interconnectedness results from the global effects of several crises, including financial or military crises. This is connected to the current global challenges, which need to be addressed by all states primarily at national level. Among them are sustainable economic growth, disease prevention (such as the spread of HIV/AIDS) and the fight against international terrorism. These key challenges require establishing global public goods across national boundaries, such as a sound environment, financial stability, global health and peace and security.

The document points out that there is a general responsibility on the part of every state for its own development, but in a global perspective rich countries have a special responsibility to support the efforts of poor countries. One example is the improvement of developing countries' opportunities to take part in global trade. Also the European Union has an important role to play in such a global context and the bill highlights several areas where Sweden should try to influence the position of the EU regarding its role in global development. As a consequence of every state's responsibility to contribute to global development, there is a responsibility on the part of all the actors in the state's society, in particular public authorities at national level, local authorities, civil society and NGOs, private business and trade unions. Also in this example, the demand for shared responsibility is aligned to a demand for closer collaboration between all relevant actors.

The bill mentions many important aspects of global development around issues like development, growth, equality, poverty and democracy. All the policy areas concerned are identified, and for each of them useful steps to be taken by Sweden, or by the European Union, are specified. All these steps are based on the findings and recommendations of the Parliamentary Committee on Swedish Global Development Policy and on collaboration in the Ministry of Foreign Affairs and the government as a whole. A comparatively small space is given to citizen involvement. There is mention of the need to set up a citizens' forum to promote a broad public dialogue on Sweden's policy for global development; this is intended to contribute to mutual learning between actors.

An explicit contribution to this *Policy for global development* also comes from Sweden, in another government bill: *Shared responsibility: Sweden's*

*policy for forest sector development* (Sweden, 2004). This bill presents a sectoral contribution to the overall goal of equitable and sustainable global development and states explicitly that it is continuing the goals of the previous government bill. However, it is worth noting that this one is more concerned with the competitiveness of Sweden's forest sector, so development here means primarily economic growth of the sector. Accordingly, the areas in which measures are proposed are forestry, environment, economy, investment, trade, agriculture, energy, transport, international policies and knowledge generation. Instead of focusing on a trans-sectoral collaboration, it focuses mostly on actors in the forestry sector. Nonetheless, the approach includes some aspects and values from *Sweden's policy for global development*. It follows a social intention: the underlying need for economic growth in the forestry sector is derived from demographic changes and society's need to cope with these changes. Also, development of the sector has to be equitable and sustainable, meaning that it should practise sustainable use of natural resources and promote social development. Among contributions to these issues are the production of green energy resources and rural development, but the scope of this approach is not particularly wide and the responsibility is not intended to be shared broadly. On the contrary, one of the findings of this publication is that government responsibilities for the forest sector are split among too many ministries and agencies and should be united under a single ministry to achieve coherence.

In the *Oslo Ministerial Declaration – Global health: a pressing foreign policy issue of our time* (Foreign ministers of Brazil, France, Indonesia, Norway, Senegal, South Africa and Thailand, 2007), health is seen as one of the global challenges requiring concerted responses and collaborative efforts in a time of globalisation and interdependence. The connections between health and other issues are highlighted, thus showing the complexity of this area. Shared responsibility does not appear in the title of the declaration, but it is mentioned under the basic premises (along with shared values) and at several other points in the text.

## **Public services**

Publications in this field are of a different kind from those previously presented. Since the largest factor is the available offer in public services, these publications ask generally for closer co-operation between the actors involved across different sectors in order to improve the quality of services and to make service delivery more efficient. A good example from Wales is *A shared responsibility: local government's contribution*

*to improving people's lives* (United Kingdom, 2007), on public services in general. This pursues the above-mentioned aims of connecting all the relevant actors and ensuring that public services are centred on the needs and experiences of citizens. In this strategy, there are three key areas of development: a new approach to local governance for public service delivery; a new model of scrutiny that involves citizens; and better modes of evaluation. The strategy is based on a wide range of collaborations between public service providers across geographic and sectoral boundaries. Among the actors are local authorities, public service partners, the voluntary/third sector, local service boards, the Welsh Local Government Association, the Welsh Assembly Government and the National Health Service. The main focus for action is at local government level but in collaboration with other actors as well as with the central government. Examples of possible collaboration among local bodies are joint procurement, transfer of best practice and shared service delivery, but the strategy aims to reach farther than this. A central element in improvement of cross-sectoral collaboration is the establishment of local service boards, which have the responsibility of connecting the whole network of public services in the local public and third sectors of a geographic area, ensuring public services are effective and citizen-focused.

Useful elements of this document for shared responsibility approaches in general are the numerous case studies that show how the different aspects of the strategy work in practice. Some of these case studies concern the improvement of cross-sectoral collaboration, some deal with improving service delivery and some are about improving outreach to and involvement of citizens. One example of this is the OpenStrategy, which is a tool for communication and co-ordination within and between communities. It recognises the chaotic nature of communities and addresses complexity with simplicity. The approach has two main components: using the simplest possible information structure and mapping real actions and their consequences on a continually evolving strategic plan. An essential part of the publication is about focusing on citizens in their communities and therefore it provides a commendable and replicable example of citizen participation, giving a stronger importance and impact to their voices. Among the small-scale ways to reach out to citizens are local area forums, area committees, area management arrangements, one-stop shops, call centres and contact centres. The smallest level of local government is community and town councils, who make an important contribution to local democracy. They have many direct ways of identifying and enabling delivery of services in response to citizen priorities. For better involvement of these local entities, a link was created between them and the Welsh Assembly Government.



Another means of citizen involvement is the increasing tendency to provide public services on a collaborative basis, amounting to co-production in public services, as described in the paper on co-production by Anna Coote (Coote, 2001). There are also initiatives aiming to involve children and youth through a children and young people's assembly for Wales, local youth forums and school councils. Also, all other organisations were asked to get involved in these target groups. These initiatives focus strongly on involving groups traditionally under-represented in local public-engagement processes. The publication acknowledges that third-sector and community organisations are essential for connecting people with service providers and it advocates funding for third-sector organisations in order to give them equal footing with statutory organisations. Another case study of citizens' involvement is a Welsh initiative on participatory budgeting that allows community engagement and deliberation before public authorities make financial decisions. Other possibilities for citizen involvement are community calls for action, petitioning for referenda and the linking of different public-engagement processes.

Another key element in better co-ordination with citizens is to give them better information. One method for achieving this is bringing together dispersed information already collected by different sources. On the collection of information, one case study presents ways to gain understanding of the opinions, perceptions and needs of the community through direct research with members of the public using a residents' attitude survey and a citizens' panel. The feedback from citizens is taken into account in public service planning, design and integration. This publication also addresses the evaluation of feedback. In this, it can be especially useful to set standards, which can serve as measures for evaluation. For example, there could be national service standards for key services so that citizens can see to which core services they are entitled. Such aspects are mentioned here just briefly, with the aim of demonstrate the diversity and comprehensiveness of this strategy. It creates an extensive network among all relevant actors, initiates good practices in many relevant fields and looks for all types of citizen engagement.

Among publications on public services, many connect shared responsibility with health care. This connection was often made during the health care reform in the USA with the aim of encouraging co-operation between the public and private sectors (See for example Economic Policy Institute, n/a). Another example is *A shared responsibility: Ontario's policy framework for child and youth mental health* (Canada, 2006), published by the Ministry of Children and Youth Services of Ontario, Canada. In line with

the typical aims of shared responsibility in public service initiatives, the framework develops policies for closer cross-sectoral collaboration, similar to other initiatives mentioned above. One aspect worth mentioning is that the document contains a detailed description of the way the policy framework was developed. This process included year-long province-wide discussions with participants from a wide range of government and community partners, a literature review, consultations with mental health experts and a series of inter-ministerial discussions. Also parents and youth were involved in the process. In this manner, the assumption of shared responsibility in the sector led to the consultation of every actor concerned, while the responsibilities decided upon were shared mostly among those responsible for service provision.

## Conclusion

Looking at the above examples, it becomes clear that assumptions and their consequences converge in several ways: several developments that are contributing to increased interdependence, and the growing number of challenges that cross several types of borders, raise the demand for concerted action among a large number of actors. Also, these publications increasingly consider future generations, a sign of growing awareness of the environmental consequences of human actions. When measured against the approach developed in the Council of Europe's *Charter on shared social responsibilities*, some parts of the initiatives outlined above are examples of good practice in shared social responsibility. If shared responsibility can be understood as a complement to representative democracy, these initiatives are moving in a promising direction.

But in some ways these approaches could go even further, in the involvement of the actors concerned, the dynamic of the decision process, the determination of each actor's contribution or the sharing of responsibilities in implementation. A crucial issue deserving more attention is evaluation, which in some of the examples is given little consideration. Certainly in this regard there is a difference between national and global initiatives. Whereas global approaches lack the necessary means for evaluation, a stronger focus on evaluation could exist at the national level. We may also note that the possibilities for evaluation differ depending on the particular issue at hand. Environmental impacts are more easily quantified than the outcomes of certain public services.

A critical question for an approach to shared responsibility is who decides what steps to take and on what basis. The objectives can be set in different

ways and on the basis of different kinds of knowledge: on the basis of experience in these issues, mainly gathered by political actors; on the basis of scientific knowledge, as for example in the environmental domain; or on the basis of a broad societal input. Often all these sources of input were combined in the approaches presented here. Some examples made use of a form of consultation or even deliberation in multiple steps of the initiative. Typically, this took place during the input phase and was incorporated into subsequent development and implementation. Another possibility is to use deliberation for further decisions – as proposed in the Welsh example of *A shared responsibility: local government's contribution to improving people's lives*. This comes close to the proposal proposed by the Charter. There, specific objectives are left open; they depend on the decisions of people in their communities. A critical difference compared to the other examples is that this is a more local approach, targeting the local level with other political levels' involvement.

The initiatives differ significantly in their understanding of the responsible actors' roles. This has consequences for the set-up of the whole initiative. In some cases broad involvement of many actors is thought of as only an initial consultation, with no further direct consultation in project design and implementation. In such cases only the state takes action. Conversely, shared responsibility can unfold in the other direction; the government determines actions to be taken which are then carried out by the concerned actors.

Implementation and co-ordination are certainly important elements. In each of the above approaches an important role is played by the government. In all the national cases the government is both the initiator and the facilitator of the process. Necessarily in these cases it is crucial that a central entity be chosen to supervise the process. In some cases this role is taken by one of the ministries, but in several others a special entity was created specifically for the proposed project due to the complexity of shared responsibilities in the given system.

The intention of this article is to provide, through the examination of existing publications, an overview of what is commonly understood by the notion of shared social responsibility and also to indicate the direction of the Charter's understanding of social responsibility. Many of the observations made demonstrate convergence in present trends and action plans, providing a good foundation for progress based on the Council of Europe's *Charter on shared social responsibilities*.

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## SHARED RESPONSIBILITIES AND FUTURE GENERATIONS: BEYOND THE DOMINANT CONCEPTS OF JUSTICE

Maja Göpel<sup>43</sup>

*As for the future, your task is not to foresee it, but to enable it.*

*(Antoine de Saint-Exupéry)*

### Introduction

The living conditions of citizens in the future are significantly impacted by our decisions today. How we protect our environment and socio-cultural diversity, the investment we make in education, how well we manage our public and private households – all these questions determine future lives in our societies. Yet, future individuals cannot voice their interests in these decisions. The question therefore becomes: how can we promote and reinforce responsibilities towards those who have no voice and may never acknowledge our contribution? Most traditional cultures solved this question through councils that looked out for the seventh generation. The argument here is that this wisdom deserves to be reinstated, as it offers us an ethics and an outlook on human development that can help us overcome many roadblocks to sustainability and social justice we are facing today.

After reviewing current trends with heavy impacts on future generations' well-being, this article explores an agenda of shared responsibility that includes intergenerational concerns. The ethical spirit of liberal democracies today is one of social contracts between clearly identifiable persons who are seen to bargain over compromises (Sacconi 2007). This approach excludes future generations: the reciprocity principle, the polestar of liberal social contracts, cannot hold. Thus, we are living with a structural exclusion of the interests of future citizens that an agenda of social cohesion and shared responsibility should not ignore: an alignment of human activity with nature's laws is necessary to ensure that individuals will be given sufficient opportunities for life in peace and well-being in the future. Meanwhile, focusing on the well-being of future citizens can help individual bargainers today to see sufficiency and sharing as a contribution to future freedom rather than as a restriction on their individual consumption levels.

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43. Director Future Justice, World Future Council.



The arguments presented first engage with the dominant concepts of justice to see how they grapple with intergenerational concerns. The idea of indirect reciprocity is introduced, as it could serve the extension of contractual agreements across generations. However, it seems worth contemplating if the liberal individualist ethics (often synonymous with Rawlsian) is necessarily the best to cultivate on a finite planet. These concepts and justifications harbour a cost–benefit or tit-for-tat perspective and portray societies as an aggregation of individuals responsible for the protection of their own interests and well-being. The more Kantian “world citizenship” view in the liberal school therefore argues that the interests of oneself and others should be valued equally in the assessment of the most appropriate decisions. Yet, most scholars still uphold the logic of quantitative comparison between clearly identified individuals that claim their rights. Some then even argue that future generations cannot have rights because it does not fit the principles of our (current) justice systems.

The argument here will be that social institutions should be changed if they do not serve (any longer) the higher purpose they were designed for. One solution to include future generations could therefore be to go beyond an individualist outlook on societies. From a holistic and systemic worldview, the focus lies on keeping sound relations intact, so that the viability and resilience of a community are maintained. Acknowledging that human relations are intertwined with environmental developments, such an approach takes notice of the anticipated changes in ecosystems and the resulting resource constraints for human development. In consequence, it also addresses the unprecedented degrees of inequality when decisions about less infliction on the environment are necessary. It shows that the principle of reciprocity needs to be complemented with principles recognising the contextual particularities in which individuals interact. Here, principles from sustainability law – contraction and convergence, common but differentiated responsibilities, polluter pays – would be important additions. Amartya Sen’s capability approach to justice incorporates such ideas. Looking at shared responsibilities towards future generations from this point of view expresses how this agenda will also benefit generations living today.

## **1. The future generations of 1987 live today**

The Brundtland report *Our common future* in 1987 already warned that we were living on the credit of future generations (WCED 1987). Over twenty years later, science clearly shows us that the challenges humanity is facing are indeed tremendous: The already prevalent destruction of ecosystems

and effects of climate change are impacting the livelihoods of the poorest people and are likely to cause increased suffering and conflict in the future. More and more people understand that the promises of even more and even faster economic growth and the resulting benefit for all cannot be realised. Raising the whole world to North American or European standards of income and resource use would require the equivalent of several additional Earths, given the technologies we use today. In 2008, the Stockholm Environment Institute invited a group of distinguished scientists to examine a variety of global ecosystem limits, which they described as “planetary boundaries”. This group, the Resilience Alliance, concluded in September 2009 that humanity was already operating beyond the safe space defined by these boundaries (Rockström et al. 2009).

Even allowing for technological improvements, it is at best a gamble to assume that recent patterns of economic growth can continue, particularly given the tremendous increase of population over the last 50 years. It is more likely that technological revolution in one sector will continue to be eaten up by rebound effects, increased production and consumption. This trend has been documented in detail and will not quickly be ended, so decoupling economic growth from raw material exploitation and waste problems is still a dream (Jackson 2009). If these trends continue, future generations will inherit a planet with scarce resources and biodiversity, which form the bases of wealth production. Violence over access to resources is destroying the social fabric of communities as well as the trust needed for peaceful well-being. Furthermore, changes in climate and ecosystems, with extreme weather events, desertification, flooding, soil erosion and collapse of fish stocks, will increase migratory pressure tremendously. Many communities will lose important contributors to their successful reproduction or have to accommodate refugees that arrive with nothing but their lives.

Meanwhile, even though World GDP is about US\$60 trillion (World Bank),<sup>44</sup> unprecedented levels of inequality leave 1.75 billion people, one third of the population in 104 developing countries, in a state of “multi-dimensional poverty” (Human Development Report 2010). These households suffer deprivation in health, living standard and education, significantly hampering their development potential and their capabilities to adapt to changing circumstances; one billion are suffering hunger every day. The inequality trend is not just a poor-country phenomenon, though: the OECD

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44. See <http://search.worldbank.org/data?qterm=World%20GDP&language=EN&format=html> (accessed 10 Nov 2010).

found that in the last 20 years income inequality had risen in 75% of the rich OECD countries, income poverty in 60% of these (OECD 2008). Many countries also show growing private debt on the individual level, increasing the fear for safe living conditions. The average household debt in the United Kingdom reached £57 937 in February 2010, up from £43 193 in February 2005, and in June 2010 every 51 seconds someone is declared insolvent or bankrupt (Credit Action 2010). The results are increasing anxiety, fear and limited capacities to participate in public life or consumer choices, increasing mistrust and hampering the opportunities of empowered citizen activity to cope with the changes ahead.

In addition, public debt in literally all countries has reached record levels. The national debt of the UK Government, for example, is currently increasing at £4 316 every second (Credit Action 2010). Such trends are being attacked through less government expenditure on social support systems or education, even though these are important investments in future well-being and entrepreneurship. In addition, demographic changes are leading to the situation where many OECD countries will soon face public pension systems that are unable to cover promised payments. Specific taxes on labour, paid by employers and employees alike, fund the system, and the population in the age group 15-64 is projected to contract by 48 million by 2050 in Europe. By 2020, 25% of the population will be over 60. The 80+ population is expected to double before 2050. This will mean a ratio of 2:1 of workers to retirees and the costs linked to pensions, social security, health and long-term care will stand at 4-8% of GDP by 2025 (BEPA 2010: 11).

Overall, the described trends are robust. We have not stopped living off the credit of the future generation of 1987 (now in their twenties) and we are taking more from those born tomorrow – especially with around 2.5 billion more people than today in 2050. The trends are particularly evident for those groups or societies that already missing opportunities for lives in dignity, peace and well-being today. One should hope that the unprecedented visibility and knowledge of these trends creates the political space for re-organising a development model that is not currently satisfactory and definitely not future-proof. Approaching this re-organising from a systemic rather than individualist point of view can help to avoid the danger that single individuals, groups or nations will adopt fortress-securing strategies: defending what they have with all their might rather than engaging co-operatively in changing their approach. To expand shared responsibilities across generations can ensure that the structural changes ahead will result in frameworks that are sound for the long term.

Yet, this shift remains difficult if we stay with concepts of justice, freedom and responsibility that have brought us into this dilemma in the first place. Since such ideas are enshrined in our political and economic institutions, we equally need to scrutinise how such structures force even far-sighted leaders and actors into short-term decisions and me-or-you trade-offs. Institutional changes will have to go hand in hand with a change of paradigm towards long-term shared responsibility. The basis for these changes can be found in many international agreements and state constitutions.

## **2. Intergenerational responsibility: differences in its interpretation**

The most pronounced political recognition of the need to consciously and comprehensively protect the needs and interests of future generations is the 1997 United Nations Educational, Scientific and Cultural Organisation (UNESCO) Declaration on the Responsibilities of the Present Generations towards Future Generations.<sup>45</sup> The process leading to its adoption was inaugurated in the early 1990s when the Cousteau Society started a campaign and petition for a Bill of Rights for Future Generations. Article 1 in the proposed bill declared that

Future generations have a right to an uncontaminated and undamaged Earth and to its enjoyment as the ground of human history, of culture, and of the social bonds that make each generation and individual a member of one human family. (Cousteau 2010)

Over 9 million people in 106 countries signed the petition, in 1993 UNESCO became a partner, and in 1997 the UNESCO General Conference adopted the declaration. Its *chapeau* paragraph contains strong language on the urgency of the matter:

Conscious that, at this point in history, the very existence of humankind and its environment are threatened,

Stressing that full respect for human rights and ideals of democracy constitute an essential basis for the protection of the needs and interests of future generations,

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45. For an overview of which constitutions entail such references and how different countries intend to implement such commitments, see the joint legal research paper “National Policies & International Instruments to Protect the Rights of Future Generations”, 2010, by the World Future Council and the Centre for International Sustainable Development Law, available at: [www.worldfuturecouncil.org/representation.html](http://www.worldfuturecouncil.org/representation.html).

Asserting the necessity for establishing new, equitable and global links of partnership and intra-generational solidarity, and for promoting intergenerational solidarity for the perpetuation of humankind, ...

Convinced that there is a moral obligation to formulate behavioural guidelines for present generations within a broad, future-oriented perspective ... (UNESCO 1997).

Some of the articles in the declaration have an existential character, including "Maintenance and perpetuation of humankind" (Article 3), "Preservation of life on Earth" (Article 4) and "Peace" (Article 9). Article 9 maintains that present generations "should avoid exposing future generations to the harmful consequences of armed conflicts as well as all other forms of aggressions and use of weapons, contrary to humanitarian principles," clearly linking the costs of current conflicts with the quality of relationships in the future. Article 8 on "Common Heritage of Humankind" involves a distributional justice approach based on a notion of keeping the integrity of systems alive: "present generations may use the common heritage of humankind, as defined in international law, *provided that this does not entail compromising it irreversibly*" (UNESCO 1997, emphasis added).

Given the largely unchanged short-termism in decision-making today, the declaration still awaits successful implementation. The formal commitments on this process read as follows:

States, the United Nations system, other intergovernmental and non-governmental organisations, individuals, public and private bodies should assume their full responsibilities in promoting, in particular through education, training and information, respect for the ideals laid down in this declaration, and encourage by all appropriate means their full recognition and effective application. (UNESCO 1997)

Observing the political debates since 2000, however, engagement with how to best acknowledge and implement these ideas takes place primarily in the disciplines of philosophy and law.

The starting point for the dependence of future generations on the choices of current generations is similar across all philosophical and legal schools. It mirrors the UNESCO Declaration: "those presently alive can affect the very existence of future people (whether or not future people will exist), the number of future people (how many future people will exist), and the identity of future people (who will exist). In short: future people's existence, number, and specific identity depend (are contingent) upon currently living people's decisions and actions" (Stanford Encyclopedia of Philosophy 2010).

Yet, the resulting obligations and also views on the general intentions with which people interact differ significantly between different schools – though this may not be made explicit. The Stanford Encyclopedia, for example, speaks of a “dilemma” of intergenerational justice and clearly adheres to a self-interest view regarding the motivation of actors:

Present generations may be said to exercise power over (remote) future generations when, for example, they create conditions that make it costly for future generations to decide against continuing to pursue present generations’ projects. In this way, present generations effectively manipulate interests of future generations, and can successfully achieve the intended result of having their projects continued. (ibid. 2010)

This power reaches as far as harming future generations by intentionally reducing their options through resource destruction, for example, while future generations have no opportunity to impact the value of the lives of current people (ibid.).

While hardly anyone would want to be naïve about this power, the phrasing implies that only the threat of retaliation would keep present people from forcing their projects onto the weaker without a voice. This is a clearly normative judgment about human nature and social relations in an apparently neutral, encyclopedic presentation of the challenge of intergenerational responsibility. The following review of debates around intergenerational justice therefore highlights differences in world-views behind the arguments put forward. The goal is to identify how the currently dominant individualist concepts of justice are limiting our view of how sound relationships and governance ideals for a highly interdependent and crowded world could look.

## ***2.1. Introducing the individualist world-view to intergenerational justice***

In the liberal individualist philosophy and justice school, social agreements are often seen as “social contracts” and refer to John Rawls in their general view on society. Rawls developed his theory in the 1970s, an era when rational choice was the scientific standard. For him, the main problem of a society was conflicting individual claims, which he sought to solve by principles that would be chosen by rational beings.

Following Rawls, society is a co-operative venture for mutual advantage, where the mutual advantage is greater than the individual gain

so that each and every individual finds its interests better served within rather than without a social setting. (Dierksmeier 2005: 23)

Thus, Rawls depicted societies as a convening of self-interested individuals. In this form, justice is primarily concerned with “doing justice to what has been agreed on” and the challenge for societies is to identify the best agreements so that self-interested actors collaborate successfully.

In discussions about the operationalisation of these principles, the most debated concept is that of “self-interest” – the core motivation behind human decisions that also guides individual judgments on what are “just” outcomes. Some scholars apply very limited, selfish-actor concepts, but most philosophers in the liberal school argue against this view, arguing there cannot be justice without any higher moral standard and self-restriction. Thus, exploitation of others simply because it is not illegal is declared to be alien to a notion of “just agreement”:

Justice is normally thought of not as ceasing to be relevant in conditions of extreme inequality in power but, rather, as being especially relevant to such conditions. (Barry 1989: 63)

Rawlsian scholars therefore insist that self-interest does not mean being purely selfish, and they discuss how self-interest can also cover acts of altruism (“I feel better about myself if I act nicely”) and cultural formation of interests. Some seek to connect self-interests with the Kantian categorical imperative that one should treat others as one would like to be treated. Individuals are then described as acting in a “mutually disinterested manner” and social contracts are the result of “a desire for rational integrity” and impartiality. Here, the interests of self and others are equally valued (Tremmel 2009: 192). Other scholars are critical of this conflation, including recently Rawls himself. Dierksmeier (2005: 23), for example, criticises Rawls’ update of his theory in 2001 when he introduced two sub-categories in assessing the “rationality” of actors: “rational” continues to refer to maximising logics, while “reasonable” adds the categorical imperative, value judgments, moral wisdom and the ideal of free persons. Reasonable persons will therefore desire a social world where they can co-operate with others in terms that everybody can accept.

From my point of view, such amended actor concepts and the inclusion of cultural influences provide a convincing liberal theory of society and actor motivation. They do add Kantian ideas to promote a universal approach to ethics where self-interests are informed by higher moral standards. Yet, arguing that individuals act according to higher principles simply out of self-interest (wanting to conform or feel good) feels like overstretching the

original premises of the theory. To me it feels as if we need an update of the assumptions around a “representational actor” rather than continually adding exceptions to the rule of interest maximisation (just as many, many economic theories have done over the past decades). With the systemic perspective on justice, I also introduce a different actor concept where individuals are sensitive about their social communities and the prevailing norms, standards and culture when judging what is the “right” or just thing to do.

But before this I discuss the limitations that a contractarian approach sets for any engagement with future people who cannot speak up for themselves. Referring to specific examples also exposes the limits of tit-for-tat calculations for any forward-looking, future-enabling approach to an effective sharing of responsibilities.

## ***2.2. Indirect reciprocity to convey justice to future generations***

Generally, debates on intergenerational justice primarily take place within the liberal individualist viewpoint described above. One can differentiate two camps: the first seeks to identify calculating principles in order to determine quantitative obligations (Rawlsian self-interest world-view); the other (Kantian distributive world-view) argues for universal concepts that should inform equal distributions of rights and goods to everyone. The first camp argues from the perspective of aggregative reciprocity justice when defining substantive obligations between generations. Here, each generation should pass on to succeeding generations what it has received from the preceding one. Applying a strict understanding, the reciprocity requirement holds “that no one would be allowed or forced to end up being a net beneficiary or a net recipient” (Gosseries 2009: 121).

For the actual application of reciprocity calculations, one finds several approaches:

- descending reciprocity: where the amount that needs to be passed on is determined by the amount that has been received;
- ascending reciprocity: the same logic but in reversed order, where younger generations owe older generations for what has been passed on to them;
- double reciprocity: where the initial contributor is also the final beneficiary and therefore direct reciprocity prevails, e.g. working adults paying for pensions because their education was paid for by the now-retired (Gosseries 2009: 124-5).



Overall, the aggregative reciprocity camp is limited to justice between directly succeeding generations, because there is a lack of reciprocity between people who are not contemporaries. Among non-contemporaries, there is no mutual co-operation and no exchange in kind, leaving those living later facing the power asymmetry pointed out above (see also Barry 1977: 243-4).

One idea to expand the principle of reciprocity across intertemporal, non-overlapping generations is that of indirect reciprocity, meaning that no direct exchange between contributor and benefactor exists. An example may be the public education system: the middle generation funds university education for the younger generation through its taxes because the older generation has paid for the middle generation's education. The general view is that the chain of generations develops a "cascade-like obligation": every generation gives something back, even if not to the generation that it received it from (ancestors), but to the one that has not yet contributed anything (descendants) (Tremmel 2009: 195). The concept is based on Rawls' just savings principle, stating that each generation should pass on a fair equivalent of what it has received from the previous generation (ibid.). Unsurprisingly, this transitive form of reciprocity also carries a rational tit-for-tat point of view: "Just as temporal generations, intertemporal ones also have obligation towards their successor generations because they have received something from their predecessor generations" (ibid.).

Criticism of the indirect reciprocity view concerned responsibilities to generations living in the further future. Yet, taking the cascade idea seriously, one can draw a counter-argument, especially when acknowledging the limits to our knowledge of what individuals living in the far future may actually need and how many they are: given current life-spans, there will probably be three if not four generations (taking 25 years per generation) living at the same time. This translates into about 100 years that are covered if each generation fulfils its obligation to pass on at least the same opportunities to succeeding generations. If generation A fulfils this duty to B at the expense of C (which we have witnessed quite regularly in the past few decades), it has not fulfilled its duty to B properly because, when A dies, B is still obligated to C and will have to make up for all of A's negligence towards the further future. Thus, B must now strive harder to secure C's opportunities for a good life (Tremmel 2009: 200). One may add that, rather than only seeing itself worse off, B understands this early on and starts putting checks on A's negligence of C's concerns while A is still around. Some of our debates on the public pension system provide

examples of this. Thus, this view can inform bargaining across generations rather well if developments are foreseeable.

However, the distributive justice paradigm of the reciprocity principle calls for “no net transfers”, meaning that no generation should contribute more than it receives. Demographic trends will make it difficult to estimate when leaving more to future generations will translate into a net transfer to their benefit. Adding unforeseeable components to the cost–benefit approach invites scepticism that we are unnecessarily constraining the opportunities of generations today (Gosseries 2009: 145). Many liberal scholars in addition subscribe to what can be called an “inbuilt progress assumption” according to which future generations will necessarily start off better than past generations. They base this outlook on a linear extrapolation of improvements in knowledge, technology and monetary growth since the late 19th century. Some also argue that these developments will mean that many environmental concerns that seem pressing today will be dealt with successfully in the future (for example Tremmel 2009: 169, Beckermann 2004: 4).

When adding ontological reality, however, one recognises changes in the context that render assumptions of unabated trends as far-fetched: the 20th century brought a 4-fold increase in human numbers accompanied by a 40-fold increase in economic output and a 16-fold rise in fossil fuel use. This was paralleled by a 35-fold rise in fisheries catches, a 9-fold increase in water use and emissions of 17 times as much carbon dioxide and 13 times as much sulphur and other pollutants (Krausmann et al. 2009). It seems to me we have reached an era where extrapolating from the past is a very risky bet. A more realistic fear of injustice would be net crediting rather than net transfer.

Yet, as some liberal scholars explicitly point out, prevalent conceptions of justice do not allow for a coherent theory of justice towards future generations. Their fundamental idea of distributive justice is one of “everybody according to his or her needs” (or worth, or merits – depending on the particular focus of the justice theory). When referring to unborn people, these concepts are missing their starting point: they can only be operationalised if someone can demonstrate that he or she has the prerequisite needs for a moral “right” to emerge. In addition, defining an accurate level of neediness would be required so that the corresponding amount necessary to overcome the need (be it income, medical care, resources, freedom) can be accorded (Beckermann 2004: 1).

From this point of view, as long as there is no clearly identifiable subject, no property can be ascribed. As a consequence, legal protection of the rights of future generations is impossible. To be fair, hardly any author in this camp

recedes to arguing for ignorance towards future generations. They rather seek to point out that the debate should not take the form of “rights” and “justice”, but address the issue as a matter of “our moral obligation to take account of the interests that they can be expected to have” (here Beckermann 2004: 4). However, arguing for the protection of human rights posits a much higher level of urgency and ethical imperative than talking about moral obligations that may also be considered. So rather than being defeated by the institutions and ideas humanity has created, we might instead argue for their updating so they are fit for the 21st century. The discussion of a systemic justice view will show that the concepts of collective or generational rights are readily available for a rights-based approach.

### ***2.3. Introducing systemic views on intergenerational responsibility***

Systemic world-views look at individuals from a contextual point of view, embedding actors in the wider web of relationships they live in. For determinations of justice and responsibility, considerations start with an analysis of developments of “the whole”, the parameters of a supportive livelihood. Hans Jonas is probably the most prominent advocate of this perspective. He has formulated what can be called a “generational categorical imperative”: “act so that the effects of your action are compatible with the permanence of genuine human life!” (Häberle 2005: 28). One important concept here in our relation to future generations is that of common heritage, which implies that justice is a matter of equal access to common resources rather than the just distribution of private property. In parallel with the benefit of enjoying access goes a duty of trusteeship, meaning protection of the common good as the property of humankind as a whole. The view on actors and their motivation is also historical-contextual rather than universally given self-interest: “a person is constituted by its relations and has not other existence than as a creative synthesis of these relations” (Agius 2005: 24, referring to Whitehead). This view was most prominently advocated by Edith Brown Weiss, who was highly influential in the drafting of the UNESCO Declaration:

In all that we do, we inherently represent not only ourselves but past and future generations. We represent past generations, even while trying to obliterate the past, because we embody what they passed on to us. We represent future generations because the decisions we make today affect the well-being of all persons who come after us and the integrity and robustness of the planet they will inherit. (Brown Weiss 2002: 1)

Thus, acts of every individual are necessarily social and relational, and the search for just distribution pays attention to interdependences across space and time alike. Edith Brown Weiss derives diversity, quality and access as the core principles of substantive intergenerational responsibilities. The diversity of the natural and cultural resource base needs to be conserved so that the options available to future generations in solving their problems and satisfying their own values are not unduly restricted. The quality of the Earth should be no worse and each generation should provide its members with equitable rights of access to the legacy of past generations and should conserve this access for future generations (ibid: 1, 5). Adopting this ideal of intergenerational equity seeks to ensure a similar operating space for all generations in fulfilling their needs. Given the growing number of people on this planet, it implies an ethics of sufficiency rather than one of maximum self-interest. The corresponding concept of rights is also collective or generational rather than individual; it draws attention to preserving options for development rather than defining quantitative entitlements to resources (ibid.). This perspective on distributive justice also challenges individualist arguments that future generations cannot have rights because their needs and desires cannot be anticipated: we have a rather clear understanding what humans need to satisfy their needs and we can choose to not force current or future individuals into proving their neediness before they find recognition in distributive policies. In order to make the trusteeship notion operational for politics, however, some comparative idea of justice has to be defined. Every policy decision involves a trade-off, so it needs principled guidance on the sharing of burdens or benefits by agreement and regulation.

#### ***2.4. Discussing systemic views on justice***

Justice need not mean only tit-for-tat; it also involves the higher moral codes that a society has agreed to strive for. Many also argue that just solutions should connect privileges with responsibility. Barry's argument cited above, for example, argues for the particular importance of justice in an ethical sense in situations of high power imbalance. This type of real-world justice resembles the idea of fairness, a rather intuitive perception of what is the "right" amount to share. It is close to the justice concept developed by Amartya Sen and Martha Nussbaum. This approach holds that "grammatically" injustice precedes definitions of justice. By looking at stark levels of inequity and suffering, reactions of compassion and caring lead to a personal sense of injustice that is first generalised and eventually rationalised into

concepts of justice (Sen 2010).<sup>46</sup> This idea of relational and relative positive (compassionate) justice agreements can be understood in the etymology of reciprocity. This meaning is purely descriptive rather than implying an individually calculated cost–benefit exchange. It is close to the world-view depicted by Aegius above: “mutual dependence, action” or “influence and the recognition by one of two countries or institutions of the validity of licenses or privileges granted by the other” ([www.merriam-webster.com](http://www.merriam-webster.com)). No expectation of equal return need emerge, nor the standard of “no net transfer”. Recognition primarily means being acknowledged as one partner with particular characteristics in the web of relations.

In order to reflect this contextual approach of systemic world-views, principles from sustainable development law provide useful support for decisions on the distribution of costs and benefits. The most important principle for sustainability is the safeguarding of a secure operating space for humanity. Respecting the laws of nature therefore is a common good. Future-oriented approaches need to search for scientifically informed caps on maximum possible consumption levels. Derived from those, the equity principle of contraction and convergence are fundamental for long-term well-being and justice towards future generations, as I see it. Consumption as such has to contract to the point that it is sustainable over time – and is adapted to changes in population. In order to secure the well-being of all individuals, similar per capita options for everyone in every generation should be provided. Thus we have a clear distributional goal in prioritising the achievement of sufficiency for all humans over the maximum possible benefits for any identifiable individual. Turning to action, good guidance is provided by principles that adequately reflect the current degree of inequity and the urgency of swift action: the polluter pays and common but differentiated responsibility. Contributions are allocated according to each society member’s capabilities to take responsibility. Adopting this formula will quite clearly indicate which of the people living today are using more than their fair entitlement to the global commons and should therefore share. In most cases, their share of available wealth also means they are capable of contributing more to the change towards sustainable well-being for all.

This forward-looking approach may get us out of historical tit-for-tat debt claims and it helps to identify the most effective distribution of responsibilities. But, even though this sounds alien to our commonly heard justice arguments, I suggest that individualist no-net-benefit calculations will find

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46. For a discussion of this approach, see: <http://chronicle.com/article/Amartya-Sen-Shakes-Up-Justice/48332>.

it difficult to come up with generally acceptable distributive principles once they are contextualised. Where, for example, do we set the baseline from which costs and benefits are calculated? The European post-war generation was terribly badly off when these individuals were born – but they have also lived through the highest material growth rates in history. So what do they owe future generations? When in their lives does the point of measuring “their inherited and used up share” arrive? Depending on this decision, we may advocate very different options for the following generations. Also, how does the reciprocity principle deal with the massive inequalities with which individuals enter the equation? Why should rich people not engage in net transfers if the number of persons on the planet increases? From the intergenerational perspective, are future generations in poor countries *per se* only entitled to lives in poverty? And one aspect is often forgotten by principles of (indirect) reciprocity: without a clear definition of the boundaries within which we have to manoeuvre we may very justly terminate human existence on this planet.

The point of this discussion is not to demonise one world-view and sanctify the other, but to draw attention to the impact of world-views on our perceptions of the “right” thing to do. Coming back to the principle of common but shared responsibilities, for example: depending on the applied world-view, that principle can be perceived either as making a personal sacrifice or as being privileged to take responsibility for our common future. The systemic vision for justice I propose here hopes to encourage the latter viewpoint and therefore to ease agreements on changing our course of development. It combines the well-being of the whole with that of every individual living in an intact web of relationships. An agenda of shared responsibility and social cohesion requires an understanding of the interdependence between individual well-being and goods that are available to all (Farrell 2008: 17). In this way, the vision of shared responsibilities for future generations could give us the power to push for an update of the dominant concepts of justice, both ontologically and in values. Yet, we may need an institutional anchoring of these ideas from which they can diffuse through our institutions.

### **3. Shared responsibility for future generations in democratic practices**

Generally speaking, shared responsibility is associated with a duty to behave according to certain agreed principles or goals of value. This duty is manifested in co-operation with other agents (citizens, organisations, institutions) and/or in the resulting ability to pursue the achievement of

some common goals. This liberal ideal of democracies is one in which individuals have equal opportunities to voice their concerns in the formulation of agreed principles. However, not all citizens enjoy the same opportunity to express their views or are willing to be convinced by the better arguments. Democratic societies are entrenched with structural power relations and habits that filter which arguments become shrieking loud and which wither away unnoticed.

One group of individuals that is particularly disadvantaged in representative democracies is that of future generations. As the Brundtland report outlined, the short voting cycles and lack of lobbying power behind long-term considerations are structurally hampering pursuit of a sustainability agenda (WCED 1987). Politicians and economic actors are driven to meet short-term interests of current generations and investors. Moreover, remote and diffuse subjects or objects, be they geographically, temporally or culturally distant, are less easy for us to engage with in our moral imagination. Feeling and acting responsibly for someone who is not presenting his or her interests visibly, cannot participate actively or does it in a way not known to us can be morally highly demanding. Especially if one experiences individual precariousness (not feeling safe or in control of one's life – as is increasingly the case under the trends outlined in section 1 above), fear is clearly reducing the capacity for other-regardingness and future-regardingness. Thus, even if agreement on the principles proposed above is reached, it would still be likely to need continued and active engagement for its implementation. The implementation gap around the principles and declarations on sustainability over the last 20 years is a clear indication of institutional and cultural inertia, even for far-sighted decision-makers. Rather than burdening individuals with too many considerations and responsibilities, we can acknowledge structural and individual limitations and intentionally check and balance them.

### ***3.1. Guardians for future generations as levers for change***

The acknowledgement of disparities in the chance to voice individual interests seems to be an integral part of a concept of shared responsibilities. With this in mind, if we wish to strengthen a long-term point of view in our current institutions, a good solution would be the creation of guardians for future generations. It is not that we are short of declarations on sustainability that mention equal living conditions for future generations, but actual advances in policies that would protect the long term are rare. In looking for the cause of this implementation gap, we find that it is also almost impossible for a businessperson or a parliamentarian to promote decisions whose effects will only be noticeable in the medium to long term. Quarterly reports showing

less profit lead to a downgrading in the stock markets (or are prohibited by corporate law that obliges CEOs to put shareholder value before all other considerations in business conduct) and politicians facing elections every four or five years find it difficult enough to tailor the compromises that will keep current generations more or less satisfied. We have built institutions that encapsulate extreme competitiveness and individualism, but also a structural short-termism. Thus, even if individual actors are convinced of the ethics of obligations to future generations, it is very difficult to act on it.

Several countries around the world have acknowledged this dilemma, establishing institutions that have the role of influencing new legislative projects from the perspective of intergenerational equity. Approaches include parliamentary committees, commissioners and ombudspersons who scrutinise policy proposals for their long-term effects. The former Israeli and current Hungarian Parliamentary Commissioners for Future Generations are the most powerful examples, clearly having an advocacy role. Such an independent institution can function as a mechanism of checks and balances between present and future interests. Even though some parliaments, like the German one, have installed parliamentary committees for the analysis of legislative proposals, an institution independent from voting procedures can act more freely. As long as it is legitimised by the parliament and acts transparently in dealings with different government departments, it can also mediate between typical lines of conflict, such as economic versus environmental concerns.

In order to anticipate trends in people's needs and worries, an institution representing the interests of future generations should also have wide exchanges with present generations. In the Hungarian example, the commissioner can be addressed as an ombudsperson, meaning that individuals can directly raise concerns about the long-term impact of certain projects or policy proposals. This also increases the influx of citizens' concerns into government bodies between elections. While some such commissions have only consultative status, the commissioners in Israel and Hungary have the mandate to decide themselves when policies would harm the interests of future generations. Their research and investigations lead to the development of new expertise and knowledge, and they are entitled to deliberate their findings in parliament. Such a proactive advocate speaking up for future citizens is not only a watchdog, but also continually diffuses an alternative point of view on policy-impacts among decision-makers.<sup>47</sup>

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47. For discussion of existing institution models and a recommended European solution, see Göpel and Arhelger 2010.



Given increasing recognition of the interdependences between ecological, social, economic and cultural trends from the long-term perspective, a more relational and systemic world-view may begin to permeate institutions. Shared responsibility would then also span the different silos of environment, employment, finances, trade, culture, social services and health in which decision-making currently takes place in isolation from other agendas. Speaking up about the long-term effects in a transparent and widely recognised manner (the commissioners in Israel and Hungary both worked and work closely with the media) may put single-interest conflicts into a different perspective, leading to a way round current roadblocks. Furthermore, speaking up for unborn individuals frees participants in the democratic process from directly comparative calculations of different lobbies that can often lead to stalemate.

### ***3.2. Conclusion: the vision behind shared responsibility***

By exposing the understandings behind different concepts of justice towards future generations, I want to prepare the ground for a call to completely change the vision with which we approach discussions on future policy goals. In my view, shared responsibility for future generations renders individualist cost-benefit thinking inadequate as a standard for sound governance. This does not mean that I want to demonise it or neglect all the benefits that the enlightenment movement has brought to individual freedom. But if we see that the adopted versions of justice do not help us to lead lives of well-being for all in a future of 9 billion – if they even risk human life on Earth entirely – we should do our best to change them. Historically, concepts of justice and rights, and their legal codifications, have always been a process of changes in moral convictions and accepted norms.

So I disagree with scholars like Beckermann who say that, because the concepts of justice “that we adopted” cannot grasp intergenerational relationships, we cannot treat our obligations towards our descendants as a matter of justice (Beckermann 2004: 4). We can free ourselves of this constraint. In fact, nearly all old traditions recognised future generations as part of the community: wise elders or councils were looking at the well-being of seven generations when taking strategic decisions. The mystics in our world religions show a magnificent degree of similarity in their view of our duty to act as cautious trustees of the Earth for the sake of future generations (Weeramantry 2009).

A commitment to shared responsibilities for future generations invites a core value back into the governance of communities, a value that has been suffocated by the individualist self-interest world-view: trust. It means trust

that every member of a community will be recognised in their concerns, and trust that political processes will aim at providing social structures that offer an empowering degree of safety and control for individuals. This trust enables all members to act responsibly in the protection of the common goods and the well-being of all. If we dig below the value that the principle of reciprocity is trying to bring to individualist contractualism, one may also come to the conclusion that it actually serves to deliver trust in the sense that one's contribution will lead to an equivalent reaction. In cultures marked by a world-view of rational maximising self-interested individuals, this is as much as one can expect in terms of being taken care of.

I am convinced we can do better and update our institutions and paradigms alike. Justice can be defined as "enabling" – seeking to ensure every member of the community now and in the future is able to develop his or her full potential. This view encourages members of the community with greater capacities to take responsibility because it is seen as a valued contribution to maintaining a beautiful planet and its cultures, not as enforced self-sacrifice. Institutions encourage the conservation and nurturing of good relationships with ourselves, with each other and with our planet, to the benefit of current and future generations' well-being alike.

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# ADDRESSING POVERTY: A SHARED SOCIAL RESPONSIBILITY

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The financial crisis which started to unfold in 2008 has put huge pressure on social spending in the EU and across the world. It is likely to continue to do so for some time in various ways. Initially, many countries extended income supports to help those affected by the crisis, but in an increasing number of European countries austerity packages are being introduced that will limit access to social welfare payments and services like education, health, social housing and pensions. There is pressure to reduce expenditure substantially and to take a more targeted approach to public welfare programmes. This paper reviews the context in which these changes are occurring. It looks at the level and extent of poverty, of social expenditure, of taxation, of private provision for welfare. It goes on to look at an integrated approach to providing adequate income, appropriate income and innovative participative initiatives to ensure people of all ages in the EU can live life with dignity. It then argues that, if such a future is to be delivered, then shared social responsibility is essential.

## 1. What is poverty?

There are many approaches to defining poverty. It can be seen in terms of a lack of income, a lack of access to services or a lack of basic human needs. It can cover a range of issues such as income, education, health and accommodation. It can be seen in terms of participation or its absence. It can be seen in terms of capacity (Lister 2004; Alcock 2006; Sachs 2005; Ridge and Wright 2008).

Ireland's National Anti-Poverty Strategy (NAPS), published by the government in 1997, adopted the following definition of poverty:

People are living in poverty if their income and resources (material, cultural and social) are so inadequate as to preclude them from having a standard of living that is regarded as acceptable by Irish society generally. As a result of inadequate income and resources people may be excluded and marginalised from participating in activities that are considered the norm for other people in society.

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48. Director, Social Justice Ireland.

49. Director, Social Justice Ireland.

This definition has been reiterated in the *National Action Plan for Social Inclusion, 2007-2016* (hereafter *NAP Inclusion*) and it covers the key aspects of poverty that most would see as needing to be addressed. It goes beyond income and beyond material resources alone. It recognises the cultural and social aspects of the reality of poverty and acknowledges the importance of participation.

## **2. Where is the poverty line?**

When it comes to measuring poverty, however, the starting point returns to income. How many people are poor? On what basis are they classified as poor? These and related questions are constantly asked when poverty is discussed or analysed.

In trying to measure the extent of poverty, the most common approach has been to identify a poverty line (or lines) based on people's incomes. In recent years the European Commission and the UN among others have begun to use a poverty line located at 60% of median income. The median income is the income of the middle person in society's income distribution; in other words it is the middle income in society. This poverty line is the one adopted in the *SILC* surveys conducted in all EU countries and differs from previous approaches which tended to set the poverty line at 50% of mean (average) income. This switch to using median income removes many of the theoretical and technical criticisms that had been levelled against using relative income to assess poverty.<sup>50</sup> Though the 60% median income line has been adopted as the primary poverty line, alternatives set at 50% and 70% of median income are also used to clarify and lend robustness to assessments of poverty.

## **3. Poverty: a European perspective**

In this section and in most of those that follow we use the figures for 2007. We have chosen to do this because the period 2008-10 has produced wide divergences that are (we believe) temporary and thus not of value in trying to assess and draw conclusions about overall

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50. In particular the use of median income ensures that it is possible to eliminate poverty (a rate of 0%), a result that was theoretically impossible when poverty lines were calculated using mean income.

trends, which is our purpose here. We will update this paper when more reliable figures are available for years after 2007.

Eurostat, the European Statistics Agency, produces comparable 'at risk of poverty' figures (proportions of the population living below the poverty line) for each EU member state. The data are calculated using 60% of median income as the poverty line in each country. The latest data available are for the year 2007. The data offer a useful point-in-time comparison of the relative performance of EU states vis-à-vis other EU states.

As Table 1 shows, in 2007 the EU-25 risk of poverty was 16%. In individual countries it ranged from 21% in Latvia to 10% in the Netherlands and the Czech Republic. In the UK the rate was 19%, in Ireland 18% while Germany was at 15%, France at 13% and Sweden 11%.

**Table 1: The risk of poverty in the European Union in 2007**

country	poverty risk	country	poverty risk
Latvia	21	Luxembourg	14
Greece	20	Malta	14
Spain	20	France	13
Italy	20	Finland	13
Estonia	19	Denmark	12
Lithuania	19	Hungary	12
United Kingdom	19	Austria	12
Ireland	18	Slovenia	12
Portugal	18	Slovak Republic	11
Poland	17	Sweden	11
Cyprus	16	Czech Rep	10
Belgium	15	Netherlands	10
Germany	15	<b>EU-25 Average</b>	<b>16</b>

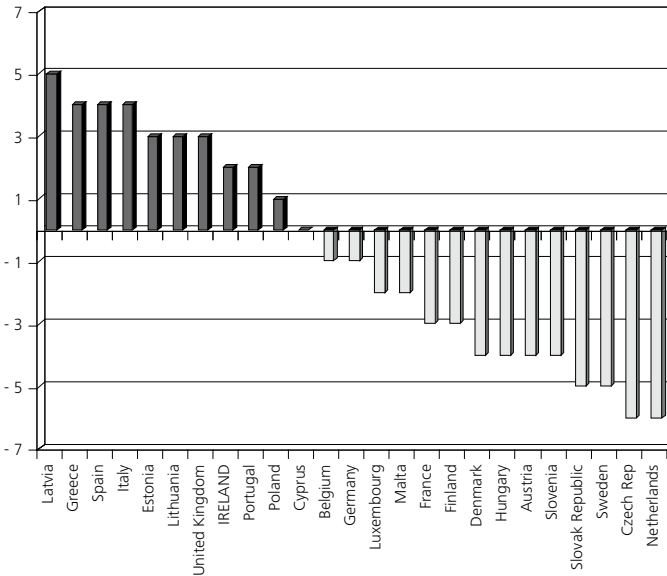
**Source:** CSO 2009a:88.

**Notes:** These 2007 figures are the most up-to-date comparable data available for countries.

Figure 1 develops the findings in Table 1 further and calculates the difference between national poverty risk levels and the EU-25 average.



**Figure 1: Percentage difference in national poverty risk from EU-25 average**



**Source:** CSO 2009a:88.

**Note:** These 2007 figures are the most up-to-date comparable data available for countries.

While there have been some reductions in poverty across the EU, the above data do suggest that poverty remains a large and ongoing EU-wide problem. More than half a century after the EU was established it has never come remotely close to full employment or eliminating poverty.

#### 4. Income distribution: a European perspective

Having established overall poverty levels it is useful to focus for a moment on income distribution. One of the 18 indicators adopted by the EU at Laeken assesses the income distribution of member states by comparing the ratio of equivalised disposable income received by the bottom quintile (20%) to that of the top quintile. This indicator reports how far away from each other the shares of these two groups are – the higher the ratio, the greater the income difference. Table 2 presents the most up-to-date results of this indicator for the 25 states that were

members of the EU in 2007. Overall, the greatest differences between the shares of those at the top and bottom of the income distribution are found in many of the new and poorer member states. However, some EU-15 members, including the UK, Italy, Spain, Greece and Portugal, also record large differences.

**Table 2: Ratio of disposable income of bottom quintile to that of top quintile in the EU-25**

country	ratio	country	ratio
Portugal	6.5	Netherlands	4.0
Latvia	6.3	Belgium	3.9
Greece	6.0	France	3.8
Lithuania	5.9	Malta	3.8
Estonia	5.5	Austria	3.8
Italy	5.5	Denmark	3.7
United Kingdom	5.5	Hungary	3.7
Spain	5.3	Finland	3.7
Poland	5.3	Czech Rep	3.5
Germany	5.0	Slovakia	3.5
Ireland	4.8	Sweden	3.4
Cyprus	4.5	Slovenia	3.3
Luxembourg	4.0	<b>EU-25 Average</b>	<b>4.8</b>

**Source:** CSO (2009a:88).

**Note:** These 2007 figures are the most up-to-date comparable data available for countries.

## 5. Tax take, total expenditure and social expenditure – a European perspective

Table 3 ranks EU members on three key indicators – total taxation, total government expenditure and total social protection expenditure. All are measured as a percentage of gross domestic product (GDP). The rankings are based on Eurostat data compiled before the current economic collapse – the abnormal nature of fiscal policies since 2007 across all EU countries suggests that it would be inappropriate to make structural comparisons using this data.

**Table 3: EU-27 Rankings (highest to lowest) on three national policy indicators**

<b>taxation as % of GDP</b>	<b>total government expenditure as % of GDP</b>	<b>total social protection expenditure as % of GDP</b>
Denmark	Sweden	France
Sweden	France	Sweden
Belgium	Denmark	Belgium
France	Hungary	Netherlands
Finland	Austria	Denmark
Italy	Belgium	Germany
Austria	Italy	Austria
Netherlands	Finland	Italy
Germany	Portugal	United Kingdom
Slovenia	Netherlands	Finland
United Kingdom	Germany	Portugal
Hungary	Greece	Greece
<b>EU-27 AVERAGE</b>	United Kingdom	<b>EU-27 AVERAGE</b>
Cyprus	<b>EU-27 AVERAGE</b>	Slovenia
Spain	Cyprus	Hungary
Czech Republic	Czech Republic	Spain
Portugal	Malta	Luxembourg
Luxembourg	Slovenia	Poland
Bulgaria	Poland	Czech Republic
Malta	Bulgaria	Cyprus
Poland	Spain	Ireland
Ireland	Luxembourg	Malta
Greece	Romania	Slovakia
Estonia	Latvia	Bulgaria
Latvia	Ireland	Romania
Lithuania	Estonia	Lithuania
Slovakia	Lithuania	Estonia
Romania	Slovakia	Latvia

**Source:** Eurostat online database (2009): [http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search\\_database](http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database).

## 6. Spending on social provision

Social protection expenditure is defined by Eurostat to include spending on: sickness/health care, disability, old age, survivors, family/children, unemployment, housing and social exclusion initiatives not elsewhere classified (2007: 125). Table 4 uses the most recent figures, published by Eurostat, to show the size of this expenditure as a percentage of GDP for 2007. Figure 2 develops this analysis further and examines the difference between the proportion of GDP allocated to social protection expenditure in each of the EU-27 countries and the EU average.

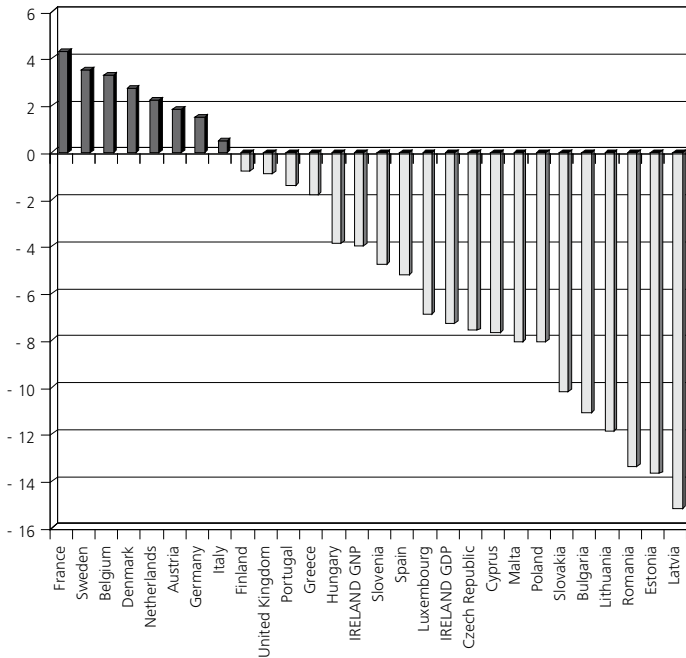
**Table 4: National social protection expenditure as % of GDP, for the EU-27 in 2007**

country	% of GDP	country	% of GDP
France	30.5	Slovenia	21.4
Sweden	29.7	Spain	21.0
Belgium	29.5	Luxembourg	19.3
Denmark	28.9	Ireland (GDP)	18.9
Netherlands	28.4	Czech Republic	18.6
Austria	28.0	Cyprus	18.5
Germany	27.7	Malta	18.1
Italy	26.7	Poland	18.1
Finland	25.4	Slovakia	16.0
United Kingdom	25.3	Bulgaria	15.1
Portugal	24.8	Lithuania	14.3
Greece	24.4	Romania	12.8
Hungary	22.3	Estonia	12.5
Ireland (GNP)	22.2	Latvia	11.0

**Source:** Eurostat online database (2010) and CSO (2010:3): [http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search\\_database](http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database).

**Note:** EU-27 average in 2007 = 26.2% of GDP.

**Figure 2: Percentage divergence in national social protection expenditure levels from EU average\***



**Source:** Eurostat online database (2010) and CSO (2010:3).

**Note:** \*EU-27 average in 2007 = 26.2% of GDP.

In the context of these figures, it is no surprise that the countries with relatively low levels of social protection expenditure have high levels of poverty and those with low levels of social protection expenditure have high levels of poverty, for the most part. The issue of private expenditure on social protection is one to which we return later in this paper. However, for completeness we look first at the total tax take in EU countries.

## 7. Total tax take in EU countries up to 2007

The most recent comparative data on the size of each country's tax take have been produced by Eurostat (2009) and details for all 27 EU countries appear in Table 5. The definition of taxation employed by Eurostat incorporates all compulsory payments to central government (direct and indirect) alongside social security contributions (employee and employer) and the tax receipts

of local authorities.<sup>51</sup> The tax burden of each country is established by calculating the ratio of total taxation revenue to national income as measured by gross domestic product (GDP). Table 3 also compares the tax burdens of all EU member states against the average tax burden of 37.5%.

Of the EU-27 states, the highest tax ratios can be found in Denmark, Sweden, Belgium and France; the lowest are in Romania, Slovakia, Lithuania, Latvia, Ireland, Greece and Estonia. Overall, Ireland possesses the fifth lowest tax burden at 31.2%, some 6.3% below the EU average.

**Table 5: Total tax revenue as % of GDP, for EU-27 countries in 2007**

country	% of GDP	+/- from average	country	% of GDP	+/- from average
Denmark	48.7	+11.2	Portugal	36.8	-0.7
Sweden	48.3	+10.8	Luxembourg	36.7	-0.8
Belgium	44.0	+6.5	Ireland GNP	36.7	-0.8
France	43.3	+5.8	United Kingdom	36.3	-1.2
Italy	43.3	+5.8	Poland	34.8	-2.7
Finland	43.0	+5.5	Malta	34.7	-2.8
Austria	42.1	+4.6	Bulgaria	34.2	-3.3
Cyprus	41.6	+4.1	Estonia	33.1	-4.4
Hungary	39.8	+2.3	Greece	32.1	-5.4
Germany	39.5	+2.0	Ireland GDP	31.2	-6.3
Netherlands	38.9	+1.4	Latvia	30.5	-7.0
Slovenia	38.2	+0.7	Lithuania	29.9	-7.6
Spain	37.1	-0.4	Slovakia	29.4	-8.1
Czech Republic	36.9	-0.6	Romania	29.4	-8.1

**Source:** Eurostat (2009:251) and CSO National Income and Expenditure Accounts (2009b:3).

**Notes:** All data are for 2007; EU average (unweighted) is 37.5%.

GDP is accepted as the benchmark against which tax levels are measured in international publications. (Ireland's tax take as a percentage of GNP is included, but the authors do not accept the argument made by some analysts and some arms of Ireland's government that GNP is the correct benchmark to use for Ireland.)<sup>52</sup>

51. See Eurostat (2004:32-4) for a more comprehensive explanation of this classification.

52. For further comment by the author on this, see Collins, Healy and Reynolds (2010), p. 82.

Again it is interesting to note the relatively close correlation between high-tax countries and low poverty, and vice versa. This is particularly true of the EU-15 countries. However, among the newer member states there is some divergence.

## **8. Including private social spending in calculating the national welfare effort**

Some analysts argue that focusing on public expenditure alone provides an inadequate picture of a country's real welfare effort<sup>53</sup> and that conventional measures of public spending are incomplete measures of welfare state effort. They can be improved by accounting for private social spending and the effects of tax systems on social expenditure: direct taxation of benefit income; indirect taxation of consumption by benefit recipients; and the award of tax breaks with a social purpose. There are significant differences in how far private spending and tax systems affect levels of social support, so accounting for these issues is crucial to international comparisons of the welfare state.

Public and private social expenditure programmes may also have different redistributive effects. However, cross-national differences in redistribution are not just related to individual programme design, but also to the overall level of social spending and the nature of tax systems. People using this approach argue that net spending indicators give a better idea of true levels of social spending. However, available comparative data do not cover employer social security contributions or private pension contributions, which limits their use for assessing redistribution in tax/benefit systems.

The OECD has been developing this approach. They argue that pulling together all information on public and private social benefits and tax systems facilitates comparisons of net total social expenditure. Table 6 has the details as presented by Willem Adema of the OECD.<sup>54</sup> It shows the development of the numbers from gross public social expenditure to net total expenditure for nine OECD countries (seven in the EU) and the OECD as a whole.

The data show that the net total social expenditure is highest in France at 33% of GDP. Spending on social effort is 25 to 29% of GDP in Denmark,

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53. Much of the work in this area has been pioneered by Willem Adema at the OECD.

54. See Adema 2010.

Germany, Italy, the United Kingdom and the United States. Total social spending, calculated on this basis, is around 24% of GDP in Japan and on (a preliminary) average across the OECD. Total social spending is considerably lower in Ireland at 18%, but that does not include any estimate of private pension expenditure. There are two key issues at work in the adjustment from public to total social effort. Firstly private social spending is included and this has a huge impact, particularly in the UK and USA. Secondly, the relatively high level of direct and indirect taxation on income transfers and related issues has a huge impact on other European countries when compared to non-European countries. Table 6 provides the details.

## **9. Impact of private provision on poverty**

What is especially relevant in the context of this paper is Adema's conclusion when he analysed the impact of private provision on poverty. He found that gross public expenditures are effective in reducing poverty, while private social expenditures have the opposite effect. Furthermore, once account has been taken of the effect of taxation on benefit income and tax breaks with a social purpose, the linkage between net public social spending and poverty is much smaller than for gross spending, and almost disappears when net total social expenditure is considered (see also Castles and Obinger 2007; Goudswaard and Caminada 2009; Caminada, Goudswaard and Koster 2010). According to Adema these four indicators of social expenditure can also be linked with indicators on poverty reduction (differences in poverty rates at market income and poverty rates at disposable income) or indicators on the reduction of inequality (the Gini coefficient measured at market prices and the Gini coefficient at disposable income) and they generate similar results.

These are dramatic conclusions in the context of shared social responsibility. They show that poverty will not be addressed effectively simply by focusing on increasing private expenditure in the relevant policy areas. Increasing private expenditure will improve the ranking of those countries where it is spent, in terms of their national social welfare effort, but will have little or no impact on reducing poverty. Consequently, there are two lessons that need to be drawn:

- Public expenditure is crucial in reducing poverty.
- Private expenditure must be part of a deliberately targeted effort that is clearly focused on reducing poverty; otherwise its impact on poverty will be negligible.



**Table 6: Social expenditure, in percentage of GDP at factor cost, 2007 (preliminary data).**

From gross public to net total social spending, 2007.

	Denmark	France	Germany	Ireland	Italy	Japan	Sweden	United Kingdom	United States	OECD
<b>1. Gross public social expenditure</b>	<b>30.7</b>	<b>33.0</b>	<b>28.1</b>	<b>18.9</b>	<b>28.8</b>	<b>21.3</b>	<b>32.9</b>	<b>23.9</b>	<b>17.1</b>	<b>24.3</b>
- Direct taxes and social contributions	3.8	1.6	1.5	0.2	2.5	0.4	4.1	0.3	0.5	1.5
2. Net cash direct public social expenditure	26.9	31.3	26.6	18.6	26.3	20.8	28.8	23.2	16.6	
- Indirect taxes (on cash benefits)	3.0	2.8	2.0	2.1	2.1	0.8	2.5	1.5	0.3	2.0
3. Net direct public social expenditure	23.8	28.5	24.6	16.5	24.2	20.1	26.3	21.6	16.2	
+ T1 TBSPs similar to cash benefits	0.0	1.2	1.5	0.3	0.2	0.6	0.0	0.4	0.8	
- Indirect taxes	0.0	0.2	0.2	0.1	0.0	0.0	0.0	0.1	0.0	
4. Net TBSPs similar to cash benefits	0.0	1.0	1.3	0.2	0.2	0.5	0.0	0.3	0.8	
+ T2 TBSPs towards current private benefits	0.0	0.0	0.5	0.3	0.1	0.0	0.0	0.1	1.4	
5. Net TBSPs (not including pensions)	0.0	1.1	1.8	0.5	0.3	0.6	0.0	0.5	2.2	0.6
6. Net current public social expenditure	23.8	29.7	26.4	17.0	24.5	20.6	26.3	22.5	18.4	21.5
7. Gross mandatory private soc. exp.	0.3	0.4	1.2	0.0	1.8	0.6	0.5	0.9	0.4	0.5

- Direct taxes and social contributions	0.1	0.0	0.4	0.0	0.2	0.0	0.1	0.1	0.1	0.0
- Indirect taxes	0.0	0.1	0.1	0.0	0.2	0.0	0.1	0.1	0.1	0.0
8. Net current mand. private soc. exp.	0.1	0.3	0.7	0.0	1.4	0.5	0.3	0.7	0.3	0.4
9. Net publicly mandated soc. exp. [6+8]	24.0	29.9	27.1	16.9	25.8	21.2	26.6	22.8	18.8	21.8
10. Gross voluntary private soc. exp.	2.7	3.0	2.0	1.7	0.7	3.3	3.0	7.8	10.6	2.5
- Direct taxes and social contributions	0.9	0.0	0.2	0.1	0.0	0.0	0.6	0.7	0.6	
- Indirect taxes	0.4	0.1	0.1	0.2	0.0	0.2	0.5	0.7	0.2	
11. Net current voluntary private soc. exp.	1.4	2.8	1.7	1.5	0.6	3.1	1.9	6.3	9.8	2.1
12. Net current private soc. exp. [8+11]	1.6	3.2	2.4	1.5	2.0	3.7	2.1	7.0	10.2	
13. Net total social expenditure [6+12-12]	25.4	32.9	28.3	18.2	26.4	24.3	28.5	29.4	27.2	23.8
Memorandum items										
TBSPs towards pensions		0.0	0.9	1.4	0.0	0.8	0.0		0.9	

**Source:** OECD (2010), OECD Social Expenditure database, preliminary data.

**Notes:** Data for the USA and for indirect taxes refer to 2005. GDP at market prices is the most frequently used indicator of the size of an economy, but net social spending indicators are better related to GDP at factor cost, because both net spending indicators and GDP at factor cost are adjusted for the value of indirect taxation. TBSP= tax break with a social purpose.

## **10. If poverty is to be addressed effectively, what does a state require?**

If poverty is to be addressed effectively, many issues must be targeted. Here I identify ten elements that I believe a state requires if poverty is to be reduced dramatically. They are not the only issues that suggest themselves but they are some of the main ones that are required.

### ***10.1. An appropriate, secure income-distribution system***

The income-distribution system that is seen as ideal at present involves all adults of working age having paid employment. This is supported by a welfare system that ensures people have a basic amount of money if they are unemployed, ill or otherwise unable to access income from having a job. This system has consistently failed to eliminate poverty. It has consistently failed to generate full employment on any permanent basis. It needs to be radically overhauled for the 21st century.

Tax and social welfare systems should be integrated and reformed to make them more appropriate to the changing world of the 21st century.

One option, which the authors find especially attractive because of its efficiency and effectiveness, would be to replace the present system with a basic income system. A basic income is one unconditionally granted to every person on an individual basis, without any means test or work requirement. In a basic income system, every person receives a weekly tax-free payment from the Exchequer, and all other personal income is taxed, usually at a single rate.

For a person who is unemployed, the basic income payment would replace unemployment payments. For a person who is employed the basic income payment would replace tax credits in the income-tax system. Basic income is a form of minimum income guarantee that avoids many of the negative side effects inherent in the current social welfare system. A basic income differs from other forms of income support in that

- it is paid to individuals rather than households;
- it is paid irrespective of any income from other sources;
- it is paid without conditions; it does not require the performance of any work or the willingness to accept a job if offered one;
- it is always tax-free.

A basic income system would replace welfare payments. It could guarantee an income above the poverty line for everyone. It would not be

means-tested. There would be no signing on to receive benefit and no restrictions or conditions. In practice a basic income recognises the right of every person to a share of the resources of society.

The basic income system ensures that looking for a paid job and earning an income, or increasing one's income while in employment, is always worth pursuing, because for every euro earned the person will retain a large part. It thus removes the many poverty traps and unemployment traps that may be in the present system. Furthermore, women and men get equal payments in a basic income system. Consequently the basic income system promotes gender equality.

Ensuring people's well-being requires a secure income system. Basic income is a system that is altogether more guaranteed, rewarding, simple and transparent than the present tax and welfare systems. It is far more employment-friendly than the present system. A new system is required to secure an adequate income for all in the 21st century. Basic income is such a system.<sup>55</sup>

## ***10.2. Recognition of all meaningful work, not just paid employment***

The importance of work for people's well-being is not disputed, but the understanding of work has been narrowed in practice to paid employment, which is not available for everyone at any particular time. Other kinds of work that are not remunerated, such as care work, are not seen as real work. This raises serious questions about the meaning and perception of work. Meaningful work is essential for people's well-being. Every person has the right to meaningful work. The challenge faced by many societies is to ensure that right is honoured for all, even if paid jobs do not exist for all. It is possible to reach a situation where everyone has meaningful work even if there is not full employment. It involves recognition of all forms of meaningful work, not just paid employment.

The current labour-market situation raises major questions about the assumptions underpinning culture and policy-making in this area. Full employment is assumed to be achievable in a relatively short time frame if only the correct policies were put in place. In reality there are hundreds of millions of people unemployed or underemployed across the world, some of them even in the most affluent countries. It is crucial that job creation

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55. A bibliography of more than 200 books and articles on Basic Income is available at [www.usbig.net/bib.html](http://www.usbig.net/bib.html); further material is available through the BIEN website at [www.basicincome.org/bien/](http://www.basicincome.org/bien/).

be promoted and that everything possible is done to create well-paid jobs in which people do meaningful work. However, it is also crucial that societies face up to the fact that there will be many unemployed people for the foreseeable future. One pathway towards a solution might be to address a second assumption in the whole area of work.

This second assumption concerns the priority given to paid employment over other forms of work. Most people recognise that a person can work very hard even though they have no conventional job. Much of the work carried out in the community and in the voluntary sector fits under this heading. So too does much of the work done in the home. Support for the introduction of a basic income system comes, in part, from a belief that all work should be recognised and supported.

Governments should formally recognise and acknowledge all forms of work. We believe that everybody has a right to work, understood as contributing to his or her own development and/or that of the community and/or the wider society. However, policy-making in this area should not be exclusively focused on job creation. Policy should recognise that access to meaningful work is an important factor in human well-being. A basic income system would create a platform for meaningful work. It would benefit paid employment as well as other forms of work.<sup>56</sup>

### ***10.3. A strong focus on strengthening participation by all***

The need to strengthen participation by all has two aspects. One is participation in development at an economic and/or social level. This has been addressed to some extent under the preceding item – the need to value all work. The second aspect is participation at a political level. Participation in both of these ways is important for people's well-being.

Democracy means 'rule by the people'. This implies that people participate in shaping the decisions that affect them most closely. This is a significant feature of individual and societal well-being according to Amartya Sen (Sen 1999). This includes people having the freedom and the processes to express themselves politically and creatively. Although we live in a democracy, and freedom of expression is accepted in theory at least, there are problems with the current model. Many, for example, believe the recent upheavals in the financial markets and world banking system

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56. We have addressed these issues at length at [www.socialjustice.ie/sites/default/files/file/Policy%20Issues/2001%20-%20September%20-%20Rome%20conference%20-%20paper%20on%20WORK%20for%20all%20-%20Why%20How%20-%20final%20draft%281%29.pdf](http://www.socialjustice.ie/sites/default/files/file/Policy%20Issues/2001%20-%20September%20-%20Rome%20conference%20-%20paper%20on%20WORK%20for%20all%20-%20Why%20How%20-%20final%20draft%281%29.pdf).

were caused by forces over which there is little or no democratic control. Yet citizens have, in many cases, been left to pay for the damage done by these institutions.

The democratic process has certainly benefited from the participation of various sectors and of civil society. It would also benefit from the development of a new social contract against exclusion and a new forum for dialogue on civil society issues.<sup>57</sup> However, there is also a need to move towards deliberative democracy and to develop structures where power differentials are neutralised. This would produce a situation where far more emphasis was given to the analysis of situations, to the alternatives proposed and to the implementation pathways being identified.

#### ***10.4. Sustainability (economic, environmental, social) is at the core of policy-making***

People's search for a humane, sustainable model of development has gained momentum. For years they believed that markets and market forces would produce a better life for everyone, until the major problems and side effects raised questions and doubts. There is a growing awareness that sustainability must be a factor in all development, whether social, economic or environmental.

This was reiterated by Kofi Annan, then Secretary-General of the United Nations, at the opening of the World Summit on Sustainable Development in Johannesburg, South Africa (September 2002), where he stated that the aim of the conference was to bring home the uncomfortable truth that the model of development that has prevailed for so long has been fruitful for the few, but flawed for the many. He added that the world today, facing the twin challenges of poverty and pollution, needs to usher in a season of transformation and stewardship – a season in which we make a long overdue investment in a secure future.

Sustainable development has been defined in many ways. Perhaps the best-known definition is that in *Our common future* (WCED 1987:43): development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

It is crucial that the issues of environmental, economic and social sustainability be firmly at the core of the decision-making process if the well-being of all, today and into the future, is to be realised. Principles to underpin sustainable development were suggested in a report entitled *The New*

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57. For a further discussion of these issues, see Healy and Reynolds 2003: 191-7.

*Economics of Sustainable Development*, prepared by James Robertson in May 1997 for the European Commission. The report argued that these principles would include:

- systematic empowerment of people (as opposed to making and keeping them dependent) as the basis for people-centred development;
- systematic conservation of resources and environment as the basis for environmentally sustainable development;
- evolution from a “wealth of nations” model of economic life to a one-world economic system;
- evolution from today’s international economy to an ecologically sustainable, decentralising, multi-level one-world economic system;
- restoration of political and ethical factors to a central place in economic life and thought;
- respect for qualitative values, not just quantitative values;
- respect for feminine values, not just masculine ones.

At first glance, these might not appear to be the specific guidelines that policy makers so often seek. Yet they are principles that are relevant to every area of economic life. They also apply to every level of life, ranging from personal and household to global issues. They impact on lifestyle choices and organisational goals. They are at least as relevant today as they were when first proposed in 1997. If these principles were applied to every area, level and feature of economic life they would provide a comprehensive checklist for a systematic policy review.

### **10.5. What matters is measured**

A central initiative in putting sustainability at the core of development would be the development of satellite or shadow national accounts. Most states’ national accounts miss fundamentals such as environmental sustainability. Their emphasis is on GNP/GDP as scorecards of wealth and progress. These measures, which came into widespread use during the Second World War, more or less ignore the environment and completely ignore unpaid work. Only money transactions are tracked. They fail to register the benefits of the welfare state. On the other hand they do count its failures. For example, when children are cared for in the home no monetary value is added to GNP/GDP. On the other hand if the child is cared for in a crèche the costs involved are added. Even more dramatic

costs are added if the child has to be cared for by the state. Similarly, while environmental depletion is ignored, the environmental costs of dealing with the effects of economic growth, such as cleaning up pollution or coping with the felling of rain forests, are added to, rather than subtracted from, GNP/GDP. New scorecards are needed.

If well-being is the purpose of the welfare state then it is important that data on the main indicators of well-being are collected and analysed. The OECD has done a great deal of work on this issue and produces a regular publication on social indicators, *Society at a Glance*. The OECD global project on measuring progress and some challenges it faces have been addressed at some length in Morrone 2009. Since “social indicators aim to provide information on well-being beyond that conveyed by conventional economic measures” (OECD 2007: 20), such indicators matter in assessing well-being. Measuring what matters should be a key component of the future welfare state.

### **10.6. Complete health is promoted**

Health is a major element of well-being. People’s health is influenced by social conditions such as poverty, social exclusion, discrimination, inappropriate accommodation, a polluted environment and lack of community networks (World Health Organisation 2004; Farrell et al. 2008).

Promoting complete health would involve addressing issues like life expectancy, healthy life years, access to healthcare services, chronic illness, mental illness and many related aspects of health. It would also involve addressing the fact that people with lower levels of education or low income, for example, face a higher risk to their well-being. Producing such an approach to health is more than challenging at the present time. In Ireland, a major restructuring and huge increases in public expenditure are not seen to have delivered a better system or improved people’s overall health or well-being.

Health systems should take a whole-of-health approach and consider its purpose to be the promotion of complete health, defined by the World Health Organisation as “a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.”<sup>58</sup> A substantial proportion of the expenditure on health goes on medical provision. Policy makers recognise the need to move away from a medical model to

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58. Preamble to Constitution of the WHO adopted by the International Health Conference, New York, 19-22 June 1946; signed on 22 July 1946 by 61 states; came into force on 7 April 1948. This definition has not been amended since 1948.



become more prevention-orientated. There is still a long way to go. Far higher priority should be given to prevention and primary, community and continuing care.

### ***10.7. The focus of education is broadened to produce fully rounded human beings***

Education is another essential part of people's well-being. It contributes to human flourishing by enabling people to acquire knowledge and develop their capabilities. It can promote people's well-being by helping their development and it can promote the well-being of society by engaging the person in development at that level. It is also closely linked to people's job opportunities. Education can be an agent for social transformation. It can be a powerful force in counteracting inequality and poverty. However, it needs to be acknowledged that, in many ways, the present education system has quite the opposite effect. Recent studies in Ireland confirm the persistence of social class inequalities which are seemingly ingrained in the system. Even in the context of increased participation and economic boom, the education system continues to mediate the vicious cycle of disadvantage and social exclusion between generations.

Early school leaving is a particularly serious manifestation of wider inequality in education, which is embedded in and caused by structures in the system itself. The core objective of education policy should be to provide relevant education for all people throughout their lives, so they can participate fully and meaningfully in developing themselves, their community and the wider society. Education should help to create capable and emotionally well-rounded people who are happy and motivated.

As in health, there should be a holistic approach to education. The curriculum should include the opportunity to cultivate the variety of intelligences people have including musical, spatial, physical, interpersonal and intra-personal.<sup>59</sup> The key should be the development of an education system focused on producing fully rounded human beings who can live in solidarity with other human beings and the environment in which they live.

### ***10.8. Adequate and appropriate accommodation is available for all***

The availability of appropriate accommodation is essential in any model of a welfare state. A secure and pleasant place in which to live is a basic

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59. For further development of this issue, see H. Gardner (1993).

requirement for human flourishing. Central to the welfare state in the coming years should be an approach that sees housing as a home rather than a market commodity (Drudy 2005, 2006). Drudy points out that there is a fundamental philosophical question about the purpose of a housing system that need to be addressed. Should it be a system for investment or capital gains for those with the necessary resources, or should its critical aim be to provide a home as a right for all citizens? In his view, states should move away from seeing housing as a commodity to be traded on the market like any other tradable commodity; and to accept the latter opinion that views housing as a social requirement like health services or education. This is a view that would be consistent with an effective approach to addressing poverty.

### ***10.9. All cultures are respected***

Ensuring the welfare state is available to and benefits everyone is especially challenging in difficult economic times. This challenge can be even greater in a society with different cultures, different expectations and different understandings of well-being. Since the beginning of time, people have been divided by their different cultures, values and beliefs. Centuries have passed and societies still have problems with accepting others. A well-functioning welfare state focusing on the well-being of all would structure itself so that all could contribute to the underpinning values and meaning of society and have their own culture respected and valued in the process.

### ***10.10. Social capital and well-being, civil society and active citizenship are stronger***

Many aspects already outlined have implications for civil society, social well-being and active citizenship. Research shows the profound importance of communities and relationships in determining people's quality of life. Robert Putnam describes social capital as "features of social organisation, such as networks, norms and social trust that facilitate co-ordination and co-operation for mutual benefit". He argues that the major components of social capital are trust, norms, reciprocity, and networks and connections. Social capital has been shown to have positive economic effects while also impacting on people's health and general well-being. It has also been shown that community engagement improves the well-being of those involved but also of others.

In his perceptive analysis Tom Healy reminds us that David Myers defines well-being, at its simplest, as: "the pervasive sense that life has been and

is good. It is an ongoing perception that this time in one's life, or even life as a whole, is fulfilling, meaningful, and pleasant". However, Tom Healy goes on to point out that well-being goes well beyond mental states of pleasure, happiness or satisfaction for individuals, important as these are. Social well-being concerns the match between our goals and the kind of life we experience. In other words it concerns what we value and seek, and how we evaluate our lives in this light.<sup>60</sup> Drawing on reflections from Aristotle to latter-day philosophers like Amartya Sen, we can say that well-being involves coherence between the moral ends and chosen values of an individual or society, and the objective circumstances of life as perceived by them. The welfare state has a huge role to play in delivering such an outcome.

## **11. Pathways out of poverty: responsibility and finance**

Many issues need to be addressed if we are to find pathways towards an appropriate welfare state in the 21st century. We wish to raise two of these issues in the final section of this chapter: the issues of financing and responsibility.

### ***11.1. The need for shared social responsibility***

If a pathway is to be found that effectively cuts poverty and secures everyone's well-being, through the welfare state or otherwise, the issue of responsibility must be addressed. If a democratic society is to function effectively, the exercise of responsibility is both a right and an obligation. Given the situation of crisis across the world in so many contexts – economic, political, cultural, social and environmental – and given the collapse of confidence in institutions ranging from the economy and banking to churches, the law and politics, the issue of responsibility needs to be highlighted.

Nation states and the world itself are facing huge challenges to rebuild confidence and to find credible responses to the challenges they face in the present difficult environment. To achieve both of these, it is essential that the understanding of responsibility for the well-being of all be re-defined and broadened. It should be understood as meaning a responsibility that is shared by all, that is, exercised by all in the context of their capacity and capability. It should also mean that this responsibility is shared by individuals, institutions and society generally, including governments. Given the

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60. For further elaboration on this, see Tom Healy (2005).

interdependence of so much of modern life and the process of globalisation, it is crucial that people and nation states recognise the global nature of many of the problems they face and recognise that addressing these effectively requires that all accept they have a shared responsibility for developing and implementing a viable alternative to the present system.

Sharing responsibility must be a feature of any credible way forward. The economy should be at the service of people, of present and future generations, rather than people being at the service of the economy. A viable future also requires conservation of the planet as the common home of humanity and of life in general. None of this will happen unless there is a new approach that recognises and acts on the need for an approach based on shared responsibility.

Many rights have been secured in the European Convention on Human Rights and Fundamental Freedoms, the revised European Social Charter and the European Union's Charter of Fundamental Rights, in the UN Declaration on Human Rights and other instruments. But actually having those rights vindicated and delivered in practice requires that responsibilities to others alive today and in the future be recognised and addressed pro-actively.

In finding a way out of the current crises, it is crucial to recognise the unequal impact of these crises on different groups. Poor and/or vulnerable people have suffered most, the same people who bear least responsibility for the mechanisms that produced these crises. In many cases they are the people who now pay a lot more tax to rescue these mechanisms (such as the banking system) and who see the services provided by the welfare state eroded as governments' finances are re-directed to the rescue of these same banks. This shows that some people with more power and information are able to minimise or eliminate their responsibility for what happened while vulnerable people who had no say and did not cause the problems are left carrying much more of the responsibility.

If there is to be a viable, desirable future where everyone's well-being is secured and promoted, it is crucial that social responsibilities be shared more fairly between governments, citizens, business, civil society, faith communities and all others involved. All actors should be involved in developing a shared vision of the future based on some shared values and building pathways towards that vision at various levels. For this to happen, a genuinely participatory process is required. As outlined above, a deliberative process in which power differentials are neutralised would be the best option.

In arguing for shared social responsibility to be an essential part of any new approach, social responsibility is seen as going far beyond the

obligation to answer for one's actions; it also means we look at issues in a perspective that includes promoting the well-being of others, including future generations. Not everyone can be involved in shaping all decisions. However, shared social responsibility includes a commitment to generating consensus on both the vision and the pathways to that vision, and then involving people, whatever their situation, in deciding how best to move forward within these parameters. In practice this requires major political, economic and social re-organisation. Demands for autonomy and freedom of choice produced an approach that relied largely on self-regulation by individuals and markets. That model has failed. We now require an approach that links autonomy, the ability of each individual to manage his/her own existence in accordance with a freely chosen lifestyle, to social justice, in which individual preferences are balanced against the group interest and each person's fundamental rights.

### ***11.2. The issue of financing***

Finance is of critical importance in addressing poverty. Idealism, aspiration and expectation must be matched by resources. If the welfare state cannot be funded in the future, then it will not survive. In fact the political acceptability of any change in the welfare state is closely linked to economic sustainability. While the world continues to be organised economically as a capitalist market economy, there will be pressure to ensure that the cost of the welfare state does not fall too heavily on market enterprises so it does not impede free competition in production and trade. Despite benefiting generously from the advantages of the welfare state, the middle classes are often reluctant to support a generous level of redistribution. The cost of financing the various components of the welfare state has generally been rising, while the fact that people live longer has increased the costs. There may well be further pressure on funding as improved living standards may lead some to feel they don't need the welfare state. At the same time there may be a growing tendency to reduce the redistribution element by providing support only for the "deserving poor".

These developments suggest the welfare state needs to provide a comprehensive rationale to explain and justify its demands. Firstly, there will be a growing demand for transparency. People will want to know precisely who is paying what for the welfare state and who is gaining what from it. This should be possible without too much difficulty given the world's improved technological capacity. However, the results will have to be reliable and verifiable. Some examples are cited in Social Justice Ireland 2010.

Secondly, there may be a demand for social justice. This is not just an issue about adequacy, which of course is critically important where poverty is concerned. There is also a need to ensure that the welfare state promotes the human dignity of participants and the common good as core values.

A third issue that has already arisen is people living longer. This would not be a problem for the welfare state if people extended their working lives beyond the traditional retirement age. In the 1980s a century-long process of reduction in the working age in the USA was reversed. The UK saw a similar reverse emerge about 1995. More recently other OECD countries have been following this trend. Another approach is the one adopted by Sweden and Germany where they reformed their pension systems and built in automatic reviews of the level of pension payments to ensure they remain in line with increasing life expectancy. An interesting comparative statistic, produced by the UK's Pension Commission, showed that in 1950 the average male spent 17% of his adult life in retirement. By 2000, it had risen to 31%. The commission argued that this rise could not continue. They proposed that retirement be accepted as the norm for about 30% of adult life and that the age when one becomes eligible for a state pension should be raised as required to meet this target.

A fourth aspect of financing is its sustainability. For example, EU countries will have to increase the percentage they spend on social welfare payments by about 4% of GDP to meet the costs of current welfare payments and promises made for the future. When one extends the list to include all OECD countries then the requirement rises to between 5 and 6%. These increases are definitely feasible. A few countries are in a slightly different situation as their population is much younger and the ageing experienced by most EU countries is still a few decades away.

Fifthly, financing in the future needs alternatives to raising taxes. Different approaches are emerging and people are encouraged or forced to support their own social provision. In Sweden, for example, 2.5% of workers' earnings must be invested in privately-funded pensions. Private health insurance is now compulsory in the Netherlands. Compulsory health insurance is also imposed in some states in the USA, and the US Government is moving towards near-universal healthcare coverage. Various forms of graduate taxes have been introduced to fund third-level education.

A sixth area of activity in financing has been and will continue to be the move to reduce or eliminate disincentives to taking up paid employment. Maximising labour-force participation is seen as the key to funding the welfare state. So we may well see increased subsidy for low-paid jobs and increased funding of training programmes for those who are unemployed.

Some countries may move towards a workfare approach to labour-market activation, though the evidence suggests this is a high-cost route to take. Another approach might be to develop voluntary programmes where those receiving unemployment payments could work in the public sector or in community/voluntary (non-profit) work doing real jobs for the going hourly rate for the job. They could work the required number of hours (up to half the normal working week) to receive their unemployment payment and then be free to take up any further employment that was available and pay tax in the normal way.

Failure to address the financing issue could lead to a situation where a large proportion of a society's population was unable to provide privately for its welfare and yet no alternative was available to them. Historically, such a problem has led to the elimination of the existing social order and its replacement with some form of totalitarian, collectivist regime, which in turn failed. The 20th century made great progress in recognising and supporting human rights. But rights can become an illusion unless the financing to deliver these rights is secured and sustained. Poverty will not be addressed effectively until the financing issue has been resolved.

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## **POVERTY AND RIGHTS. MOVING BEYOND THE RHETORIC OF MISFORTUNE AND BLAME**

*Alessandra Sciarba*<sup>61</sup>

*These people you're talking to me about  
they're people just like us  
they don't look to me like monsters  
they don't look like heroes  
and don't send me your news again  
nobody will answer  
if you insist on sending me your letters  
from Poverty Street.*

*(F. De André)*

The situation of extreme poverty experienced by the majority of people in the developing countries very often coincides with a structural lack of democracy and the constant violation of fundamental rights. However, at the same time it should be pointed out that a not insignificant percentage of the inhabitants of what is commonly called the First World also live in serious poverty (albeit relative poverty), and many of their rights are not guaranteed. This happens to varying extents and in different ways in all European countries and in all member states of the European Union. As the data recently published by Eurostat show, "just over 84 million persons, or 17% of the EU-27's population were at risk of poverty in 2007, while a similar proportion (17%) of the total EU-27 population suffered from material deprivation" (Eurostat 2010).

This paper starts from a question that it is not easy to answer and which, without doubt, presupposes the adoption of a specific approach in dealing with the issue of poverty: that of responsibility. Before addressing this however, it is necessary to clarify one point.

Unlike the approach adopted by Pogge in his fundamental studies of poverty (Pogge 2002), the intention here is not to refer only to extreme poverty, which leads to the death of 18 million people each year around the world. Poverty, and responsibility for it, are considered here primarily in the context of an area like Europe that is extremely varied in its differences and inequalities, but is less polarised than the global context, if we consider the disparity in living standards between North and South.

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61. PhD in Human Rights.

At this stage, it is therefore possible to formulate our question: whereas Pogge has demonstrated the direct or indirect responsibilities for the extreme poverty of millions of people in the developing countries (Pogge 2007), would it not be useful and reasonable to ask – even in a more homogeneous context such as Europe, where the issue is above all relative poverty – who today bears responsibility for the worsening of living standards of millions of families, for the thousands of people living on the streets and for the loss of confidence by very many young people deprived of their right to a future?

Before embarking on the path of reflections that will lead to the formulation of a possible response, a further premise for this analysis needs to be clarified.

The question of poverty is henceforth considered here in close connection with the actual protection of fundamental human rights as defined in the Universal Declaration of 1948 and then in the European Convention on Human Rights in 1950. I show the connection between poverty and the violation of human rights, while describing poverty itself as a violation of these rights (including civil and political rights and not only socio-economic rights) which are also enshrined as universal, inviolable and inalienable.

Although this is clear when we consider reality in the poorest countries of the world, this very close relationship between poverty and violation of human rights remains valid even, as in Europe, where it does not directly entail extreme consequences such as death or survival in inhumane and degrading conditions, seemingly explicitly inflicted by particular political and economic choices.

I therefore take steps to answer the question posed above regarding the responsibility for poverty today in its relative form which characterises the “developed” countries, using the language of rights and consequently of the duties and guarantees that formally accompany them. I conclude with a definition of the central role played by the concept of shared social responsibility in addressing this situation, which is of such prime importance in our contemporary societies.

Today “developed” Western societies face enormous contradictions, above all in the discrepancy between their view of themselves, which progress prior to the financial crisis had led them to construct, and the extremely precarious reality within which they are constrained. Clearly, one of these contradictions is the persistence, reinforcement and dissemination of certain forms of negative rhetoric about the poor, at a time when an

increasing number of people, day by day, fall into poverty or the risk of poverty, a condition that had previously been entirely unknown.

Although poverty is increasing for millions of people of highly different social, ethnic and cultural origins, societies have not so far abandoned descriptions and initiatives born out of approaches that criminalise or victimise those living in poverty. Both these ways of seeing poverty are closely linked with “social disqualification” of the poor, a process that Paugam began sketching in the early 1990s (Paugam 1991), though it is much older.<sup>62</sup> Updated, it remains paradigmatic of certain phenomena.<sup>63</sup>

Being poor, in fact, means not only finding oneself deprived of material resources: “a person living in poverty sees his or her position threatened by society in general. The status which characterises it is a status which ultimately corresponds to the lowest rung of society” and “a poor person is socially branded as belonging to a social group which some regard as demeaning, and which some might characterise as the product of a certain incompetence, of social irresponsibility, and even of idleness” (Paugam and Delalande 2008).

This tendency to stigmatise, as mentioned above, does not appear to be abating, not even in the face of the new uncertainty in the living conditions of millions of people. Instead of renewing bonds of solidarity between people who live in hardship, this social insecurity, which has grown enormously because of the economic and financial crisis, has produced further conflicts and divisions fuelled also by some irresponsible political strategies, which have built up an electoral consensus by, for example, fanning the flames of renewed ethnic and cultural tensions of this globalised world (Bauman 1998, 2001).

It is clear that when confronted with similar targeted representations of social facts, it is particularly difficult today to build up arguments and actions

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62. E.g. Foucault’s studies on victims of the Great Internment, which occurred in many European countries, starting in Britain, between about 1600 and 1700. Vagrancy, insanity, lack of resources and repeated criminal conduct or conduct so defined, were often stigmatised using the same measures of confinement and marginalisation from the rest of “respectable” society. See M. Foucault, *Madness and civilisation*, London: Routledge, 2001.

63. Some studies have emphasised the severe consequences which the new security concerns of Western countries have had on social perception of the poorest. Wacquant has persuasively shown, especially in US society in recent decades, that it is increasingly less rare for the social system supporting the vulnerable classes to be assisted, and sometimes in part replaced, by a system controlling freedom of movement and personal freedom. See L. Wacquant, *Punishing the poor: the neoliberal government of social insecurity*. Durham NC: Duke University Press, 2009.

capable of developing a feeling of shared social responsibility around the question of poverty. The fact that the “fight against poverty” is on the agenda of all national governments and all international organisations does not render this challenge less arduous, since the institutional commitments made in this context have not to date always led to innovative action.

Above all, given what occurred in this period following the 2008 financial crisis, it is necessary more than ever to try to look at poverty – and try to build up the discourses, policies and practices relating to it – not as a condition resulting from personal blame, which legitimises the indifference of others, nor as originating in misfortune or an irreversible legacy, the only “natural” reaction to which can be benevolence and charity.

One perspective that can clear the field of many misleading definitions (on which ineffective poverty-combating initiatives have always been based) is certainly that of fundamental rights. Poverty itself may be represented, as it has been by Pogge and others, as a violation of fundamental rights. Moreover, it should be considered as a condition that prevents the full exercise of social and economic rights, but also inevitably of civil and political rights.

We need not take our examples from particularly vulnerable classes, such as asylum-seekers and migrants in general. Let us consider a case typical of our times, just like many other cases that one might encounter in any of our European cities.

Mr X, a 40-year-old office worker and citizen of one of the founder member states of the European Union, has lost his job following the relocation of his company to another country. Within a short period of time the “social shock absorbers” (*ammortizzatori sociali*) come to an end, the saturated employment market is not able to find him a stable job and, in quick succession, Mr X has also lost the house in which he lived, then his wife and almost all of his social ties. Mr X now lives on the streets or with relatives who now and then put him up. He works only intermittently, and often falls ill from the cold he is forced to suffer and his bad diet. Mr X no longer votes because he does not have a fixed address at which he can receive the necessary documents, he does not have any contact with his children and he no longer has any outlet for expressing his opinions because he has been simply marginalised from all active social circles. One need not be particularly inventive to imagine the further development of this sad story, which follows the script of many real lives.

How many of Mr X’s civil and political rights have been and will be violated, even though they are formally guaranteed to him, starting with

the loss of his job and home, his “social” rights? There will certainly be many, including the most fundamental. Yet it is very likely that most of Mr X’s fellow citizens, who may meet him by chance as they return home in the evening, will look at him distractedly, curled up in the street between cardboard and newspapers, and will not at all think of him as a victim of an injustice which needs to be remedied.

In fact, “the scope of economic and social rights ... depends above all on political will and social activism. Accordingly, the main threat weighing upon their full realisation lies in the risk of growing accustomed to the forms of violence which are poverty and exclusion”, while “the very extent of these phenomena engenders indifference by leading to their trivialisation” (Delevoye 2007).

In addition, as can be read in the report of an interesting European conference on the issue of social capital and inclusion, “the portrayal of poverty as a violation of human rights has been highlighted by non-governmental organisations and by the European Parliament, but this approach has not yet been established in Community law” (College of Europe 2009).

Mr X himself, moreover, will probably feel afflicted by a hostile fate, to which perhaps he too has contributed with his errors. The fact that “poverty itself amounts to a violation of human rights insofar as it compromises the exercise of economic and social rights and, accordingly, hinders the exercise of other human rights, as the fundamental rights of humankind” in fact “keeps the poor within a state of dependence and accentuates their resignation to their fate” (Koubi 2004).

Therefore, as a result of these approaches mentioned above which criminalise or victimise poverty, it will be difficult for this man who has lost everything to be perceived or to perceive himself as a person who has suffered a violation of specific fundamental rights, and who could and therefore should start legitimately claiming them as such.

It is precisely on this level of perception that action needs to be taken. However fragile the language of rights may appear today, especially in reference to classes of people in some way branded as inferior, such as those to which many of the modern “poor” belong (migrants, the homeless, the older unemployed and young people stigmatised as disruptive elements), it still maintains a force and authoritativeness which must be reiterated, above all in relation to the phenomenon of poverty.

If poverty were to be legally defined as a violation of human rights, it is certain that governments and political institutions would be under not only a moral but also a legal obligation to remedy such a violation.



At the same time however, considering poverty in terms of the rights it violates, it is society as a whole that could most easily develop the forms of solidarity which, originating from a shared feeling of injustice, could lead to the construction of a social responsibility for poverty itself, to be taken on by a variety of different players and aimed at co-operation. Notwithstanding the state's non-derogable duties laid down by the constitutional pact reached with its citizens, the question of poverty and social exclusion cannot be solely the responsibility of the state.

Back in 2004, the Council of Europe explained in the *Revised strategy for social cohesion* how, on the one hand, "with a basis in human rights, the action of the state in the social policy field is no longer a matter of charity" and "it is a question of guaranteeing rights that are the same for all" (Council of Europe 2004), while on the other hand the model of a completely responsible and pluri-disciplinary state is no longer suitable for our social reality, and the well-being of all "must be seen as a responsibility for all sectors of society" (Council of Europe 2004).

There is therefore a twofold advantage to be derived from reinforcing the vision of poverty as a violation of fundamental rights and a condition that renders the exercise of those rights impossible: while on the one hand it reminds states of their own duties, this vision may on the other hand, if adequately promoted and disseminated, provide a solid basis for new forms of shared social responsibility that involve a whole range of social stakeholders. These bases would certainly be less unsteady and precarious, and much less liable to changes of opinion and context, than those constructed on the dynamics of charity since, though many forms of charity may be extremely useful and respectable, it is by its very nature closely tied to individual discretionary choices and individual mind-sets which do not necessarily have anything to do with responsibility.

On the basis of this interpretation of poverty it is possible to establish legal obligations for the state – obligations which the whole of society has the right to demand are complied with – alongside responsibility shared by all other players.

Accordingly, it is possible to imagine poverty-eradication strategies which, starting from the priority assigned to protection of the fundamental rights of all, including the right to have the instruments needed to share social responsibility, may give rise to genuinely effective actions that take account of people's real lives and their actual needs.

One strategy that could be included in the policy proposals, one which productively links the rights dimension to the right against poverty

(in particular through the construction of new social ties) is the *Vivir bien* approach developed by South American indigenous peoples. This emphasises the fact that the aim of “living better” necessarily implies an individualist vision of society, a society willing to accept as inevitable or natural the consequence that someone else may live in worse conditions, whereas “living well” is a context in which any idea of competition may be excluded and space remains only for sharing. Understood in this way, “living well” is premised on the full exercise of rights without any wastage of content, irrespective of the social, cultural or ethnic circumstances of those who exercise them.<sup>64</sup>

This approach is, in some way, reminiscent of the one used by the Council of Europe (2005) in setting as its main objective the “well-being of all” – understood in collective terms of equality – and also specified in the *Action plan* and the *New strategy for social cohesion* approved in 2010.

It is evident that concepts and theories developed in such different places and contexts cannot simply be compared or reproduced elsewhere: what is possible however is to “translate” them, adapting them to different situations through an open dialogue embracing all individuals involved. In this sense the thinking of the indigenous peoples of Bolivia may provide key insights for imagining strategies and practices that could also be implemented in Europe. This is taking place, for example, with the social movements and currents of opinion converging around the redefinition and protection of common goods, such as water,<sup>65</sup> starting from a new concept of “common” as a third way capable of transcending the dichotomy between public and private, which is often at the very root of poverty and social exclusion in our society.<sup>66</sup>

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64. For the Concept of Living Well, see Bolivia Un.org. See also K. Arkonada, *Civilization in crisis and Living Well: “Vivir bien”*, [www.interfaithjustpeace.org/pdf/2010/living\\_well.pdf](http://www.interfaithjustpeace.org/pdf/2010/living_well.pdf).

65. See for example the Italian campaign *L’acqua non si vende* [“Water is not for sale”] ([www.acquabenecomune.org](http://www.acquabenecomune.org)), which has led to extraordinary self-organised social activism and has experimented with new forms of participation starting from an innovative concept of “common goods”. One of its achievements was bringing about a referendum against the privatisation of water, which attracted the largest number of signatures in Italian history.

66. Public and private are two sectors conceptualised around the act of consumption, whereas common goods involve issues of use that do not imply any differentiation between rich and poor. On the distinction between goods of general interest, common goods and public goods, see G. Farrell, “Well-being for all as the objective of social cohesion”, in Council of Europe, *Well-being for all – concepts and tools of social cohesion*, Strasbourg: Council of Europe, 2008.

It is precisely this period of economic and financial crisis that could offer a historic opportunity to rethink the economic and social system as a whole. The recession has highlighted the critical points of the system itself, such as the unsustainable exploitation of non-renewable resources or the inadequacy of the contemporary social model in the wake of the substantial changes that have occurred in the employment market and the life-cycle itself.

In this new and difficult situation, we can no longer put off implementing innovative and long-term projects that take particular account of the new needs of people and the new rights that are indispensable in order to live with dignity in the 21st century and for future generations beyond that. Indeed, in this context, the concept of shared social responsibility takes on inter- and trans-generational dimensions, the full realisation of which calls for us to develop all the capacities for co-operation between different classes of people and to capitalise on the local autonomy experiments already under way, aimed at the joint production and joint management of resources in the most different contexts.

I should add one final remark to the brief analysis of another possible world which I have attempted here. As often occurs when concepts like responsibility or social cohesion are discussed, the central question of conflict has been prominent by its absence, though there is nowhere in the industrialised world that is not marked by social tension and strong claims by dissatisfied groups and individuals.

Within the chaotic contemporary picture, social dialogue and the sharing of responsibility may appear to be wishful thinking, especially if the consultation and dialogue proposed seeks to reunite institutional authorities and independent citizen-based movements, companies and workers with little job security, or the indigenous “poor” and the migrant “poor” who at times end up countering the racism from which they suffer by withdrawing into their identity which is equally excluding.

This is a question so decisive as to throw into crisis everything that has been asserted until now. It also represents a very complex challenge for the human rights perspective on poverty and the social responsibility for poverty, which has been proposed here as a way of promoting policies and initiatives that are truly effective in order to establish and guarantee the well-being of all.

Shared responsibility cannot avoid facing up to the question of conflict “unless one is to postulate an absence of conflict, which would have as

its necessary corollary the withering of social relations,” (Boisard 2008) and hence a social substratum incompatible with the democracy that it presupposes. It is clearly very difficult to find an answer to this complex question; it will doubtless be the rapidly transforming reality of our contemporary societies that provides the new parameters for its interpretation and assessment.

Given what may now be described as the dissolution of a social contract – which has long promised, in European democracies, to moderate the state’s powers of control and government over the freedom and well-being of citizens – it is not easy to imagine processes of social cohesion in which the strongest political authorities and economic powers participate alongside other players in shared social responsibility. Although such authorities and powers are a necessary counterparty in dialogue – and in constant renegotiation of the possible margins for action – they form a rigidly disciplined economic, political and bureaucratic system against which it is essential, now more than ever, to defend what Habermas defined in the 1980s, following Husserl, as the “lifeworld” (Habermas 1981).

If this negotiation is to end up directing the action of these “strong powers”, it is necessary first that this lifeworld be reconstituted transversally, rediscovering the possibility for sharing between the various social groups and through them to bring out a shared responsibility for the conditions of each and all. In this sense it is fundamental to redefine such a central issue as contemporary poverty, on the basis of the language of fundamental human rights and the duties which these rights inevitably entail, overcoming the rhetorics of criminalisation or victimisation of poverty and instead considering it as a question of social justice that relates to society as a whole. Only in this way will it be possible to move on from the logic of control, stigmatisation or charity – which too often are the only mechanisms underpinning initiatives to provide support or reduce the damage for people living in poverty – towards the perspective of shared social responsibility.

It is perhaps by starting from the premise of the assertion of rights and the necessary participation in their protection that this form of responsibility will succeed, even in the most difficult challenges: not to deny conflict but to take advantage of its constructive and proactive aspects in order to progress, at the same time calling on the state authorities (without relieving them of responsibility) to learn to stand back, where appropriate, to leave space for new forms of social alternative.

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## **PART II**

**STRATEGIES FOR SHARING KNOWLEDGE  
AND RESPONSIBILITY**

**DELIBERATIVE PROCESSES, MULTI-PLAYER  
GOVERNANCE, NEW COMPETENCES**





# **MULTI-STAKEHOLDER GOVERNANCE FOR EFFECTIVELY SHARING SOCIAL RESPONSIBILITY: SOCIAL CONTRACTS, DELIBERATIVE DEMOCRACY AND ENDOGENOUS CONFORMITY**

*Lorenzo Sacconi*<sup>67</sup>

## **1. Introduction**

The idea of shared social responsibility (SSR) is premised on a definition of a unified methodology of multi-stakeholder governance that makes effective the idea of 'sharing' social responsibilities. At minimum, shared social responsibility is a matter of allocating responsibility – among various public, private, individual or organised bodies – for social welfare principles and goals that may be shared at European level and then manifested on regional and local level. Such subjects differ in nature, and their competencies and powers are of different magnitudes at different levels. Allocating responsibilities, establishing rules for fulfilling them and enabling co-operation and co-ordination among such subjects are typical purposes of a multi-stakeholder governance mechanism.<sup>68</sup>

The main questions that this chapter aims to address are:

- What governance mechanism, usually local or regional, can make the idea of shared social responsibility effective? Is there a model and a methodology of governance based on the sharing of social responsibility among multiple stakeholders that can also be shared at European level?
- Which specialised areas and levels (companies, local communities or multi-agent networks) of shared social responsibility can be identified?
- And what different specifications of the overall model of governance are required in order to account for different configurations of stakeholders, along with their relative power, knowledge and degree of mutual dependence?

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68. For the managerial literature on stakeholder theory, see Freeman 1984; Freeman and Evans 1988; Donaldson and Preston 1995; Clarkson 1999.

These questions are addressed here by developing the basic concepts for an SSR governance methodology. After working out a definition of SSR as a multi-stakeholder governance model at territorial level based on the analogy with a previous definition of corporate social responsibility (Sacconi 2006a,b) and its identification with an endogenously stable social institution (Aoki 2001, Sacconi 2010a), the social contract approach to SSR is put forward. To provide a contractarian foundation for SSR as multi-stakeholder governance, further analysis is suggested of two aspects of the social contract model: (i) the idea of local social contracts that render local governance structures accountable in terms of the social contract model (Donaldson and Preston 1995, 1999); and (ii) the game-theoretical reformulation of the Rawlsian maximin principle that uniquely specifies the egalitarian terms of the social contract among stakeholders and understands it not only as satisfaction of a moral requirement but also of a stability requirement to be met when an 'original position' perspective is adopted in order to explain SSR as a social institution (Binmore 2005, Sacconi 2010b). Thereafter, the design of the governance methodology that can implement these ideal models of fair bargaining is introduced.

A key role is played by the idea of deliberative democracy (Gutman and Thompson 1996, 2005) as the deliberative procedure, constrained by a set of formal and substantial impartiality conditions, to be implemented in SSR governance models. Deliberative democracy makes it possible to constrain governance mechanisms with procedural principles that allow for real-life bargaining among stakeholders in order to approximate the model of 'fair' local social contracts. The implementation of policies through SSR is discussed by analysing the conditions for the emergence of endogenous motivations and incentives that allow considering SSR as a self-sustaining norm of behaviour.

The basic motivational mechanisms considered are reputation effects (Kreps 1990; Sacconi 2000) and the preference for reciprocal conformity with a fair norm or "the sense of justice" (see Rawls 1971; Grimalda and Sacconi 2005; Sacconi 2007; Sacconi and Faillo 2010; Sacconi 2011a). Finally, these endogenous motivations are studied with reference to specific interaction structures (games) among different stakeholders and hence particular governance models: the concentric model exemplified by CSR (Freeman 1984; Freeman and Evans 1988; Donaldson and Preston 1995; Sacconi 2006b), the egalitarian community model (Ostrom 1990, 2009) and the network-of-heterogeneous-stakeholders model (Degli Antoni and Sacconi 2011).

## **2. Shared social responsibility as a social institution of multi-stakeholder governance**

There is at present no well-developed view of shared responsibility as a governance model. But one can be worked out by exploiting the analogy between shared responsibility and corporate social responsibility (CSR), as the latter has also been defined as a model of extended corporate governance whereby *those who run a firm (entrepreneurs, directors, managers) have responsibilities that range from fulfilment of fiduciary duties towards the owners to fulfilment of analogous – if not identical – fiduciary duties towards all the firm's stakeholders* (see Sacconi 2006a, b, 2010a).

Since CSR is only one instance, or a special case (see 9.7 below), of the wider concept of shared social responsibility, insofar as the analogy holds it can be exploited in order to define shared social responsibility (SSR) as well. It can thus be understood as a model of multi-level and multi-stakeholder governance qualified as (i) a new social institution, involving other formal institutions and organisations of various natures operating on different levels (local, regional, national and continental); (ii) inducing multiple stakeholder reciprocal co-ordination and co-operation through the building of fiduciary relations; (iii) having reference to interactions and outcomes occurring in a single territory or in a related group of territories; (iv) which is capable of settling impartial agreement on social justice and social cohesion principles, goals and policies; (v) and inducing a significant level of endogenous adhesion also through implementation by the stakeholders themselves. Such interactions and outcomes may include some of the following: the provision or depletion of a common or (possibly local) public good, the supply and distribution of a certain (related) set of primary goods or certain social welfare services, some negative/positive externalities of a given market exchange or the inequalities and unfairness generated by abuses of authority or opportunistic behaviour within some (identified) organisations or the management of certain incomplete contractual relationships affecting a definite number of stakeholders (which means that they are those 'relevant' for each particular domain).

### **2.1. The role of fiduciary duties**

The main difference between the two definitions (SSR and CSR) is the different emphasis on the role of fiduciary duties owed to stakeholders by those who occupy a position of authority. This is not surprising, given that firms in general and the corporation in particular are hierarchical structures of governance that are largely dependent on a previous allocation

of ownership and control, which identifies who is in a position of formal authority (even though this is not sufficient to explain why that authority emerges and is stable, i.e. why it is 'accepted'), both because s/he directly exercises residual rights of control or delegates control to a board of directors. Due to the fact that it relates first and foremost to a hierarchical structure, CSR is mainly defined as a matter of extended fiduciary duties that whoever occupies the position of authority in the company owes to those (non-controlling stakeholders) who do not formally hold control and residual decision-making rights, but who are nevertheless subject to authority and establish fiduciary relations with the company as part of the pursuit of their stakes in it.

In contrast, SSR does not formally relate to an analogous pre-existing hierarchical structure and to formal authority positions, and can be seen as a way to extend the democratic method of decision-making beyond the traditional institutions of democratic representation by establishing participatory and self-regulated bodies in which responsibility for decisions and implementation can be shared horizontally. However, save for a specific sub-case (see 9.9.1), SSR is a governance structure where no stakeholder has a clear position of superior authority based on a source of legitimisation such as ownership.

The only possible analogy would be with the authority held by constitutional public government institutions (local, regional, national or European) which certainly make up a significant part of any SSR governance mechanism. But this would not be an analogy to be emphasised. In fact, if this position of authority were the central feature of the governance model under consideration, our emphasis would not be placed on the 'sharing' of social responsibilities among public and private institutions, organisations and groups. By contrast, it would be focused more traditionally on the democratic accountability of those in a position of political and administrative formal authority, on the role of officials elected or appointed as public trustees (for example at local government level), and their fiduciary duties owed to citizens as such (as a constitutional abstraction), but also as stakeholders advancing different kinds of claims. There is no reason to exclude these aspects from the discussion on SSR, but it is fairly clear that this is not at the heart of a definition of SSR as a model of governance. Quite the contrary, the definition of SSR implies the idea that some part of that public authority must be 'shared' among representatives of different governmental levels and different types of organisation, or that at most it should be deployed as 'soft power' with the goal of building up participatory structures in which different stakeholder groups are involved,

co-operate by “sharing” some decision-making right and hence embrace responsibility for the implementation of policies.

Nevertheless, this distinction must not be pushed too far. When establishing such participatory governance mechanisms, the representatives of some public or private organisations – those that represent various stakeholders and constituencies – will gain some influence over the deliberative process relating to settlement of the principles, goals and policies of social cohesion. Beyond the natural leading role of public government representatives – which cannot be overlooked, though it is also problematic, since their participation in these multiple-stakeholder governance structures runs the risk of being captured by vested interests or stakeholder groups essential to their re-election – there are also well-organised stakeholder groups or organisations that can take on a leadership role (informal authority) in the governance mechanism of SSR and that are hence capable of exercising greater influence than others. Thus, in one way or another some authority will be *de facto* exerted, which complements the formal authority held by governing bodies delegated by constituencies such as stakeholder associations, public institutions and organisations, and informal groups participating at different levels.

Therefore, while in principle the governance structures based on the idea of SSR can be regarded as forms of self-governance within a given policy area and a given territory, as a matter of fact we can expect that hierarchies of power and authority will emerge, which may be legitimate according to formal procedures internal to the governance mechanism, but they may also be established *de facto*, with the result that not all participating stakeholders will be equal in influence. According to this preliminary descriptive overview (which must be kept distinct from the later normative goal of this chapter), it must be recognised that some stakeholders will be stronger than others, since they have more homogeneous interests, are already concentrated in business and professional associations and organisations, are not dispersed over a large territory and possess valuable resources to be dedicated to co-ordination and political pressure. Most of them hold merit-based claims (see Sacconi 2011b) over shares of the value that originates from implementation of the same policies in which they are involved as implementers. These claims are logically correlated with the control over valuable resources that can be used in productive processes. However these claims are not the most urgent, nor do they have moral priority or the greatest legitimacy – which by contrast can be said of need-based claims frequently held by weaker stakeholders who are less organised, more dispersed across a territory and by definition

less endowed with resources (see again Sacconi 2011b for the definition of different stakeholders' claims and their priority ranking according to the social contract model).

Therefore, we can expect that in the multi-stakeholder governance structure also power and influence are not naturally aligned with the urgency, moral legitimacy or priority of stakeholders' claims. It follows that one basic component of the proper design of SSR as a social institution of governance is to include the settlement of fiduciary duties – the obligations and responsibilities restraining and orientating the trustees' discretion so as to render its exercise ultimately beneficial to their trustors. Agents in a position of authority, or who occupy a privileged position in terms of the availability of resources and claims, owe fiduciary duties to stakeholders whose claims are most urgent and retain moral priority, even though they often have fewer resources to invest in influencing deliberations.

There is no doubt that from a normative point of view the proper design of SSR governance structures should aim at rendering the obligations at the basis of shared responsibility reciprocal and even symmetrical, if not identical. This entails empowering stakeholders so that each of them – as an autonomous agent equally deserving consideration and respect – is enabled to participate on equal terms in deliberations on the settlement of principles, standard, goals and policies. Empowerment also gives weak stakeholders a role in policy implementation, so that relationships of trust must be mutual to gain the co-operation required to achieve goals and implement policies. Nevertheless, such mutuality does not eliminate the need for players who occupy a powerful position and have a prominent role in the deliberative and implementation process to discharge their fiduciary duties towards all stakeholders involved.

## **2.2. Self-regulation**

As with CSR, it is commonly held that SSR should extend beyond what can be imposed by legislation on local government, private companies, non-profit organisations and associations, and individual citizens; as a result, it involves a certain degree of voluntarism and self-regulation. However, discretion is quite different from effective self-regulation, in that it does not entail any rule (internal or external, enforced or self-enforced, legal or moral). Moreover, self-regulation may be understood in rather different ways: (i) as the case of a body (i.e. an organisation) endowed with its own natural ('unchosen') internal regularity of functioning whereby its behaviour is completely endogenously directed, with no need for interaction with other agents either to agree on or at least to abide by any social norm at

any time; or (ii) as the result of an agreement (explicit or implicit), among individual members of more or less extensive social groups, whereby they establish and adhere to a set of principles or rules expressed (in language, and with a normative content that they understand and which gives them guidance by vetoing some actions and recommending others), but which is not enforced by any external authority imposing sanctions, but is instead enforced by the voluntary compliance of individual members of the relevant social group (see Sacconi 2007b, 2010a). The self-regulatory nature of shared social responsibility is understood here in accordance with the second view.

In particular, this chapter endorses the following view of shared social responsibility (SSR) as an effective system of social self-regulation (also by analogy with CSR):

- SSR is established by social norms such as a multi-stakeholder charter of rights and obligations, the associated governance standards and management systems, and not merely by discretionary decisions;
- these norms include normative utterances such as general abstract principles and preventive rules of behaviour concerning fiduciary duties, general statements of the principle of fair treatment for each stakeholder, principles of inter-stakeholder justice and fair balancing, and precautionary rules of behaviour in any critical sphere of potentially opportunistic behaviour between any organisation and its stakeholders participating in a territorial network or in nested networks – ensuring that fiduciary duties and related rights may be put into practice;
- such norms are agreed upon by the local stakeholders through (voluntary) forms of multi-stakeholder social dialogue (simulating the idea of a small-scale social contract among them);
- these normative contents and standards of behaviour are self-imposed by local authorities, companies, organisations and associations without external legal enforcement, but rather through reciprocal agreements, the adoption of internal statutes, codes of ethics and standards of behaviour (typically falling within the domain of soft law), thereby reshaping the organisations' governance and participatory structures, their self-organisation, training, auditing and control, and remaining compatible with voluntariness at the individual organisation level;
- this self-enforcement does not prevent self-regulation from being monitored and verified by independent third-party civil society



bodies (which do not have conflicts of interest with their mission of providing an impartial overview of public and private organisations voluntarily subjected to self-regulation); this enhances the level of information and knowledge whereby stakeholders define their expectations about the entire system of agent conduct.

Of course, effective SSR self-regulation is a viable option only within an institutional and legal environment that does not obstruct it. Such obstruction occurs, for example, in the field of CSR when overly narrow definitions of the firm's objective-function prescribe the principle of shareholder value maximisation as the company's only goal, or the pursuit of the mutual interest of internal members as the only goal of co-operative firms – as occurs today in many company laws at European level (consider section 172 of the UK Companies Act 2006 for a significant exception).

Laws at the European level should be reshaped in order to enable, where necessary, the self-regulation of multi-stakeholder governance systems that are able to allocate and implement shared social responsibilities. However, assuming that company laws or public administration regulations do not obstruct proper social self-regulation, the thrust of my argument is that the endogenous beliefs, motivations and preferences of social agents (local authorities, public servants, companies, non-profit organisations and associations, and all their stakeholders including private citizens) are the essential forces driving the implementation of SSR through a model of multi-stakeholder governance.

### **3. The concept of institution and its normative meaning**

Making sense of SSR as an explicit social norm requires a definition of institution that is different from the simple consideration of existing formal-legal orderings. Here Aoki's shared-beliefs cum equilibrium-summary-representation view of institutions seems to furnish an essential part of an appropriate concept of institution. According to this view, an institution is "a self-sustaining system of shared beliefs about a salient way in which the game is repeatedly played" – which is a rule not in the sense of "rules exogenously given by the polity, culture or a meta-game" but in the alternative sense of:

rules as being endogenously created through the strategic interaction of agents, held in the minds of agents and thus self-sustaining – as the equilibrium-of-the-game theorists do. In order for beliefs to be shared by agents in a self-sustaining manner .... and regarded by them as relevant ... the content of the shared beliefs [must be] a summary representation (compressed information) of an equilibrium

of the game (out of the many that are theoretically possible). That is to say a salient feature of equilibrium may be tacitly recognised by agent or have corresponding symbolic representation inside the minds of agents and coordinate their beliefs. (Aoki 2001: 11)

The self-enforceability condition of Nash equilibria is implicit in the above definition. A compressed summary representation of information about the way a game has been repeatedly and regularly played is not a complete description of all the histories of the repeated game under any contingency. Nevertheless, it is a summarising pattern (a model resident in the players' minds, a mental model) containing salient features of the players' equilibrium–action profile in the game so far, which are sufficient to define expectations and beliefs about one another's actions henceforth. Boundedly rational players who do not have complete information use this mental compressed representation to form beliefs about how any other player is currently playing the repeated game. And these beliefs are shared – in the sense that any two players will make the same prediction about any other player involved – as well as consistent – in the sense that the beliefs whereby any player makes his choice also cohere with his prediction of beliefs whereby other players make their choices. These beliefs replicate the prediction that a particular equilibrium has been established among the many possible, and it is from such beliefs that all players derive their best actions. Since these actions are best responses to beliefs, and since these beliefs correctly summarise current behaviour, these actions are also the best responses to the other players' actual actions, as represented by beliefs. Thus the derived action profile satisfies the typical Nash equilibrium condition.

An important consequence of Aoki's view is this: even though a statutory law passed by a parliament or other legislative body may expressly specify rights and duties, if there is no shared belief that it will be complied with by those who 'should' do so, then it will not be considered an institution. Instead, the ongoing practice of violating the statutory law could be regarded as the 'true' institution of the relevant action domain (see Aoki 2001).

Nevertheless, at first glance, this definition has a major drawback. Institutions thus defined seem to lack any significant normative meaning and force. On the contrary, institutions like constitutions or laws, ethical codes, shared social values, organisational codes of conduct and procedures have a primarily prescriptive meaning.<sup>69</sup> They are guides to action and not just descriptions of states of affairs. They tell agents what must not be done or what is to be done in different circumstances. Institutions

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69. In the case of ethics such meaning requires "universalisability" (see Hare 1981).

in the above game-theoretical definition may by contrast appear to give an indication of the best action of each player only *ex post* – that is, once the participants have chosen their actions and have shared knowledge that they have already reached an equilibrium state. As thus defined, an institution tells players only how to maintain the existing pattern of behaviour because it is an equilibrium supporting the existing belief system. An institution such as this seems to have no normative content.

But why would an institution contain principles and norms (moral, legal, social or organisational) explicitly formulated in sentences through utterances whose meaning is not mainly a description of how people normally act (though they can also contain descriptions) but a prescription of how they must or must not behave? The point is that a necessary component of the belief system defining an institution must not merely replicate the description of behaviour in a given action domain; it must prescribe it, independently of the description of the ongoing course of action. In other words, it rests on some *a priori* standpoint. Arguably, this is a necessary though not sufficient condition for an institution to exist (the condition of sufficiency would be that the definition of the belief equilibrium was also met).

Clearly, this presumes that the belief system supporting an institution also exercises *ex ante* a justificatory force capable of achieving the general acceptance of some new equilibrium within a given domain where agents find themselves out of equilibrium or where equilibrium has not yet been reached because of some unexpected change in technologies or the social or ecological environment. Once the regularity of behaviour has been generally accepted through an *ex ante* agreement, then (and only then) may it become the 'salient' basis for the reciprocal prediction of all the participants' actions.

Thus, a second component of the definition of institution – incorporating Aoki's definition – is the mental representation of a norm, necessarily expressed by utterances in the players' language (oral, written or simply mentally represented), on rights and duties, or values and obligations, which needs to have a prescriptive and universalisable meaning capable of justifying its shared acceptance by all participants within a given interaction domain. Because it is *ex ante* accepted by all players, it enters into their shared mental model (Dezau and North 1994) of how the game should be played and hence becomes the basis for their co-ordination according to a specific equilibrium under a given action domain. The key point is then to explain how a normative system of beliefs that precedes the evolution of the corresponding equilibrium can subsequently be accepted by all agents in the relevant domain.

## 4. Social contract

To my knowledge, the best justification for norms on the responsible exercise of authority (also discretion, autonomy and the like) that accounts for *ex ante* shared acceptance is the social contract model. Contractarian norms result from a voluntary agreement in a hypothetical situation of original choice which logically comes before any exogenous institution that is superimposed on a given action domain, or prior to the emergence of any institution (in the equilibrium sense). Thus a norm (and the institution that may encapsulate it) arises and can be maintained only because of the voluntary agreement and acceptance of agents.

With regard to the definition of agreement on a justifiable norm, any social contract model excludes threats, fraud and the manipulation of resources that would render the parties substantially unequal in bargaining power. In addition to the normative reason for disregarding them, these initial conditions may be viewed as the effect of institutions that already exist in some adjacent domain and which endow some players with more strength than others. The hypothetical choice under the original position is made as if these contingencies were arbitrary and irrelevant to proper calculation of the social contract.

The idea of a 'fair agreement' thus becomes intuitive: the agreement must reflect only the rational autonomy, decision-making freedom and intentionality of each participant, which are assumed to be equal in weight for all participants in the contract. (This can be disputed on an empirical basis, but in principle the idea is to set aside any morally irrelevant difference between participants.) The agreement thus gives equal consideration and respect – equal treatment – to reasons, interests and decisions put forward by each party to the contract.

It is not only the initial adoption of norms and institutions that is seen by the social contract model as a matter of unanimous agreement among autonomous agents. Also their implementation is understood to be a matter of voluntary adhesion. Thus the endogenous nature of institutions with respect to the agents' voluntary interaction is respected at both stages: an institution is endogenous to the players' *ex ante* strategic interaction understood as rational bargaining among equally situated rational agents – that is, one that can be started only by the unanimous decision of the players to enter into a voluntary agreement. Moreover, the *ex post* implementation of an institutional arrangement is also regarded as the composition of the autonomous decisions that players make in their strategic interaction when choosing whether or

not to comply with the social contract by taking decisions that reflect the entire set of their reasons and motives to act.

Since the social contract is a “thought experiment”, it would impress the players’ minds with a mental model as to how the game should be played and generate an identical ‘salient’ aspect of their interaction, favouring effective co-ordination over a specific equilibrium point to be achieved by choosing each action. When the shared system of mutually consistent beliefs has been formed for the first time, it provides the basis for a regularity of behaviour (an equilibrium) that also confirms the same beliefs system. The summary information compressed into a mental representation of the regular players’ behaviour throughout repetitions of the game, generated by *ex ante* acceptance of the normative beliefs that a particular equilibrium is to be achieved, can then be understood as an institution.

Thus, the two requirements of (i) the acceptability of the normative content of an institution through a social contract, and (ii) a shared belief system based on the compressed representation of an equilibrium, taken jointly, seem to provide the comprehensive definition of SSR as an institution, which should guide the building of its proper governance mechanism .

## **5. Local social contracts**

There are many different accounts of the social contract. For example, Rawls’s and Gauthier’s accounts are compatible with what has been said thus far. However, Rawls’s idea of the original position is basic to the purpose of defining the extent and allocation of shared social responsibility in such a way that these are the normative results of widely accepted moral principles. It is a choice condition requiring unanimous agreement under a ‘veil of ignorance’ as to any details of each participant’s personal identity and social position.

The veil of ignorance creates an impersonal and impartial standpoint whereby an agreement is unanimously workable because each participant’s separate standpoint becomes identical with that of all the others. In other words, behind the ‘veil of ignorance’ each individual is ready to take symmetrically the position of any other and to replace his/her initial personal standpoint with that of everybody else.

Under this symmetrical exchange of positions, whereby all parties assess the acceptability of any given set of normative statements, agreement is reached that reflects a reasonably impartial combination of all the reasons to act considered in turn. Importantly, the agreement accepted by each

of them is necessarily unanimous, as the symmetrical replacement of personal positions is carried out in an identical manner by all of the parties involved, and so they are identically situated in their exercise of institutional assessment.

Thus, it is agreement under the 'veil of ignorance' among all the relevant stakeholders that should generate the shared acceptance of a set of social responsibilities among the relevant participants – whether interested parties are individual or organised stakeholders such as local government offices, public service providers, for-profit companies, co-operatives or non-profit associations.

Admittedly, it may seem odd to think of social contracts involving stakeholders as special individuals and groups, and also as organisations that (from the legal point of view) are artificial persons with a derivative nature with respect to the overall legal order (perhaps based on the macro social contract over the constitution). However, the idea of the social contract can be considered at both a macro and a micro/local level.<sup>70</sup>

The macro social contract applies to all the individual potential participants in the original position, albeit according to different interpretations (for example Rawls 1971, Gauthier 1986, Binmore 2005). Local social contracts apply to individual communities, where communities are self-defined/self-circumscribed groups of persons who interact in the context of shared tasks, aims or values and who can establish norms of ethical behaviour for themselves (see note 112).

The idea of the micro-social contract seems very useful in applying the general concept to a particular institution such as the firm (see Sacconi 2000, 2005, 2006a, b and 2010a) or a territorial system of governance aimed at implementing shared social responsibility. Local social contracts establish norms and principles of social justice and wealth distribution at local or micro level with reference to relevant local public goods or commons, a social services provision problem, local externalities of private market interactions or corporate activity, or the social costs of abuses of authority within corporations or productive organisations operating locally. Such social norms serve as guides for the parties' behaviour so that shared responsibility can be allocated among them.

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70. I follow the approach of Donaldson and Dunfee, who refer to macro and micro social contracts. See T. Donaldson and T.W. Dunfee, "Integrative social contracts theory", *Economics and Philosophy*, Vol. 11 (1995), pp. 85-112; see also Donaldson and Dunfee (1999). Examples of communities are: firms and/or their single offices, cities or parts of cities.

The roles of a local social contract under a multi-stakeholder governance model are manifold (as will be clear at the end of this section). It must be able to (i) define norms of responsible behaviour among participants that are recognisable as genuine bases for binding obligations, at least in ethical if not legal terms, and hence responsibilities; (ii) identify behaviour that is not beyond the practical capacity for action of individuals or organised agents in that it coincides with behaviour that they are in practice motivated to follow, once they have reciprocal expectations that others will do the same; and (iii) endow participants in the local social contract with the requisite social capital of motivations and beliefs that make them trustworthy for other agents.

Before dealing with points (ii) and (iii), some considerations on point (i) are in order. In fact, one of the possible drawbacks of considering small-scale social norms as the result of local contracts among the stakeholders involved in particular communities is that the resulting norms could be binding at the community level while nevertheless being morally arbitrary. Their stability could not be based on a justification that could be accepted voluntarily by all, but rather on social pressures, threats of ostracism, force exercised against minorities of dissenters and so on.

A local social contract must therefore not be arbitrary. In fact, it is stipulated within a framework defined by hyper-norms established by the macro social contract (see Donaldson and Dunfee 1995). Hyper-norms imply principles so essential to human existence that they serve as guidance in evaluating lower-level moral norms, with the result that they must be respected by all people regardless of their membership of different local communities. Examples of hyper-norms are those contained in the Declaration of the Rights of Man and of the Citizen or in national constitutions.

Nevertheless, the idea of local social contracts implies that the macro social contract may be left deliberately incomplete (general and abstract principle) allowing it to be adapted to unforeseen contingencies. Thus the macro social contract allows local social contracts to refine general principles, values and norms with specific reference to particular subsets of interactions and social domains, rendering some norms endogenous within (and emerging from) certain interaction domains.

What is remarkable in this view, however, is that the legal system does not simply delegate absolute decision-making rights to actors (for example, property rights): it grants space for 'social contract refinement' able to constrain these rights with responsibilities endogenously emerging from small-scale social contracts that can shape small-scale institutions like corporate or local governance systems. The incomplete nature of rules

and contracts thus does not grant complete discretion to right-holders, because such discretion can be constrained by specialised social contracts that, in a world of perfect knowledge, would have been part of the overall set of norms stemming from the macro social contract at the outset (they would have been endorsed under the 'original position').

There are also inherent features of the concept of micro-social contracts that protect them against the risk of moral arbitrariness. Authors state that local social norms or micro-social contracts must guarantee genuine consensus by always leaving participants the option of resorting to 'voice and exit'. Moreover, their wide acceptance must be mutually acknowledged, and so too the disposition to conform once others are also expected to conform (see again Donaldson and Dunfee 1999).

Admittedly, local social contracts need to be understood in a less generic and lazy manner than has been the case in parts of the relevant literature. If we wish to show that the micro-social contract is an appropriate source of genuine (moral) obligations, and hence of shared responsibilities, while being consistent with the agent's incentives and motivations that entail the stability of the relevant social micro-level institution, we must consider the contractarian methodology in more depth.

## **6. A proper modelling of micro-level social contracts**

Micro-social contracts too can be modelled as social contracts in the proper sense and developed according to a rigorous contractarian methodology (see Binmore 2005; Sacconi 2000, 2006a, 2010b), albeit on a small scale – restricted to stakeholders interacting in a domain characterised by relative independence from other social interaction domains. Some examples of semi-independent domains are provided below.

A small-scale 'state of nature' arises in the case of a firm facing a 'team production problem' characterised by the possibility of opportunism within the team, and also by the risk of abuse of authority – which is partly insulated against legal norms by the incomplete nature of contracts and the failure of public regulation due to information asymmetries. A local 'state of nature' arises within a community handling the problem of free riding on the costs of maintaining a common resource under the competence of the local community itself.

A remarkable result of a rigorous contractarian methodology is that a local/micro-social contract need not be seen as either a mere outcome of a bargaining game without ethical content (because it is affected by arbitrary bargaining and threat power) or as wishful thinking with no



correspondence to the effective-equilibrium outcome of the real-life interaction among given stakeholders involved in a given context. We now consider in greater detail (see Binmore 2005) the basic ideas.

Let us assume that a set of possible states is settled as the feasible outcome of the stakeholders' interaction (in the relevant domain). Let these outcomes be defined so that they all satisfy the condition of being equilibria – in the sense that when the behaviour corresponding to one of these outcomes is followed by each player in the relevant domain then nobody else in the same interaction domain has any incentive to deviate from the given behaviour.

We then assume that before agents engage in the relevant interaction (for example, by playing through their strategies in an incomplete contract situation, trusting each other in a public good problem, or trusting a company that may abuse its stakeholders), they may wish to agree *ex ante* on how to select one of the possible equilibrium points/outcomes.

Let us also assume that they are looking for an impartially and impersonally acceptable agreement on a single outcome, because what they are seeking is a genuine set of responsibilities that may be ascribed out of a minimal set of (ethical) duties (they want to determine the equilibrium behaviour of players that is most consistent with some acceptable notion of stakeholders' duties).

'Impersonally' here means that acceptance must not depend on an individual's personal position. Thus players must select a solution that remains unchanged under the symmetrical replacement of agents with respect to their social role and personal position. Moreover 'impartiality' means that they must agree on an outcome under the hypothesis that the reciprocal replacement of players' positions assigns equal probability to the chance of finding oneself in the position of each of the possible individuals, when endowed with all of their social and personal characteristics. This of course is the veil-of-ignorance assumption.

However, it should be noted that this is not an excessive idealisation of the local social contract among stakeholders. Beyond impersonality and impartiality, agents retain their awareness that the solution must be an equilibrium of the original game – that is, a solution that the parties have incentives to self-impose on themselves insofar as they entertain the shared belief that they all are playing the same solution. This is a requirement of realism that requires the stability and incentive compatibility of the agreed solution: you cannot afford to agree *ex ante* on a solution if it is not incentive-compatible *ex post*.

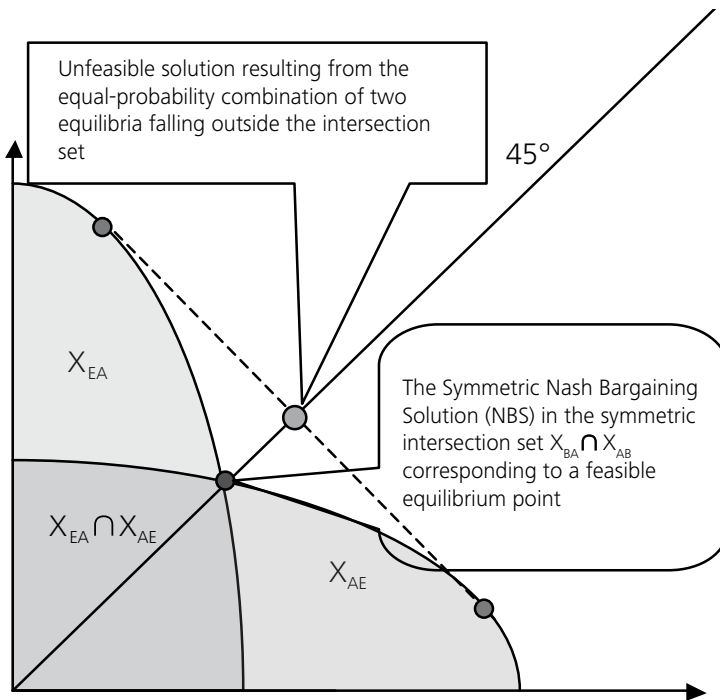
In particular, under conditions of impersonality and solution invariance to permutations of the players' positions, the stability condition requires that the selected solution must correspond to an equilibrium point coinciding with an outcome that is *ex post* stable under any place-permutation whatsoever with respect to players' social and personal positions. In other words, the selected outcome must be an equilibrium (say) either if player 1 takes the point of view of Adam (and player 2 takes the point of view of Eve) or in the symmetrically opposite case when their identification is reversed (player 2 occupies Adam's position, whereas player B takes Eve's point of view). This means that the solution must be found within the symmetric intersection of the two outcome spaces which are generated from the symmetric translations of the original set of possible outcomes with respect to the players' positions.

A significant result of this construction is that the minimal requirement of social justice (impersonality and impartiality of the solution) becomes compatible with realism and *ex post* stability. But, remarkably, stability under conditions of impersonality does not make it necessary to relinquish the moral demands of social justice. On the contrary, it entails that the solution must be egalitarian and must coincide with the maximin distribution, even within an asymmetrical set of possible outcomes. Thus, given a real-life set of possible outcomes reflecting possible inequality between the participants, the selected solution falls on the equilibrium that favours the worst-off player most, which in most cases is the egalitarian distribution. It should be noted that this also holds true in situations where inequalities of force, resources or productivity impinge on possible outcomes, with the result that some of them give one player (for the sake of argument, Adam) advantages that are not affordable to the second player (Eve) under any outcome in the feasible set (this means that the underlying social situation from which the social contract is selected is not an idyllic already-fair context, and hence fairness can only be introduced through the social contract selection).

The basis for this result is a feasibility condition: only outcomes that are feasible can be taken as candidates for the solution. But owing to the 'state of nature' assumption, only equilibria of the original (convex) outcome space are feasible. Any other outcome – potentially subject to agreement – would be wishful thinking, because no *ex post* equilibrium would exist that could implement it. Under the conditions of solution impersonality and impartiality, we must restrict feasible outcomes to the intersection set consisting of a subset of the original outcomes resulting from symmetric translations of the outcome space with respect to the players' positions (see Figure 9.1). This is necessarily a symmetrical set;

and, within a symmetric outcome space, any bargaining solution must fall on the bisector which is the geometrical locus of egalitarian solutions where parties agree to share the bargaining surplus equally, taking for granted an egalitarian status quo preceding the agreement. Note that this last assumption too is in fact not a precondition for the underlying real-life game, but rather a consequence of the 'veil of ignorance'. Given a basic unequal status quo, under the veil the proper status quo becomes the equal-probability mixture of the original status quo and its symmetrical translation with respect to the players' positions, which also lies on the bisector.

**Figure 1: The egalitarian feasible solution and the efficient unfeasible solution (see Binmore 2005, Sacconi 2010)**



Returning to the idea of shared responsibility, given impartiality and impersonality, the social contract consists of a norm of justice (a norm of welfare distribution). This is consequently the appropriate basis for sharing responsibility among the parties to the contract, because responsibility focuses on the conduct they are required to carry out, to implement the corresponding fair outcome. Under a social contract, the parties share responsibility for generating a fair distribution of welfare.

Moreover, these responsibilities are ascribable to participants in the agreement because they are compatible with what falls *ex post* within the range of feasible outcomes of their interaction – that is, outcomes that can be produced within their domain of choice. In fact, the above construction ensures that the (local) social contract will be reached at an *ex post* feasible equilibrium point. Participants in the contract are not told that they ought to do what they cannot do.

## 7. Deliberative democracy

It is still necessary to explain what in practice – in a real governance environment – constrains agents to consider only impersonal and impartial agreements when negotiating a real (not theoretical or hypothetical) local social contract on their shared social responsibilities: that is, solutions the acceptance of which does not depend on any particular personal point of view and that will allocate fair amounts of welfare to all the participants.

There are exceptional institutional situations of deep uncertainty regarding the future and stability of the very identities over time of players and these may favour such impartial reasoning also for self-interested political players or interest groups. Typically, these are situations of constitutional choice after revolutions (a good reason for changing constitutions only infrequently, or for submitting acceptance of such changes to a Supreme Court whose members, on account of their institutional role and cultural inheritance, are committed to speaking out of “public reason”).

In laboratory and field experiments, the veil of ignorance can be simulated by asking subjects to perform a decision-making task concerning agreement on the rules of a further multi-player task that they will be asked to perform in the future without knowing, at the time the rules are chosen, which role they will occupy in future. Their *ex ante* discussion (where real identities are masked by the use of anonymous computer workstations and where the experimenter makes the credible promise that future roles will be assigned randomly) in practice simulates the thought experiment of decision under the veil of ignorance (see Sacconi and Faillo 2010).

Neuroscience tells us that empathy, the ability to replicate in one’s own brain the same experience that one sees occurring to another agent (assuming one has had a similar experience in the past) – even if that agent is anonymous and has no relevant affective links with the experimental subject) – is not extraordinary or unrealistic, because it seems to be the routine function performed by our mirror neurons.

However, in defining shared responsibility as the content of governance models, we must primarily resort to the middle-level institutional design of rules, organisations and roles. What actual set of rules for a deliberative procedure leading stakeholders to a local social contract can successfully approximate the fair outcome of the contractarian model?

This is a matter of deliberative democracy. The main suggestion for designing a multi-stakeholder governance model conducive to implementing the idea of shared social responsibilities is that deliberative democracy must be applied at local/regional community level, outside the government and its representative institution (parliaments, municipal and regional councils). The following paragraphs will seek to clarify why this is the case.

First, what is deliberative democracy? It is understood as a deliberative process by which participants are committed to reciprocally offering and accepting impartial reasons to act as justifications, at least in principle acceptable by all, for any policy proposal they are deliberating and which will be made binding for their reference group – the community, nation or whatever.

Deliberative democracy specifies constraints whereby participants in the deliberative process will converge on an agreement on welfare and social justice principles and policies, and minimise the area of their moral disagreement. Deliberation is constrained by both substantive principles (such as basic liberties, and basic and fair equality of opportunities), and procedural principles (such as impartiality and reciprocity in the process of reason-exchange, participants' integrity, publicity and accountability for any step in the deliberative process).<sup>71</sup>

Although some authors pursuing this line of thought might not agree (see again Gutman and Thompson 2005), I understand deliberative democracy as a way to operationalise the idea of an ideal bargaining process under the veil of ignorance, starting from a neutralised status quo that would produce a fair agreement (the social contract) and establish the overlapping consensus among the participants' "conceptions of the good" – accepting that some moral disagreements cannot be eliminated but only made less disruptive in face of the agreed areas of interests and values.

Why is deliberative democracy so important for the subject of shared responsibility? Since the sharing of responsibility entails the involvement of different kinds of subjects – private or public, organisations or individuals

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71. See Gutman and Thompson 1996, 2005.

– positioned on different levels (local, regional, national or global), it requires governance mechanisms whose decision-making processes are in danger of becoming overly complex, obscure and unaccountable to the public (as suggested by Claus Offe).

During such processes, bargaining in the literal sense (unfettered by any moral constraint) occurs, and stronger parties can support their sectional interests by threatening to disrupt the agreement process. Corrupted agreements may be settled because stronger parties may also buy the services of politicians or bureaucrats who, in principle, are expected to play an impartial mediatory role in the process. The permeability of governance mechanisms to corruption, owing to the fact that roles in this case are by definition interlocked because participants from different levels and of differing natures join together to share responsibilities, jeopardises both the procedural form of the decision-making process as well as the substantive nature of its outcome.

On the one hand, at issue is respect for democratic equality – citizens' equal rights to participate in the decision-making process and not only to have results fairly accounted for, but also the different alternatives assessed in the deliberation phase and the performance of deliberated policies (at least for those that are in their interest). On the other hand, the substantive nature of the agreement reached (from which the allocation of shared responsibility is derived) – its fairness in terms of distributive effects – is also at stake. However, distrust in the fairness of the decision-making procedure and in the substantive nature of its outcome would destroy shared responsibility, for no obligations can be endorsed voluntarily if their allocation is rendered illegitimate.

Shaping the model of multi-stakeholder governance according to deliberative democracy prevents both of these drawbacks. Deliberative democracy is based on the idea that all participants in the deliberative process (such as local and regional public authorities, companies, NGOs, associations and individual citizens) must introduce into the discussion only impartial reasons to act, which could in principle be accepted by all of the participants symmetrically motivated to achieve the goal of reaching an impartial agreement based on mutually acceptable reasons.

Hence an actual multi-stakeholder bargaining process where participants bargain under the constraint of giving only impartial justification for their proposals could be taken to approximate to the ideal of a (small-scale) social contract. In such a process, participants are required to dismiss all proposals that cannot be impartially justified to their fellow stakeholders, namely those formulated in a way that appeals to a party's bargaining power or does not

account in any sense for the reasons that counterparts might have to agree (except the fear of a breakdown of the bargaining process).

Moreover, constraining deliberation by the requirement that any decision must be given an acceptable reason in terms of justifications that at least in principle try to account for every fellow citizen's reasons for agreeing, and guaranteeing that the reason-giving process recognises every fellow participant's right to reciprocate by arguing in turn his/her own reason to act, constitutes not an infringement but an extension of citizens' democratic political equality beyond that exercised by means of traditional political participation, voting and so on.

Thus one of the basic promises (but also a challenge) for implementing the idea of shared responsibility is that it is possible to work out the rules of a multi-stakeholder (local) governance system by institutional design, understood as both substantive and procedural constraints on the deliberative process typical of deliberative democracy. Participants endorse such rules before entering the deliberative process, so that the resulting bargaining outcome does not deviate too much from the ideal of a fair social contract. It also incorporates the principle of equal respect for all citizens considered as participants on equal terms in the deliberative process.

According to this view, we can characterise a decision-making process based on deliberative democracy, as applied to multi-stakeholder governance mechanisms directed at the implementation of shared responsibilities, thus:

- it removes force and fraud from deliberation because only impartial arguments intended to persuade other participants can be admitted;
- it guarantees equal opportunity to join in deliberation by equal respect for all participants;
- it does not make participation conditional on possession of particular training, qualifications, formal education or sophistication in argumentation – the only requirement is that impartial reasons exchanged must account also for the reason that any counterparty would have to agree to a proposal from her/his own point of view, which must be stripped of the unreasonable claim that only one's own interest or point of view should be given positive weight – so the ways in which these reasons are given (once the basic impartiality requirement has been satisfied) are not relevant and do not constitute grounds for exclusion;
- complete rationality or perfect knowledge and particular ability to process information are not required – on the contrary, limited

cognitive abilities and the affective and emotional elements of human motivation are taken as natural – so, when arbitrators or facilitators of the deliberative process are admitted, they are first committed to reducing the risk that any party may manipulate the other parties' reasoning by exploiting their cognitive weakness or affective susceptibility;

- it recognises any party's claim (positive right) to receive information about the future consequences of policy options and also training or help from technical experts to assess these consequences;
- it generates as much symmetry and equality as possible among the participants, for the parties are more equal in reason-giving than in any other aspect of bargaining, where they could use the full range of their economic force, threat power and so on;
- it induces participants to imagine and assess as many outcomes as possible, including those based on the replacement of positions among the participants – this is accomplished by the frequent posing of questions like "What would a given decision be in the event that our positions were reversed so that participating stakeholders replaced each another with respect to their economic, social, religious, ideological etc, positions?" and this is the main role played by arbitrators and facilitators in the deliberative process;
- it explicitly aims at achieving agreement among people who hold different moral conceptions of the 'good life' and embeds the criterion of economising on moral disagreements by maximising agreements on areas where there is no irreducible dissent;<sup>72</sup>
- it allows participants to change their minds and consider deliberations as provisional, so discussion can be reopened even if a subsequent decision is similar to one already discussed;

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72. For example, consider the weakest aspect of Sen's theory of well-being measurement (Sen 1985), which requires comparison of functioning and capability vectors. There may be obvious consensus on the absolute importance of some basic-functioning and capability vectors. If one basic-functioning vector presents clear dominance over the other, these partial agreements will be immediately endorsed. For other capability vectors, where agreements are not *a priori* obvious because they are at odds with personal life-plans or conceptions of the good life, agreement can still be reached by the mutual exchange of reasons. In these cases, well-being entails social dialogue and democratic deliberation of shared weights to assess the relative importance of functionings. If agreement is not reached, these functionings will be considered equally important for the societal assessment of well-being, and no binding decision can be enforced.



- disagreement can be argued in public, and agreement must be made public and accounted for in public;
- the rights to resort to “voice” and “exit” are always guaranteed to all participants during the deliberative process.

Moreover, accountability is a corollary of deliberative democracy, in both the deliberation process and its implementation phase that follows. Accountability is owed to all the stakeholders, as right-holders who are entitled to be informed in order to be better able to deliberate. All the relevant developments of social reporting techniques must be adopted to improve social accountability, not only in corporations but also in local governance systems.

However, accountability is basically understood as the systematic, complete, material and relevant reporting of outcomes related to all the interests at stake. For instance, stakeholders cannot be chosen by the reporting subject; they are out there, and the reporting subject must recognise them. Information provided must be sufficiently succinct to be useful in deliberation. Accountability of the deliberative process requires that alternative reasons processed during deliberation must be completely reported, included minority positions. In the *ex post* performance of the governance system, reporting must account for outcomes clearly related to all the commitments undertaken *ex ante*. A complete representation of performance must be reported for each stakeholder concerned, in comparable fashion across stakeholders’ conditions. Lastly, representation of the balance between different interests and values actually struck should be compared with the *ex ante* agreed multi-stakeholder balancing criteria whereby commitments were undertaken in the deliberative phase.

## **8. How to induce incentives and motivations to make shared responsibility effective**

After stakeholders have entered into the local social contract and agreement has been reached, the question arises how principles and rules – discussed in reaching the agreement through extended deliberative democracy – can generate incentives to compliance and implementation, overcoming weakness of will, free riding and opportunism. A successful answer to this – successful at least in principle – is also relevant in answering the question whether shared responsibility can effectively be ascribed.

The idea is that a governance mechanism for shared responsibility should shape the voluntary agreement and its implementation in specific situations insofar as it can:

- clarify the mutual, long-run interests of the parties involved;
- create benchmarks in terms of principles and rules of behaviour so that commitments can be undertaken, compliance be assessed and judgments of trust and reputation be formed (as far as is cognitively possible, and not just for a perfect reasoner);
- affect, through the basic features of the same agreement, the emergence of preferences for reciprocity in conformity, and beliefs that support reciprocal compliance with the agreement;
- allow the formation of structural social capital among participants in terms of trust relationships supporting co-operation among agents through large networks.

Essentially, the agreement induces agents (who would not be interested in co-operating without it and would not trust each other) to acknowledge that their contribution to the creation of social cohesion (or to the production and distribution of specific public goods) conforms to an existing social norm with which they intrinsically desire to conform or which they are induced to respect because they care for their reputations with other members who desire in turn to conform. Thus compliance will satisfy the equilibrium property (which was implicit in my initial definition of shared responsibility as a social institution).

The main concept necessary to understand compliance is reciprocity. Mechanisms that affect attitudes, motivations and interests related to the fulfilment of commitments and the acceptance of or compliance with obligations are mainly related to some form of reciprocity. When planning to fulfil my part in an agreement or an obligation, if I expect that other parties will reciprocate my behaviour by carrying out a symmetric obligation or complying with the same agreement, then I have a reason and/or an incentive (whatever the motivational force may be) to reciprocate their behaviour, which reinforces my plan.

It is not purely by chance that, from the *ex ante* perspective, reciprocity has already been introduced as the essential feature of deliberative democracy and the local social contract. In suggesting a deliberation, any participant proposes an impartial justification that appeals to the reason that every other party has to agree, in that these other participants are “symmetrically” motivated to seek an agreement based on impartial justifications. No bargaining proposal is advanced in the social contract bargaining process that the proposer would not accept if s/he were to occupy the position of any other participant who reasons symmetrically. Thus symmetry and reci-

procuity of reasons to participate in the *ex ante* agreement process should anticipate the need for *ex post* reciprocity in the compliance phase.

Reciprocity intervenes in the *ex post* compliance phase through at least two basic mechanisms, giving instrumental reasons or alternatively intrinsic motivations to act within 'social dilemma' situations.

The simplest responsibility-enhancing mechanism based on reciprocity is reputation. In this case, the interest in reciprocity is instrumental, not intrinsic. We wish to reciprocate other agents' behaviour because we may derive an extrinsic benefit from their reciprocal behaviour. Reciprocity is then a mutually beneficial tool. Reputation is the linking concept. Let us assume that compliance with an agreement of mutual advantage is at stake, and that reciprocity for each agent consists in carrying out his/her part in the agreement. If I have a reputation as someone who conditionally reciprocates compliance, you will reciprocate compliance as well, granted that in the long run co-operation with someone like myself, who is believed to co-operate conditionally on reciprocation, is in your best interest (which in general may be assumed to be true). Then my best interest may consist in co-operating in the first move and continuing to reciprocate co-operation as long as you have a symmetrical reputation (under the assumption that long-run co-operation is better for me than exploiting a single opportunity for defection and going through an infinite number of reciprocal conflicts thereafter).

Reputation is the means of inducing trust, and is instrumental for the possibility of experiencing a number of mutually beneficial exchanges. Of course, reputation is of instrumental value only in repeated games (such as Prisoners' Dilemma) in which a first series of co-operative moves can be reciprocated by a long series of responses in kind (long-run co-operation), but in which a unilateral defection from ongoing mutual co-operative behaviour may be punished in future by reciprocating defection for a sufficient number of times to eliminate the incentive for unilateral opportunism.

There are many conditions that have to be satisfied for the reputation model of reciprocity to hold, but the most constraining is its cognitive fragility. Reputation depends on the possibility of forming beliefs about other players' reputable behaviour in terms of their fulfilment of *ex ante* specified and well-known commitments (which in the model are the same as conditional strategies for playing the repeated games). But typically this condition does not hold. Under incompleteness of contracts, for instance, contractual commitments are unspecified in relation to unforeseen states of the world, and this holds in general for commitments understood as

long-run strategies (conditional rules of behaviour defined for the playing of games that are repeated time and again in future). But if commitments are silent about unforeseen states of the world, when these are eventually revealed there is no basis for developing reputation. Hence reciprocity breaks down (see Kreps 1990; Sacconi 2000).

This is where the small-scale model of the social contract enters the picture by making instrumental reciprocity based on reputation possible again. It establishes a set of general and abstract principles that, though somewhat vague, can nevertheless engender expectations of the committed player's future behaviour. Since the social contract principles are agreed to under a veil of ignorance, and hence must be universal and general by construction (in that no possibility is contemplated for their fine tuning just in order to fit particular cases and interests), they typically establish pattern-recognition devices of a kind that can be deployed to decide whether or not a given event belongs within the sphere of obligation of a given agent. Given a shared understanding that the condition for the moral obligation has been satisfied, the fulfilment of a behavioural standard defined *ex ante* may be taken as the basis for assessing the agent's reputation. Hence the model can work again, even in the more realistic context of incomplete knowledge. The key condition however is that commitments are derived as preventive rules of behaviour from the general and abstract principles of the social contract.

However, there are other drawbacks that counsel against assuming the reputation model of reciprocity as a panacea. Essentially, reputations can be of many types and all of them coincide with equilibria. Given a reputation (on a commitment), there is always a reciprocal strategy which is the best response against that reputation, and which is different from other best responses relating to different reputations (on different commitments). These reputations also include bad ones, such as complying with the social contract only occasionally, just enough to induce stakeholders not to withdraw from the co-operative relationship, while for the rest of the time defecting to reap as much of the surplus as possible. I call these reputations 'sophisticated abuse'. It is quite obvious that, as far as a player who can instrumentally profit from the development of his/her own reputation comes to make a decision – and it is assumed that s/he will make the decision according to her/his best self-interest – s/he will prefer to try the sophisticated abuse reputation and its corresponding iterated strategy. But this is not the last word about the matter, because we must consider also how the second player will react to the first player's decision, and this will depend on her/his beliefs and motivation structure. Mainly it depends

on whether the second player's response is based only on his/her long-run material interest or whether her/his preferences are also affected by deontological considerations about reciprocity and fairness (but about this possibility see the next point).

A more reliable mechanism inducing reciprocity is the "sense of justice" (Rawls 1971). This is less accepted by rational-choice and game theorists because it seems to entail assumptions about individual behaviour which differ from the standard ones, and in particular it may be seen as an idealistic departure from the standard assumption about material self-interest. However, nowadays it is well accepted that behavioural economics may take account of other-regarding or not strictly self-regarding behaviour. So, why should we not take account of a type of behaviour that for centuries has been contrasted with consequentialism, namely some form of (maybe weak or conditional) deontological behaviour?

The "sense of justice" (the intrinsic desire to conform with principles or norms of justice established by fair agreement) emerges, provided that: (i) a norm is the result of a fair agreement on principles established behind the veil of ignorance (or within a deliberative democracy process that replicates the fair agreement by means of the reciprocal exchange of impartial justifications), so that the norm has been reciprocally and impartially accepted; (ii) participants in the agreement have developed a disposition to conform with a fair agreement which is conditional upon reciprocity of conformity; and (iii) participants in the agreement have mutual expectations of reciprocity in conformity. These conditions activate intrinsic preferences to conform with the agreed principles or norms. Theoretical and experimental studies show that an agreement under the veil of ignorance may create the endogenous and psychological incentives to respect the shared norms and principles defined in the contract (see Grimalda and Sacconi 2005, Sacconi and Faillo 2010, Sacconi 2011a).

First, the agreement triggers psychological preferences: agents have motives to act that are not geared purely towards material advantages because their utility positively depends also on deontological reasons to act – which are measured in line with the degree of conformity displayed by an outcome with a given abstract principle or ideal. An essential feature of psychological preferences is their conditionality on reciprocity of conformity. Accordingly, an agreement will bring about a preference for conformity provided that each participant entertains the belief that other participants will reciprocally conform with the same norm, meaning that they will play their part in implementing the agreed norm. The strength of the motivation to comply depends on how far the agent believes that

the counterparties are responsible for conformity. However, motivational strength is also brought about by the fact that other participants reason symmetrically, so that they too have expectations about the first agent's level of responsibility in fulfilling his/her part of the agreement, which is conditioned by their beliefs concerning the first party's belief, and so on. To sum up, conformist preferences are conditional on mutually expected reciprocity of conformity.

Second, since beliefs and expectations are so important in engendering the sense of justice (or the desire to be just conditional on the expectation that other parties do the same), we may ask from where they originate. The answer given in this approach is that the impartial agreement itself elicits self-fulfilling beliefs. That is, they are beliefs that an *ex ante* impartial agreement on principles of justice will generally be complied with by those who have signed up to it. In other words, if a set of principles has been agreed by a fair deliberative process where all the reasons have been considered, the expectation that it will be carried out by consistent behaviour naturally follows. Even if there is no particular self-interested reason to comply with the agreement, so long as we do not have evidence of non-compliance or defection, what we expect to see is that people who have genuinely agreed will, at least to a significant extent, carry out their agreed actions. This is not a valid logical inference from the individual's point of view (because there is no knowledge base from which to infer it validly). Nevertheless, it seems to be a reasonable default reasoning since the only premise which the individual has in his/her mind is the model of an agent who has genuinely agreed and in this vein has expressed the intention to carry out an action subsequently.

## **9. Areas and forms of shared social responsibility and specialised forms of the multi-stakeholder governance model**

In this section we consider three institutional models of governance involving networks of stakeholders with different levels of power and influence, but which all make it possible for private citizens, organisations and public institutions to become involved in sharing social responsibility on some issues. These models can be seen as lying along a continuum from the most hierarchical case of the firm (typically understood as a hierarchy) to the purely egalitarian case of a community composed of nearly equal members without an internal hierarchy (such as a village administering a common good like a natural resource without recourse to a central authority).

Ideally, many forms of networks of agents lie along the continuum from 'hierarchy' to 'egalitarian community' (no hierarchy). Thus in the middle of the continuum there are various possible network structures connecting non-homogeneous agents, each with different power and influence, but nevertheless to some extent linked with each other (not necessarily all to all others, or with the same intensity) and able to exercise (perhaps indirectly) some level of influence even over the most powerful agent in the network. Such networks may link up local authorities and their communities with powerful players like corporations and their nearest and most influential stakeholders, but also with their weak and in some sense distant stakeholders. Three cases can be used to explain how the basic idea of a multi-stakeholder governance mechanism for shared responsibility unfolds along the continuum.

### **9.1. The concentric model**

This model is characterised by the presence of one powerful stakeholder at the centre and many other stakeholders in the surrounding relational network. Typically, this model displays the classic structure of firms as hierarchies, and fits corporate social responsibility as the proper specialisation of shared responsibility. Shareholders (or those who run the firm on their behalf) represent the hierarchical authority which owns the firm and which is entitled to make discretionary decisions on non *ex ante* contractable contingencies. This party is thus safeguarded against the opportunism of others. However, other parties face a risk of abuse of authority, so that they will be *ex ante* discouraged from an optimal level of investment in the firm, while *ex post* they will resort to conflicting or disloyal behaviour in the belief that they are being subjected to an abuse of authority (see Sacconi 2000, 2006a,b). Obviously, this situation may generate social conflicts and reduce social cohesion.

A comprehensive view of SSR should consider this situation and propose a model of socially responsible corporate governance (or, more generally, a model that could be used in all situations that fall into the category of "concentric models") capable of increasing social cohesion by defining a corporate social contract between the controlling stakeholder and the non-controlling ones, which specifies principles and norms of responsible behaviour capable of remedying the power imbalance and of preventing opportunistic behaviour. In particular, a power imbalance may be remedied by counterbalancing the residual right of control (allocated to owners and their representative managers) with further fiduciary duties owed by the controlling stakeholder (owners and managers) to the non-controlling counterparts (consisting of strict-sense stakeholders making firm-specific

investments and broad-sense stakeholders on whom externalities fall). In fact, the reference idea is that in order for the firm (or more generally each organisation characterised by a concentric model) to be a legitimate form of governance, transactions must be grounded on the rational agreement (the social contract) between controlling and non-controlling stakeholders. The agreement stipulates (i) that authority be delegated to the stakeholder that is most efficient in performing governance functions; (ii) the extended fiduciary duties that this party owes to the non-controlling stakeholders.

Implementation of shared social responsibility in the concentric model is supported by incentives and motivations defined according to reputation in both a repeated-game model, assuming that a set of explicit CSR rules defines the benchmark against which reputation may be assessed, and the conformist-preference model (see § 7). Both these models presume that, within the company, a social contract has been agreed by the stakeholders, involving also owners and the management. The institutional details are largely the same, but the second explanation is much stronger because it also allows for prevention of sophisticated abuse of stakeholders' trust (such as a company pretending to comply with a code of ethics, but in fact complying in only a minimal number of cases). Social contract-based conformist preferences emphasise the importance of *ex ante* (apparently) cheap talk under the veil of ignorance. The *ex ante* impartial agreement is essential to elicit the disposition to conform that gives appropriate weight to the preference for reciprocal conformity, and moreover psychologically affects the emergence of mutual expectations of reciprocal conformity. A governance mechanism for corporate social responsibility should then give as much importance as possible to benchmarking behaviours against a set of self-regulatory standards of social responsibility (to favour reputation formation). But even more emphasis should be given to the cultural and organisational conditions for the formation of genuine impartial *ex ante* agreements (seen as a source of intrinsic and not simply instrumental value) and mutual beliefs about the disposition to conform with the agreement (Sacconi 2007, 2010a, 2011c).

## **9.2. The egalitarian community model**

The second governance model that the SSR methodology should consider is the "social-ecological system" as defined by the 2009 Nobel laureate for economics Elinor Ostrom (1990, 2000b, 2009). According to Ostrom, humanly used resources are embedded in complex, social-ecological systems; they "are composed of multiple subsystems and internal variables within these subsystems at multiple levels analogous to organisms composed of organs, organs of tissues, tissues of cells, cells of proteins,



etc.” (see Ostrom 2009). Often, within social-ecological systems, natural resources and commons undergo a process of deterioration because of the difficulty of managing the system’s complexity and the prevalence of free-riding practices and opportunistic behaviour.

According to the approach developed by Ostrom, however, collective action among nearly equal players in a group without a hierarchical structure, one moreover that is not subject to an external authority, does not necessarily fail in providing local public goods and commons. Thus the structure of egalitarian governance does not necessarily need to be replaced by a governance system based on the hierarchical subordination of the community’s members to an external authority, such as a centralised state planning office, or one imposing a system for the management, maintenance and exploitation of the relevant resource, as well as the privatisation of the resource and its management under the authority of a private owner. On the contrary, when some contextual and institutional variables are satisfied, governance of the social-ecological system maintaining a regime of common ownership may emerge on community level with the voluntary participation of the individual members of the community, because it is able to overcome the typical free-rider paradox. The following contingent and institutional variables in this situation may be cited:

- preplay communication (before actual implementation of individual strategies in the relevant system of interdependent decisions) permitting agreements on settling the system’s rules that must prescribe reciprocal actions involving co-operation in the management, preservation and usage of the relevant resources to the mutual benefit of participants. ‘Mutual’ does not mean perfectly egalitarian but rather not disproportionately asymmetrical and reasonably fair with respect to the actual configuration of the contribution and distribution problem;
- agreement on simple monitoring systems that can be easily implemented on a symmetrical basis among the community’s members, even if no strong external sanctions are applied as a consequence of reported non-compliance;
- the possibility to resort to endogenous punishment of the community’s members by interrupting co-operation with the defecting members;
- the possibility, with the community rules as benchmarks, to develop beliefs and expectations of the members’ level of reciprocity in accordance with the agreed and monitored rules.

All these variables relate to the emergence of social norms associated with the specific common management problem. They operate on the level of the small-scale social-ecological system and affect the endowment of cognitive social capital held by the system's members. Users of natural and social resources who share social norms telling them how to behave in the group to which they belong – and in particular endowed with norms of reciprocity – will incur lower transaction costs in reaching agreements and lower monitoring costs.

It is therefore recommended that a governance mechanism based on the idea of shared responsibility and deliberative democracy be developed also in systems of this kind which are considered to be suited for the management of commons and natural resources on community level.

### ***9.3. The heterogeneous players network model***

Finally, let us consider the idea of local social contracts, deliberative democracy and shared responsibility in relation to networks of agents linked not by “hierarchical” but heterogeneous social relations. Agents in the network engage in repeated interactions and have different incentives to co-operate or behave opportunistically towards one another. Some agents wish to defect from their potentially co-operative relations with some of their neighbours (where ‘defect’ means behaving opportunistically or trying to gain some advantage from the relationship without considering the loss for others). Other agents are interested in reciprocal co-operation with all the related agents (if the agents with which they are associated start to co-operate, they will co-operate as well).

The intuition is as follows. Let us assume that some agents in the network (even if only a minor part of them) agree to a small-scale social contract whereby they agree on norms regulating mutually beneficial co-operation and the fair and impartial treatment of all stakeholders. Let us also assume that, for whatever reason, they are endowed with a basic disposition to reciprocate conformity with a fair agreement, and develop the expectation that other players will also conform with the same agreement. They will then also be endowed with cognitive social capital that makes it easier for them not only to enter face-to-face co-operative relationships but also to support trust and co-operation throughout the entire network. Thus the entire network becomes endowed with structural social capital, with the result that co-operation may become sustainable throughout the network even between pairs of agents who do not as such have sufficient mutual incentive to co-operate. This depends on the fact that agents endowed with cognitive social capital may, even outside their direct interaction,

decide to punish subjects who do not respect the co-operation agreement (see Sacconi and Degli Antoni 2009; Degli Antoni and Sacconi 2011).

Let us now imagine a network made up of three agents: A, B and C. A wants to co-operate with B (because co-operation is more advantageous than defection from a material point of view), but A wants to defect from co-operation with C (because defecting implies a higher material payoff). C would like to co-operate with both A and B. B would like to co-operate with both A and C. A may be taken to be a firm that employs immigrant workers (B), while C is a local public authority which provides social services. The firm would like to defect from co-operation with its immigrant workers by attempting to appropriate the entire surplus generated in the relationship with them (for example, by paying very low wages). This is because these immigrants are unskilled workers, are not members of any trade union and may be replaced by the firm very easily. The immigrant workers (B) wish to co-operate both with the firm (they need to work and do not want to lose their jobs by behaving opportunistically) and with the local public authority, which provides them with social services. Finally, the local public authority wishes to co-operate (again considering only material incentives) both with the firm and with the immigrant workers. Now let us imagine that the three agents enter into a local social contract under which they agree to co-operate reciprocally. The decision to sign up to a local social contract may be prompted by the fact that the firm (or the local public authority) knows that its consumers (or citizens/voters) will be concerned by such a decision. (It should be noted that the local community may also be interested in the level of contribution by the immigrant workers to the local welfare system.) The key question is this: what happens after the social contract has been agreed if the firm (which is the only player that would like to defect, given its material incentives) behaves opportunistically vis-à-vis the immigrant workers?

The answer is as follows. If the community (represented by the local public authority) has developed high cognitive social capital, consisting in the tendency to reciprocate conformity with the local social contract on the expectation that other parties will also conform, then it will also be ready to penalise the company. This is not because of any material interest but is a response to the psychological payoff associated with the decision to support generalised conformity with the contract itself. However, the company, which is interested in protecting its co-operative relationship with the local community (because of material and psychological payoffs as well as reputation benefits), will react to the incentive of compliance with the agreement by fulfilling its responsibilities towards the immigrant

workers. As a whole, the local social contract on shared social responsibility will operate as a support for co-operative relationships in the entire network even for those parties to it (in this case, A and B) whose link would not support co-operation by itself. The preconditions are partly exogenous (the endowment of cognitive social capital embedded in the cultural heritage of the local community), though they may in part be subjected to institutional design through the proper governance system that makes all the players converge on a local social contract (which must cover the issues of sharing responsibility for the integration of immigrant workers and the maintenance of the local social welfare system at reasonable cost). This elicits motivations to conform and provides a benchmark for assessing behaviour and hence generating expectations concerning reciprocal conformity. The result may be that the company accepts responsibility for integrating the immigrant workers because this will safeguard its reputation with consumers and the local community. The level of the immigrants' contribution to the community will be raised, thus reducing the basis for racial hostility in the community itself.

## **10. Conclusion**

The main features of the new paradigm of shared social responsibilities and the multi-stakeholder governance systems implementing it can be summarised as follows.

Neither local governments (municipal or regional) nor nation states alone – operating through their representative procedures and public policy decision-making processes – can satisfactorily define and implement social welfare policies, which mainly happen at local level. Also various individuals, social actors and organisations, at different levels and endowed with different resources, need to be involved. None of these can have exclusive competence over the entire set of problems: they include private companies, non-profit organisations, informal local communities or private citizens endowed with different capabilities. Nevertheless, they can share responsibilities for problem solving.

As a consequence, there is a need not only for government but also for a model of governance in order to enable co-ordination and co-operation among all these different actors – not only through the formal settlement of the proper allocation of shared social responsibilities among them, but also providing for effective discharge of those responsibilities. In particular, the governance model must enable the achievement of fair settlements and the satisfaction of different and partly conflicting interests that are not all recognised as having the same urgency and priority. This will secure

the multi-stakeholder nature of the governance mechanism as well as its basic function in establishing a fair balance among different stakeholders. The fiduciary duties of those occupying positions of power and authority (and the related stakeholders' rights) also derive from the same source.

The strength of this approach is that it should make it possible to identify ways of developing self-enforcing social norms and standards voluntarily agreed among stakeholders, but not inconsistent with the principles that "free and equal persons" would have established under the constitutional social contract on global level (whether national or European). These norms should also activate endogenous motivations and incentives conducive to their self-imposition and effective execution. By virtue of these motivations, stakeholders effectively contribute to the provision of local public goods, the preservation and management of commons, the production of positive externalities and the fair distribution of welfare goods, as well as to the prevention of opportunistic behaviour generating public harms and unfairness in private relations. In other words, as a whole they generate social cohesion. Thus, typical and apparently insoluble collective-action paradoxes and social dilemmas (such as free riding) are overcome. Concepts like 'local' or 'small-scale social contract' on the one hand, and 'cognitive social capital' on the other, correspond to these requirements.

Local social contracts help ensure that social norms or standards whereby shared responsibilities are allocated reflect a genuine consensus unaffected by force, fraud, manipulation or the power of threats. In other words, they reflect the criterion of a fair agreement consistent with wider principles of social cohesion and social justice, such that they may effectively represent the equilibrium point among different stakeholders' interests and the values that they would accept under impartial and symmetric bargaining conditions.

Cognitive social capital refers to the development – through the same idea of impartial agreements (local social contracts) – of cognitive and motivational endowments that make effective co-operation endogenously possible, even though it is not supported by immediate self-interested incentives. They also induce the creation of trust-based relationships capable of supporting co-operation within multi-stakeholder and multi-agent networks whenever co-operation cannot be supported by the mere bilateral benefit that pairs of participants may derive from it.

The shared responsibility approach entails a danger. If the composition of different interests is achieved by multi-stakeholder governance forums that are seen as places where bargaining games are to be played, one

could reasonably be worried that the democratic nature of government may be harmed, as well as the equal opportunity for all citizens to participate in the democratic decision-making process. Accountability to citizens – typical of democratic government institutions – also risks being prejudiced. Thus, in these multi-stakeholder governance models, the equality of democratic citizenship risks being jeopardised. This is the reason for making the additional claim that deliberative democracy should become a method applied beyond the limits of representative political institutions for the purpose of shaping multi-stakeholder governance systems on local level as well.

Moreover, deliberative democracy is not simply a preventive measure against a coincidental danger of multi-stakeholder governance. It is a feature inherent in the very model of governance aimed at actualising the idea of shared responsibility. Since shared responsibilities are largely a matter of voluntary choice and the acceptance of obligations deriving from social norms and standards, stakeholders become responsible mainly in terms of social/ethical (not exogenously imposed) norms. Brute bargaining outcomes – without further qualification – do not qualify as sources of moral values or ethical norms. Individual citizens in particular, who are not formally charged with the fulfilment of a specific public goal, cannot be committed to any social obligation (from which social responsibility stems) without being involved in the appropriate deliberative process capable of generating the voluntary acceptance of moral commitments. The prototypical feature of deliberative democracy is that all participants in the deliberative process can only introduce impartial reasons to act aimed at justifying any policy proposal to other participants during the *ex ante* discussion (which precedes decisions on binding policy choices). Deliberations are thus made acceptable to all the participants, who are similarly motivated only to advance reasons capable of obtaining general acceptance. Impartial acceptance typically induces fair agreements and ethical standards of behaviour. Since such standards are shared, responsibilities stemming from them are also shared.

Reciprocity is the key element in the effectiveness of shared-responsibility governance mechanisms.

First, deliberative democracy commits participants in the deliberative process to reciprocity in the mutual exchange of reasons intended to justify different deliberative proposals. This reciprocity-based standard of acceptance is like saying “I cannot claim that you should accept a policy proposal that I would not accept had I replaced you in the deliberative process by taking precisely your (social and personal) position and viewpoint”. Thus

deliberative democracy saves the multi-stakeholder governance model from being reduced to a mere bargaining game played by self-interested players without further qualifications.

Second, reciprocity is a precondition for creating the motivational base that induces voluntary participation in implementing shared social norms. In fact, reciprocity in the agreement constitutes the basis for a desire to reciprocate the behaviour of other agents who also conform with the agreed norms, provided that the counterparties are also believed to reciprocate, whereas reciprocity in the agreement also psychologically elicits the expectation that others will conform.

Third, this effect of reciprocity (supporting social norm compliance) then spreads through large social networks in which some agents may also entertain relationships that do not support effective co-operation – for example, large multinational corporations and weak employees in delocalised plants. Prevention of breaches of trust can in these cases be based on further links also present in the network, for example between the strong agent (the company) and other stakeholders (the local community), whose mutual relationships are shaped by impartial micro-social contracts. These relationships then expand the preference for reciprocity and the desire to reciprocate punishment for unilateral breaches of social norms beyond their direct relationships, so that the social norms are extended to cover further parts of the social network where the weak stakeholders are located.

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## **BUILDING UP KNOWLEDGE IN THE CONTEXT OF SHARED RESPONSIBILITIES FOR SOCIAL COHESION**

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Shared responsibility for social cohesion presupposes that a clear position has been adopted on the building up of scientific knowledge and the various stakeholders' access to that knowledge. This applies of course to indicators of social cohesion (Council of Europe 2005) but, more broadly, to the building up of, and access to, the knowledge needed to live in society, in a democratic perspective.

The thinking examined here is based on a background of research in the field of social protection, combining investigations of the micro-sociological aspects (such as programmes for combating unemployment or promoting integration), but also macro-sociological elements (such as knowledge of poverty issues<sup>74</sup> and the relevance and development of social policies in the European Union<sup>75</sup>) of the subjects of social protection strategies in a comparative perspective. Reflecting about shared knowledge also requires familiarity with public policy and programme evaluation, both in France and elsewhere.<sup>76</sup>

Since knowledge is central to the Council of Europe's social cohesion strategy, the decision has been made to adopt a two-stage approach here. In the first part, the focus is on the production of knowledge, from the separate angles of academic research (in social sciences), expertise, evaluation of public policies and programmes; this first part also looks at the difference between profane and professional approaches to knowledge, as well as the arrangements made for co-operative research or "action research", or the more general issue of the "co-production" of knowledge. In the second part, the focus is on access to knowledge.

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73. Research Director CNRS, University of Paris I Panthéon Sorbonne.

74. See Barbier and Colomb (2008) on the contribution of the French National Observatory of Poverty and Social Exclusion (ONPES).

75. For a summary of the studies on the evaluation of the European Employment Strategy and of the "open method of co-ordination" in the context of inclusion, see Barbier 2008.

76. Evaluation may be accurately defined as a political technique for examining the effects of public action. The state of the art is well described by Rossi and Freeman (1993). Also, with specific reference to France, see Perret 2001.

## 1. Building up knowledge in the fields of social cohesion

The way in which knowledge is produced is something that social scientists have always studied, and the relationship between knowledge and action is one which has always interested philosophers. Access to knowledge is something that the Council of Europe looks at specifically from the political angle of improving social cohesion through participation by citizens in the management of society. This approach coincides with developments that have started to give rise to innovative institutional arrangements.

In the field where the Council of Europe is active, as in many others, two questions arise about the building up of knowledge. The first question relates to the credibility and accuracy of the scientific knowledge available: the epistemological status of knowledge in the social sciences, or society's use of knowledge relating to physics, biology or other sciences. Proper measurement is indeed vital: as pointed out in the introduction to the report written for the French Government's Commission on the Measurement of Economic Performance and Social Progress, "what we measure affects what we do; and if our measurements are flawed, decisions may be distorted" (Stiglitz, Sen and Fitoussi 2009: 7). The second question relates to the participation of social stakeholders, who are not professional scientists, in the building up of "scientific" knowledge.

These two questions make us wonder about the status of the people who are working to produce knowledge and about the nature of their contributions: research scientists, lay persons, experts, persons with an evaluating function, political actors, ordinary citizens. It must also be noted that other forms of knowledge<sup>77</sup> (or skills) are at work in the processes envisaged by the Council of Europe's social cohesion strategy, as in the case of "democratic skills". However, this paper does not focus on these other forms of knowledge, but on the production of scientific knowledge.

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77. It is difficult in English to render the distinction in French between *connaissances* and *savoirs*, where English has a more general concept of "knowledge". *Connaissances* is mainly used for scientific knowledge, while *savoirs* is broader (close to the sense of English "know-how", but also covering talents, skills, abilities). The plural *savoirs* has tended to be used specifically to encompass knowledge broader than *savoir* in the singular, which has a strictly scientific sense. Maclouf 1999 (quoted below), for example, referred to *savoirs-faire des droits de l'homme* ("human rights skills"), which is reminiscent of the term "democratic skills" used in the Council of Europe *Methodological guide* (2005).

### ***a. An empirical approach via poverty-related knowledge***

The knowledge question never arises in a contextual vacuum. Taking a simplified view, we can say that there are three kinds of actors observing, for example, poverty and exclusion: associations working in this field, public bodies and social institutions, and research scientists. The last-named, most of them economists, sociologists or political scientists, act as experts when they are involved in the observation work. Experts are not in the same position as research scientists, and there is also a difference between research and answering questions (such as whether public policies are having any effect and, if so, what kind of effect).

In the French National Observatory of Poverty and Social Exclusion, certain associations are trying to put forward different knowledge, rather than conventional knowledge about poverty, based on sociological or economic research and measurements made by various institutes and bodies that monitor statistical indicators. This difference has been studied in terms of contrast by Lochar and Simonnet-Cusset (2005), who wondered about the existence of what they called a “cognitive partnership” with associations. In their view, there is an “institutional knowledge” about poverty which “associations’ experts” are supposed to supplement, which contrasts with “alternative knowledge” put forward by associations and trade unions which have decided to criticise the Observatory from the outside. These two authors regard “associations’ experts” as being in an unequal position in terms of “access to legitimate expression”.

At this stage we need to distinguish between two levels in this issue: political and scientific (Weber 1919/2004). The reasons for producing knowledge about social cohesion or poverty, for example, are usually guided by political projects, or simply by research scientists’ normative preferences (the *Wertbeziehung* in Max Weber’s vocabulary). The question is whether knowledge production is inevitably guided by a political project, and therefore relative, or whether some of those who take part in the knowledge debate can talk to each other and agree on knowledge that all can share. The question then is how far these processes of knowledge production respect some criteria of objectivity and axiological neutrality (Max Weber’s *Wertfreiheit*).

In the spirit of shared responsibilities, it seems important to consider these issues on the basis of analyses originating in the voluntary sector. If we look at the views of Françoise Coré, a member of the Observatory (with professional experience of indicators) who is now with ATD-Quart Monde, we see that she refers to the interplay of three kinds of knowledge: “scientific

knowledge”, “knowledge for use in action” and “experience-based knowledge” (Coré 2007). This three-way division is referred to in several documents issued by Quart Monde (1999), in which the association suggests also dividing “knowledge” up on the basis of the positions of those from whom it stems. Four categories are mentioned: “activists”, “academics”, “people living in poverty” and “volunteers” (people active within the association). Those who live in poverty possess knowledge based on experience; volunteers have knowledge from action and commitment; academics have knowledge relating to education, technology, reading, writing and computing. The writers also contrast “knowledge learnt at school” with “knowledge learnt in real life”. Georges Liénard (1999), referring to knowledge that is socially acceptable to the groups concerned, argued that there can be no “scientifically valid and legitimate knowledge unless it has been directly confirmed by those who have personally experienced poverty (or by their representatives)”, because there are two poles, that of “academic work” and that of “ethical interests”. Another activist from the same association points to poor people’s “unique experience because of the poverty and exclusion that they have suffered” (Ferrand 1999).

Thus the general discussion centres on whether there are several kinds of knowledge to be taken into consideration by anyone observing social phenomena such as poverty, in order to understand more easily both the meaning of the choices of public decision-makers and the tools they have adopted. On what criteria can a form of knowledge be termed “scientific”? Is there a “more scientific” kind of knowledge, such as the quantified kind based on professionally produced indicators? Some representatives of the voluntary sector endeavour to gain recognition for forms of knowledge which they believe to be specific to certain stakeholders, knowledge which could then be described as that of the “individual stakeholder”. Some representatives of the research community, on the other hand, take the view that scientific knowledge is always of superior quality to knowledge lacking a specifically scientific basis.

A solution to the dilemma is set out below, spanning several stages.

### ***b. From the status of the actors concerned to the characteristics of knowledge***

Our analysis shows first and foremost that knowledge should be categorised not on the basis of the actors (stakeholders), but according to its own nature.

When we address the subject of collective production of knowledge, it is misleading to classify knowledge according to the actors (stakeholders)

who are its source (public authorities, research scientists, institutions, etc.). It is best to leave aside, in principle, the status of the actors or persons providing knowledge, or at least this should not be used as the sole basis for classification. First of all, the categories of actors are not homogeneous. Not all associations, for instance, share the same point of view or capacity to provide relevant information on the subject under consideration.<sup>78</sup> So-called “militant” or “alternative” associations (Lochard and Simonnet-Cusset 2005), if the adjectives really mean anything, do not necessarily have different representations. Social scientists also differ greatly, depending on their discipline and their methods. The same can be said of all of the stakeholders.

Ultimately, the question is that of the cognitive consideration of as much relevant information as possible to create accurate knowledge which is as full as possible in the light of the needs of the actors concerned.<sup>79</sup> This knowledge should also be reliable and credible, and produced by means which can be discussed in a context where several stakeholders are present. It matters little whether the actor contributing to the knowledge is a member of an association, a person in difficulty or an official statistician. While it is the case that persons experiencing situations of poverty or of extreme vulnerability, such as minorities, migrants, children, the elderly, people with disabilities and women (Council of Europe 2005), hold specific knowledge derived from personal experience, what is important is that this knowledge should be taken into account when their situation is subjected to scientific analysis.

Thus there is no reason, in principle, to exclude these groups from scientific production. It is often the case that, when authorities produce conventional statistics, the quantitative dimension is to the fore.<sup>80</sup> In consequence, this kind of knowledge is not comprehensive, so it lacks relevance. It is very much part of scientific knowledge to take account

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78. Coré suggests a distinction between associations which provide services and neighbourhood associations. She sees the former as closely linked to the authorities, and their volunteers are often taken to be social workers, jeopardising the relationship of trust. This is detrimental to production of knowledge based on people’s own experience (Coré 2007: 15).

79. The stakeholders have different “needs”. Members of vulnerable groups seek recognition of their difficulties with a view to the finding of remedies, research scientists strive to build up knowledge that their peers will recognise, etc.

80. “The use of indicators implies an analysis limited to quantifiable aspects. It is essential that qualitative aspects also be taken into account on the basis of other methods. On the other hand, measurement of what is measurable constitutes the basis that prevents sociological discussions from being reduced to clashes between people whose arguments have no sound foundation” (ONPES 2008: 25). This is often the position adopted by statistical authorities.



of people's perception of their suffering or their feeling that the authorities are failing to recognise their dignity (Honneth 1992/1995). Thus a person belonging to a vulnerable minority can make a contribution to the scientific process of collective research. Similarly, associations which help specific categories of vulnerable minorities can contribute to sociological studies pieces of knowledge that there is no reason to classify as substantively different from more "scientific" knowledge on the pretext that it has come from associations, provided that the knowledge has been built up in accordance with the rules of the social sciences.

And, as we shall see, this taking account of several sources of knowledge for the purposes of scientific analysis requires a particular attitude on the part of the social scientists and stakeholders concerned, as well as appropriate arrangements. Moreover, administrative and political authorities refuse to allow consideration of information or knowledge which does not further their political and strategic interests without arguing against it (this is often empirically observable). Thus there is a strategic dimension, a power dimension, one that is often asymmetrical, which cannot be avoided in what we might call "co-production" of knowledge. Recognition of this strategic dimension must not, however, be confused with the intrinsic logic of scientific production, as the result might well be the destruction of the dividing line between politics and science, as clearly demonstrated by Leca (1993) in respect of the evaluation of public policies. That basic knowledge which is a commodity that can be used in the effort to achieve social cohesion comes within the realms of scientific knowledge, although it is part of a range of knowledge extending further than that.

### ***c. Diverse approaches in social sciences and economic orthodoxy***

The disciplines of the social and human sciences all, as a matter of principle, but in very different ways, effect "reductions" of the matters studied, and this has repercussions on the way in which knowledge is produced. There is a great difference between the dominant (orthodox) approach to economics and the other social sciences, described by Passeron as "historical".<sup>81</sup> Mainstream economics is based on Popper's ideas, unlike sociology, political science, history and so on. Using one type of knowledge instead of another has strong repercussions on social cohesion and the policies (the activities) that are supposed to achieve it.

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81. The term used by Passeron (1991), who distinguishes between "nomological" social sciences such as economics and those which are entirely historical and have no place in a Popperian paradigm.

Let us look first at the predominant economics-based approach, taking account of economic science's relationship with statistics and the evaluation of public policies. The reference model here is mathematically-based microeconomics, involving models and the use of econometric techniques. Such a research programme is in principle based on quantified information. In principle, as well, the individual economic actor holds the central position and pursues her or his own interest in "maximising his or her usefulness"; this kind of actor is represented as reacting only to economic incentives. The reference framework of mathematically-based neoclassical economics requires knowledge to be built up via processes that are difficult for ordinary mortals to grasp: the build-up of information, a modelling process and sophisticated mathematical relationships produce results.<sup>82</sup> Applied to public policy, these methods are often highly powerful in producing results, and this explains their success; but these methods can at best anticipate results where the model corresponds to reality. It is here that a major obstacle is encountered, not to the building up of knowledge (all of which is held by the researchers, in principle, in this case), but to its use and to the sharing of the conclusions. Two things can be said about the micro-economists who are to the fore today: firstly, they regard their own approach as the only truly scientific one vis-à-vis the inexact non-Popperian work of sociologists or historians, and secondly, as they build up knowledge, their approach does not require them to give any thought to the use to which society puts it and their role in that.

A classic example illustrating these two dimensions can be drawn from the effort to objectivise a "better way" of assisting the unemployed. Studies have been carried out in France and Germany with a view to deciding which is more "effective": private provision of support services, provision by municipalities or provision by public employment services. Both in Germany (the Hartz reform) and in France (reform of the National Employment Agency), these studies were based on random samples of jobless people assumed to be comparable in every respect. In the end, such studies are rarely usable, producing results wide of the expectations of the political authorities (expectations affected by numerous changes in

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82. See the special issue of *Esprit* (November 2009) and the contributions by M. Aglietta, A. Orléan and R. Boyer. In that issue J. Sgard, for example, wrote: "Thus economic science regards itself as the only possible science in the social field. It will be able to deal with large numbers of social matters, and believes that its destiny may be to deal with them all and finally to subject them to genuine scientific analysis. But it will never recognise knowledge other than its own, or enter into discussions with those who hold such knowledge" (p. 111). On the other hand, in the same issue, R. Boyer, A. Orléan and J. Gadrey call for co-operation between the social sciences.

context). Those involved in the support programmes will not be involved in the sharing of knowledge, because the selection of unemployed persons should not, in theory, be influenced by factors other than randomised selection. This way of building up knowledge seems very hard to reconcile with the starting of a debate about the findings outside specialist circles. Things are even more complex when the programmes concerned advocate not only incentives, but also penalties.

#### ***d. A majority position for sociology among its numerous approaches?***

This kind of obstacle does not arise in the field of sociology, though there are numerous difficulties and many options. It is therefore difficult to put forward a neutral list of the different approaches, with every sociologist inevitably having a special relationship with a particular sensitivity and a specific research programme, the writer of these lines being no exception, of course.

Unlike mainstream economics<sup>83</sup> (mentioned above), which is more “positivist” in inspiration and claims to be scientific in the same way as physics, biology, and so on, sociology has, since it was established as an academic discipline in its own right, experienced recurrent problems in asserting its scientific nature, not only vis-à-vis the sciences based on experimentation and refutability, but also in public opinion and the press. Few epistemologists have truly considered this problem. As a result, schools of sociology which hardly have any contact with each other are often ignorant of all other tendencies. This fact is material in the context of their contribution to building up knowledge that can be used for the Council of Europe’s social cohesion strategy. Berthelot (1998) is one of the few to suggest a relatively open classification of the contemporary forms of sociology, dividing the schools of sociology into four main categories: epistemological relativism (Bloor and Latour); emancipation from “positivist criteria” in the hermeneutic tradition and in post-modern thought (Baudrillard and Maffesoli); full-on criticism of relativism (Boudon); and a fourth category itself highly diversified in pursuit of what he terms the “increasingly scientific nature of sociology”.

The most important thing for the current discussion is the argument between the advocates of epistemological relativism and the rest, for we know that the “hermeneutic tradition and post-modern thought” are of

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83. This is clearly not true of branches of economics like the “regulation” approach (Boyer, Aglietta and others).

very little import in research applied to questions relating to public policy and social cohesion. Whether or not a relativist position is taken up actually has a significant effect on decisions about knowledge production and co-production, and the relative status of those concerned. We shall therefore start by taking a quick look at the position adopted by the advocates of epistemological relativism.

### *The relativist position*

Bruno Latour is certainly not the only sociologist defending a relativist position, which he has brought into play under the “sociology of sciences” programme. But he can reasonably be considered a typical cognitive relativist. Combined in this approach are “participation” (in knowledge and its management) and “voice”, in the sense of political dissent and position-taking. The logical consequences of the research done by advocates of cognitive relativism are made clear by the author in one of his books: he goes so far as to dispute the existence of substantive differences between self-interested study and scientific production. He believes it necessary to acknowledge “the fact that analysts are on the same footing as those whom they are studying, are doing exactly the same work and are taking part in the same efforts to trace social links, albeit using different instruments and not sharing the same professional vocation” (Latour 2006: 51), leading him to conclude that there is a “principle of fundamental equality between actors and observers”. In his view, any research activity – observation, measurement or evaluation – is solely political: “research always amounts to politics, in that it involves collecting or arranging that which makes up the world that we share” (ibid: 370). This kind of position is nevertheless a minority one among international and French sociologists alike. In the area of concern to us, it leads people to regard as equivalent the contributions of all stakeholders, from professional scientists to the subjects of the programmes, and so on. The only valid rationality is the strategic-political one.

### *The position of ethnomethodology*

In passing, we should mention a position put forward by the ethnomethodological programme, which (through, for example, Garfinkel) decided to make a distinction between “professional” and “lay” sociology. Thus, actors in the situations under study are also engaging in sociology, but as “lay persons”, a term often used in situations in which co-production of knowledge is envisaged.

Nevertheless, the word “profane” deserves clarification. “Lay” in English, “profane” in French and their counterparts in German and Italian, do not

have exactly the same meaning, but all imply “non-specialist” as opposed to “professional” or “specialist”. In this sense, “profane” in the sense of “lay” derives from a metaphorical reference to the contrast between what is “profane” and what is “religious” or “sacred”, as its Latin origin indicates. In the course of our surveys, our use of the word “profane” has often been challenged by stakeholders as implying inferiority. Yet there is no hierarchy implicit in the word, once the ambiguities which exist in certain languages have been dissipated.<sup>84</sup> The lay person (*le profane* in French) is the non-specialist able to play a part in knowledge-production systems.

The Council of Europe’s approach, geared to action rather than to scientific research, bears within it this idea that laypeople are involved in co-production, since it puts participation and responsibility shared by all stakeholders, including families and citizens who are in principle not specialists, at the centre of its ideal of social cohesion.

### *“Dialogical democracy”: some of its consequences*

This notion – laypeople contributing to knowledge production – appears again, *inter alia*, in the programme promoting “dialogical democracy”, in works like Callon, Lascoumes and Barthe (2001).

Albeit in a different way from the two previous cases, these authors’ analysis is conceived in the form of political action, which they call “dialogical democracy”. They emphasise that the situations they describe are characterised by uncertainty as to the subjects on which they endeavour to collect knowledge. The cases referred to are those of major hazards affecting health and the environment. The knowledge gained tends to be of the kind which experimental scientists produce through their research (Callon et al. 2001: 37, 141). Open to debate is the extent to which their concept can move into other fields of knowledge for social cohesion. Thus analysis and build-up of knowledge in this context is not conceived as something separate from politics. Contrasting with Latour’s “radical” position, however, this work gives social scientists (which it equates to “experts”) a professional position distinguishing them from other actors in the knowledge-production systems to which the writers refer.

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84. Usage of this word poses problems in a multilingual world. The French and German nouns, *profane* and *Laier*, do not seem to imply any connection between a lay (profane) person and a person who profanes, so there is no pejorative sense. It is different in Italian, where there is a hint of unworthiness (*indegno di toccare, sentire, vedere persone o cose sacre*), while English is even more problematic to us because, while the adjective “profane” can indeed mean “lay” or “secular”, it also has the meaning of “coarse” or “vulgar”, and the verb means to show disrespect for what is sacred.

The writers frequently use controversial terminology, criticising the over-cautious position of these researchers on behalf of the other actors: for example, they contrast “enclosed” with “open-air” research, and it is easy to see which they believe to be right from the normative viewpoint. They go so far as to assert that “lay persons are researchers in their own right” (Callon et al. 2001: 142). However, in contrast to the radical position adopted by Latour, their analysis is strewn with methodological precautions indicating that they do distinguish between the professional work of scientists and the contribution to research made by “lay persons”.<sup>85</sup> While they recognise “the rich and relevant nature of the knowledge produced by lay persons”, they do not place them in the same category as “the professionals”. Callon et al. forcefully call into question what they call the “asymmetry, the different nature of the knowledge produced by the professionals and that which comes from lay persons” (ibid: 25), while maintaining the difference between the positions of the actors present in what they term “hybrid fora” (ibid: 36). Nevertheless, the research relating to social cohesion topics, in the context of the project under discussion here, is little affected by this enclosed/open-air distinction, as such research inevitably takes place “in the field”.

### *Action research*

The “hybrid fora”, to which Callon et al. refer, remind us of the existence of a kind of research which has had less success since the 1990s, namely action research. A great deal of what is learnt today through such hybrid fora was in fact already known and referred to during the action research of the 1960s and 1970s and when social science researchers contributed to the work of organisations (as in “institutional analysis”).

Ansart (1999) traces the origins of action research back to Marx and Le Play, as well as to Kurt Lewin’s experiments after the Second World War. He defines it as “a collection of practices and procedures intended to combine knowledge and action in order to alter behaviour, and therefore the thinking underlying it”. He identifies five kinds of action research: “diagnostic”, “participatory” (involving relations between and roles for participants in order to alter the relationships and interaction between them),

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85. “Emphasising the fact that lay persons are researchers in their own right, we restore a symmetry which is denied by the usual distinctions between learned and common thought, but without confusing one with the other” (Callon et al. 2001: 142). Also see the list of characteristics which they acknowledge “enclosed” scientific action to have: “break with opinion”, “acceptance of the risk of error rather than confirmation of easy certainties, distancing interests”, “no science without detachment, self-discipline and selflessness” (ibid: 143-4).

“empirical” (whereby, when social ties are problematic at local level, social actors such as teachers and parents meet to decide on a cultural action plan to reduce tension), “experimental” (involving a situation that is created and organised, in which experiments are carried out and compared with a view to an action programme), and, lastly, “committed” (similar to the activism of protest groups at times such as strike action where the aim is to bring about social change in agreement with the interested parties on the basis of their situation and their ideas). All these forms of action research can potentially play a part in the Council of Europe’s work. In line with Ansart’s thinking, they are compatible with the position of researchers/actors, accountable to their “peers”<sup>86</sup> for the quality of their scientific work.

### *A position based on synthesis in the non-Popperian social sciences*

Pierre Maclouf, as a sociologist, having taken part in the work initiated by ATD Quart Monde, came to a conclusion that can be summed up in the following terms: scientific research is a profession which involves passing on “a state of knowledge”; in this context, dialogue may take place with people from outside the profession, but the social scientist is nevertheless subject to the “critical judgment of his or her colleagues”; her or his vocation is to achieve progress in respect of “one particle of knowledge, in a single field”; in certain cases this may be based on “a joint effort”; “research, especially in the field of human sciences, requires an effort to distance oneself, although that is not enough”; it is also necessary to make “an effort to understand”, “to agree to understand”. On this subject, the author explicitly emphasised one point which seems important to the discussion on the various kinds of knowledge: there are, within associations and among activists and poor people, “ideas, theories and analyses which cannot, without altering their meaning, be reduced to a mere expression of protest or belief” (Maclouf 1999).

This is a crucial issue in a discussion of the co-production of scientific knowledge. The benefits of co-operative research (or action research) derive, from the scientific point of view, from the real cognitive contribution made by the co-production situation to the research and to its

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86. The peers form Bourdieu’s ‘scientific city’. “Thus the chances that scientific works will be produced do not depend solely on the strength of the resistance that the scientific community as such can put up against the most extrinsic demands, whether these be the expectations of the general intellectual audience, the diffuse or explicit pressures of users or sponsors, or the prompting of political or religious ideologies; they also depend on the degree of conformity to scientific norms that the very organisation of the community manages to maintain” (Bourdieu et al. 1991: 74-5).

final results. Thus a distinction is clearly made between that which relates to research materials provided by actors other than the researcher him or herself, who has to accept “some loss of control” (Maclouf 1999), and that which relates to a form of expression which may be described as “political” (belief, protest). It seems likely that his analysis would be shared by most professionals working in the “historical” (Passeron 1991) social sciences; it has frequently been noted that social science research, if detached from the ordinary world, is a contradiction in terms. Mendel, for example, when he gave thought to scientific action itself, said that “any scientific hypothesis is a manifestation of a virtually pure process of creation, but one which can only derive from interactivity with the world” (Mendel 1999: 495). It is also on the basis of this position, one which we can regard as stemming from synthesis, that we have to look at the differences which exist between the actors involved in co-production.

### ***e. Two main kinds of (social cohesion) knowledge***

There are two main types of knowledge, each affected by the conditions in which it is produced, but also by the conditions in which it is evaluated: first, data/texts produced to order as aids for decision-making or action – irrespective of who gave the order, this is “political” in the broad sense; and second, data/texts of a scientific nature and statistical analyses for scientific purposes.

The first category (ordered for reasons which are “political” in the broad sense) encompasses:

- the production by, for example, associations or stakeholders of documents (reports, reviews, analyses) setting out their position as actors in defence of their projects and their specific purposes, including more explicitly militant productions;
- the production by government departments of the findings of studies commissioned for evaluation purposes by political authorities. While these studies almost systematically draw on social sciences, and use researchers as advisers or experts, they are not strictly speaking scientific, as established long ago by specialist evaluation literature (Monnier 1992; Leca 1993; Perret 2001), mainly because the only subject studied and dealt with is the question for evaluation raised by the commissioning body and thus it is not solely a matter of science.

The second category encompasses scientific studies in the strict sense. They are produced by social scientists and statistics departments, which use scientific data collection and analysis techniques, and publish studies



based on sociological or economic theories. Researchers can also produce statistics of their own. Government departments may also commission such studies, which they then help to disseminate. Associations can also commission research or studies of this kind. And there is more to scientific work than just quantitative research making use of statistics: in sociology, in particular, scientific knowledge is produced via qualitative methods, but the same can be said of psychology, political science, history and so on.

The knowledge stemming from dialogue between other actors and researchers, like that studied by Maclouf, falls into this second category. It takes into account the knowledge linked to the status of the activist or to other situations, such as that of poor people, who enter into a dialogue in the process whereby scientific knowledge is built up; here, social scientists may opt to lose a certain amount of control, but their final product is subject to a conventional scientific evaluation by their peers. Whatever the case may be, production conditions vary widely, but the work is evaluated within the scientific community, or, where statistics are concerned, on the basis of statisticians' own professional standards. This by no means prevents, as in the first category, other actors from assessing the usefulness or benefits of such knowledge, but they are not competent to judge them in terms of their "professional validity".

However, once this knowledge has been built up in line with validity criteria, it comes into the public domain and is processed according to the way stakeholders wish to use it. Destined to serve a purpose (decision-making), it is in the first category: produced to (broadly) political order.

## **2. Access to knowledge**

Access to knowledge presupposes clear identification of the status of the participants in knowledge production and co-production. Not all are in the same position. But this is, of course, not the only condition, for special arrangements need to be made.

### ***a. Roles of stakeholders, experts, evaluators, researchers, politicians and activists***

So far, writing from the researcher's viewpoint, I have highlighted both the cognitive benefits of co-operation/co-production and the fact that actors' different roles mean differences in approach. In the kind of co-production proposed here, researchers are there to do their job; but, as they are helping to build up knowledge in response to a political request, they are no longer strictly neutral and operate as experts (if not voluntary, they are consultants). Experts and consultants who evaluate policies and

programmes form a particular category: it is their duty to answer questions about causality and the effects (impact) of political action. Researchers and administrative staff (working as paid professionals, not as volunteers) tend to a different kind of participation than lay actors (who are volunteers). Political actors and activists form a third category (sometimes professional, sometimes not). Obviously, several intermediate situations may exist, but what matters is to take into consideration the differences in status between professional and lay person, volunteer and non-volunteer, political and non-political actors.<sup>87</sup> Their status also affects their duties and the constraints they face in the build-up of, and access to, knowledge.

Those who commission studies (politicians and government officials) bear the main responsibility for organising access to knowledge, in that they are, in most cases, the owners of the work. Whereas researchers are free to disseminate what they produce, it is their responsibility to ensure, complying with any principles laid down by their profession, that their work is accessible. Access and production are not always unconnected. Accessibility raises a huge problem (not dealt with here) in media use (Internet, radio, television and the popular press). The mass media play a vital role in communicating knowledge and a crucial political role as well. But, as was indirectly implied in the Stiglitz, Sen and Fitoussi report<sup>88</sup> mentioned earlier, communicating knowledge to ordinary people is made even more difficult by the media, which play a part, along with politicians' statements, in manipulating (or making strategic use of) what is said about knowledge (as in "political spin").

Ultimately, underlying the devising of appropriate arrangements for access to knowledge, which may be a matter for actors' shared responsibility, there are two principles on which there seems to be relatively wide agreement: the principle of plurality, whereby access is recognised for all stakeholders involved in co-production; and the principle of the autonomy of knowledge. In the context of stakeholders' shared responsibility, it must

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87. The Greek description of public activity distinguishes the performance of a strictly political role (the sphere of the *ekklesia*) from that of a personal role (the sphere of the *agora*).

88. "The way in which statistical figures are reported or used may provide a distorted view of the trends of economic phenomena. For example, much emphasis is usually put on GDP although net national product (which takes into account the effect of depreciation), or real household income (which focuses on the real income of households within the economy) may be more relevant. These numbers may differ markedly. Then, GDP is not wrong as such, but wrongly used. What is needed is a better understanding of the appropriate use of each measure" (Stiglitz, Sen and Fitoussi 2009: 8). Clearly, this problem existed before the report was written.

be possible for knowledge to be disseminated beyond actors' conventional channels: communication by institutions and authorities; political communication; specialised academic communication. This autonomy of knowledge reflects its autonomous production: it must be possible at an earlier stage, in every case independently of other occasions when stakeholders co-operate with each other, to agree on the criteria for joint analysis, even though political options and professional positions may cause divisions among stakeholders.

### ***b. Specific arrangements***

Those who do the commissioning (politicians, officials, businesspeople) bear most responsibility for arranging access to the knowledge. It is researchers' responsibility, as involved experts, to encourage stakeholders to participate for cognitive reasons.

The use made of these arrangements facilitating access is strongly linked to the context in which knowledge is produced, for each "hybrid forum is a specific story" (Callon et al. 2001: 260). I shall confine myself here to indicating some arrangements where access and knowledge building are sometimes combined: citizens' public fora<sup>89</sup> and panels, focus groups, scenario workshops, voting conferences, round tables,<sup>90</sup> groups of wise persons and citizens' surveys.<sup>91</sup>

The choice of arrangements depends on context, though it is possible to single out their characteristics for comparative purposes, measuring the degrees of participation and of access to knowledge (Callon et al. 2001: 215-35): intensity of participation (earliness of commitment, and concern to form groups); openness (diversity and representativeness); quality of commitment (genuineness and continuity). Such arrangements can also be assessed on the basis of further qualitative criteria, such as equality of conditions of access to discussions, transparency and the clarity of the rules on the conduct of discussions.

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89. "Citizen public forums therefore have a role to play that supplements that of the state with its functions of putting forward proposals and granting authority. They are the clearest indication of new forms of shared responsibilities that many analysts and the Strategy for Social Cohesion view as already indicating a shift from the welfare state to the welfare society" (Council of Europe 2005: 65).

90. "At the national level, round-tables should be established, with the involvement of stakeholders, to identify and prioritise those indicators that carry to potential for a shared view of how social progress is happening and how it can be sustained over time" (Stiglitz, Sen and Fitoussi 2009: 18).

91. On this subject, see Toulemonde, Mouterde and Bernardini 2007, pp. 211-29.

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# FUNDAMENTAL RIGHTS AND SHARED SOCIAL RESPONSIBILITIES: EXPLORING THEIR COMPLEMENTARITY

*Federico Oliveri*<sup>92</sup>

## 1. Clarifying the situation of fundamental rights beyond self-representations

Contemporary societies, particularly Western ones, like to think of themselves as based on recognition of, and respect for, fundamental rights.<sup>93</sup> On that basis, they present themselves to individuals and the entire world as free, democratic societies engaged in the effective exercise and global dissemination of rights as vehicles of emancipation.

On the one hand, such self-representation is virtually unavoidable. It corresponds to the obligations set down in national constitutions and in European and international conventions, which at present form a quite remarkable multi-tiered legal system for the defence of fundamental rights. In terms of formal extent and institutional construction, this system has no precedent in history: over the past 60 years we have witnessed a veritable multiplication of rights, in relation to assets (freedoms, justice, participation, employment, health, education etc.) and social groups (women, children, the elderly, people with disabilities, minorities etc.) who have become the subjects of special protection by states. For this reason a number of researchers, including the most cautious among them, have defined our age as “the age of rights” and have announced the growth of a “general consensus” in this regard as a “premonitory sign of the moral progress of mankind” (Bobbio 1990).

On the other hand, it is a self-indulgent and even deceptive self-representation. It runs the risk of masking the yawning gulf which exists, and in some respects is constantly widening, between rights formally proclaimed or claimed and rights actually exercised and secured to different members

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93. Here “fundamental rights” (Ferrajoli 2002) covers the subjective rights possessed by all humans as recognised members of a juridico-political community: these rights entitle their holders to lay positive claim to services from, and negative claim to protection by, the public authorities, economic organisations and other members of society. They are called “fundamental” not (or not only) because the assets or situations they protect are essential to life, but because they are shared by all members of the juridico-political community, thus laying its foundations as a democratic community.

of society, at local and global level (Fagan 2009). Thus the age of rights seems at the same time to be the age of their more or less clear violation or non-application. Moreover, as rights have come to penetrate the language of public authorities, European and international institutions, companies and NGOs, social and citizens' movements, a precise legal terminology has often been ousted by vague rhetorical expressions. In this way too, even deep-seated conflicts between different social players – about the justification, extent, interpretation and strategies for implementing fundamental rights – are concealed from view. Similarly, if rights are seen as “the only universal normative code” capable of balancing the ethical, religious, political and legal pluralism of our time (Cassese 2007), we tend to underestimate the weighty historico-political presuppositions of that code and consequently run the risk of trivialising the issues linked to the intercultural translation and adaptation of rights to differing contexts (Baccelli 2009).

Finally, this kind of idealistic representation fails almost entirely to reflect the meaning of the structural transformations that our societies have experienced. Those transformations have affected the material and cultural conditions which made the multiplication of rights, and a collective commitment to their implementation, possible in the post-war period. The shift of social responsibility from public authorities to markets, civil society and individuals (Habermas 1985), the spread of strict, selective controls on immigration (Santoro 2006), the de-nationalisation still in progress (Sassen 2006) and the crisis of the dominant socio-economic model have had ambiguous and generally negative effects on access to rights. Many acquired advantages have been called into question, under pressure from the alleged lack of resources or the constraints of global economic competition. At the same time the ability to claim (new) rights has been weakened, especially in the case of marginalised or inarticulate groups.

In parallel, we are faced with academic interpretations which increasingly reduce fundamental rights to individual freedoms and property rights, to the detriment of social, political, cultural and environmental rights (Ignatieff 2001) and without any concern for collective responsibility. These approaches are the ideological reflection of the crisis that has meanwhile affected the state's regulatory capacity. Be it the result of the desire to weaken the public sector and democratic institutions, arguing the superior efficiency of the private sector and markets (Crouch 2004), or be it linked to the paralysis of national authorities when confronted with transnational phenomena and highly mobile business investors (Habermas 1998; Bauman 1998), this crisis threatens the equality and indivisibility of the rights secured by democratic constitutions.

## **2. Exploring the complementarity of rights and shared social responsibilities**

Never before in history have we had so great an impact on each other's social, political, economic and cultural lives. Never before have we had access to so much information and knowledge, or to such technological possibilities of altering our environment, to a point where the very future of life on the planet may be endangered. Growing interdependence among persons, societies and the natural world has heightened the short- and long-term effects, expected and unexpected, of individual and group actions. In the context of the present grave economic and financial crisis, this completely changes the picture where fundamental rights are concerned.

Recognising these challenges is a crucial requirement for anyone who continues to regard fundamental rights as an irreplaceable tool enabling individuals and social groups to regain control over their own lives, escape from oppression and marginalisation, and control current structural changes in a democratic, non-violent way. In the search for viable alternatives to the approaches criticised, this paper sets out to relaunch the emancipatory power of rights by linking them to the concept of "shared social responsibility". This is defined as the individual and group commitment to answer for the effects of choices about action or inaction on the general well-being and to devise, through objective consensus, strategies and criteria for evaluation in the sphere of social, environmental and intergenerational justice.

Several theoretical and practical difficulties in connection with the justification for, and actual exercise of, rights today are the result of an individualistic, proprietary view which makes it impossible for changes to be properly analysed and taken into account. This view suffers from two principal limitations. First, it trivialises the social and interactive dimension of fundamental rights, lessening concern for others (Smith 2002), both today and tomorrow. Secondly, it accepts dogmatically the – often unfair – distribution of social responsibilities among the different relevant players (public authorities, economic actors, social organisations, social movements, citizens, etc.) in the present-day politico-economic model, relinquishing the power of rights to generate systemic and institutional change.

The complementary nature of rights and shared social responsibilities affords a way out of these difficulties. Moreover, it underpins the Charter of Fundamental Rights of the European Union, whose preamble offers a clear reminder that "enjoyment of these rights entails responsibilities and duties with regard to other persons, to the human community and to future generations". This statement may be interpreted as going beyond



the classical liberal tradition, which sees rights and the duty to safeguard them as relating to the same objects (assets to be protected), but not as relating to the same subject. For example, the right to freedom of expression entails, for states, organisations and other members of society, the negative duty not to prevent a holder of the right from expressing her/his views, save in exceptional cases provided for in law. This focus on a society of isolated individuals takes no account of the material and institutional conditions which enable the right to freedom of expression to be really exercised and which also entail positive duties, especially on the part of political authorities and economic organisations that own the mass media and influence their content. The same is true, *mutatis mutandis*, of social rights: here, individuals claim entitlement to certain benefits and collective safeguards vis-à-vis the state and companies, but at the same time they have the positive duty to contribute, in proportion to their income, to the funding of social rights through the tax system.

The complementary nature of rights and responsibilities is not a wholly new perspective. The present-day theoretical debate already broadly accepts that the idea of right has its corollary in the obligation to give effect to the substance of the same right. However, the nature of that correlation and the role of the social players involved in it, whether holders of rights or bearers of obligations, remains controversial. From the formal standpoint, it is doubtless correct to state that “there are no rights without obligations, and vice versa” (Bobbio 1990: 83). But if one adopts that approach, one runs the risk of masking power differences between players and consequently their shared but differentiated responsibilities for giving effect to rights. There is also the risk of erasing the semantic specificity of the language of rights, which lies in “the act of claiming them” (Feinberg 1970: 252), usually directed at the political, social and economic authorities. Furthermore, the correlation between rights and obligations cannot lead us to conclude that rights derive wholly from obligations, or that the absence of obligations destroys the normative substance of rights. That would mean ignoring the reality of the social struggles which throughout history have called for (and still call for) recognition of new rights and the general application of their enjoyment to the population as a whole.

So it is largely true that rights function as a very powerful lever in formalising and justifying institutional and group obligations (MacCormick 1977). As “public propositions”, rights do imply “either obligations toward other people or demands on them” (Michelman 1986: 91). Once correctly understood as a “social practice” rooted in history and in different contexts, rights no longer appear as the property of isolated individuals but as the

normative expression of a relationship of reciprocity, based on a claim to mutual respect and implying an acceptance of responsibility fairly shared between public authorities, companies, social organisations and individuals. Thus democratic citizenship consists precisely in the legal status linking rights to active responsibilities – responsibilities that are both horizontal (between individuals and other players with similar powers) and vertical (between institutions, organisations and individuals with different powers).

Finally, a stronger emphasis on shared social responsibilities aims to clarify the political and pedagogic meaning of fundamental rights, recognising their normative autonomy but also their limits. On one hand, the meaning of rights is to teach individuals to link freedom to social justice, without which that freedom would be merely a privilege for the few. On the other, the meaning of rights is to teach individuals to distinguish between needs and desires (Gesualdi 2005), or even legitimate claims which need to be met and excessive claims which need to be limited, being incompatible with the well-being of all, including future generations, and with the integrity of the environment.

Furthermore, it is society's members themselves who, allowing for their differing needs and multiple allegiances, must reach agreement and decide whether a given social demand deserves to be protected as a fundamental right, and how to ensure that such protection respects social and cultural pluralism (Habermas 1992). Likewise, political communities are constantly asked to review their "boundaries", including new holders of rights (and responsibilities) according to democratic criteria (Benhabib 2002). Only if these demanding but unavoidable conditions are met will it be possible to launch a new age of rights.

### **3. The right to shared exercise of social responsibility and its connections**

The complementarity between the language of rights and that of shared social responsibility manifests itself in various directions and in various fields.

First of all, it is a question of claiming an individual and group right to the shared exercise of social responsibilities. The implications of such a right are many, and concern its holders, the conditions of implementation and the content of fundamental rights in general. The right of shared social responsibility could be termed a "meta-right", or even a "reflexive right" (Habermas 1992), in that it influences the scope, exercise and substance of all other rights.

At the same time, effective exercise of the right of shared social responsibility raises the necessity of other rights, in the context of a coherent system of protection. Therefore, with regard to the holders of rights (the agents) and boundaries of shared social responsibility, rights of belonging and participation must be recognised; with regard to the conditions of implementing rights and thus the abilities permitting the exercise of shared social responsibility in general, rights of co-production in public space must be recognised; and, with regard to the substance of rights and thus the objects of shared responsibility for the well-being of all, rights to common assets must be recognised.

**Table 1: Structure of the right of shared social responsibility**

	<b>Holders</b> <i>(who?)</i>	<b>Implementation</b> <i>(how?)</i>	<b>Content</b> <i>(what?)</i>
<b>Responsibilities</b>	Agents and frontiers	Public space	Well-being of all
<b>Rights</b>	Belonging Participation	Co-production	Common assets

***a. Rights of belonging and participation:  
agents and boundaries of shared social responsibility***

If the shared exercise of social responsibilities is a right, it implies first of all that no-one may be excluded from the decisions which have (or may have) important, irreversible effects on his/her existence and on the political community in which s/he lives, without undermining the legitimacy of those decisions. Secondly, and in consequence, this right also implies that no-one may be excluded from the political community to which s/he belongs or to which s/he has decided to belong, without offending his/her human dignity. These two fundamental rights, of participation and belonging, are essential to defining the agents called on to constitute a “network of responsibilities”, but they are also essential to identifying the holders of fundamental rights in general.

The right to the shared exercise of social responsibilities – being granted to all those who feel, or actually are, concerned by the effects of group decisions – is the basis on which “the right to have rights” (Arendt 1951) can be secured to everyone: without the possibility of exercising social responsibility in a shared way, all the formal rights provided for in national constitutions and international conventions are void of real substance and too weak to be asserted or applied to the population as a whole. The

reality is that infringements of fundamental rights derive mainly from the fact that those who infringe them do not regard others, the “victims”, as full and legitimate holders of those same rights. Formal equality of rights is not necessarily universal: its actual content depends on actual subjects who are included in the concept of “equals” (Mackinnon 1993), or even who are part of “ourselves”. At the same time, for a person to be treated as “like us”, there must be a “public appearance space” which renders her/his actions and words significant, so that his/her human singularity may be manifested. If it is to be inclusive rather than exclusive, political citizenship must be thought of in terms of “acting together” on the part of all who live in the same space and who already form part, whether recognised or not, of a network of social responsibilities.

So claiming a right to shared social responsibility means being willing to answer for the direct and indirect consequences of one’s own actions, in the short and long term, but also deciding to unite and carry out action together to promote social, environmental and intergenerational justice. The fact that a certain obligation of responsibility is proportionate to agents’ knowledge and influence does not mean that those with limited resources and power cannot exercise their responsibilities according to their means, and meet up with other members of society in order to create a collective force able to implement concerted societal change.

On the contrary, if responsibility is a fundamental right, public authorities and society as a whole are called on to eliminate the legal and material obstacles to the exercise of that right. Inaction gives rise to a serious risk: those who have no opportunity to exercise social responsibilities in a shared way sooner or later lose all their rights, or at least end up losing the opportunity to be co-deciders of content and implementation strategies. That loss goes hand in hand with becoming socially invisible and losing one’s say. The right to belong to a political community, the right to act and participate, the right to a “space of appearance” (Arendt 1958) and free communication are therefore essential conditions if fundamental rights are to be genuinely given to everyone and capable of functioning in practice, through the shared exercise of social responsibilities.

The question of rights holders, approached from the standpoint of agents and boundaries of social responsibility, appears in all its dynamism and materiality. Contributions of resources/powers and the ability actually to exercise rights are not the only criteria in deciding on a player’s belonging to, and participation in, social responsibility networks: the question of “externalities” plays a key role here. The mere fact of suffering the negative effects of others’ action or inaction, even where remote in space and

time, becomes a legitimate criterion to be taken into account in allocating social responsibility claims. In this sphere, certain holders of *sui generis* rights stand up in the public space and demand our attention, despite the lack of a voice of their own, namely future generations and nature. The theoretical and practical difficulties of granting rights to persons not yet born or to non-human and non-personal entities are familiar in the current debate. The complementarity of rights and responsibilities can help to clarify this point: the irresponsible use of resources and individual liberties may undermine the continued existence of a coherent, effective system of fundamental rights, which lies at the heart of democratic societies governed by the rule of law (Habermas 2001).

### ***b. Rights of co-production: ability to share social responsibility in the public space***

The exercise of shared social responsibility is an essential condition for the full enjoyment of fundamental rights, for at least two reasons: it makes it possible to give tangible content and general effect to rights formally proclaimed; and it encourages the claiming of new rights and recognition of new rights holders. To meet this condition, it is necessary to guarantee the existence in society of an autonomous, fair, pluralist and vital public space as the only place where social responsibilities can be exercised in a shared way.<sup>94</sup> This space gives formal shape to, and extends, the network of responsibilities, which already exist in society and enable people to appear in public and achieve recognition as holders of rights and mutual obligations. Within this space, players exercise their right to share social responsibility by confronting each other on the principles of their societal views, on the knowledge, political priorities and strategies necessary to ensure the well-being of all, on the forms of governance needed to guarantee fairness in sharing objectives and means of action, and on evaluation criteria for initiatives implemented.

The conditions for developing such a public space, capable of taking root in all the key nodes in society, may be understood in terms of reciprocal rights and obligations between the players involved. This approach, consistent

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94. The term "public space" is used here in the sociological and philosophical sense, which is rather different from the more usual urbanistic sense. It refers to the process whereby individuals or groups come together as a "reasoning and debating public", expressing itself through word and action and the available communications media. In this kind of public space, the exchange of information and arguments, the construction of shared knowledge and references, and the organisation of joint initiatives serve as a critique of what exists and of established power, and they seek to promote societal change towards equal freedom.

with the complementarity between rights and shared social responsibilities, makes it possible to meet several requirements simultaneously. First, it underlines the normative – if not necessarily judicial – nature of the relationship between participants in public space. Secondly, it highlights these participants' mutual obligation to guarantee the fairness of participative processes, preventing a situation in which such processes operate to the advantage of players with more power or in which those players may abandon them (Cooke and Kothari 2001). Thirdly, it legitimises the results of the processes of preparing and taking decisions, whereas these processes normally lie outside the conventional political and parliamentary circles in which collective decisions are arrived at.

In short, two questions have to be answered. What rights must the members of our societies grant each other if they wish to have access to public spaces and so share their responsibilities for the well-being of all in a fair and effective way? What mutual obligations, whether inter-individual or inter-institutional, do these rights entail? The exercise of social responsibility by the members of a territorial community, by the relevant organisations, companies and institutions, requires all the players concerned to possess certain fundamental capacities. Nevertheless, for various reasons substantial discrepancies exist between participants in the possession of these capacities, whose absence or uneven distribution detracts from the proper functioning of the public space, and from the effectiveness and sustainability of the sharing of social responsibilities (Steven et al. 1999). So it is crucial that these discrepancies be minimised or even gradually eliminated. Formalising the capacities for shared exercise of responsibility in terms of rights helps to satisfy that requirement.

What kind of rights are we concerned with? They are rights of co-production – of knowledge, decisions, action strategies, forms of governance, criteria for evaluating initiatives – which correspond to six fundamental capacities required to exercise shared responsibility in the public space fairly and effectively: rights of access, initiative, interaction, vision, criticism and supervision.

It is well known that proclaiming everyone's right of access to the fundamental decisions affecting them is not sufficient to guarantee the enjoyment of that right. It is necessary, first of all, for the individuals, communities, organisations and institutions concerned to be equipped to participate in constructing public spaces of responsibility, or be able to access them once created. For the creation and proper functioning of such spaces to be possible, and for access to be guaranteed at all times, we need first to be adequately and properly informed about the social, economic and

political processes which determine our living conditions. For example, the right of access to information set out in the Aarhus Convention on the environment needs to be applied in a general way to every area of shared social responsibility. Taking inspiration from that same convention, adopted on 25 June 1998 and then ratified by the member states of the United Nations Economic Commission for Europe, public authorities should make the relevant information for the exercise of responsibility available to the public rapidly and free of charge, without the public having to prove any particular interest in the matter. They should also undertake to inform the public adequately about the type and scope of information held by relevant public authorities, and about the principal conditions on which that information is accessible, including legal limits on right of access. Mandatory provisions of this kind should gradually also be tested out and implemented in respect of private players, such as companies and NGOs which have responsibilities for the well-being of all.

Information is of course not the only resource affecting access to public spaces of responsibility and the resultant processes. One must have a minimum of mobility, free time and existential security to be able to devote oneself in an ongoing way to participative action, without incurring excessive costs. In this connection, one of the most interesting arguments in support of a citizenship income, partially or wholly free public services, reduced working hours and reorganisation of everyday life for persons who combine work, training and voluntary service is precisely their greater availability to participate actively in community life (Atkinson 1996; Beck 1999).

Once access has been ensured to public space where responsibilities can be shared, participants' right of initiative must also be guaranteed. In this connection, no-one should have to put up with the assumptions, attitudes, prejudices, priorities and decisions of other participants; on the contrary, legitimate, successful processes of preparation and participation require that everyone can express him/herself and act in an autonomous, egalitarian and creative way vis-à-vis other participants. The ability to initiate discourse and action, exercising a right of co-decision with respect to the agenda, is the very basis for the social power exercised with (and not on, or against) others (Arendt 1958).

Given their unequal situations and starting-points, participants in public space must be "made equal" by sharing certain rules of discourse. If they are to develop fully, the capacities for access and initiative involve the right to interact on an equal footing with other participants, whether individuals, groups, representatives of organisations, companies or institutions. This right brings corresponding obligations, in particular on the

part of the public authorities and players with different degrees of social and economic power (Pogge 1995). The adoption of fair rules governing interaction, together with “participation techniques” specific to different contexts (Bobbio 2004), makes it possible for each voice to be heard, especially the voices at the extremes of the social scale, and permits the exchange of different viewpoints, reciprocal questioning and learning, impartial weighting of interests, recognition and non-violent management of conflicts, and emergence of the “best arguments” (Habermas 1999) as opposed to arguments put forward by the strongest or most influential players. Thus the right of interaction highlights a capacity that is essential to the development of real “collaborative responsibility” (Sen 1999): its aim is, ultimately, the search for creative solutions to group issues, by modifying individual preferences and creating new social arrangements, rather than simply aggregating or mediating pre-existing private interests.

In order to ensure that the results of participative processes are acceptable and lasting, and thus effective in the long term, it is necessary for participants to be prepared to develop long-term action strategies. In the present context, with most economic and political players focusing on the short term, it is necessary to claim a right to a vision that is at the same time a right to the future. On this condition, using the factor of uncertainty and caution when faced with the risk of action having irreversible consequences, a long-term perspective on the personal conditions of each participant fosters impartiality *vis-à-vis* conflicting interests. In this way it is easier to devise lasting responses to the phenomena of crisis and the structural issues of society (Bobbio 2004). Future generations have no need, from this standpoint, of special representatives or spokespersons to defend their rights: it is present generations who have the right (not just the duty) to develop a sustainable vision of the future, based on responsible use and distribution of resources starting from today. The rights of different generations appear to be in irremediable conflict only in the short term, or when one tries to deny present generations their right to a future.

The quality of the processes of sharing responsibility is also influenced by the capacity for criticism and supervision, or even evaluation, that participants claim in relation to action strategies and decisions implemented. The right of criticism reveals, in particular, the necessarily limited and dynamic character of the apportionment of social responsibilities and the arrangements giving them formal status. These processes must themselves be amenable to their own effects, which may contradict an initial intention, produce possibly irreversible negative externalities or reveal interests or viewpoints that were not taken into account at the outset.



The right of supervision is reflected in co-managing implementation of initiatives and co-evaluating results, on the basis of indicators of well-being jointly devised with all those involved (Council of Europe 2010). Supervision also covers respect for commitments entered into by other participants. Political and economic players in particular ought to be encouraged to accept the results of co-decision and implement them coherently: without minimum “guarantees of effectiveness”; indeed, without the opportunity to participate in implementing decisions, there is a risk of strongly discouraging all moves towards participation (Bobbio 2004). Participation must apply to all phases of the political process (Fischer et al. 2007), from drawing up the agenda to evaluating and revising the strategies employed.

In conclusion, every sector of social and political life – from employment to social and health services, from protection of the environment to education and culture – may be the subject of participative processes that broaden the sharing of responsibilities, especially where rights to common assets are concerned.

### ***c. Rights to common assets: (new) subjects of shared social responsibility***

In the classical liberal tradition, property rights<sup>95</sup> form the backbone of the system of individual rights and of the social contract in general, their protection being one of the state’s key functions. So these rights tend to assume, over and beyond respect for private property in conditions laid down by law, a paradigmatic function in the interpretation and implementation of other rights and a prominent, if not absolute, value relative to other equally legitimate societal objectives (Sen 1999).

The individualistic and proprietorial approach to rights is the result of lengthy social processes, which began in Europe in the late Middle Ages (Bacelli 2009) and then spread, via trade and colonial relations, to most of the world. The physical basis for that general development was the

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95. Traditionally, “property rights” are taken to be the three fundamental liberal rights: life, liberty and property. To put such heterogeneous things in one category masks an ambiguity resulting from both an individualistic and a proprietorial interpretation of fundamental rights: the term “property right” may refer to the legal capacity to become an owner and exercise civil and political rights, or to defence of ownership of a specific asset. No distinction is drawn between rights of private property and rights of common or shared property: thus, liberal property rights played a major ideological role in the enclosure of common land in England in the 16th and 17th centuries, just as they did in the violent conquest of “wild lands” in North America, stolen from the native Indians in the 18th and 19th centuries (Parekh 1995).

affirmation of a highly competitive and productive capitalist economic system, made possible in turn by the commercialisation of certain goods fundamental to social reproduction, such as the means of production, the labour force and the currency (Polany 1944). Those goods are (or tend to be) subject to the economic principle of a self-regulating market rather than to democratic socio-political arrangements within communities.

From the outset, moreover, the affirmation of a “market society” was accompanied in Europe by a feeling of insecurity and injustice as traditional social organisation was overturned (Bauman 1982). The challenges were both to new property rights, capitalist systems for the production and distribution of wealth, the spread of salaried work and its hierarchical, industrialised organisation, and relations with “nature” as an available, exploitable resource rather than as a source of life and the environment of social relations (Shiva 1989). These challenges led, notably in the 20th century, to a generalisation of civil and political rights, but above all to the recognition of other – social and environmental – rights that would de-commercialise certain goods seen as essential to human dignity and social cohesion, and thus give shelter from the hazards and failings of the market.

The theoretical debate took good note of these conflicts about the substantive content of rights. Some authors went as far as to deny that property rights, being exclusive and not including the whole of the population, could be considered as fundamental rights in the strict sense (Ferrajoli 2002: 13-15). Beyond this specific question, a non-individualistic and socially responsible approach is essential today in order to relaunch the emancipating power of rights. With regard to the objects of legal protection, this leads to a reassertion of the importance of rights to common assets. These rights, the subject of shared responsibility, constitute barriers to the penetration of commercial logic into crucial, sensitive areas of reproduction of social and natural life.

The importance of these barriers is borne out by history. Following the enclosures of common land<sup>96</sup> in England at the start of the modern age, commercial logic spread steadily to other areas of life such as natural resources, culture, health, genetic heritage, education, information, knowledge and public services in general (Shiva 2005). In the name of rational management of fishing, water, farmland or the atmosphere, further expropriations are still taking place all over the planet

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96. “Common” is a legal term under the European feudal system, of Latin origin. It derives from *munus*, meaning both “gift” and “burden”. So receiving a *munus* as a gift meant being “obliged” to make a gift in return (Lipietz 2010).

(Shiva 2005). This exploitation has destroyed age-old equilibria, because local communities knew well that their survival depended on maintaining a balance between consumption and reproduction of natural and energy resources. Extension of the commercial sphere and dispossession of local communities are compounded today by other phenomena, such as head-long scientific and technological development and the concentration of decision-making power in the hands of political and economic players on a global stage.

Further, the debate on common assets, in particular natural ones, has taken on extreme urgency in the face of present-day economic, environmental and climatic crises. The increasing consumption of them has actually been the hallmark of a development model centred on unlimited growth and improvement of material welfare as the foremost indicator of progress. Yet present consumption of natural resources is both unfair and unsustainable: in the richest countries, it is ten times higher than the level needed to provide an adequate standard of living; on a planetary scale, more resources are being consumed every year than the planet is able to regenerate. The imbalance between growth of demand and the exhaustion of available resources is a key political issue of the near future.

Long before these phenomena were the subject of public debate, common assets had returned to centre stage in the theoretical discussion following publication of the famous article by Garrett Hardin on “The tragedy of the commons” (1968). In his famous model, the author considered the misuse of common pastureland by shepherds, each seeking to feed the largest number of animals, to a point where the amount of available grass was reduced. Hardin saw two possible solutions to the danger of destruction or over-exploitation of a limited resource of general interest: either to put the pastureland into private ownership, so that it was maintained by its owner, or to resort to its public management (a solution which the author thought ineffective and open to corruption).

Apprehending the challenges of common assets and their governance from the free-rider standpoint, or even that of people who profit from an available asset without discharging their obligations to the community, is a feature of privatisation policies. From a theoretical point of view, the Hardin model is both simplistic and abstract. It bears no resemblance to real common assets, such as irrigation systems or fisheries that have been collectively managed for thousands of years. It does not recognise that material or non-material resources that can be classed as common assets are very rarely *res nullius*, or even assets that belong to no-one and are therefore likely to be over-exploited and destroyed. Not only does the

author tend to confuse free access and collective ownership: he neglects a third form of management, different from private management and public management, namely management of common assets by communities of users. He sees common assets merely as resources available for exploitation, whereas they are primarily “places for relationships”, for social negotiation and collective action, managed by individuals and groups who share certain bodies of knowledge and certain standards of reciprocity, and among whom there are at least some who are not guided by self-interest but by a sense of the group, of justice and sustainability (Ostrom 1990).

Instead of private property rights or state property rights, then, one might imagine granting (to persons and groups) user rights, or rights of access, to common assets in accordance with agreed rules, so that everyone may benefit from them – as long as no-one deprives others – including people in other countries and continents, and generations yet to come.

A further crucial question arises when it comes to clarifying which assets can (or must) be regarded as “common” and on the basis of what criteria. There is no complete reference list or single definition here. Each common asset has its own specific material, economic and ecological conditions of production and reproduction, expressing unique historical circumstances and local cultures. Accordingly, several classifications have been suggested, for example based on the impact of the use of, or access to, the assets (Calame 2003). On this basis, we may distinguish four groups:

- public assets in the strict sense, of benefit to all, without anyone’s use of them excluding anyone else’s (air, sea and coastal areas, tropical forest, major ecosystems, cultural heritage);
- natural resources in the broadest sense, encompassing assets that are divided when used and exist in finite quantity because their quantity depends only partly on human ingenuity (water, energy, fertile soils, raw materials in the subsoil);
- goods and services that are divided when used but depend primarily on human action (health, housing, healthy food, healthy environment);
- goods and services that are multiplied when used and are potentially infinite (knowledge, social relationships, creativity, intelligence).

Similarly, all common assets have the same socially recognised function and correspond to comparable societal dynamics. As for their function, natural common assets, social common assets and knowledge-based common assets are all equally essential to the well-being of the population

in the broad sense: natural common assets are necessary to the survival of the species, social common assets permit social cohesion, and cultural common assets are indispensable in organising one's private life autonomously. Thus common assets form the material and non-material structure of rights, and even of the normative foundation of every democratic society. As for their societal dynamics, common assets exist where there is a political community that recognises their primary, non-exclusive, nature and therefore organises itself to use them responsibly. The point at issue is not water, the atmosphere or the genetic code, but "ourselves" and the decisions we take, the user rules we adopt to regulate access, the sharing of both the profit and the burdens connected with common assets. Patterns of resource management, especially of natural resources, based on common assets must be defended, not only in the name of the traditions of the local communities living and depending on them, but also because they sustain a viable management model at the planetary level.

So common assets are the priority area in which shared social responsibility can be exercised. The social and political function of these assets makes the related rights into essential rights, the measure of a civilisation – the civil progress – of a society and its ability to secure its future and that of future generations. At the same time, the mutual obligations linked to their reproduction and multiplication give direct, plastic expression to the fertile complementarity of rights and responsibilities. Today, rights to common assets do not just mean claiming the right to enjoy one's fair share of a society's available well-being: they call into question simultaneously a materialist economic model, which measures performance solely in terms of the quantity of things produced and their monetary value, a proprietary legal model which sees the relation between people and their territory and environment only as a one-sided disposition of goods, and a reductive scientific model which sees nature as a kind of mine to be worked and ignores the value of the knowledge and know-how of users and inhabitants (Shiva 2005).

Finally, claiming rights to common assets means thinking about our concept of democracy on the basis of strategies for the maintenance, preservation and multiplication of shared resources and the common advantages deriving from them. The protection, maintenance and sustainable reproduction of common assets spurs many societal actors to collective action in pooling their contributions, and helps to regenerate political sense through new participative practices. So the point is not to demonise the state or the market as such but to recognise their limitations and their capacities, and then to ensure that they afford access to common

assets for present generations and also those of the future. If it is true that the state and the market will always tend to “colonise” with their own logic “the relations of reciprocity that are supposed to regulate common assets, ... we can only try to lessen their importance. Our hope must be to increase the importance of relations of reciprocity as against relations of exchange and authority” (Lipietz 2010).

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# EQUAL PARTICIPATION: MAKING SHARED SOCIAL RESPONSIBILITY WORK FOR EVERYONE

*Anna Coote*<sup>97</sup>

## 1. Why equal participation?

This paper is based on two assumptions. Firstly, that 'sharing responsibility' is primarily about co-operation and synergy. It may involve dividing up responsibilities, so that different individuals and/or groups take responsibility for different things, but it is essentially a collective enterprise, where all the people involved have a shared interest in a common – or synergistic – set of goals. The second assumption is that the process of 'sharing' is inclusive and interdependent. Everyone's interests are best served by sharing responsibility with others for the pursuit of shared goals. It is inclusive sharing that makes the exercise of responsibility effective. No-one whose interests are involved should be left out – from the poor and powerless, to the rich and powerful, with everyone in between.

Equal participation in the process of sharing is therefore essential to this project. That said, some people are more willing and/or able than others to take, exercise and share responsibility. These are different functions that seem to require different kinds of ability. How each function is shared may lead to different outcomes. For example, I might be good at taking responsibility, but bad at exercising or sharing it. You might be good at exercising responsibility, but bad at sharing it. We might be good at sharing it, but bad at assuming responsibility in the first place. Whether and to what extent individuals have these different abilities depends on a wide range of factors, including:

- background, social connections and location;
- time, income and wealth;
- education, knowledge and experience;
- physical and mental well-being;
- age and gender;
- self-esteem and status;
- empathy and values;
- culture and tradition.

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If everyone is to have an equal chance to share responsibility, we shall need to understand these determinants and work out how to overcome barriers and strengthen opportunities.

## **2. Why should we be concerned with equality?**

There are basic ethical reasons why we should be concerned with equality. These are embedded in the Universal Declaration of Human Rights, which recognises “the inherent dignity and ... equal and inalienable rights of all members of the human family” as “the foundation of freedom, justice and peace in the world”.

There is mounting evidence that more equal societies are more successful, with better outcomes on a wide range of indicators for all social groups. For example, societies with greater income equality have better scores across the social gradient for life expectancy, mental health, educational achievement, violence and incarceration, trust and belonging (Wilkinson, Pickett 2009). There is also some evidence that more egalitarian and solidaristic societies are better able to deal with exogenous shocks and challenges such as climate change (Gough et al. 2008:325-44).

But inequalities persist. The Commission on Social Determinants of Health, set up by the World Health Organization (WHO), reported in 2008 that “within countries, the differences in life chances are dramatic and are seen worldwide. The poorest of the poor have high levels of illness and premature mortality” (WHO 2008). In many instances these differences have widened in recent years and continue to grow. In the UK for example, the gap in life expectancy of those in the highest and lowest social classes widened in the last two decades of the 20th century by nearly two years for women and by four years for men (Sassi 2009:136); many other inequalities have widened since the year 2000 (Hills, Sefton and Stewart 2009).

## **3. Approaches to equal participation**

In deciding how to approach equal participation, some background may be useful to understand the political context and how ideas about equality have developed since the mid-20th century. Post-war social democratic settlements represented a compromise among state, labour and capital, and between the values of liberty and equality. They were designed to provide a degree of social and economic security, with some power sharing among organised labour, state and business. They were based on expectations of continuing industrial growth, full male employment, a family

wage and women's commitment to home and family. Social justice was to be achieved through taxation and social insurance providing health, education and income protection to those who needed it.

Neo-liberal policies have challenged the "dependency culture" of social democratic welfare states. The neo-liberals insisted that individuals and families should be free to look after themselves, with a residual welfare state for those who could not. In this paradigm, the idea of big government was discredited, market mechanisms were introduced into public services and a new economic individualism seeped into public consciousness. The neo-liberal model accepted inequality as inevitable, while claiming that the poor could ultimately benefit from the trickle-down of wealth from a thriving market economy.

Protagonists of a third way, beyond pro-state and pro-market strategies, have placed responsibility for creating a more stable and cohesive social order on individuals and communities, supported by a "social investment state" (Giddens 1998). The third way is supposed to counteract neo-liberal individualism by building strong families and communities, yet remaining firmly committed to a minimally regulated market economy. It draws on communitarian ideas and has developed a new political narrative that shifts the spotlight from inequality and poverty to social exclusion and cohesion.

The communitarian approach seeks to build "social capital" in poor communities in order to make them more "resilient" in dealing with the social problems that afflict them. The underlying economic causes of their problems remain undisturbed. "Third way" communitarianism runs counter to the principle of shared responsibility because it limits the sharing to those who are already disempowered and disadvantaged, assuming that they are the ones who must change. It fails to address excesses of wealth and power, or how those responsible for such excesses – and those who benefit from them – should share responsibility for combating their effects.

Choice and consumerism form a powerful political narrative within the "third way" paradigm. While communities must become more resilient, public services are supposedly being personalised to suit the preferences of individuals. People are encouraged to choose between options, rather as though they were retail customers. There is little evidence that offering people a choice of service provider has improved services or satisfaction. The move towards personal choice can discourage mutuality, and the focus on consumerism hollows out citizenship, replacing rights-based political agency with an expectation that individuals will merely respond to what markets have to offer. Atomised transactions, rather than shared responsibility, are promoted as the norm.

Individual behaviour change is a matter of growing interest in a politics increasingly defined by consumerism – for example, getting people to live healthier lifestyles, to recycle waste or reduce carbon emissions. Thus are individuals, in Zygmunt Bauman’s words, “expected, pushed and pulled to seek and find individual solutions to socially created problems, and to implement such solutions individually, with the help of individual skills and resources” (Bauman 2008:20). Rather than finding shared solutions to systemic causes of social injustice, policy makers and governments search for psychodynamic stimuli to prod or nudge people to conform to preferred norms. Efforts to get people to choose healthy lifestyles tend to widen inequalities, because choices are constrained and edited by social, economic and environmental factors.

Promoting shared social responsibility takes place against this background. The Council of Europe Charter on Shared Social Responsibilities intends to shift the paradigm away from individualism, consumerism and choice towards greater equity and mutualism. But whether it makes any difference will depend on who does the sharing and with whom, and what is being shared. Partial and exclusive sharing will compound existing injustices. An over-riding commitment to equal participation will be essential if the transformative potential of shared responsibility is to be realised. But how is equal participation to be achieved?

## **4. Towards equal participation**

### ***4.1. Tackling the underlying causes of inequality***

We have noted the underlying factors that determine how capabilities for sharing are distributed: background, social connections and location; time, income and wealth; education, knowledge and experience; physical and mental well-being; age and gender; self-esteem and status; empathy and values; culture and tradition. These need to be well understood and addressed – particularly how these factors interact with each other to augment opportunities for some to assume, exercise and/or share responsibility, and to diminish opportunities for others. It is well beyond the scope of this paper to provide a definitive account, but here is one example.

Time is equally distributed in that we all have 24 hours in our day. However, control over time is unequally distributed. How much time we have to participate in the exercise of shared responsibility – for example, by attending neighbourhood meetings or co-producing services – depends at least partly on how many hours we need to engage in paid labour to earn a living income, how much housework and child and/or elder care we have to do,

and how flexible are our conditions of paid employment. It also depends on social norms and expectations that have developed over generations. The greater our economic power and social status, the more likely it is that we will be able to increase our control over time (Coote et al. 2010).

There are two keys to help frame the development of equal participation. First, the systemic causes of inequality must be addressed to enable people to participate equally. Secondly, responsibility for tackling inequalities must be shared by those who cause and those who benefit from them.

#### **4.2. Building capacity**

In addition to addressing systemic causes of inequality, it will be necessary to build capacity for participation on the part of people who are currently disempowered and disadvantaged. This may be partly achieved through universal, free, high-quality education that includes building relevant knowledge and skills. Where schools are run democratically, with children of all ages participating in decisions about what is taught and how, about rules and regulations, and about non-academic activities, young people learn to share responsibility, to respect each other and consider each other's interests, to co-operate and to negotiate.

Local, regional and national governments could do much more to involve young people in policy debate and decision-making through customised forums, councils, parliaments and other such models. Involvement must be genuine and transparent as well as inclusive, with feedback that shows how their input has made a difference – otherwise it will simply generate cynicism and apathy. If it works well, it will not only help people to grow up with active experience of participation, but it will also build habits and expectations that continue through adult life.

Where adults are concerned, capacity for participation can be built at neighbourhood level through involvement in shared decisions and actions. This develops knowledge, skills and experience. As with young people, it is vital that opportunities are inclusive, that processes are genuine and transparent, and that people can see what they achieve through participation. Consistency in approach is important, along with participative appraisal so that people are able to reflect on these processes, decide what works well and what does not, and work together to improve them.

Underpinning all this is the need to provide material support. People at neighbourhood level – in groups and individually – have varying resources. Consistent, equal participation will flourish if local centres can provide meeting rooms, IT, advice and training, and other facilities and

resources that help people to get together, share responsibility and help themselves and each other.

### ***4.3. Models of engagement for shared responsibility***

Sharing social responsibility requires methods for democratic engagement. Co-production, as a method for engaging people in the design and delivery of public services and well-being, is discussed in a separate contribution (Chapter 13 in this volume). Here we look at participation in decision-making and how to ensure such participation is equal.

Different degrees of participation have been well documented. Arnstein's ladder (Arnstein 1969: 216-24) distinguishes participative approaches from the purely manipulative, and arranges them in escalating order from informing, consulting and placating through partnership and delegated power, to citizen control. Since then, analysts have distinguished passive, active and interactive decision-making processes (Stewart et al. 1994), suggesting that the quality of engagement depends on how much information is available and how it is distributed, how much time is given to informed discussion, how much power participants have to set the agenda, ask questions and deliberate, how far everyone's voice is heard, how differences are dealt with, how decisions are reached and – crucially – how decisions lead to specific outcomes.

Participation in decision-making can be weak or strong, with voting in elections and responses to opinion surveys at the weaker end, deliberative models of engagement, such as citizens' forums and juries, at the stronger end, and well-informed consultation processes somewhere in the middle. Stronger methods may be more conducive to equal participation, but even these can be exclusive and/or manipulative, depending on who is involved, how information and power are distributed throughout the process, and what happens as a result.

There is a developing literature on how to ensure effective participation: this set of practical ground rules for healthcare organisations in the UK is one illustration (Coote 2008).

#### *Ground rules for engagement*

- Know what you can change and be sure you can take account of what people say.
- Engage early and plan ahead; find out who is likely to be affected and who is supposed to benefit.

- Embed engagement in the work process so that service users and the public are informed and involved at all key stages.
- Include all the right people and make special efforts to reach out to those whose voices are seldom heard.
- Choose your methods to suit your purpose by being clear what it is you are trying to achieve.
- Provide clear information so that people have all they need to participate in a discussion.
- Make sure you have adequate resources and time, and work out where your resources will come from.
- Keep things in proportion so that the scale of the project fits your timescale and budget.
- Act on what you learn so that what matters most to service users and the public informs and shapes your work.
- Always give feedback by telling participants what you have learned from them and what action you intend to take in response.

Engaging people in decision-making is the point where public bodies are most likely to begin to move towards sharing responsibility with those they are supposed to serve. The ground rules set out here can be adapted for businesses and other non-government bodies who are interested in sharing responsibility with their employees and/or intended beneficiaries.

Particularly important for promoting equal participation is the fourth point: “include all the right people and make special efforts to reach out to those whose voices are seldom heard”. “All the right people” can be taken to mean all those with an interest in the matters being discussed and in the result of decisions that are made. A careful analysis of interests involved must be part of any preparatory work. It is important to include those who might be considered outsiders, extremists or troublemakers, if they have a stake in the matter; leaving them out may be far more destructive in the longer term. Reaching out to those whose voices are seldom heard is discussed below.

#### ***4.4. Reaching marginalised groups***

Participative exercises are all too often dominated by the usual suspects: individuals and/or groups who are familiar with political activity and decision-making, well-versed in the methods and often regarded as speaking for the community. But most of them do not. Any public body interested



in involving people should know that it is easier to reach some groups than others. There are almost invariably more barriers in the way of communicating with people who are poorer, more marginalised and more vulnerable than others – the very people who most need to participate. Some are so thoroughly alienated that they don't want anything to do with the machinery of government. For most, public bodies don't know they exist, or where to find them, or what their interests are, or why they should be involved, or how to talk to or listen to them. Only very rarely are they included in surveys, focus groups or deliberative engagement of any kind. In any case, even if they can be identified, they can't just be added into mainstream events – engagement needs to be customised to play to their strengths. The challenge is greater still because there are so many people in this position; they are hugely varied socially, economically and culturally, and widely spread. With the best will in the world, no organisation can hope to reach more than a modest sample (Coote 2008).

Experience suggests that, to achieve more equal participation, certain steps must be taken. These include:

- Identify those whose voices are seldom heard and locate them, using outreach and other community development techniques.<sup>98</sup>
- Meet marginalised groups on their own territory and on their own terms, rather than trying to include token representatives in other participative exercises.
- Let marginalised groups define their own agendas and ways of working – respect their wisdom and experience and treat them as equals.
- Share their language – literally and metaphorically.
- Consider more creative methods for communicating and working together – for example, using artwork, theatre and song instead of the normal stuff of meetings.
- Invest in co-ordination and facilitation and in building and sustaining networks.
- Keep on reaching out – one-off gestures won't help.
- Feedback, reflect, learn and continue to improve ways of sharing responsibility.<sup>99</sup>

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98. See [www.scdc.org.uk/who/what-is-community-development/](http://www.scdc.org.uk/who/what-is-community-development/).

99. Ibid.

## 5. Changing attitudes and norms

Promoting equal participation depends on changing people's ideas about who knows best and how different kinds of knowledge, such as professional or experiential knowledge, are understood and valued. These issues are covered in the contribution on co-production (the next chapter in this publication), but are summarised below.

Shared responsibility depends on valuing the knowledge that people derive from everyday experience and accumulate during their lifetimes. This is different from the codified knowledge of professionals and other experts, but is often of equal worth when it comes to defining and meeting social needs. The best results are likely to be achieved when the two kinds of knowledge are acknowledged, respected and combined.

It is especially important to recognise and value the knowledge of people who are disempowered and disadvantaged, as these tend to be overlooked or misunderstood. Inequalities will accumulate and intensify unless the pattern is reversed.

People who are routinely excluded from decision-making can form the view that their own knowledge counts for nothing, so that they become passive and dependent. It is important to seek ways of building mutual respect and self-assurance among those who are otherwise disempowered and disadvantaged – so that people develop confidence in what they know and can achieve, as well as expectations and a sense of entitlement to participating on equal terms with others.

Conversely, those who are used to exercising power and authority will need to change their own views about themselves and others, as well as the way they behave and take decisions. Equal participation depends on changing cultures and establishing a different sense of what is normal. This has implications for training and organisational development.

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# CO-PRODUCTION AS A VEHICLE FOR SHARING SOCIAL RESPONSIBILITIES

*Anna Coote*<sup>100</sup>

## 1. What is co-production?

Co-production embodies shared responsibility. It is both an important practical expression of the concept and a means of developing and embedding it in public policy and in everyday life. The term “co-production” in this context describes a partnership between, on the one hand, citizens and service users and, on the other, officials, experts and professionals. Rather than people in the latter group doing things to or for people in the former group, they all work together to produce ideas, insights, decisions, services and/or other activities, outputs and outcomes.

Co-production extends beyond user involvement and citizen engagement to foster the principle of equal partnership. It is not just consultation, nor even just participation. It is, quintessentially, about shared responsibility between people who are regarded – and treat each other – as having equal worth and being able to make contributions of equal value to a shared enterprise.

Equal worth and value are not about similarity or uniformity. On the contrary, this approach recognises that people have different attributes and make different contributions. Successful outcomes depend on acknowledging their value as well as their difference, and combining them. Thus, the codified knowledge of professionals can be combined with the experiential knowledge of citizens who might otherwise be passive recipients of services provided by those professionals.

The relationship is reciprocal. Each side of the partnership benefits from the exchange. Each recognises that its own success in the shared venture depends on what the other can contribute.

Co-production can take place in one-to-one relationships, such as that between doctor and patient, where the two work together, sharing responsibility and pooling their different kinds of knowledge and experience, to decide what needs to be done to improve the patient’s health. It can also take place in groups, where people with a similar condition

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100. Head of Social Policy, New Economics Foundation.

or need – for example, living with a chronic illness such as asthma or arthritis – join together with professionals involved in their care and family members who help to care for them, to develop and implement practical measures to address the problems they share. In this case, people find ways of helping each other, with input from those with codified knowledge and official qualifications, who may help to facilitate and broker exchanges between them.

Co-production can be a way of structuring third-sector activity, where charities provide services or where community-based groups undertake activities for mutual benefit. More importantly for this exercise, it can redefine and transform public services and other activities of the state.

## **2. Where has co-production come from?**

Co-production emerged in the social sciences in the 1970s, when the 2009 Nobel prize winner for economics, Elinor Ostrom, and her team at Indiana University first coined the term “co-production” in a series of studies of the Chicago police. Ostrom needed a word to convey what was missing when the police abandoned their close involvement with the public on the beat and became more distantly involved in patrol cars: it was that element of successful policing that only members of the public could provide to make sure services worked. Ostrom’s team defined co-production as the “process through which inputs used to produce a good or service are contributed by individuals who are not ‘in’ the same organisation” (Parks et al. 1981:1001-11).

An American human rights lawyer, Edgar Cahn, developed Ostrom’s academic definition into a practical agenda for system change (Cahn 2001). One early application was the Time Dollar Youth Court in Washington DC, first authorised in 1996 by the District of Columbia Superior Court. This aimed to turn around a failing youth-justice system by recruiting young offenders themselves to help combat crime. A young person arrested for a first-time, non-violent offence in Washington will now usually be arraigned not before a judge but in front of a jury of other teenagers, who will question, judge and sentence the accused. The sentence will include serving on a youth jury (Time Dollar Institute 2003). This approach not only helps to prevent criminal behaviour, but also changes some of the conditions that cause it in the first place, by engaging young people as advocates of good behaviour. In 2007, the youth court dealt with 80% of all first-time offences in Washington. Its recidivism rate is 17%, about half the average in the mainstream juvenile system.

Co-production has significant European roots too. In the UK it draws on long traditions of self-help and mutual aid (Time Dollar Institute 2003), important principles of community development<sup>101</sup> and widespread experience of local exchange schemes<sup>102</sup> and time banks.<sup>103</sup> Examples of this kind of experience can be found in most European countries.

### 3. Essential features

The term “co-production” has become popular with politicians in recent years and is deployed with various meanings, for a number of purposes. It has been used, for example, to describe partnerships between public sector organisations, training in self-care for service users, citizens recycling their own waste, and various consultation exercises. Although these are all wide of the mark, there is no point in trying to insist on a single definition, because it will only stifle creativity and further development. The best way to proceed is to encourage people to use the term and to build a range of different models, while at the same time advocating a set of principles, or essential features, that will help all participants to share in pursuit of the transformative objectives inherent in the idea.

Though it will take time to reach agreement on these principles across Europe, it will be useful to generate a broad discussion about them. By way of suggestion, the following features have been used to describe positive attributes of co-production in the UK (Boyle and Harris 2009; Boyle, Slay and Stephens 2010; Boyle et al. 2010):

- Recognising people as assets, not just as problems to be fixed by others – because people themselves are the real wealth of society; everyone is of equal worth with something of value to contribute.
- Putting people at the heart of public services, so that those who are intended to benefit share responsibility with those who are paid to provide.
- Fostering equal partnership between participants, acknowledging the value of combining different kinds of knowledge and other human assets.
- Promoting reciprocity, giving and receiving – because it builds trust between people, fosters mutual respect and that way gets better results.

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101. See [www.cdx.org.uk/community-development/what-community-development](http://www.cdx.org.uk/community-development/what-community-development).

102. See [www.letslinkuk.net/](http://www.letslinkuk.net/).

103. See [www.timebanking.org/](http://www.timebanking.org/).

- Public service workers becoming brokers and facilitators, not just providers, transforming professional cultures and changing the way people work and behave.
- Building social networks, because people's physical and mental well-being depends on strong, enduring relationships.
- Promoting sustainability of public services, because co-production taps into previously neglected human resources, helps to prevent needs arising or intensifying, avoids unnecessary public expenditure, and helps achieve better outcomes.<sup>104</sup>

#### 4. Why is co-production important now?

There are two main reasons why co-production is important now. One is that the assumption of continuing economic growth, on which European welfare systems have depended until now, can no longer be relied upon. The other is that co-production addresses systemic weaknesses that have left welfare systems unable to deal adequately with human needs.

Following the collapse of global financial systems, recovery from recession has been patchy and uncertain for many countries, who can no longer rely on ever-increasing tax revenues to improve and expand their welfare systems. In addition, continuing economic growth in the developed world is incompatible with carbon reduction on the scale required to meet international targets (Jackson 2009). Without increased revenues from taxation or private spending, services will need to tap into other resources in order to improve or even maintain current output and quality.

Western welfare systems depend on three kinds of resource. Most obvious are the economic resources of the market economy, but welfare also depends on the natural resources of the planet, and on the resources of human beings and society. It is only this last category that offers potential for growth. The economist Neva Goodwin has called it the "core economy" (Goodwin 2003) – the abundance of human resources that are embedded in the everyday lives of every individual (time, wisdom, experience, energy,

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104. This list has been further refined and discussed in a series of reports produced by nef (new economics foundation) and NESTA (National Endowment for Science, Technology and the Arts): D. Boyle and M. Harris (2009), *The Co-Production Challenge*, London: nef and NESTA, p. 14; D. Boyle, J. Slay and L. Stephens (2010), *Public Services Inside Out*, London: nef and NESTA, *passim*; D. Boyle, A. Coote, C. Sherwood and J. Slay (2010), *Right Here, Right Now*, London: nef and NESTA, p. 3. It was originally adapted from Cahn (2001), *No more throwaway people*.

knowledge, skills) and in the relationships between them (love, empathy, watchfulness, care, reciprocity, teaching and learning). These assets and relationships can flourish and expand, or weaken and decline, depending on the circumstances and conditions in which they operate. Since we cannot grow the other two economies, we must grow this core economy, expanding the resources we deploy collectively for helping each other and meeting our individual needs.

There has been a strong tendency for European welfare systems to overlook and undervalue these resources, not least because they are embedded in the predominantly female sphere of unwaged home-based labour, which has remained largely invisible to economists and planners. Services have been professionalised and often centralised, so that people on the receiving end have lost control of what happens to them; they have been encouraged – over time – to become passive, to abandon traditional skills and confidence in their own expertise, to assume others know what is best for them, to cede responsibility and to expect to have things done for them. This has led to expanding demand for services, increasing strains on welfare systems and diminishing returns as well-being fails to improve in line with escalating expenditure.

Co-production values and acknowledges the assets that people already possess. It involves individuals and groups in designing and delivering services and other activities that they consider are necessary for their own well-being. It enables them to help each other and to build up their own knowledge, skills and confidence. It taps into an abundance of human wealth at a time when other resources are dwindling. It is a key mechanism for nurturing and growing the core economy. And, by counteracting systemic weaknesses of European welfare systems, it gets better results for the very people who are intended to benefit.

## **5. What does co-production mean for professionals and other public service workers?**

Just as co-production transforms the role of citizens and service users, so it implies profound changes for professionals and others who work in public services. They must change the way they regard those for whom they are accustomed to providing services, learning to listen to them, and to respect and value their experiential wisdom. They must change the way they behave with them – from doing to, to working with, so that one-way transactions from the benevolent to the grateful become dynamic, reciprocal exchanges.



It entails using time differently, going slower, being patient, thinking long-term, being consistent and strengthening continuity. It means changing attitudes to oneself and one's capabilities, being open and prepared to listen, to question one's own certainties and to alter course where necessary. It requires self-awareness and humility. Essentially, co-production shifts the balance of power towards those whose lives and needs are the *raison d'être* of welfare systems.

Co-production requires a different set of functions. Professionals and other public service workers must learn to build relationships with the people they are there to help, to develop and sustain them, to find within them ways of solving problems, and appreciate the value of what such relationships can contribute. They must become brokers and facilitators, bringing people together, helping them to help each other, opening up sources of information and making them accessible. Training and management regimes as well as work-based and professional cultures will have to change significantly if co-production is to enter and transform the mainstream of public services.

Far from hollowing out the meaning of professionalism or public service, co-production redefines and strengthens it. It helps to make services more meaningful, more sustainable, in social, environmental and economic terms, and produce better outcomes. And for all those reasons it should help to ensure the long-term viability of welfare systems across Europe.

## **6. What are the difficulties?**

Of course there are difficulties with co-production. Some problems are inherent in the approach; some are more transitional barriers in the way of establishing co-production as a normal model for meeting needs.

There is a real danger of dumping extra responsibilities on people who are already disadvantaged and disempowered, compounding the stresses and strains that burden their lives. Co-production must not be promoted as a way of withdrawing or minimising state support, but as a way of making that support function more effectively. In any case, it should only be introduced when effective measures are in place to enable people to play a bigger part in defining and meeting their needs – for example, by ensuring that they have access to decision-making processes and enough discretionary time to participate. This is partly a transitional matter of timing, and sequencing investment and change. It is partly about political agendas and who has power to determine why and how co-production becomes an essential part of welfare delivery. And it is also about acknowledging that co-production

will work better in some circumstances than others, and developing it first where there is most potential for all sides to experience the benefits.

There is a risk of compounding existing inequalities, particularly between women and men. We have noted that the “core economy” is where women do most of the work, unpaid. If co-production is to become a mechanism for nurturing and growing that economy, it must be part of a wider set of changes to redistribute paid and unpaid work more equally between women and men, and to acknowledge and value uncommodified labour.

Opportunities to co-produce well-being are already unequally distributed. People who have strong social networks, who are educated and articulate, are likely to find it easier at first and to get more out of it. The approach implies a bigger role for locally-based groups that are independent of the state. One danger of these third-sector organisations is that they can be inward looking, closed and exclusive. Individuals who don't have access to such networks, who are not educated or articulate, are thus in danger of being doubly excluded if co-production becomes the norm. It will be important for the state to safeguard individual rights and entitlements and to regulate partnerships with local groups so as to foster inclusivity and equal participation.

Barriers to establishing co-production as a normal model of service delivery include resistance from professional and public service interest groups, who may not welcome opportunities to change in ways described above, and – more generally – entrenched prejudices about the relative values of codified and experiential knowledge. Resistance may come from interest groups who have traditionally defended social democratic welfare systems against neo-liberal efforts to roll back the state and privatise public services. Powerful among these, who might otherwise be allies of the Council of Europe Charter on Shared Social Responsibilities, are public sector trade unions. Here, it will be important to involve them in early discussion and experimentation so that they have a chance to understand and own the idea, becoming champions rather than dissenters.

## **7. What are the potential benefits?**

Depending on conditions and circumstances, co-production can produce multiple benefits. Most have been discussed above. To summarise, it helps to promote well-being by giving people more control over their lives, tapping in to their own knowledge and skills and enabling people to help each other as well as themselves. It strengthens social networks and nurtures the core economy, enabling abundant human assets to flourish

and grow. It can prevent needs arising in the first place or stop them intensifying once they have arisen. It makes better use of public resources, helping to proof public services against the effects of spending cuts, to safeguard tax revenues for meeting unavoidable needs, and to make welfare systems more effective, resilient and sustainable.

## **8. Some practical examples from health and social care**<sup>105</sup>

### **8.1. *Elderplan's Member to Member scheme***

Elderplan's Member to Member scheme was launched in Brooklyn, New York in 1987. It is an example of co-production through mutual aid between service "users", encouraged and supported by a "provider" organisation. It began by encouraging members of the Elderplan insurance scheme to look after others who were slightly more infirm than themselves, to help them stay in their own homes for longer. They earned "time dollars" for the effort they put in, which gave them the right to draw down time from somebody else in the system when they needed it. It was a mutual support system that measured and rewarded the efforts everyone put in, and utilised key assets in the community.

To Elderplan's surprise, the greatest health benefits accrued not to those being helped but to those doing most of the helping. It gave them a purpose, a reason for getting out of bed in the morning. So much so that Elderplan members were allowed to pay a quarter of their insurance premiums in credits they had earned helping neighbours. Many of the services provided by Member to Member were beyond anything that could normally be offered by a health insurance company. Many are also services which money can't buy anyway. "Often you can't buy what you really need," says Mashi Blech, Elderplan's director of community services. "You can't hire a new best friend. You can't buy somebody you can talk to over the phone when you're worried about surgery."

Member to Member now has more than 10,000 members in Brooklyn, and it was a major feature of Elderplan's recent advertising campaign when it sought to expand across New York. The advertisements showed the Member to Member DIY team, originally started as a way of getting husbands involved. Their poster carried a picture of a DIY team member, complete with hat and spanner, with the slogan "Does Medicare send you a friend like George?"

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105. These examples are adapted from Boyle, Slay and Stephens, 2010.

## **8.2. Rushey Green and Paxton Green NHS time banks**

Many doctors in the UK know that patients who come to their surgeries often don't need much – or any – clinical treatment, but would benefit from a friendly visit once a week, or getting out for some exercise or doing something as part of a group. You can't usually get these things on prescription.

Two groups of NHS doctors in South London have adopted the time-bank model of co-production, where people exchange a variety of uncommodified goods and services with each other, with time as the currency. Everyone has something to offer and something to gain, without money changing hands. It is proving to be good for the participants' health.

In 2000, the Rushey Green NHS Group Practice set up a time bank. When people with long-term depression were referred to it, they found that – by putting their rusty human skills back to use helping other people – they began to feel a bit better. It wasn't long before time-bank members were supporting each other in dealing with asthma and diabetes, helping each other take exercise and lose weight, and giving up smoking. These are all aspects of delivering health that doctors are particularly powerless to do by themselves. One old lady had lived in the dark for a year because her curtains were too heavy to draw back. The time bank replaced the curtains by something she could manage. She in turn paid back by keeping in touch with isolated members by telephone.

A decade later, Rushey Green still has a thriving time bank. "It makes you feel wanted," said one Rushey Green member, "and nobody's going to forget about you." (New Economics Foundation 2002). This positive shift in self-image means people are better placed to take control over other aspects of their lives.

At the same time, the time bank has broadened the clinicians' view of all their patients. One of the Rushey Green doctors explained that the time bank had helped to form an identity for the practice, and a community shared by clinicians and patients, with a predominantly social rather than medical perspective on health and well-being. This was proving more successful than conventional patients' groups that focused too narrowly on illness; it meant that all patients benefited, even if they weren't referred to the time bank (New Economics Foundation 2002).

In 2008, a second group of NHS professionals set up a time bank in nearby Paxton Green. People who live in the area, whether or not they are actually patients at the practice, can get involved in a range of activities including befriending, visiting, assisted transport, art, creative

writing, learning practical skills, meditation, walking and much more besides. The key idea is mutual support: all these services are delivered and exchanged by other members of the time bank.

The first members were people with low-level mental health problems, including some who had been recently bereaved. There were some who had been out of work for a long time; some who just needed something to do, either because they lacked self-esteem, or because they had become very isolated. Most were under 50 and – unlike the conventional profile of volunteers – the majority were men. Many of them came to use the time bank as a kind of club that supported them to try new things and develop new skills, and then move on with their life.

What distinguishes these time banks from standard UK healthcare is that the health professionals recognise that the prevention of illness and the management of health usually need more than just clinical treatment. They also recognise that patients are people who have valuable personal assets, not just health problems: they have experience, skills, time and the human ability to connect with other people. Instead of being perceived and treated as passive recipients of services and burdens on the system, people become equal partners in delivering services.

This can be transformative in itself. A man with a long history of alcohol dependence and unemployment joined the team of volunteers promoting the Paxton Green time bank. He later reported that ten people had phoned him over Christmas – ten more than the previous Christmas, when he hadn't spoken to anyone for the whole of December. Feeling part of a social network, he became more confident, articulate and socially engaged.

In both time banks, members make decisions for themselves and take everyday risks, with little or no intervention from paid staff, as they embark on new relationships. They generate their own initiatives, which range from quilt-making and IT to games and gardening, as well as everyday support for individuals. Members say they come to appreciate more of the positive things about life (Cooke, Snowden 2009).

### **8.3. Japan's *Furarei kippu* system**

The Japanese *Furarei kippu* ('Ticket for a caring relationship') system is mainly about caring for older people. Japan has the second-fastest-ageing population in the world. The hours that a volunteer spends helping older or handicapped people in their daily routines are credited to that volunteer's time account, which is managed exactly like a savings

account, except that the unit of account is hours of service instead of yen. The time credits are available to complement normal health insurance programmes. Different values apply to different kinds of tasks – for instance a meal served between 9am and 5pm has a lower credit value than those served outside that time slot. Household chores and shopping have a lower credit value than personal body care.

These healthcare credits are guaranteed to be available to the volunteers themselves, or to someone of their choice, within or outside the family, whenever they need similar help. Some private services make sure that if someone can provide help in Tokyo, the time credits become available to his or her parents anywhere else in the country. A strong stimulus to the growth of *Fureai kippu* was the powerful earthquake that hit the Kobe area in January 1995. The capacity of the Japanese Government during an event of this scale was severely limited, and a spontaneous grassroots volunteer movement sprang up in order to complement the emergency services. The growth in these kinds of self-help organisations provided the impetus for the introduction of enabling legislation in 1998, which supported the creation of the first major wave of Japanese not-for-profit organisations.

At the end of the year, there were over 300 healthcare time-account systems operating at municipal level, mostly run by private initiatives such as the Sawayaka Welfare Institute, the “Wonderful Ageing Club” and the Japan Care System – all of them seeking to demonstrate that innovative credit systems can provide more cost-effective and compassionate mutual care than more institutional forms of care-giving. *Fureai kippu* remains widespread in Japan and has now spread to China.

#### **8.4. Microboards in Canada**

Microboards is a collaborative, asset-based approach to personalised support and care for individuals with disabilities. It is an innovative approach which recognises that individuals with disabilities, and the familial and social networks that surround them, are crucial assets in co-creating meaningful support services that are controlled by the individual concerned, while his or her wider support network is engaged and developed. The support network is formalising with a constitution, becoming a non-profit community microboard.

The approach combines the benefit of a structured personal network of committed family and friends with a technical and legal capacity to receive funding, take out insurance and hire staff. Together this small group of people works together to address the person’s planning and

support needs in an empowering and customised fashion and supports the person to plan for a good life and to achieve their goals, dreams and wishes. Microboard members bring their relationship with, knowledge of, and commitment to the person; service skills can be learned or purchased from others. The approach is increasingly widespread in Australia and Canada, and is now being developed for pilot in the north-east of England.

### ***8.5. Family-Nurse Partnerships***

Services that build on what people can do, rather than only trying to fix what people can't do, tend to change in the way people see themselves and everyone else. That was the original idea behind Family-Nurse Partnerships, which began in New York, Memphis and Denver in 1977, and which now runs in twenty states of the USA (Goodman 2006). The idea was to stop damage being inflicted on children in their first years by parents who were very young, very poor or poorly-educated – often in intractable situations themselves, with few resources, either financial or psychological.

Nurses visit young mothers, mainly vulnerable first-time teenagers, sometimes weekly, helping them to build a relationship with their babies, and improve their self-esteem and ability to operate in the world. The nurses work in partnership with the mothers and form long-term consistent relationships which last for the first two years of the child's life. The nurse can support the mother in any way that is needed, for example, providing guidance on nutrition and healthy eating, building up the mother's capabilities in breastfeeding and literacy, passing on information on sexual health and contraception, linking into local employment support services.

A nurse never has more than 25 families at any one time. The point is not to surround the mother with formal services, but to engage with the abilities they find among family members and neighbours, in order to show what kind of behaviour works with the children – teaching as much by example as by instruction.

Research has shown that these interventions carry on having effects on the individuals concerned up to the age of 28, with considerable savings to the public purse. In the very early years, it impacts on levels of child abuse and neglect. It changes the way mothers behave – there is less smoking, better nutrition, fewer infections and better emotional and behavioural development for the children. But it also seems to have an impact on the lives of the mothers – for example, they are less likely to remain dependent on state benefits. Crucially, it also reduces children's involvement in crime and

anti-social behaviour later in life (Department of Health 2009). According to the medical journal, *The Lancet*, the programme is capable of reducing maltreatment and child abuse.

The UK Department of Health decided in 2006 to test out the model in ten locations. Since then, some 3,000 families have been involved in a nurse–family partnership, and it has begun to bring about deeper changes to the way nurses think about their work. “We have had to look more closely at what engagement means – what a purposeful relationship means between a nurse and a client that can really make change happen,” says Kate Billingham, who runs the UK programme. “When you get it right, it enables you to have what would otherwise be incredibly difficult conversations. We have come to understand this about behaviour change. People have what they need within them. People can only change themselves.”

The nurses involved spend more time supporting each other’s work than they did before the scheme was introduced. “It is a mutual experience all round,” says Billingham. “It is as much about the client giving back to the nurse as it is the nurse giving to the client. It is not about sending someone out to assess you. It is about what is your heart’s desire for your baby and yourself, and how we can achieve that together.”

For the longer term, they aim to build the mutuality more explicitly into the programme, so that parents can begin to support each other more. This would bring it more into line with the conventional definition of co-production, but many other features are already in place: equal relationships between professionals and clients, designed to build up people’s capabilities, whatever they happen to be; a focus on developing broad life skills, rather than narrow one-way services.

Evidence from the United States shows that for every \$1 invested, between \$5.70 and \$2.88 is saved from future public expenditure across the health, criminal justice and social support services, and the savings are greatest for the high-risk groups who were followed up over the long term. In a study by Washington State Institute (Department of Health, 2009), the Family-Nurse Partnership has been identified as the most cost-effective child welfare and home visiting programme. Many of these cost savings come from effectively cutting child abuse and neglect. The overall costs of the programme are redeemed by the time the children are four, through reduced use of health services and welfare payments and increased earnings of the mother. The biggest long-term savings accrue because both mother and child tend to be less involved with the criminal justice system.



## **8.6. Commissioning co-production, Camden Council, London**

In 2006, the London Borough of Camden launched an innovative experiment to focus their commissioning of services on outcomes, rather than just counting the numbers of people going through services. Working closely with the council, local providers and service users, the New Economics Foundation developed a model that allows commissioners to take account of those broader effects that so often get excluded, both social and environmental (Harrington, Ryan-Collins 2009). It was initially applied to a mental health daycare service, and it meant that those bidding for the contract were also asked how they would achieve wider training and employment outcomes, improved physiological well-being, more community participation and better social networks. The tender specified:

We would encourage providers to adopt the model of 'co-production' whereby services are planned and delivered in mutually beneficial ways that acknowledge and reward local 'lay' experience while continuing to value professional expertise. Service users should be regarded as an asset and encouraged to work alongside professionals as partners in the delivery of services ... Real and lasting changes are possible with approaches that build or strengthen social networks and in turn motivate people to learn about and exercise their powers and their responsibilities as citizens. Networks of friends and families should also be considered positive co-contributors to success in this approach.

The winning tender was a consortium of Camden-based third-sector organisations, MIND in Camden, Holy Cross Centre Trust and Camden Volunteer Bureau. The consortium advocated a co-production approach to running the service, which uses peer support and mutual exchange to create a mutually supportive network of people around the service.

By treating service users and the wider King's Cross community as potential assets, rather than as passive recipients, the consortium delivering Camden's daycare services has been able to leverage previously invisible or neglected resources – the capacities and knowledge of service users and the wider community itself, who provide support to each other, anything from advice to gardening and assisted transport. It has enabled the consortium to focus on the broader social, environmental and economic aspects of the service, as well as on preventative work that encourages independence and inclusion in mainstream community activity among those dealing with mental health issues.

## 9. Towards a wider application of co-production

Co-production embodies shared responsibility. It is both an important practical expression of the concept and a means of developing and embedding it in public policy and everyday life. So far, it is no more than a marginal activity, confined to the perimeters of theory and practice. Yet if it has real potential for improving outcomes for people and promoting the transition to shared responsibility, then it is important to find ways of moving it out of the margins into the mainstream. The examples set out above are of co-production in health and social care settings, mainly in the UK and the USA. How far – and how – can co-production be extended to other settings and other countries? How can it become a default mode of thinking and acting, rather than an exception to the general rule?

To move towards a wider application of co-production will require similar steps to those needed for the wider application of shared responsibility:

- develop a shared understanding of the essential features of co-production and how these relate to shared responsibility;
- identify further examples of co-production in practice – drawn from other European countries;
- examine the potential scope of co-production – are some activities, settings and locations more or less amenable to co-production?
- evaluate co-production schemes, gather evidence, build and disseminate knowledge about proven and potential benefits, especially outcomes for those involved and cost-effectiveness;
- identify barriers to wider application, and consider how these barriers can be overcome;
- draw out the implications for public policy, at local, national and transnational levels, of a wider application of co-production;
- build capacity for co-production, and a supportive culture of shared responsibility;
- foster equal partnership and participation.

Points listed above are examined in more detail in sections 9.1 to 9.8 below.

### ***9.1. A shared understanding of essential features***

The essential features of co-production are set out in section 3 above. There is room to scrutinise and develop the list and to arrive at a broad

consensus of what constitutes co-production. This is not about imposing a specific formula or blueprint, but about understanding the underpinning principles and how these can be applied in practice. It will be important to distinguish between co-design and co-production and to understand that, while they belong to the same spectrum of participative decision-making and action, co-production is a much fuller development of the concept.

## **9.2. Identify further examples**

UK experience suggests that examples will be found that are not formally described as co-production but share the same or similar essential features. Finding examples that reflect the principles and practical approaches of co-production will help policy makers and practitioners to take ownership of the idea and grow more of their own, local examples. It will also help to build and disseminate knowledge about what co-production is and what difference it can make.

## **9.3. Examine the potential scope for co-production**

Co-production is not universally applicable. Emergency health care, as an obvious example, cannot be co-produced in equal partnership with a patient who is seriously injured or unconscious. Co-design is sometimes more easily introduced than co-production; in some circumstances it may be appropriate to limit the extent of sharing to co-design, but in others only going so far will be a missed opportunity. We need a better understanding of the settings and circumstances that provide the best opportunities for wider application. This is a matter for research as well as practical experimentation over time.

## **9.4. Evaluate, gather evidence, build and disseminate knowledge**

Some evidence has been gathered about the social and economic costs and benefits of co-production in a range of settings – see for example, summaries in *The challenge of co-production* and *Public services inside out* (NESTA 2009, 2010). More work is needed to draw together and analyse findings from existing research literature. There is no consensus on how to evaluate co-production and so further work is required to develop suitable evaluation frameworks. These will need to incorporate methods such as SROI (social return on investment) to measure the social as well as the economic costs and benefits over the medium and long term, not just the short-term financial bottom line. A robust evidence base about the effects of co-production will be essential for wider application.

### ***9.5. Identify barriers and how to overcome them***

Barriers to establishing co-production are listed in section 6 above. Some barriers arise from the real difficulties associated with co-production, such as dangers of widening social inequalities and adding to the burdens of those who are already most disadvantaged and disempowered. Other significant barriers include resistance from professional and public service interest groups, political resistance from those who fear co-production is about replacing state services, and entrenched prejudices about the relative values of codified and experiential knowledge. There are further problems associated with the challenge of transforming well-established systems and processes, and entrenched professional cultures. Through research, dialogue, practical experience and analysis, these barriers must be well understood and ways found of addressing them.

### ***9.6. Draw out the implications for public policy***

Public policies – at all levels – can do much to encourage or discourage co-production (and shared responsibility). How public policies develop in this regard will be a deciding factor in whether it becomes a mainstream or default model for identifying and meeting needs, or remains in the margins. This means combining capacity-building and partnership working at grassroots level with the creation of systems, processes, professional training, public funding and regulatory regimes that support the wide-spread application of co-production.

### ***9.7. Build capacity and a supportive culture***

Governments cannot simply impose co-production. Essentially, this approach must be developed in partnership with people at local levels, developing their capacity and willingness to participate. This has to be seen as part of a paradigm shift, where dominant cultures of top-down, curative provision and professional authority give way to respect for different kinds of knowledge and experience and a genuine enthusiasm for mutualism and shared responsibility. Different kinds of enabling support will be required at local level as well as more tolerance for risk and diversity.

### ***9.8. Foster equal participation***

Promoting co-production and shared responsibility has the potential to shift the paradigm away from individualism, consumerism and choice towards greater equity and mutualism. But whether it makes any difference will depend on who participates in what and with whom. Partial and exclusive participation will compound existing injustices. An over-

riding commitment to equal participation will be essential if the transformative potential of co-production is to be realised. But how is equal participation to be achieved? A separate article in this volume points out the characteristics of equal participation as a prerequisite for co-production and shared social responsibility. Key strategies for promoting equal participation include: tackling the underlying causes of inequality; building capacity for participation, especially among those who are disadvantaged and disempowered; developing appropriate models for engagement and participation, including customised outreach to marginalised groups; and changing attitudes and norms.

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## **MANAGING SHARED SOCIAL RESPONSIBILITIES: AN INSTITUTIONALIST FRAMEWORK**

*Bachir Mazouz<sup>106</sup> and Nouredine Belhocine<sup>107</sup>*

Major developments in the political, security, economic, social, environmental and ecological fields have led the corporate world, governments and various social groups to investigate the concept of shared responsibility, backed up by extensive documentation. In this article we are positing that the very survival of capitalism (Diamond 2006; Stiglitz 2003; Weber 1967), and the democratic systems of governance supporting it, will depend on the capacity of public and private stakeholders to rethink the fundamentals, drawing on the need to integrate all levels of responsibility (De Soto 2000; De Serres 2005). In our view, consilience among states, corporations and civil society stakeholders (Mazouz and Tardif 2009) can provide a conceptual and methodological framework well suited to this task. Of course, the integration of governance systems with shared responsibility must be informed by solidarity and ethics, not solely economic prosperity and ecological demands (De Serres 2005: 169; David, Dupuis and Le Bas 2005: 24; Capron 2005: 47).

In the light of the risks facing humanity and our planet at a time of global interdependence, the international institutions, particularly those that were set up just after the Second World War, first of all subscribed to principles supporting multilateral action and intervention bodies enshrining co-management at the level of states in crisis. Between 1944 and the early 1970s, the Bretton Woods Agreements helped create an economic, financial and monetary environment that was co-managed at global level and was fairly stable (Graham and Seldon 1990). Recognition of a certain idea of corporate social responsibility by the United Nations Environmental Programme (UNEP) and the Maastricht Treaty in 1992 marked a turning point in the life of the European Community, and in 1996 institutionalised the question of Corporate Social Responsibility (CSR Europe). Since 1997, defenders of the Kyoto Protocol have continued to aspire to a new global awareness and implementation of binding rules to reduce pollutant emissions, an effort which has become urgent for the survival of fauna and flora,

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if not for the whole of humankind. Lastly, since October 2008, the intensity, frequency and complexity of global consultations among the heads of state of the industrial powers (G8) and the emerging economies (G20) have brought a common determination to implement shared responsibilities vis-à-vis the integration of specific public missions of a global nature, such as security, the fight against poverty, global warming and public health.

These missions have become increasingly difficult to govern and too costly, leading to intensified pressure from civil society representatives and lobbyists in the business world, at local government and supranational/international levels. Rights of supervision and effective participation in both the formulation of issues falling under public policies and programmes and the search for sustainable solutions, decision-making, and the funding and operation of the relevant services, are now giving rise to legitimate concerns.

However, despite our political leaders' apparent willingness to intensify sharing of responsibilities vis-à-vis assignments carried out by states, corporations and civil society, the definition and operationalisation of shared responsibility are still extremely complex. We set out a conceptual and methodological framework below to help clarify the concept of shared responsibility by means of two governance variables: the aim of public or private action, and the decision-making structure put in place by the stakeholders involved. Accordingly, the first section presents a series of major developments affecting the aims and structures of governance and dictating rationales to support greater shared responsibility. In the second section we outline four organisational configurations facilitating the management of cases of shared social responsibility. Before the conclusion, we discuss the fundamentals behind the need for state–corporation–civil society *consilience*, with contextual predominance by the state and its institutions in seeking out and consolidating the common good, social cohesion, the economic prosperity of nations and survival of fauna and flora.

## **1. Background to and preconditions for shared responsibility: the era of state–corporation–civil society consilience<sup>108</sup>**

“The bill for the ecological disaster and the serious economic consequences of the oil spill will be paid by BP .... The ultimate responsibility

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108. The ideas in this section are based on the analysis of Mazouz and Tardif (2009), “Vers une meilleure gouvernance publique. La nécessaire consilience entre État, entreprise et société civile” in Michel Kalika, *Les Hommes et le management: des réponses à la crise*, Economica, Paris, 2009.

of the American Government .... BP shareholders must waive their dividends". This statement was made by Barack Obama during his meeting with Bob Dudley, the Director General of BP, a powerful corporation, in a context fraught with social, economic, ecological and political demands. Faced with the complex background to the explosion of DeepWater, the dilatory "clear response" from the American president in terms of determining BP's responsibilities and Anglo-American pension funds showed the limitations of the legal and administrative options. It should be borne in mind that Barack Obama took 40 days after the explosion of the BP oil platform in the Gulf of Mexico to issue a statement levelling serious ethical, ecological and social charges against the directors of BP, taking charge of the damaged coastal areas and caring for the populations affected, and demanding new legislation on the nature of the responsibilities to be assumed in such situations (Dowd 2010; Lesnes 2010).

On 31 August 2007, in a different, though similarly sensitive, not to say explosive, context, George W. Bush, alerted by his financial and economic advisers, was forced to adopt a series of economic measures to help US households retain their properties in the face of sky-high debts. The Federal Housing Administration was instructed to change its rules in order to relax the conditions for mortgage repayments and modify the Federal Government's tax system. Although he limited the American Government's responsibility by arguing that the households' problems had been caused by speculators making the wrong decisions, G.W. Bush was openly advocating state responsibility vis-à-vis the financial institutions, which had been hit full-force by the commercial paper crisis.

On 28 January 2009, still in the field of state responsibilities in crisis situations, at the initiative of Barack Obama, the House of Representatives adopted emergency measures to relaunch the American, indeed the world, economy. The 2009 Recovery and Reinvestment Act earmarked 58% of the overall budget devoted to relaunching companies for local and regional economic incentives, and 42% for tax cuts. As regards private corporate directors, whose responsibilities were highlighted, the Obama plan provided for one measure, probably the most draconian ever thought up in this field by a US Federal Administration, limiting the annual salaries of corporate directors in receipt of "special state aid" to \$500 000 (Mazouz and Tardif 2009).

Of these few illustrations of the apportionment of responsibilities in a crisis, history will record that the measures adopted by the United States Government were neither marginal nor specific to the system of government of this legalistic country, with its extreme liberal traditions. They were

preceded or followed by other measures which were even more spectacular, implemented by governments even more sceptical about interventionism. Historical analysis of these plans shows that they all share the fact of challenging state responsibility for the devastating effects announced in the wake of corporate dysfunctions and appeals for help from representatives of civil society.

These challenges are based on a number of questions stressing the nature of the responsibilities and the machinery for determining them: what responsibilities are specific to the state, the corporations or civil society in terms of the immediate or distant consequences of the economic, ecological and socio-political disasters denounced on all sides? Should the post-bureaucratic state, the post-industrial company and the post-modern civil society be more independent than caring vis-à-vis other states, foreign companies and societies? In companies, is it the principal or the agent who should be held responsible for the serious consequences of the plethora of dysfunctions we have been witnessing? Are company directors politically responsible for the major dysfunctions noted in the national and international economies? In civil society, should responsibility be assumed individually or collectively? More specifically, what share of the blame goes to groups and local communities for the dysfunctions consequent on lobbying action geared to blocking the execution of large-scale projects?

This threefold political, legal and social challenge provides food for thought on the prerequisites and urgent need for, and the prioritisation of, shared responsibility among players from the state, the corporate world and civil society. In crisis situations, it would be empirically justified to prioritise the responsibility of the state and its institutions. In situations of growth or stability, shared responsibility would involve establishing a system, rules and mechanisms for managing "improved co-existence". In such cases, what is at work is a dynamic of community life in which political, economic, social and ecological rationales must be linked by governance through consilience: mutual recognition of diverging interests, while acknowledging that the objectives can converge.

It was particularly the work of Douglass North which boosted the understanding of the role played by the institutions (Scott 2001) in transforming states (Mazouz et al. 2004; Rockman 1998; Sorman 1985), companies and societies (North 2005). Whether we consider systems of values and beliefs or legal and statutory provisions, it is via their direct and indirect effects that the institutions affect the structures and therefore the modes of operation of a given society (North 1991), economy (Gauthier and Gomez 2005), a public or private organisation (Desreumaux and Hafsi 2006, Kéramidas 2005)

or a whole society (Aktouf 2008; Kempf 2007; Stiglitz 2002; Mayo 1945). Even though it is usually accepted that the state plays a predominant role in any system of public governance, the precepts of public co-governance, seen from the angle of shared responsibilities, can be justified by the state adapting to the context in order to fulfil the conditions for sustainable social development, global ecological requirements and the prosperity induced by economic growth. This calls for a threefold commitment to act in accordance with the legitimate needs of all parties, in the legitimacy of the public and private objectives and in managing the structures, activities, tools and processes put in place by all those involved. This sooner or later brings us back to more managerial considerations vis-à-vis shared responsibility: how are we to comprehend and manage such responsibility?

In order better to comprehend shared responsibility in all its complexity, we set out a conceptual framework below, differentiating four types of shared responsibility from the institutionalist angle (North 2005; Scott 2001).

## **2. Managing shared responsibilities: typology by objective and decision-making structure**

In *The two faces of management*, Joseph L. Bower, one of the founders of the Kennedy School of Government, demonstrates all the nuances surrounding the boundary between business administration and public administration, sixty years on from the inauguration of the Harvard School of Business Administration (Bower 1983). Whether in the areas of values, structures, managerial frameworks or measurement and supervisory instruments, private companies differ from the other organisational forms used in civil society and from state institutions. Since the objectives are different – profit rather than the common good, the general interest, social cohesion and collective well-being – it would be illusory to suggest that all these organisational bodies serving a given area are equally prepared to recognise any kind of shared responsibility.

In the eyes of citizens and civil society representatives, the state and its institutions are responsible for the whole area of community life. To corporate managers, responsibility for their organisations is determined by law, with its rules and regulations. Where the state is concerned, the accountability of politicians and administrative responsibility of institutional staff are still stuck in a specific conception of public authority, namely not having to account to the general public or the corporate world. And so when it comes down to it, judges, lawyers, litigants, beneficiaries, and sometimes even constitutionalists, have difficulty delimiting their responsibilities.

In the case of such complex problems as mass educational underachievement, public health, safety in public areas, ecological problems, entry to the world of work, and fair and equal opportunities, to mention only some areas of public action, responsibility still has to be apportioned between stakeholders who prefer to assign it to others rather than assuming it themselves. They have good reason for this, as the increasing overlapping of levels of public and private action and of missions taken on by the parties involved further complicate the areas where delimitation of responsibilities is required. Moving from limited responsibility to shared responsibility is a major change of paradigm which we must accept and effect if we want to “improve our living together”.

To shed light on the necessary transition to shared social responsibility, we suggest combining two governance variables: the aim pursued by stakeholders involved and the decision-making structure put in place to ensure governance. We thus obtain four configurations of shared responsibility which are operable, in the sense of manageable (Table 1). We begin by explaining the “governance variables” and then discuss each of the shared responsibility configurations obtained.

**Table 1: An operable typology of shared responsibilities**

		<i>Aim of the actions</i>	
		<b>Private</b>	<b>Public</b>
<b>Decision-making structure</b>	<b>Unilateral</b>	Co-responsibility vis-à-vis citizenship and social conscience	Political co-responsibility for results subject to accountability
	<b>Shared</b>	Co-responsibility vis-à-vis resources	Co-responsibility for social cohesion

**2.1. The aim of actions: public v. private**

If we define shared responsibility as the fact of being responsible together with other individuals or organisations, the question necessarily arises of the legitimacy of the parties involved, the aims pursued, the values underpinning the exercise of responsibility, and the outputs and outcomes of sharing responsibility for persons, organisations and society in general.

Traditionally, the public objective is opposed to the private objective in that it is difficult to dovetail the public interest with the private interests of individuals and organisations (McKean 1993). Furthermore, the

public interest cannot be reduced to a mere sum of individual interests. The public aim underpinning public interest services in the management of common assets and the prerogatives of the democratic law-based state, is the general interest; it is geared to developing social cohesion and ensuring social integration and the exercise of citizenship, whereas the private objective is mainly intended to satisfy specific (indeed selfish) interests, even though some private corporations can be deemed to play a major social role, adopting civic conduct. The public aim, which is very complex, has a potentially enormous impact on the main social balances, while the private aim, which is very simple, is not supposed to prioritise considerations of social well-being and improved “living together”. Indeed, we would contend that the aim of actions very broadly influences the attitude of the stakeholders to sharing responsibility.

In fact, the apparently contradictory nature of the two interests should not lead us to systematically sacrifice the common good to corporate profits, but rather to permanently seek to reconcile the two, or even to secure social cohesion and improved “living together”. In the most advanced Western democracies, the regulatory state, the individual as a central “value” to be respected and the corporation as a main place of wealth production already maintain relations based on consilience: mutual recognition of divergent interests. By taking over the real or imagined opposition between the public objective and the private objective, and prioritising the consilience concept, we think we can identify a potential means of sharing responsibility between the public administration and private bodies, whether civic, associative or corporate, from the angle of improving the management of social demand and the whole range of societal issues.

## ***2.2. Decision-making structures: unilateral v. shared***

The decision-making process, which is an integral part of any governance structure, breaks down into two main procedures: unilateral decision-making and shared decision-making. If private individuals and organisations tend to prioritise autonomous decision-making in accordance with the aim pursued, guaranteeing their exclusive interests, this does not hold for the public administration, which manages several interfaces of a primarily ideological, politico-administrative, economic and social nature.

The fact is that the bureaucratic structures served by managerial frameworks for highly centralised public affairs have failed, showing their incapacity for effectively managing today’s increasingly complex and pluralistic social demands. Furthermore, this situation is obviously not due solely to the lack of efficiency and efficacy which has characterised public action, or

to the scarcity of resources which is often used as an excuse by politicians, at least at national level (disengagement from specific services, privatisation etc.), but stems mainly from realignment of the state's role in the context of market and economic globalisation and the phenomenon of growing interdependence, which is seriously undermining governments' political power and their influence on civil society.

The preservation and improvement of the public service now necessitate partnerships with the other players in society. Public bodies can no longer independently ensure the production and distribution of public assets (services): they must look for complementary resources, expertise and indeed legitimacy (Mazouz 2009). The question of decision-making power arises in the context of exercising (real or potential) shared responsibility. Shared responsibility presupposes, as a minimum, sharing decision-making powers, participation in implementing the decisions, an accountability mechanism and a right of inspection vis-à-vis the results obtained.

### ***2.3. Co-responsibility in terms of citizenship and social conscience***

The state of democracy can also be gauged by the level of participation of civil society in the management of public affairs. The exercise of citizenship presupposes both a desire on the citizens' part to get involved and a state ability to optimise this. The first level of analysis of shared responsibility involves the citizen or private organisation complying with the law and observing the rules of the game for communal living environments: we are held responsible for what we do or fail to do, in view of the consequences. In this case the responsibility is objective. On the other hand, genuine social commitment is the result of a social construct, one created by interaction among individuals, between organisations and the state or else among individuals, organisations and the state. This type of responsibility is subjective. It is a qualitatively higher level of responsibility, which must be targeted and encouraged by public authorities to encourage the emergence of genuine active citizenship, reinforcing individuals' capacity to control their own lives and contribute to social cohesion (through empowerment), combating political cynicism and the loss of meaning in public policies, and, lastly, ensuring the development of political, social, economic and ecological innovation.

Citizen initiatives emerge and develop wherever states and their organisations have proved incapable of fulfilling their roles. Without trying to replace the traditional channels, these initiatives constitute alternative ways of dealing with social challenges, whether at global, national or local level.

Communities and organisations can adopt a socially responsible attitude targeting collective well-being, spurred on either by individual realisation or by legal or social coercion. Above and beyond actual altruism, this may involve a strategy of contributing to the community, seeking consistency with socially prized values or attempting to meet selfish needs. For corporations, the approach usually looks somewhat like a business strategy that is morally acceptable, ethically correct and even economically profitable. It is for the public institutions to exercise their regulatory and arbitrating powers to attempt to improve social cohesion.

The 25 November 2009 edition of the Quebec newspaper *Le Devoir* published an article entitled “Responsibility pays”, summarising a series of studies of responsible investment that demonstrated a positive link between the return on an investment portfolio and respect for environmental, social and good governance factors. We could list more such examples *ad infinitum* to illustrate similar processes in other fields. However, in the continuum of responsibilities, initiatives by private stakeholders cannot ensure social cohesion on their own; intervention by the public authorities, in a spirit of sharing, can also transform personal concerns into a genuine socially productive process.

#### **2.4. Co-responsibility vis-à-vis resources**

This type of shared responsibility relates to action taken by grouped players from the angle of resource complementarity, the quest for efficient interface management and the effort to improve negotiating powers. Even though such action, which is often based on shared views and values, is generally driven by private players, it may be interesting in some respects for public policies and social cohesion. All kinds of groupings (federations, professional and sports associations, etc.) are adopting a proactive approach in order to try and influence policy with a view to obtaining a benefit which is, at least initially, corporatist in nature.

However, beyond their strict lobbying activities, organised, and sometimes institutionalised, such players as individuals or corporations, acting autonomously, play a major role in society by providing a forum for individual and collective investment. Furthermore, depending on the nature of the activities (economic, social, humanitarian, recreational, etc.), these organisations may turn out to be genuine community service producers and providers. To that extent they share responsibility with the public authorities for services aimed at the community or the general interest. For instance, the Medical Association definitely promotes the production and supply of medical care, even though the public health system comes,



and strictly must come, under the responsibility of political authorities. This is the type of consilience that the state must provide for.

For example, the 18 November 2009 edition of the newspaper *Le Devoir* also announced the launch of the Institut de Politiques Alternatives de Montréal, presenting it as a credible development model for the conurbation. This civil society scheme is geared to organising non-institutional players' contributions to municipal policies. It provides a forum covering business/socio-economic milieus, neighbourhood organisations, women's groups, ethno-cultural communities and environmental NGOs. This new player is a genuinely innovative force on the municipal scene, interacting with the municipal authorities on the whole range of issues deemed important to the community. Obviously, it is never a case of the public authorities systematically acceding to requests from the private sphere; instead, they must exercise their powers of regulation and arbitration in the public interest and for the benefit of social cohesion.

### ***2.5. Political co-responsibility for results subject to accountability***

The governance and management model for public organisations which predominated for decades was (and/or still is) based on a vertical organisation of state intervention. Responsibilities are still apportioned into fields of competence largely corresponding to the various public fields of action: health, social services, employment, defence, justice, education, security, transport, culture and so on. Despite the attempted decompartmentalisation under administrative reforms and modernisations of public organisations, there are still some bureaucratic hangovers today and a culture of departmentalisation which prevents integration of the public apparatus for service supply and social demand. The vertical work culture, a technocratic approach, a top-down rationale and limited, ad hoc sharing of responsibility are the main features of this model. Nevertheless, the trend towards a form of transversality confirms a desire on the part of ministries and other public bodies which are more attuned to measuring and evaluating results to involve community resources in order to fulfil the requirements of the accountability mechanism (Mazouz and Leclerc 2008).

Two main risks arise from compartmentalising political/administrative action and the associated autonomous, indeed unilateral decision-making process. First of all, the bureaucratic apparatus drifts away from the social reality on which it is supposed to be based and which it is supposed to serve. Secondly, the risk of diluted responsibilities increases when it becomes difficult to demarcate specific areas of intervention in a context

where socio-economic issues become confused, problems cut across the board and conflicting assessments emerge. In order to deal with these risks, the accountability mechanism strives to take up at least part of the challenge of institutional innovation. While all ministries and public bodies must, from the strict angle of their assigned task, account for the results of their action vis-à-vis their terms of reference and mandates, no one single body, however politically responsible, can nowadays deal with the whole range of social issues and problems, with their unprecedented complexity. For instance, questions arising in the educational field, such as children dropping out of school, teaching quality and resource shortages, must be addressed on the basis of multilateral public action, with contributions from a range of social and economic players. Given the size of this phenomenon, intervention by the Ministry of Education alone is insufficient. The arguments put forward by the educational sector mainly revolve around the idea that education is everyone's business and responsibilities must be shared.

Obviously, if sharing of responsibilities is not to mean mere dilution of responsibilities, a number of preconditions for success must be respected in this type of configuration, such as accountability quality, consultation/deliberation mechanisms, co-ordination and leadership.

## ***2.6. Joint responsibility for social cohesion***

Discussions and policies on "modernising" public management, as implemented by states, place the results of public intervention at the heart of the reform mechanism. Public organisations, which are now more sensitive to social demand, are also subject to political accountability. These new orientations have unavoidable effects on modes of management, production and provision of public services. At a time when socio-economic problems are becoming ever more complex, unilateral (vertical) intervention has already shown its limits in terms of improving efficiency and effectiveness. Two major changes have occurred, considerably altering the modes of intervention. Firstly, ministerial players are forced to co-operate (horizontal co-operation), and secondly, they must link up with various other stakeholders in society (vertical co-operation). This has brought out a series of permanent or ad hoc structures within the administrative set-up, such as inter-ministerial committees, committees of partners, round tables and other co-ordinating bodies. Co-operation and co-ordination thus become the guarantors of effective and efficient action.

Against such a background, how can we speak of shared responsibilities, when only the public institutions are held accountable? In fact, must

shared responsibilities also involve sharing accountability among those who have an obligation to produce specific results?

The case of policies for managing immigration in Quebec might shed some light on these matters. For a long time, the management of and responsibility for immigration in Quebec were exclusive matters for the Ministry for Citizen Relations and Immigration (MRCI). Accountability requirements and the complexity of immigration issues led the MRCI and the whole government to radically change the paradigm for intervention by transferring responsibility for immigration files to all the ministries and bodies playing roles deemed important for immigration affairs. Ensuring that an immigrant child has a successful school career is not a matter solely for the MRCI. Similarly, the MRCI cannot be held exclusively responsible for the abnormally high unemployment rate among immigrants as compared with the overall population. Moreover, for a number of years now the MRCI has been developing a partnership with the national network of organisations responsible for the reception and integration of immigrants, concluding service agreements to assign this network much of the responsibility, primarily on account of the expertise and efficiency shown by such community bodies. Lastly, decentralised structures have been introduced to manage immigration affairs, combining all public, quasi-public, community, municipal and private stakeholders involved to varying degrees in managing immigration. These stakeholders help develop, implement and assess local policies. Co-ordination is based on allocation of resources and distribution of the requisite roles. Leadership is provided by the MRCI, but decisions are taken on a collective basis, and participation in the corresponding decision-making body is free and voluntary.

The ability to manage interdependence and common views are key factors for the success of this type of organisational configuration. Sharing the design, implementation, funding, operation and evaluation of the action taken, combined with effective political accountability, probably represents a useful means of managing shared responsibilities in the area of public affairs.

### **3. The challenges of state–corporation–civil society consilience**

The institutionalist approach underpinning our typology of shared responsibility points to the need for consilience between state, corporations and civil society, subject to a contextual predominance of the state. In other words, in situations of (major) crisis, the predominant role assigned to the state and the public institutions is regarded as legitimate, to the extent

that such institutions embody the values, rules and standards governing any process of paradigm change in terms of governance and the exercise of social responsibility.

However, it is not enough for the public authorities to issue the corresponding regulations for such a change to become the general standard recognised by all stakeholders and representatives of the economy, ecology and civil society. In our view, various modes of institutionalisation should be combined, converging towards normalisation of shared responsibility as a new frame of reference. There are three modes of institutionalisation (Scott 2001):

- regulatory institutionalisation, with the state imposing and dictating rules;
- prescriptive institutionalisation, whereby respect for values is a social obligation;
- cognitive-cultural institutionalisation, where individual behaviour and attitudes are dictated by the (dominant) culture.

Far from being mutually exclusive, these three modes of institutionalisation are complementary, optimising the chances of the nascent paradigm being consolidated as a frame of reference for managing conflicts and social problems. If a new frame of reference is to be structured and accepted by all, it must be supported by a form of social obligation and be culturally rooted in society. These theoretical considerations enable us to envisage the issue of shared responsibility as a radical change to our organisation of society and *Weltanschauung*. Given the long-term, complex nature of this change, regulatory intervention by the state is not enough on its own. If the state wishes to encourage change, or at least not to stand in the way, it must permit or facilitate action by different stakeholders in society, leaving them sufficient leeway vis-à-vis the objectives pursued and the governance structures established to that end. The difficulty arises where state intervention, despite being increasingly necessary, proves inefficient and ineffective because of the complexity of modern societies and the risks of conflict arising from the growth of individual freedoms and the fragmentation of interests and prescriptive frames of reference. We might remember here that, in Durkheim's thesis, this complexity is due to the tendency of societies to differentiate and divide up labour, causing highly ambivalent phenomena which increase the productive capacity of economic-political systems, but also augment the risk of loss of reference points and anomie.

If, using the systemic approach, we accept that the organised stakeholders in society (sub/systems) naturally tend to develop their own frames of

reference (self-production of values, meanings, standards, etc.) and aspire to autonomy, it becomes necessary to establish a central regulatory and adaptive structure, particularly when it is a question of determining responsibilities in contexts of conflicted relations between various stakeholders, or in crisis situations where general values, rules and standards for action are in doubt.

This theoretical explanation highlights change as the result of interaction among the stakeholders, who have a relative amount of leeway and a legitimate framework for negotiations established by the state. In a society based on differentiation between the parties involved (sub/systems), who have their own specific systems of values and standards with differing, indeed contradictory, operational rules, the political sphere is the forum *par excellence* for the whole range of demands expressing diverging interests.

The next question is the basis for the requisite political decision taken (Muller 2005). Shared responsibility is the necessary new paradigm when, firstly, all the stakeholders have adopted it as a means of managing and addressing social, economic and ecological questions, and secondly when it is integrated into the political action of parties involved. This combination of local (organisational or sectoral) and global levels of responsibility guarantees the emergence and development of the new frame of reference based on sharing. The legitimacy of shared responsibility via its institutionalisation will, in one way or another, ensure its irreversibility, gradually disqualifying the legalistic paradigm and making any attempt by the stakeholders to shirk it economically costly, politically inadmissible, ecologically risky and ethically unacceptable.

The rise and rise of the concept of corporate social responsibility (CSR) is a good illustration of our thesis. In the absence of legislation imposing any kind of social role on companies, interplay between the various stakeholders (unions, the state, anti-poverty pressure groups, etc.) has helped establish a new paradigm, which is enabling us to reconsider the place of corporations in society and in the redistribution of wealth. Although not yet completed, the research in support of this new paradigm must be heeded by policy makers and economic operators as of now, because it shows that the costs of non-compliance are increasing and that any attempt to return to the old frame of reference could be suicidal (Alberola and Richez-Battesti 2005; Perez 2005; David, Dupuis and Le Bas 2005). The environment issue is a further example of advanced institutionalisation of the shared responsibilities concept, to be closely monitored in view of the dangerous consequences of the DeepWater explosion in the Gulf of Mexico.

## Conclusions

The typology of social responsibilities that we have set out here refers to the rationales adopted by stakeholders working in a given action space; this refers to the public/private objectives pursued by institutions and companies, and the governance structure, using the decision-making method, which determines the leeway available to political, economic, social and ecological stakeholders. The idea is that strategies for state intervention in the process of developing the new frame of reference must be modulated and orientated according to context (challenges, processes, interests and stakeholders involved). Whether promoting citizen participation and an individual sense of responsibility, prompting private organisations to adopt a code of conduct, or reforming the management of public organisations and, more broadly, public governance, the contextual predominance of the state is legitimated by its historic role of regulating, educating and legislating on the leeway available to the various parties involved in the process of exercising responsibility.

In this context, our matrix is geared to pinpointing the various configurations by specifying the type of strategy to be implemented, depending on the particular scenario, with an eye to reinforcing the process of transforming the reference frame – moving on from a fragmented and fragmentary, individual conception of (limited) responsibility to a responsibility shared by several stakeholders following potentially conflicting rationales. This matrix incorporates configurations in which individuals and private organisations play a role in the process of establishing and developing the new frame of reference, as well as configurations in which the state needs to modify its modes of intervention through public institutions. The state cannot promote a culture of participation and accountability without accepting genuine sharing of responsibility. In so doing, it is responding appropriately to the complexity of the processes and decisions relevant to society.

By the same token, the political institutions simply cannot continue to function according to the traditional limited-responsibility model. Attempts to modernise and reform public administrative apparatuses in various places are geared to breaking free of sectoral rationales, which are a major constraint on governments. The inter- and trans-sectoral strategies and policies to address issues that transcend sectoral boundaries are intended to overcome exactly this constraint. Long-term assaults on issues like poverty, urban crime and violence, fair wages, integration of immigrants, educational underachievement and dropping out of school require not only action by several public and private players but also a degree of coherence if they are to be successful. Public apparatuses as

set up post-war often prove incapable of responding appropriately, and above all effectively and efficiently, for various reasons. Consequently, the drive to modernise government departments should facilitate not only the redistribution of responsibilities among the different components of the apparatus but also improved consideration of the role of civil society in the management of public affairs.

The operational typology of the four configurations of shared responsibilities discussed in this paper faithfully reflects the diversity and complexity of situations involving the quest for economic prosperity, social cohesion, environmental protection and improved “living together”. It is geared to highlighting the relevant levels of public authority intervention, in accordance with four organisational configurations of responsibilities as apportioned among the public/private stakeholders. We contend that these categories of shared responsibilities are directed at concerted public action, in that it is primarily for the state to elicit, mobilise, orientate and regulate the action of all players in society and the economy in accordance with the consilience principle. To that extent, we have confirmed the contextual predominance of the institutions in seeking to improve civic “living together”. The financial crisis we are now experiencing and its disastrous consequences show, with crystal clarity, that deficient arbitration among the divergent interests of the state, the corporate world and civil society can open up major fractures and undermine the well-being of many innocent citizens for the foreseeable future.

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# THE ROLE OF EDUCATION IN SHARED SOCIAL RESPONSIBILITIES

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## Introduction

An initiative to revisit traditional approaches to conducting public affairs, taking responsibility for them, their implementation and evaluation, has been needed for a long time. If the principle of shared social responsibilities, in the way the Council of Europe has envisaged it, falls on solid ground, if it is understood and embraced by all stakeholders, it could very well pave the way for a new social paradigm. However, this is by no means self-evident. For a real shift to come about, society at large needs to understand and internalise the concept, and among other things should receive proper information and necessary education enabling everyone to take part in processes of shared social responsibilities.

This article examines the role of education in building a society of shared social responsibilities. It will start by introducing some conceptual dilemmas, and then look at two specific educational approaches – formal and non-formal – which need to be used to complement each other to put this paradigm into practice. We argue that both these forms of education can bring added value, each in its own way, and that they deserve to find their proper place in the wider context of shared social responsibilities.

## A call for a conceptual clarification

Before this process can become owned by all, it needs to be understood by all. It is therefore important that people it will address will be able to grasp its message. While it is evident that shared social responsibilities will need to be built in interaction with each different local reality and while it is also obvious that the whole concept is not a definition but a challenge to change, it is necessary to make sure the wider audience will be able to interact in relation to it.

Several questions are raised by such a new approach. For example, shared social responsibility may give the impression that this is about “everything by everyone”, which in practice unfortunately too often leads to nothing by no one or, optimistically, a bit by a few. People may be intrigued to

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see whether it replaces the institutional stakeholder participative model or complements it, and whether it does not run the risk of creating a power imbalance between those who participate and those who do not, as with the stakeholder model. Then, even if the concept of shared social responsibility is new, the practice of deliberation on issues of concern to all is probably as old as humanity. Perhaps the key problem is the fragmentation of identity and group cohesion combined with an unprecedented scale of decision-making processes.

How does one address all this? It begs the question whether shared social responsibility is even possible and whether in practice it retains its meaning at national, European and global levels, or becomes just a representative social responsibility, whereby stakeholders build parallel democratic structures to interact with democratic institutions.

We would therefore advocate clarifying the concept of shared social responsibility as an evolved practice for democratic decision-making, aimed to complement representative democracy. Through gradual implementation of this practice, other social issues will be more easily resolved and society will make a small but significant step in human progress, respect for everyone's dignity, rights and needs, towards recognising each person's contributions and towards a sustainable life on the planet.

## **Education and shared social responsibility**

The most crucial belief that tends to underpin discussions of shared social responsibility seems to be that, at some point, the well-being of all will be accepted as the subject of shared responsibility, and that this good idea will then be understood and taken on. The authors disagree with such an assumption and believe that it will take a structural effort to spread this concept throughout society and to ensure that everyone can participate in it.

With the Council of Europe's approach to introducing shared social responsibility across Europe, through its charter, comes the need to also consider how people will become sensitised to its importance, its meaning, its methods and tools. Stakeholders need to understand the roles they can or should play beyond being simple decision makers and simple recipients of those decisions that affect them. The concept of shared social responsibility recognises that top-down decisions do not bear the fruit that a cohesive society would want and need. Similarly, bringing it into the mindset of the wider society requires more than having the charter signed by many countries. Shared social responsibilities need to develop as an intrinsic part of people's understanding of society today.

Another challenge is that European societies nowadays face a general lack of interest in public affairs, abstention from taking part in elections and a lack of active involvement in civil society organisations. A sense of individualism and consumerism has overshadowed the need to engage for the common good (Liddle, Lerais 2007). Moreover, demographic change, in the form of an ever-older society, presents a challenge to everyone. According to forecasts of the European Union, between 2005 and 2030 the working age population (15-64 years) is due to fall by 20.8 million, and the rate of demographic dependence, defined as the ratio of the population aged 0 to 14 and over 65 to the population aged between 15 and 64 years, will rise from a rate of 49% in 2005 to 66% in 2030 (European Commission 1994).

In the context of this change, intergenerational responsibility needs to be placed at the core of discussions about shared social responsibility, because the decisions of today will affect the younger generations and those yet to come. Following this it is indispensable that young people become involved in decision-making at all levels as actors with an equal stake. Besides acting in a manner that will ensure the well-being of current and future generations very practically, then, the political willingness must be accompanied by mutual learning between different generations. This intergenerational exchange would allow younger people to learn from older ones, who can share their life experiences and knowledge acquired through life, while older people can benefit from the youth's recently acquired and updated knowledge, energy, vitality and commitment. Mutual learning can occur in several ways, such as through voluntary activities, in the workplace, within families or through house-sharing projects, but indispensably also in processes of sharing social responsibilities (European Youth Forum 2009).

The above-mentioned need for a structural approach to introducing shared social responsibility, the urgency of raising awareness, a growing lack of interest in public affairs and the importance of intergenerational solidarity all show that education must be brought into the debate at an early stage, because it will inevitably play an important role in leading society towards or away from a new mindset of shared social responsibilities. In this sense it will not only add to the understanding and, potentially, use of shared social responsibility in real life, but it also has the potential to improve the active citizenship of people, their trust in authorities and public decision-making, and their sense of responsibility, all in a sustainable manner. Informed and active citizen involvement, in turn, will benefit the entire society.

## Why does education need to play a role?

As mentioned, the conceptualisation of shared social responsibilities is, for most people, something new, and something they have not thought about, though they may have practised it before. For this reason it needs to be explained, tried out, compared to other types, good and bad practice need to develop and be exchanged. Such practice, however, cannot be solely the prerogative of those who are going to be directly involved in experimenting with these processes, meaning mainly decision-makers, investors, workers and the interested civil society. Everyone needs to be empowered and enabled to understand and take part in these new deliberative processes; therefore, they need to also become an intrinsic part of the educational system. Children and young people must be given the opportunity to experiment and experience shared social responsibilities from an early stage.

However, why begin as early as elementary school? One may argue that children are too young to understand the complexity of shared social responsibilities. One also often hears that children and young people lack the technical knowledge to meaningfully participate or that they should not be burdened with grown-up problems (Driskell, 2002). Indeed, children especially are often perceived, from an institutional perspective – but also from the point of view of some organisations providing services to children – merely as recipients. While acknowledging that children need to be provided with tailored programmes and policies, it is imperative to empower them so they too can be recognised as actors. Serious principles of social shared responsibility, such as active participation, dialogue, distribution of responsibility, the ability to take on a different perspective and the ability to argue one's own standpoint, can be learned through examples, games and stories, and can progressively take on more complex forms, in line with a child's age. But the real change of mindset comes through practice and for this reason starting with engaging children is crucial.

What is more, including education in the system of progressively bringing forward a new approach to conducting public affairs also addresses societal imbalance and attempts to overcome exclusion. It is recognised that not all stakeholders have the same level of power in the processes of deliberation. Some are weaker because of their social status, some because of discrimination, some because of their lack of knowledge, and all this leads to a feeling of powerlessness, disillusionment with the traditional decision-making processes and growing abstention from societal life. If there is anything the authorities can do to help overcome the disparities, at least at the basic knowledge and skills level, then they need to bring shared social responsibilities to school. All children are in principle obliged

to attend at least elementary school, and if they all at least get acquainted with shared social responsibility in the same manner, through the basic curriculum, and regardless of the type of school, this will contribute to bringing them closer to having the chance to opt in to shared social responsibilities and having the power to take part.

Such a change in the approach of those setting the formal education curricula would also be a measure of their government's commitment to implementing the Council of Europe Charter on Shared Social Responsibilities, at all levels. It should therefore be an obligatory element in implementation measures. The teaching and practice of shared social responsibility in schools could then be monitored for success and could be part of the reporting procedure. This would be an important step towards bringing the charter into practice.

## **Formal education as a channel to bring SSR closer to the people**

Formal education, at least elementary schooling, but increasingly also secondary and tertiary education, is a process that the great majority of people in Europe go through. It is structured, with a pre-determined curriculum, and certified, and is intended to develop individuals' knowledge and skills to equip them for an autonomous life. Research has shown that formal education does represent an important, albeit not the only, step in building an individual's civic competences and that it helps develop "participatory attitudes, social justice values, citizenship values and cognition about democratic institutions" (Hoskins, d'Hombres, Campbell 2008). But it is in most cases insufficient to fully prepare young people for autonomous life. Apart from the closer and wider family circle and peers, non-formal education and informal learning contribute a vast added value to building capacity to become independent.

It is relevant to consider, at this point, the different ways in which the theory and practice of shared social responsibility can be brought into the framework for formal education, in a way that will benefit the learner and society. There are several ways in which formal education could mainstream shared social responsibility, so that it progressively becomes an intrinsic part of the formal and hidden curricula (European Youth Forum, 2008). One needs to consider, however, that school should also teach critical thinking, and that in this sense all the principles it may aim to bring forward, including the one on shared social responsibility, may be questioned and ultimately rejected by individuals.



First and foremost, shared social responsibility needs to be a practice, not a lesson. While facts can be learned by heart, values need to be experienced. Formal education is a unique sphere where both types of learning come together: learning about shared social responsibility and experiential learning of it. The educational institution can be seen as a big experiment and a safe place to try things out, for young people to experience participation and the responsibility it brings.

School and college student unions should form an essential part of developing and actualising shared social responsibility in formal education. They already work to put the principles of shared social responsibility into practice. They strongly contribute to the quality of the educational process, as they work on individual empowerment and the promotion of participation and critical thinking, which are all very important in developing sensitivity to shared responsibility and reflective decision-making. While they represent more the classic stakeholder model, they will be the ones that can make shared social responsibility function.

This requires abandoning, at least partly, the current power relation between educator and learner. It is a power relationship that is often strongly supported by society because formal education aims to improve society, but it very often also works to condition young people to accept the status quo. A solution to this power inequality which is now being tried is the adoption of students' rights charters. These define the rights and responsibilities of students and turn them from consumers of education into co-responsible participators. By participating in school decision-making bodies, students experience democracy in reality and are directly affected by its functioning. This is also particularly important for those young people who have more limited opportunities to participate in youth organisations (European Youth Forum 2002).

Schools have an added element that makes them the place to develop shared social responsibility: they are intergenerational in their staff/learner division but they are also intergenerational within the learners. Here intergenerational responsibility can be learned by exploring what consequences decisions will have on the next generations of students.

Moreover, shared social responsibility needs to be included in relevant subjects and to become a transversal issue. For example, one could assess certain historical events through the idea of shared responsibility or lack thereof; or discuss, in social science classes, how shared social responsibility would affect local communities. At the same time, practical exercises, role plays and debriefings would be important to give students an opportunity to critically evaluate the approach.

Global citizenship courses should be introduced as a vital part of the curriculum. Such courses could provide a background and framework for the work done in other subjects or projects, but also could include education on shared social responsibility. Within this framework, active participatory citizenship education should play a visible role, allowing students to learn to be proactive rather than reactive and to develop different sides of personality, not only the old-fashioned one focused on learning facts. Too often in traditional forms of education, the teacher takes the initiative and the students respond, which does not encourage students to take responsibility and practise autonomy. If students are to become proactive, they first of all must learn to take responsibility and manage their own learning process. In this sense schools should also be aware that they provide both positive and negative aspects of citizenship education and, through it, a positive or negative image of sharing responsibilities, through the hidden curriculum (European Youth Forum 2002).

Another element that needs to also be part of the schooling system is sensitivity to the diversity of our societies, and the differences that exist between people. Regardless of what these are, students should be able to learn to treat every individual with the same respect and to consider people's diverse roles, be it in a system of shared social responsibility or any other aspect of life, without labelling them of higher or lower value. Diversity and shared social responsibility are intrinsically linked, and only by accepting the first can one embrace the second. If people do not understand and respect each other's needs, viewpoints, skills and potential, they will not be able to effectively share responsibilities, based on mutual trust. The curriculum should be framed in a way that would at the same time be sensitive to growing diversity, stand strongly in favour of equal dignity and rights, and thus avoid the danger of stereotyping and promote sharing responsibilities for the benefit of all.

Finally, it goes without saying that teachers need to be brought into consideration too. They play an important role in formal education; they act as role models and, potentially, as strong examples of active and responsible citizens. To be able to deliver the new approach based on shared social responsibility, they will need high-quality training, constantly upgraded throughout their careers and exercised through practice, both in the classroom and outside. Shared social responsibility may be a new concept for them as well, so they, as the first ones to acquaint students with it, need to have substantial knowledge and an ability to put it into practice as well as critically evaluate it.

## **Non-formal education: a required complement**

Formal education does not provide young people with all the skills they need. As clearly shown through research, formal education needs to be complemented by participation in order to engender civic attitudes: data uniformly showed that students who participated in high school government or community service projects, meant in the broadest sense, are more likely to vote and join community organisations than are adults that were non-participative during high school. Participation during the youth era can be seminal in the construction of civic identity that concludes a sense of agency and social responsibility in sustaining the community's well-being (Youniss 1997).

Non-formal education provides unique learning opportunities that are not found in formal education settings or that cannot be obtained through informal learning. Development organisations, trade unions, socio-cultural organisations and youth organisations are all providers of non-formal education. The methods used in non-formal education are very different in nature to traditional pedagogies used in formal education.

Several definitions of the concept exist. Non-formal education is defined by the European Youth Forum as an organised educational process which takes place alongside mainstream systems of education and training, and does not typically lead to certification. Individuals participate on a voluntary basis and as a result, the individual takes an active role in the learning process. Unlike informal learning, where learning happens less consciously, with non-formal education the individual is usually aware of the fact that s/he is learning (European Youth Forum 2003).

This non-formal education can be seen as a complement to formal education or as an educational field that has grown because of the inability of formal education to provide all the competences young people need. The present authors believe that formal education need not be structurally unable to provide this civic learning but that its structure, mission and pedagogical approach make it very difficult. This of course occurs in varying degrees depending on the diverse social and political realities that are in place. Developing a society of citizens that will be comfortable with taking part in processes based on shared social responsibility will require an additional element of learning. The authors would argue that the best way, especially for teenagers who revolt against authority, is to take part in non-formal education in youth organisations.

The characteristic of non-formal education in youth organisations is three-fold: it is group-based and with peers; it is real-life learning; it is voluntary.

These three aspects make it the best preparation for shared social responsibility. Non-formal education, especially in classic youth work, means group-based learning. The we-aspect is fundamentally different from formal education and its individual assessment of individual success or failure. A classic example is the patrol system of scouts and guides. As a group they solve problems, develop activities and learn. As a group they are responsible for all their members and society at large through “good deeds”. Peer-learning is crucial for teenagers, who take their peers as their first point of reference on how to behave.

Non-formal education, volunteering and community service take place in real life, not in an artificial environment. This allows for a much closer connection between skills learning and value development. Finally, an essential strength of non-formal education is that it is voluntary. Young people take part of their own free will and, if the process does not correspond to their needs, they leave and look for something else that does. However, it also makes them understand that results require joint efforts and that there need not be a financial reward to efforts.

There are certain drawbacks to non-formal education. Its voluntary nature is a weakness because it by necessity implies that not all young people go through non-formal education. This can, and does, lead to widening of the education gap and the benefits learners derive from these processes. Moreover, as it is self-organised, opposed to that provided by state, enterprise or social institution, it is not universally available. Then, it suffers from an image of play and fun, as opposed to a social idea of education as a boring process aimed to get a degree. All this has led to a lack of awareness on the political level that it might be as necessary to support non-formal education as it is to get everyone into secondary education. Lastly, as seen in some cases, especially when misused by non-democratic regimes, youth organisations are not immune to the ideas, prejudice or ideologies of exclusion. This requires youth organisations to be vigilant and self-critical.

## **Conclusion**

Shared social responsibility has the potential to lead towards a new paradigm in conceptualising and practising shared social reality. However, as we have shown, this is not to be taken for granted. Education, both in its formal and non-formal sense, must become part of the process, if people are to be given the opportunity to internalise and accept shared social responsibility as a way of living, deciding and working together. They need

to be able to experience, practise, develop the sharing of social responsibilities, and what approach reaches more people than education, formal and non-formal? Nevertheless, this new paradigm will only bring added value and will ultimately only materialise if it really is inclusive of every stakeholder, no matter how much or little power they have, regardless of their background and regardless of their personal circumstances. This is a challenge that can be theoretically set, but that will only be verified or refuted in practice.

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