



**PROGRESSIVE  
ALLIANCE**

# Shaping our future

Working towards a global social and ecological transformation

**REPORT TO THE  
PROGRESSIVE ALLIANCE  
BY**

Luiz Dulci  
Sigmar Gabriel  
Risa Hontiveros  
Pascal Lamy  
Benjamin Mkapa  
Sergei Stanishev

*With a foreword by  
Martin Schulz*



Jochen Steinhilber  
Konstantin Woinoff

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## Summary

### What is our task?

Many of our societies have ceased to have faith in a better future. Economic crises, ecological imbalances, unresolved social issues, the few making a profit at the expense of the many and the return of war and nationalism as political instruments are an overwhelming load for humankind and society to bear. More and more people feel that social progress has passed them by and, what is more, with their anxieties, needs and backgrounds they no longer feel represented by institutions and those who are in charge. Cultural and social relationships that once promised security and orientation are disintegrating. People are also realising that the traditional recipes for success – growing markets, an increased focus on profit and personal benefit – no longer ring true, and that this prolonged phase of neo-liberalism must come to an end: things cannot continue as they are. There is an urgent desire for reorientation and change.

Going beyond a “business as usual” approach – in which politics and business simply carry on as always and never get any further than crisis management – and in contrast with the various strains of authoritarian populism that instrumentalise fear and focus on resentment and social exclusion, it is the social democratic, socialist and progressive parties that must take up the fight for the future, a fu-

ture that begins now. This is a fight for a global social and ecological transformation that brings everyone's right to a decent life into harmony with the limits of our planet, and puts common goals, rather than individual problems, at centre stage again. Here we can derive support not only from global agreements such as the Agenda 2030 for Sustainable Development and the Paris Climate Accords, but also from the realisation of many that they will only be masters of their own future once greater social responsibility and a belief in common interests have come to the fore again.

### **Where will the journey take us?**

In order to strengthen belief in the ability of social democratic, socialist and progressive parties to shape the future, two inseparable things must occur: first, concrete projects that focus on the “here and now” and on harsh living conditions with all their hardship and adversity; and second, long-term thinking that can help to mobilise the public and political allies, convey the will to change and show options for a better society. Our goal is a good life for everyone in which people are free, enjoy respect, determine their own lives and are safe. Our policies must be based on a new type of political humanism that takes people seriously – with their anxieties, but above all with their ability to actively help shape societies. Politics and rejuvenating democracy must begin near to where people are, in the neighbourhood, at the workplace, in the local region, so they can bring in their ideas and help to shape and decide the future. And it must also involve those people who are most affected by crises and adversity in society. It is our task first of all to win over more people and instil in them the ability to actively determine their own lives through their own actions and political judgement, and second, to improve their capabilities and possibilities for cooperation. This transformation will be inconceivable unless many people undertake a broad search for solutions and unless the planning of this world is open to everyone will-

ing to contribute. In this context, access to communications, knowledge and information is needed. Democratic use of technology must guarantee this.

In order for this “socio-ecological workshop mentality” to unfold, social democrats and socialists must continue their long-standing project of transforming capitalism under conditions dictated by globalisation. A withdrawal behind national walls offers no solution either, as national politics have a limited sphere of influence. Instead, we must persistently work to establish and develop viable regional and global institutions.

### **Who can do the job?**

Our parties occupy a crucial role in all of this. We are always successful when we combine social, political and economic trends – even those that are often contradictory – to form a vision of the future. We must now renew this ability to reorientate ourselves and to think and take action together – and look at the relationships between social and ecological issues, for instance, between the national and the global level, between established power structures and decentralised approaches. In order to do so we must actively formulate fundamental alternatives again and advocate them through political discourse.

Every articulation of meaningful progressive alternatives will meet with resistance from powerful interests. In order for the transformation to succeed it is a basic requirement that we shape and make use of state-run institutions. Social democratic, socialist and progressive parties are also expected to put their stamp on the ideological, social and cultural debate in society. This can only be achieved together with allies. In order to play a pivotal role, our parties must become stronger representatives of society who closely communicate with people, social movements and organisations working to promote social democratic ideas outside the party. Our politics are not merely aimed at securing power. By engaging with society they also

provide an impetus for real change outside government. In addition to a politically forward-looking state and social movements, unions are important partners in the socio-ecological transformation: at the workplace, as organised workers' movements and as broad alliances in society.

Without this interaction it will be impossible to deal with the tasks that lie ahead. The challenges are manifold, and as members of the Progressive Alliance, socialists and social democrats will initially have to concentrate on a handful of projects. They include the global energy transition, peace initiatives, establishing decent work world-wide, reforming the financial markets, urban policy-making, as well as rural development and food issues. In our view, any forward-looking progressive models must be ecologically sustainable and respect gender equality. They must instil faith, rejuvenate democracy, defend justice and reconcile adverse opinions. These projects must engage people at all political levels. They depend on the creativity and the will of those involved to bring about change and the ability of governments and institutions to shape the future.

## Foreword

***By Martin Schulz***

We are living in troubled times, and one sometimes gets the impression that the world is coming apart at the seams. And for exactly this reason I am convinced that progressive forces have a duty to ensure social cohesion in times of turbulence. This is the core element of our policy – which now applies more than ever and on a global scale.

Cohesion, as our core sociopolitical task, is the focal issue of the present report. Not only is its content significant and differentiated, its success lies largely in the fact that it has been compiled by various progressive, clear-thinking politicians from four different continents. I would therefore like to thank all those who have contributed to this outstanding report.

As progressive forces, we are currently facing tremendous challenges everywhere in the world. We are experiencing a global expansion of financial capitalism that is increasingly challenging the primacy of politics. The resulting social distortions are fuelling doubts about the capabilities of open societies and democratic politics. Does politics still have the capacity to make a difference, exert influence and solve problems? In this context we face a growing legitimisation problem that can hardly be overestimated.

Authoritarian forces throughout the world are using this legitimisation problem to impose a view of politics and society that is diametrically opposed to our progressive convictions. Newly arisen international forces of chauvinism are challenging our liberal democracies. These forces stand for aggressive rollback politics in every respect, for nationalistic policies of exclusion and for the fight against an internally and externally open society. One thing is quite clear: we are at the forefront of the battle to retain sovereign control of our economic, social and political model. But for this reason we also need to offer a positive and progressive programmatic definition that can serve as a conceptual guideline for us and our partners. We need a generic concept both for the formulation of our future policy and for the ability of progressive, social democratic and socialist parties to form an outward alliance.

In this report we propose that the answers to the challenges of our day and age be discussed under the title “social and ecological transformation”. At first sight, one might consider this heading a bit too far-reaching. I personally think the opposite is true. For if we aspire to actively support the global rejuvenation of left-wing politics, we need a wide base of understanding and we need to use the all-encompassing term “transformation”. By doing so, we aim to focus on the necessity of interaction between fundamental social and economic changes and emphasise the importance of the relevant stakeholders and social forces. This heading is not only intended to apply to environmental and climate policies (a context in which the word “transformation” is already commonly used); it must also be understood in a more multidimensional sense – after all, we are dealing with a significant reformation of economic structures, democratic practices and, last but not least, our political culture.

At the same time, it is quite clear that a global social and ecological transformation of this kind will only be a success if we, as progressive, social democratic and socialist parties, join forces and succeed in winning over strong partners in society for this alliance. We

need the trade unions, we need the social movements and, above all, we need all those committed people who have a desire for change and for whom only we can provide a platform. As a strong progressive alliance tackling a broad range of issues and supported by wide, diversified sections of society, we can face up to our global responsibility. This, and nothing less, is the issue. Let us seize the opportunity to do so.





## 1 Restoring hope at the eleventh hour ... ?

There is now a general consensus that “business as usual” is no longer a viable option. The economic and financial crisis is accompanied by a comprehensive environmental crisis and extreme structural inequality. There is also a severe crisis of democracy in many countries around the world. War and nationalism are re-emerging as political instruments and are reducing the willingness to engage in international cooperation. According to David Harvey, what Marx once described is now unfolding before our very eyes: massive economic instability, unbridled financial capitalism, a drop in growth rates, reduced social protection, a minority getting rich at the expense of the majority, pessimistic forecasts for the future and sharpening conflicts over resources.

Even so, the discrepancy between the theoretical understanding of the need for action and the practical lack of any social or political will to bring about change has never been as great as it is now. Not only is capitalism in its present form being harshly criticised; the established critics themselves don’t look too good, either. This ought to be the moment progressive parties have been waiting for. At a time when financial capitalism has gone through a “near-death experience” (Joseph Stiglitz), many societies are suffering from an acute loss of direction and the gap between the political and economic

elites and broad sections of the population is widening, the time should be ripe for progressive, social democratic and socialist parties the world over to step up – even if they have not been particularly successful in recent years in filling the vacuum left by a loss of orientation and the absence of blueprints for a more just society.

Finding solutions to the challenges that exist today is no longer simply a matter of making a few superficial changes: the crises plaguing our world and afflicting our parties necessitate a more fundamental mindset and course of action. Admittedly, given the state of the world, even dyed-in-the-wool optimists are having a hard time. But the good news is that despite all the crisis-ridden developments, the setting for progressive alternatives has improved over recent years.

More than three decades ago, Margaret Thatcher made two comments that marked the start of a transition process that was to shape not only the economy, but political and social thought as well for many years to come: the first was “There is no alternative” and the second “There is no such thing as society. There are individual men and women and there are families.” Although the first comment is often still quoted today, especially when resistance is strong and arguments are weak, both of these statements are now being questioned. It is now quite obvious that alternative approaches are needed in light of the crises we are currently facing. The wealth of discussion on fundamental issues during the past few years – for example, on climate policies, on inequality or on reform of the financial markets – has also made it clear that the intellectual and material resources for alternative policies are actually available: the many critical diagnoses of present times, suggestions on real policy-making, and global agreements such as the Paris Climate Treaty, to name but a few. And last but not least, many people are fed up with the political logic claiming unavoidable constraints, because this does not focus on strengthening the political will and discussing alternatives, but holds the common good to be determined a priori.

For decades, egoism and selfishness were praised as being virtues, along with the attitude that only lifestyles that are in line with market requirements allow people to lead a good life; yet there are still many people who have a tremendous longing for community values and public spirit. Nowadays, capitalism as a lifestyle that is based solely on economic criteria, where the individual is reduced to being a customer and consumer who seeks only his or her own benefit, is no longer experienced as a promise, but as increased pressure to optimise one’s life. At the same time, many societies are becoming increasingly aware that the majority of people will in future only be able to determine and shape their lives individually if collective thinking and solidarity predominate once more. A lot of people sense that the limit of a long neo-liberalist phase has now been reached and that the situation cannot continue the way it is. There is a strong desire for guidance and change.

Reactionary “crisis-solvers” have already drawn their own conclusions about the fears and concerns of many people: fears about the alienation of politics and society, fears of social decline and exclusion and the loss of control and identity. In right-wing populist circles, the discrediting of politics – a phenomenon that emerged in neo-liberalist times – has suddenly given way to open contempt for the “political class” and political institutions. Their response to our fears and to erosion of the community spirit links the social issue to authoritarian and chauvinistic concepts, and to political ideas underlaid with resentment and the rejection of global cooperation. Admittedly, the friend-foe patterns and clear-cut lines between “us” and “them” give people a sense of direction and provide an explanation for the uncertainty tangibly felt by many people, but the populist promises merely convey a false sense of security.

## 1.1 A new political humanism

In this respect, it will hardly be sufficient to simply label certain political groups as enemies, to appeal to reason or morality or to reassure ourselves that things won't turn out so bad after all. Social democratic and socialist parties must take their opponents seriously. Our parties were often successful in the past when they were active at the interfaces and lines of conflict between different forms of political, social and economic logic. This ability to think and act together is now in need of renewal, for example, with regard to the relationship between social and ecological issues, between long-term objectives and practical policies, between traditional power hierarchies and local social decision-making structures, between the national and the global levels.

The aim of our actions is a good life for all, a life characterised by freedom, acceptance, independence and security. The starting point is a political humanism that takes people seriously – that appreciates their fears, but above all values their ability to contribute towards solving problems. Social democratic and socialist politics must give people the opportunities, instruments and platforms to do this – at their place of work, in local communities and in political bodies. Modernising democracy also means re-empowering people to achieve things with their political ideas, actions and intervention. We should focus our efforts on assuming that the majority of people don't want their fears confirmed but would prefer to be rid of them. While right-wing populists promote a culture of dependency and ignorance, social democratic and socialist politics must help people regain their world by their own effort – in cooperation with others – to give it a new meaning and to reinstate community spirit.

This new political humanism must also include breaking with the fatalist concept that nothing can be changed anyway. Nowadays, social democrats and socialists are often tied up in defensive action. But they must re-engage in the struggle for the future even if

they have to tread a fine line in doing so. On the one hand, the extent and the urgency of the forthcoming process of change must be made quite clear. On the other hand, we cannot afford to content ourselves with hectic alarmism and apocalyptic scenarios – and then pitch our tents calmly on the abyss. Such behaviour will only generate feelings of helplessness within society and fuel fears of the future even further. According to Alexander Kluge, societies have great expectations and a tremendous need for open, shapeable futures that mean more than just paying off debts and remedying the sins of the past. It's not just a matter of overcoming the past; we have to create a future as well.

It is this belief in a better future that many societies have lost. And it is this belief that needs to be aroused, renewed and given a political foundation. The currently predominant pessimism about change and progress comes from years of politics based on an alleged lack of alternatives – and thus consolidates existing power structures. Politics needs the intellectual backbone, but also the freedom, to tackle long-term projects.

## 1.2 Cooperative and international

Serious progressive alternatives cannot be implemented without a preceding social discourse – this is a task that our parties cannot and should no longer attempt to tackle on their own. They need allies – both traditional ones, like the trade unions, and new ones, like the social movements and NGOs that have mobilised so many people in recent years. Although it is difficult to find supporters nowadays, internationalist parties must consider all these issues at a global level. It's not just that the challenges facing us are becoming increasingly complex and cannot be handled outside the global context; retreating into identity politics and national solutions would only intensify the crises and, above all, would offer no alternative to the current global economic situation. This is another reason why we need the



strong international voice of socialist and social democratic parties, because it not only avoids the naïve discussions about a global village, but also resists the temptation to see a reversion to policies that put national interests first as being the ultimate solution.

The new global Sustainable Development Agenda (*Agenda 2030*), introduced in 2015, with its far-reaching objective of political change towards social and ecological transformation, provided social democracy with a distinct global reference framework. *Agenda 2030* is universal; its sustainable development goals apply to all. The understanding of the policies proposed in the agenda is new, too. Instead of restricting itself to merely treating symptoms, it now addresses the structural causes and challenges, and thus the underlying social and political conditions as well. The strength (and the risk) of this practical utopia resides not least in the fact that it relies on (and indeed, must rely on) social mobilisation and allows a wide range of players to justify their political actions by referring to sustainability objectives.

### 1.3 Realistic and visionary responses

Last but not least, we need convincing, plausible and attractive alternatives, each combined with a strategy for action. The many individual dossiers are often too detailed and unrelated to form the basis of a project that is genuinely capable of mobilising parties, the public and political allies. The major goals – freedom! justice! solidarity! – are often too abstract and too far-fetched to be strategically convincing and make the opportunities for shaping change tangible. The aspiration of progressive, social democratic and socialist parties must be to formulate “realistic and visionary” responses to the major challenges of our time. These must encompass both political strategies and initial projects for the here and now, as well as long-term ideas and plans that – imbued with utopianism, by all means – highlight both the will to change and prospects for a different, better, just society, thus

establishing a relationship between everyday political activities and far-reaching visions. The projects must not be isolated from everyday experience. Social democratic and socialist parties must merge what French sociologist Didier Eribon describes as the different dimensions of left-wing politics: a “horizontal awareness” of the world as a whole, but one that also encompasses the detailed and acute aspects of life with all its hardships and adversities. They must also unite those who are trying to “get through life with dignity” with those who are fighting for minority rights and freedom. This is no easy task.

Alternatives lead us into unknown territory where none of us is really sure on our feet. They make us vulnerable because people are focussing more and more on the present and on acute crisis management. But never fear! Realists are those who make reality the criterion for what they do. If the social, economic, ecological and political conditions continue to change as drastically as they have done in recent years, the people who derive a new way of thinking and a change of direction from existing conditions are not the ones who are refusing to face reality; it is those who believe that things can continue as they are, who are quite content with the status quo or who present (seemingly) simple solutions, who are being unrealistic.

There are so many questions to which there are no answers at present. Most of the projects still have to be developed and a new social democratic storyboard has to be written. Political work does not take place in a vacuum. Practical trade union work at a German automobile company is somewhat different to that in the bauxite mines in the Amazon region. In a vibrant civil society, party politics take on a different form than they do under an authoritarian regime. Political, social and ideological conditions, but also individual capabilities and capacities, have an impact on strategy building, opportunities for action and the requisites for success. This text can therefore only set a few general landmarks, since the conditions for a successful, progressive transformation differ considerably from country to country and from region to region.



## 2 Exhaustion

### 2.1 Faster, higher, further – where is the global economy heading?

Globalisation as the general trend of national and international politics is the key frame of reference for relations between economy, politics and society. For decades now, governments, global institutions and international forums have euphorically celebrated globalisation. They claimed that innovation, deregulation of the financial markets, the unleashing of market forces, technological networking and a better exchange of know-how would not only usher in new growth, but also level out differences in the global economy and reduce inequality. For a long time, things went well for the advocates of this form of globalisation. A number of developments seemed to confirm the notion of prosperity for all, driven by competition and freed from state intervention: the end of political bloc confrontation and the integration of more and more countries into the global economy, the advance of large and small emerging economies, a tremendous technological surge, further sophistication of the international division of labour and an expanding middle class in the threshold countries. As a result, cuts in public spending, the deregulation of (labour) markets and prices, the liberalisation of trade policy and the privatisation

of state-owned businesses came to form part of a mandatory economic programme for the key countries of the global economy, as well as for the former Eastern bloc countries and for the structural adjustment strategies of the International Monetary Fund (IMF) and the World Bank.

In addition, the strategies also assumed the character of an economic and political orthodoxy that gave economic processes a higher meaning. This meant that other goals – social, ecological and democratic – were to be subjected to market processes and stability policy, and growing inequality was to be accepted as the price for freedom in times of globalisation. TINA (“There Is No Alternative”) stood – and still stands – for a technocratic ideology that deprives political action of its inherent meaning because it has lost contact with reality as a result of its complexity and must therefore submit to economic reasoning. Any alternative was dismissed as being “naïve”, “irrational”, “ideological” or “unaffordable”. A veritable “rationality myth” was built up around markets and market decisions. For the most part, the economic and political elites succeeded in presenting decisions that favoured owners of wealth or property as being decisions designed to benefit the public good and in providing social backing for neo-liberal, market-oriented projects as the solution to urgent social and economic problems. Hans Tietmeyer, former Bundesbank president, talked of the “beneficial effect” of the international financial markets. These were in a position, he said, to swiftly correct the “wrong political decisions” made by national legislators.

### A “triumph of failed ideas”?

This silent consensus has come apart at the seams. Now that the social consequences and the one-sided benefits brought about by this economic model have become apparent, its appeal has started to evaporate, as has faith in its ability to provide prosperity for more than just the “one per cent”. The euphoria has vanished. Moreover,

lower growth rates have limited the scope for distribution of wealth. In order to nonetheless continue with past policies, the dwindling consensus has been replaced by ever-stricter disciplinary pressure. The global financial markets in particular, along with their associated institutions and their main indices (such as profit expectations, stock prices, currency exchange rates and ratings), exert a disciplinary effect on government action and on societies. As the consensus on the economic direction becomes more fragile, the underlying anti-democratic mood becomes more threatening.

The hallmarks of this economy are short-termism and company valuation geared solely towards profit and excessive dividend expectations. This “financialisation of daily life” (American artist and sociologist Randy Martin) means that many private decisions concerning such matters as housing, consumption, private household debt and social protection have now become closely bound to the financial markets. The “laboratories” of the large institutional investors and the banks came up with more and more new and complex financial products that promised huge profits but whose impact on the stability of the markets was almost impossible to assess. However, these products received massive political protection: in English-speaking countries, and later on in the eurozone, too, many barriers for risky products were removed. Consequently, an increasing gap opened up between the dominant financial sector and the real economy, with the former exerting increased pressure on companies and economic systems to conform to its rules.

It was the consequences of this system, shaken to the core and (temporarily) discredited in the financial crisis of 2008, that hit the real economy hard. And it is the same system that subsequently experienced a “strange triumph of failed ideas” (Paul Krugman), by overhauling the old model and its crisis potential, namely passing on losses to the public sector, re-opening the casino with public money and restoring old principles in view of the debt crisis. The short-term response of many governments was to restructure their



banking systems, isolate toxic investments in “bad banks” and pursue an “acute form of Keynesianism” in order to boost demand. The G20 also agreed on better supervision and regulation of the financial markets, improved transparency and a change in remuneration schemes. However, nine years after the collapse of Lehman Brothers, the practical outcome is meagre.

The promise made by governments as the crisis unfolded – that they would in future regulate and supervise every financial product – has so far not been fulfilled. Many of the measures that were announced or envisaged have not been put into practice or have been diluted as the result of intensive lobbying. Moreover, very little has been done to address the other underlying causes of the crisis, such as the strategies of the global financial institutions, economic imbalances, social inequality and an economy that has become generally more fragile because of the dismantling of stabilising elements such

as social security systems and progressive taxation. Numerous commissions have been set up, such as the Stiglitz commission,<sup>1</sup> which proposed revamping the world’s financial architecture, coordinated at the global level. None of these proposals ever got off the mark. On the contrary, just two years after the crisis, numerous countries (including many from the Global South) began cutting back on public expenditure despite hunger, poverty and unemployment: the salaries of civil servants were reduced, costs were cut in the social security systems and subsidies for fuel, food and electricity were abolished. Many of these countries now have a smaller budget than before the crisis.

### The end of growth?

In 2008 many believed that there would be a short, reversible shock followed by an equally rapid recovery. However, economic momentum has weakened on the whole, while the prevailing prescriptions – an expansive monetary policy and budget cuts – have seemingly

done little to stimulate the economy. Since the crisis, the average growth rate has dropped by 54 per cent even in Western countries that have the instruments and resources to handle business cycles (*UN 2016 Report on the World Economic Situation and Prospects*). The low growth appears even weaker in the light of the intense efforts made by the USA, the eurozone and a series of emerging economies to support economic recovery: the base lending rates were reduced to (almost) zero (and in Japan and Sweden even to below zero) and government bonds were bought up en masse – the ECB alone purchased bonds for 1.7 trillion euros. Yet even massive support by the monetary policy institutions is failing to help the economies get back on their feet.

Having hit the USA and the eurozone, the “great malaise” (Joseph Stiglitz) is now affecting the major emerging economies, too, that is, the very countries that buoyed up the world economy during the crisis and have accounted for just under two-thirds of global economic growth since 2008. For many threshold and developing countries, the economic situation has become more complicated as a result of falling raw commodity prices, the end of the zero interest policy pursued by the US Federal Reserve and the resulting higher volatility in capital inflows, prices and exchange rates. Brazil and Russia, for example, are in deep recession, South Africa is stagnating, China is gearing its development model more towards domestic demand and has suffered setbacks in the process. Only India remains stable (for the present).

It is now becoming clear that there was never any coherent growth perspective for a number of these countries. For most of them, world market integration meant, first and foremost, better access to resources and labour by the established industrial nations and a number of large emerging economies. Many countries in Africa, in particular, which mistook the boom on the commodity markets for a sustainable economic strategy, are now suffering from the drop in prices and reduced demand from China. The same is true of

1 *Commission of Experts on Reforms of the International Monetary and Financial System*, convened by the UN and chaired by Joseph Stiglitz.

the rentier economies in Central Asia, the Middle East and Latin America, where the dividends are now simply running out.

The significance of cheap labour as the major catalyst in the efforts of many developing countries to catch up in economic terms may soon be a thing of the past. There are already indications that further automation of whole segments of industry will not only influence the structure of national labour markets, but might well also change the commercial and economic geography again. If wages play a lesser role in the future, market proximity will become more relevant again. Adidas, for example, has begun producing shoes in Germany again – in almost fully automated factories. According to the World Bank and the ILO, the threshold and developing countries might well be affected by “Industry 4.0”, even more than the industrialised countries themselves will be.<sup>2</sup>

Growth in the least developed countries is estimated to amount to a maximum of 4.8 per cent in 2016, which is well below the seven per cent mark postulated in the SDGs as the minimum needed to achieve the poverty reduction goals. According to the World Bank’s *Global Economic Prospect* report, before the crisis an average emerging economy could expect to achieve the present income level of the industrialised countries within about forty years. The low growth rate over the past few years has now extended the catch-up period to 68 years.

The IMF calls it “the new mediocre”, American economist Larry Summers “the secular stagnation” and in China it is called “the new normal”. All these terms describe a new Ice Age in the economy characterised by low (or lower) growth, recessions and meagre returns on capital. Whatever the reasons might be – demographic developments, greater inequality, a lack of effectiveness and a reduced need for innovation capital, lack of confidence in the banks or excessive national debt – this is not good news for economies and interpretative paradigms in which economic growth is crucial for social welfare.

2 It is estimated that 70 per cent of the jobs in Thailand and India and as many as 85 per cent in Ethiopia could be replaced by technology.

They also reveal the economic exhaustion of a model with social, ecological and democratic follow-up costs that are evident for all to see.

## 2.2 The rich and the rest: the social aspect

Economic globalisation was propagated as the great equaliser that would spread prosperity and market opportunities across the world by opening up markets, driving reforms and stimulating innovation. There is no denying, indeed, that there has been considerable development progress in recent decades. Emerging economies – and not only the major ones – succeeded, to an ever greater extent, in becoming more integrated into the global economy and tackling their development problems themselves, thanks to its dynamic momentum. Admittedly, growth has slackened in many of the former “tiger and panther states”, and not all of the “Next 11” – the countries identified by Goldman Sachs as being the most dynamic emerging economies in 2005 – are enjoying stable development. Nevertheless, many countries in the Global South are rapidly catching up to the established industrialised countries.

According to the World Bank, the number of low-income countries dropped from 60 to 39 in the first ten years of the new millennium alone. The World Bank’s former chief economist, François Bourguignon, claims that the population and incomes of the global middle class have both grown and that the average income in this class now amounts to between 3,000 and 6,000 US dollars per annum. The standard of living in a number of threshold countries is beginning to approach that of industrialised societies. This is confirmed by a look at the global closing balance of the millennium development goals (MDG) for 2015: world poverty has been more than halved since 1990; remarkable progress has been made in overcoming illiteracy; the discrimination against girls in primary education has been noticeably reduced; 90 per cent of children in developing countries are enrolled

at school; and there has been a notable drop in the number of malaria and HIV infections. In a few years from now, the smartphone, with all the potential it offers for participation, communication and consumption, is likely to become a universally used product of humanity – the first of the technology era.

### **Living above the means of others**

Nevertheless, the world is still a very long way from becoming a “global village”. On the contrary, while some countries profit from the trickle-down effect of the global economy, whole regions run the risk of getting left behind. Several of the indicators for human development have deteriorated, especially in many countries of Sub-Saharan Africa and in the increasing number of countries torn apart by conflict and civil war. Apart from this, the international financial crisis abruptly interrupted any progress that was being made towards the MDGs. Hunger and extreme poverty have started to increase again, and the prices of food, fuel and seed have soared. Eighty per cent of the 55 developing countries that were examined were paying more for basic foodstuffs in 2012 than in 2007/8. The effects of the crisis are also noticeable on the global labour markets: around the world, the number of unemployed increased to 197 million (2015), which is 27 million more than before the crisis. The permanent labour market deficiencies, such as the large proportion of informal labour, especially in developing countries; the growing numbers of long-term unemployed in the industrial countries; and the millions of “working poor”, who live in extreme poverty despite having a job, have worsened again since 2008, and the differences between ethnic groups, rural and urban regions, as well as between men and women are considerable. Young people have been particularly badly hit. Worldwide, 45 per cent of young people who are fit for work are either unemployed or live in poverty despite having a job. In Europe, too, more than half of the 16- to 30-year-olds feel economically and so-

cially marginalised, according to Eurobarometer. Another aspect of the fragile labour market situation is that three-quarters of humankind enjoy no social protection and that workers’ and trade union rights are violated daily on a massive scale, with trade union members being threatened, persecuted and even murdered in some cases.

It is true that in the recent years there has been a slight reduction in inequality (as regards income) between rich and poor countries, primarily as a result of the high level of growth and the increased per capita income in the threshold and developing countries. But this has done nothing to change the global development dilemma. First, the effects of global problems (such as health, education, climate, food and conflicts) are not the same everywhere, but are concentrated in certain geographical areas; economic crises exacerbate the situation, because the countries that are least able to adjust their economies are hit worst; and second, many developed countries “outsource” injustice and poverty to other societies in the form of low wages, bad production conditions, environmental pollution and the buying and grabbing of land. To quote sociologist Stephan Lessenich, the rich countries are not living above their own means, but above the means of others.

The “refugee question”, too, which the majority of European countries see primarily as a border security problem, is first and foremost a crisis of justice. There are many reasons for flight and migration apart from deadly wars. Mostly they are the result of decades of wrong political decisions, environmental changes, failing states, destroyed production conditions and human livelihoods, and conflicts.

Flight and migration are two of the most extreme forms of adjustment to adverse living conditions. Very few of those who flee actually reach the rich countries; the vast majority remain stranded in developing countries. But the arrival of substantial numbers of refugees in Europe is gradually bringing home to the people who live there that the effects of deep social divisions might soon reach the islands of prosperity as well. Here there is a clash between two dif-

ferent dimensions of justice: in the richer countries, the refugees encounter those who have been “left behind” by society – members of the very insecure lower and middle classes. As the result of global growth processes, they have become the real losers and their incomes are stagnating, while a very small group has profited to a positively obscene degree.

### A “one per cent” economy

The main reason that social issues have returned to the focus of social discussion in many countries is that inequality has increased significantly within many societies.

According to Oxfam, the eight richest people in the world own as much as the poorest 3.6 billion – in other words, half of humankind. In 2010 that figure was 388 people and in 2015 it was 62. Even during the period of worldwide crisis management between 2010 and 2015, the wealth of the 62 richest people increased by a further 542 billion, whereas the poorest half of humankind lost one trillion US dollars. “Pour up” appears to be the motto now, rather than the “trickle down” that was propagated for so many years. The motto of the American Occupy movement, “We are the 99 per cent”, is no longer an exaggeration. Seen in global terms, we are indeed living in an economy for the “one per cent”. One per cent of the world’s population owns more than the other 99 per cent together. Deregulation of labour and financial markets, the concentration of wealth and the “get-rich-quick” mentality of those who are already privileged anyway, capital-friendly tax systems, including tax avoidance and tax-evasion practices that have rarely been punished in the past, an extreme focus on shareholder value, the separation of economic growth from material prosperity, the widening spread of earned income, a lack of educational opportunities – the trend towards greater inequality and the structures that support it can no longer be denied, nor can the consequences.

According to its *Global Risks 2014* report, even the World Economic Forum in Davos is expecting the strong income gap to cause “serious damage” worldwide in the next 10 years. Inequality makes it harder to combat poverty and often prevents the establishment of neutral, well-functioning institutions. A strong concentration of wealth also promotes the global economy’s susceptibility to crises, since the wealthy indulge in ever riskier forms of investment in order to achieve even higher returns. Generally speaking, inequality cements social power relations and opportunities, undermines democracy and political stability and intensifies alienation within society. Today, many people already consider this huge inequality to be unacceptable and unjust, and think that it violates the concept of a “moral economy” (Edward Thompson). Even the greatly varying stories of how states have failed are usually characterised by two causes: one is discreditation of the state; the other is social inequality. That political action can reduce inequality has been demonstrated by – a few – countries in Latin America and Africa. Starting, admittedly, from a very high level, they succeeded in reducing inequality, for example, by improving social protection, increasing minimum wages or by making direct dedicated financial transfers to extremely poor people to pay for health care and education. For the future constitution of the world, therefore, the crux will not be whether globalisation continues to boost the prosperity of the rich, but whether it will be possible to remedy the structural causes of inequality.

## 2.3 Emergency signals: the ecological challenge

Although the climate system is always good for a surprise as a result of its complexity, no one seriously questions the consequences to date and the fundamental forecasts any longer. Global warming is taking place and is largely a result of the emission of greenhouse

gases due to human activities. Since the end of the 19th century, the ground-level air temperature has risen by 1 degree on average all over the world; 13 out of 14 record years have occurred in the 21st century; and 2015 was the hottest year since systematic measurements began in 1880. As a result, sea levels are rising and the oceans are warming up, glaciers are melting, the ice cover in the Arctic is diminishing, permafrost soils are thawing and heatwaves are becoming more frequent – occasionally with dramatic effects on nature and human living conditions.

Climate change is already a total climate catastrophe for many developing countries. In 15 to 20 years' time, the first atolls in the South Sea states of Papua New Guinea and Tuvalu will have disappeared completely. For most of the roughly 7 million inhabitants of 22 Pacific nations, migration is the only answer. In the Sahel zone, a region with weak states, civil wars and large refugee flows, the average temperature has risen by 1 to 2 degrees Celsius over the past 35 years as a result of the change in the Indian Ocean's water temperature. Periods of drought are followed by dramatic flooding. The high risk of famine that already exists in some regions will become even more dramatic in future as a result of climate change. All over the world, this change is exacerbating conflicts and struggles about the distribution of fresh water resources, fertile soil and grazing land.

Forecasts are becoming increasingly harder to make. According to the Intergovernmental Panel on Climate Change, by the end of the century unchecked emissions could heat up the air by an average of 5 degrees as compared to the reference period 1985–2005. At the climate summit in Paris, the participating countries agreed to limit average global warming, if possible, to 1.5 degrees with reference to the pre-industrial era. However, even if the climate protection plans submitted in Paris by 184 countries are implemented in full, global warming will probably still amount to around 3 degrees.

Apart from climate change, there are other unmistakable emergency signs that pressure on the environment is increasing. Among

the most urgent problems are the scarcity and decreasing quality of natural resources (soil, drinking water, wood), the threat to biodiversity, which is of immense value for present and future generations, the pollution of large parts of the biosphere, especially the oceans and rainforests, and urbanisation (more than half of the world's population lives in towns and cities). Today the anthropogenic stress on the earth has reached a level where sudden global environmental changes can no longer be excluded. If we wish to continue living safe lives, our civilisation must contain its development within certain biophysical, "planetary" boundaries (Johan Rockström). Four out of nine of these limits have already been exceeded – the loss in biodiversity, the nitrogen cycle, climate change and land-use changes. But there are also signals that other identified ecological indicators, such as acidification of the oceans, nitrogen and phosphorus inputs, the consumption of water, environmental and air pollution, are all reaching a dangerous limit.

### Ecological imbalances

The various regions of the earth are affected to greatly different degrees, and the gap is widening between the zones in industrialised countries that have relatively stable environmental conditions and the less developed regions of the world with a marked increase in environmental pollution. The inequalities brought about by this situation are worsened by three factors: 1. the regions with societies that are most dependent on natural resources are the hardest hit; 2. those that are affected worst are often not the main culprits; 3. in most cases, the most seriously affected regions do not have the necessary adaptation and coping capabilities. In Europe, in particular, but also in other countries of the North, environmental policy, environmental technologies and a growing ecological awareness have helped to stabilise and improve the environmental situation. This stands in sharp contrast, however, to the large percentage to which industrial

nations contribute to the production of emissions, the consumption of resources and the production of waste – and they must assume responsibility for this. Their ecological footprint stretches far into other regions of the earth. They continue to pass on the increasing environmental costs of their prosperity to the countries of the South – directly, for example, by means of cheap breaking-up of ships in India and Bangladesh, “recycling” of IT waste in Asia and Africa and acquisition of agricultural land. For example, the integration of a number of developing countries, as raw material suppliers, into global trade continues to lead to a redistribution of the environmental pollution caused by extraction and on-site processing of mineral resources.

One of the biggest challenges is posed by the agricultural sector and rural development – not only in the Global South, where the majority of the population still works in agriculture. The Intergovernmental Panel on Climate Change attributes just under a third of the emissions of climate-relevant gases to agriculture and changed land use. The main causes are intensive livestock farming and forest clearance to acquire arable land. In addition to this, extreme weather fluctuations endanger yield security, soils are becoming infertile and crop failures are leading to rising world market prices, which has primarily hit the poorer sections of the world’s population. Agriculture is thus a central starting point in the fight not only against climate change, but also against poverty and inequality.

As a result of the rise of large emerging economies and an increase in growth in developing countries, the production and consumption model founded on a small part of humankind having exclusive use of a large share of the planet’s resources and load-bearing capacity has come under pressure. The “catching-up” of a number of countries has made it clear that “business as usual” in the industrialised and threshold countries will unavoidably lead to ecological collapse. The WWF’s *Living Planet Report* comes to the conclusion that two planets will be needed to cover humankind’s food, water and energy needs by 2030 and just under three planets by 2050 if the world

continues to deplete resources at the rate it is doing now. The expansive production and consumption strategies of the globalisation beneficiaries are no longer tenable.

## 2.4 The crisis of democracy

In the past six decades, the importance of democracy as a political concept and system of government has increased significantly throughout the world. While the world only had 11 democracies in 1941 and only 35 democratically ruled countries in 1970, two-thirds of all states are now electoral democracies, more than half of them with extensive rights of freedom. Democracy still enjoys a high level of approval as the standard form of government, but it is far from certain that the situation will stay that way. Nowadays, everyone is talking about the “crisis of democracy” – and this discussion is not totally unfounded. Further progress of democracy has been blocked in many countries. Curtailment of freedom and civil rights, as well as a lack of control by the executive branch, are becoming accepted as the status quo. It is not only young democracies that are being eroded because of their frequent failure to fulfil the hopes of participation, social justice and security. New models are also gaining ground, for example, the various forms of “sovereign democracy” that justify the curtailment of freedom rights using pretexts such as consideration of local mentalities, the fight against terror, religion and economic development. Eliminating corruption and improving the transparency of democratic institutions continue to pose a challenge in many countries. National economic sanctuaries were done away with as economies were globalised, but no democratic and efficient *global* systems of governance have been created to replace them.

This development is accompanied by increasing social uncertainty. In most regions of the world, uncertainty caused by the daily threat of hunger, disease, repression and war is a consistent element



of human development. But in other regions, too, the growing feeling of insecurity has attracted political and public attention like virtually no other issue. It is becoming a permanent concern in which various dimensions intermingle – internal and external, social and personal, military and civilian. There are many reasons for this insecurity – above all increasing “social vulnerability” (Manuel Castells), the fear of social decline and a powerful sense of injustice, for example, regarding the unsound compromise between democracy and capitalism. Terrorist attacks and crime, migration and integration, as well as the dissolution and redefinition of traditional core values, such as family, nation and gender, are also contributing to the feeling of insecurity. Even though risks are not always rationally assessed, many people have the impression that the promises of modern society with regard to safety and security, based on the expectation of never-ending improvement of the ability to control risks and of continuous social progress, have not been fulfilled. The result is an acute crisis of orientation.

### **Who is governing and for whom?**

The crisis is accompanied, on the one hand, by the increasingly persistent conviction that democratic institutions are no longer able to handle the crises. This is related to the fact that we can no longer clearly answer the question of “Who is governing us?” One can hardly deny that the shift in political power and decision-making towards business players, the outsourcing of major political control functions to the economy and a fundamental focus on the interests of “the markets” are reality. Of the world’s 100 biggest “economies”, 69 are transnational corporations, Walmart being in 10th place, before Spain, Australia and the Netherlands. The fact that an accumulation of economic power goes hand in hand with political influence is demonstrated not only by the huge influence that the lobbies have on the legislative process, but also by the ruthless business practices

of transnational corporations in many developing countries, a behaviour that is often even encouraged by the governments of these countries. In a “market-conformant democracy” the results of market-driven economic processes are no longer politically assessed and corrected, where necessary. On the contrary, communities are being adapted to meet the needs of the market. However, the more the “magic” promised by economic solutions begins to wear off, the more rigorously and undemocratically these solutions are enforced.

On the other hand, more and more people feel that they are being excluded from social progress and that state institutions and other responsible parties neither represent them adequately anymore, nor take their fears and needs or personal biographies into consideration. For our parties and movements, this must be a warning sign and the basis for formulating innovative and bold plans for the future. In this situation, the crisis of democracy manifests itself first and foremost as a crisis of trust, especially in the central institutions where opinions are shaped and majorities are formed, while other institutions such as central banks and to some extent the police tend to enjoy the confidence of most of the population. On a worldwide scale, political parties are among the least esteemed institutions. According to the EU office of statistics, Eurostat, fewer than 30 per cent of all Europeans have confidence in their national parliaments.

In recent years, all this has had an adverse effect on the preservation and, above all, on the further development of democratic institutions and culture. What is more: the scope for democracy has been restricted severely in many countries. Democratic structures are being steadily weakened and democratic processes reduced to government techniques, plebiscites and public relations work – with political communication often being little more than background noise with small regard for the truth, as was demonstrated par excellence by the Brexit campaign and, more recently, by Donald Trump. On the other hand, the emphatic understanding of democracy, that is, democracy as a “form of life” (John Dewey) and a laboratory in which

people try out different forms of coexistence, is waning in significance or has not even been developed in many countries.

### **Conservative answers**

Finding answers to these problems poses a serious challenge to progressive parties. On the one hand, they cannot afford to ignore the fears and concerns of society, but on the other hand, they must resist the temptation to seek salvation in simple, nationalist or retrograde “solutions”, and must offer alternative interpretations and strategies for action. They are not having much success with this at the moment. The Left is largely unable to provide answers, and the result in many countries is that public debate is dominated by two different conservative patterns of analysis and behaviour: a “carry on” dogma on the one hand, and various versions of “authoritarian populism” (Stuart Hall) on the other.

### **“Carrying on”**

The “carry on” approach, which at most allows minor modifications to conventional concepts, simply perpetuates existing economic and political models, surviving as a Green Economy in the most economically strong and adaptable countries, but accompanied by a worsening of the crisis in most countries. While disaster scenarios are already actually affecting certain places, above all in the Global South, the globally dominant countries can still buy themselves a little more time. There, social irritations are still relatively modest and the effects not yet serious enough to make leaving the accustomed political paths worthwhile. Nevertheless, politics in these countries is primarily crisis politics and politicians are often under extreme pressure to take action. “Resilience” has become the new key concept. The core message is that we must accustom ourselves to crises and adapt to them; the primary task in the Anthropocene is to master the self-in-

flicted chaos around us. However, only those countries (and people) that have power and resources can adapt – and inequalities will become even greater as a result.

So our way of thinking is dominated by crises instead of by ideas and projects for a better future. We are preparing ourselves for a state of emergency rather than setting out to tackle the causes. The result: the intervals between adaptation and aggravation of the crisis are becoming progressively shorter, and the ability of a strained society to rebound is steadily declining because the old instruments, hierarchies and strategies are contributing less and less to solving the problems. “Muddling through” turns into “muddling down” and, in the end, it will no longer be possible to adapt.

### **“Batten down the hatches!”**

The greater the discrepancy between problem perception and political action and the lower the level of trust in the established political elites and institutions, the more likely it is that nationalist politicians and right-wing populist movements will take advantage of this situation. From the Philippines to Poland, resentment-driven initiatives that benefit from estrangement between large sections of the population and the economic and political elites are becoming very popular. Their protest, however, is not usually directed against economic principles and the leading economic players, but against a diffuse picture of “politics” in general. Following years of discontent and scepticism against politics and political processes, the mood in many countries has now turned into open contempt for the “political class”. At the same time, this political attitude combines the social issue with authoritarian strategies and policies fuelled by resentment that can be directed against different groups of society – migrants, ethnic minorities, gays and lesbians or the long-term unemployed. The longing for distinct dichotomies starts to re-emerge; there is a call for new “friend / foe” patterns to reduce the complexity of the political envi-

ronment. The appeal of clearly demarcated fronts helps to mobilise people and apparently gives them a sense of direction. On the other hand, it rarely provides appropriate answers but leads into a sort of political cul-de-sac instead. The response of right-wing populism to the politics described above, which are ostensibly “without alternatives” and are characterised by practical necessity and a technocratic style of government and which have allowed the deterioration of political discussion, democratic negotiation and alternative thinking, is a nationalistic policy that instrumentalises fears at the expense of minorities and migrants. This has resulted in societies mobilised by fear and with no constructive options for change. This is a time of ever-tighter fences and high-flying illusions about seamless system control. “Hell is other people” (Jean-Paul Sartre). Everyone tries to reach a separate peace treaty with their neighbours by erecting political, economic, technological and cultural firewalls. “Batten down the hatches!” is the motto that can only lead to increasingly furious assaults and ultimately further insecurity.

This divisive activity will keep the conservative camp busy, but socialist and social democratic parties will not benefit from it. They need a new concept of their own instead.





### 3 Apocalypse not! A policy of transformation

In the light of such permanent crisis, a course of action that might serve as a source of guidance for the programmatic and strategic re-orientation of social democratic, progressive and socialist parties has recently started to take shape. “Transformation” is turning into a key concept and is gaining significance in a wide variety of contexts – from individual policy fields (“transformation of the energy systems”) to the global setting (“transformation of our world – *the Agenda 2030 for sustainable development*”). As is always the case when terms start finding their way into highly diversified areas, they are subject to different use and interpretation. In view of the structural challenges posed by the ongoing crisis, a broad concept of transformation focussing on the need for interaction between fundamental social and economic changes and emphasising the importance of players and social power relations is best suited to revitalising left-wing politics.

Let us be clear on this from the start: this is a complicated issue and there are more questions than answers. Nevertheless, we will manage to find approaches that are of significance for the formulation of future policy and the alliance-building capacity of progressive, social democratic and socialist parties and movements. Transformation in this sense means making a start in the here and now and under the given circumstances, but on the condition that in the medium

term we change structures, institutions and entire systems, leave familiar paths behind us and take a new road to development. Transformation in this sense is multidimensional. While up to now the term has been used mostly in connection with environmental and climate policy and to some extent for social developments, there is no disputing that comprehensive transformation must also apply to economic structures, democratic practice and political culture.

Transformation is complex and the art is to combine apparently disparate issues: social development and ecological limitations, local politics and global conditions, market elements and structures of a solidarity-based economy, traditional political hierarchies and democratic innovations from below, short-term projects and long-term goals.

Transformation interpreted in this way makes the process itself part of the alternative by contrasting large-scale political projects with a culture of searching and experimenting on a small scale, a trial-and-error culture that accepts errors and mistakes and works to correct them. So there are several questions that we will not be able to answer right now, at the beginning of the road; we will only be able to outline some issues, and some of our perspectives may undoubtedly be wrong. That is something we will have to learn to live with, and for this reason there will be no new master plans that require the adaptability of reality and over which left-wing forces have stumbled so often in the past. Nevertheless, we should formulate guidelines and expectations that give people a sense of direction and help to mobilise them. Because it is mostly the aims for the immediate, tangible future that motivate people and that they are prepared to fight for. Therefore transformation needs practical projects that can be implemented now but are also capable of improving the baseline situation for more far-reaching policies by creating room to manoeuvre, building up institutions and simply putting money in the public coffers. “Practical utopias” (Pierre Bourdieu), “Real Utopia” (Erik Wright), “realistic visionary projects”: this is the combination of attractive long-

term goals and practical current projects that are worth fighting for, and it is just the right approach, challenge and opportunity for shaping a successful transformation policy.

### 3.1 Tame and erode

Any substantive left-wing alternative will challenge regulatory systems that have evolved over time, that reflect powerful interests and in which any changes will generate new winners and losers. Global energy transition would inevitably reshuffle market shares and change ownership structures; serious attempts to overcome inequality are bound to shake the foundations of financial capitalism; limiting the North’s access to the labour, raw materials and land resources of the South will have consequences for patterns of production and consumption in the industrialised nations; the assertion of labour rights is shifting the balance in favour of workers and trade unions whose rights have been marginalised for many years. Questions concerning the just transition to a new structural order will thus essentially be decided by political (distribution) conflicts. In addition, the perseverance and adaptability of the existing system, especially in times of crisis, should not be underestimated. Therefore, formulating credible alternatives calls for at least some notion of who the participating players are in these change processes and an idea of what strategies for action they can rely on.

Progressive parties and movements, as well as individuals, have totally different strategies at their disposal for responding to the unacceptable demands of capitalism. American sociologist Erik Wright distinguishes four main strategies: “smash”, the scenario of revolution, is based on the belief that nothing new can emerge until the old structures have been destroyed; “escape”, the private attempt to turn one’s back on capitalism, describes the attempt to construct alternatives in one’s personal environment; “tame” wants to contain

capitalism through regulation and redistribution policies; and finally “erode”, a process in which collective action and economic projects based on solidarity create new structures gradually and from below – structures for resisting the logic of the market.

These options have a varying degree of relevance for current action strategies:

- These days, there is little support for a fast, complete break with the existing system and for the hope of a revolutionary storm that will solve everything. There is neither a plausible left-wing alternative that can be implemented on a short-term basis, nor are there any players capable of achieving it. Besides, revolutions have had a very modest success record in achieving emancipatory developments up to now.
- Individual “dropping out” of capitalism often remains a private matter, does not seek opportunities to bring about change through collective and political commitment and often presupposes a privileged social position. It is therefore unlikely that the various forms of escape and denial will add up to a more substantial alternative.
- “Taming” capitalism was the socialist and social democratic strategy for a long time. Redistribution, (labour) market regulation, the creation of public goods, the democratisation of economic life and the cushioning of risks in welfare states undisputedly improved the living and working conditions of many people in the post-war capitalist era, especially in countries of the “North”. Major factors in achieving this were the generally accepted role of the state in economic issues, and trade unions that were able to exert social pressure and implement rights at work. When neo-liberalism started its triumphant march, how-

ever, the tools for taming capitalism were deliberately dropped and institutional structures were simply reduced to democratic control of the economy. In many developing countries these instruments were not even permitted. No transformation will succeed, however, unless a new “capitalism-taming” project under the terms of globalisation is initiated.

- This “top-down” style of politics, frequently centralistic, is no longer adequate. It has to be combined with “bottom-up” (“erosive”) approaches that attempt to renew democracy on a wide footing and to develop alternatives to market economy structures within the existing system – initially in niche sectors, but with the aspiration of assisting new democratic forms of an economy based on solidarity in order to achieve a breakthrough in important sections of public life (such as energy supply, health, food supply, information and finances).

### 3.2 Is economic growth an inherent necessity?

In many discussions on social and ecological transformation, everything has come to revolve around growth. In our growth societies, production and consumption patterns, political action, institutions and value systems are all geared towards “more”. This applies just as much to current societies organised on the principles of private economy as it did to the state economies of (former) socialist countries. Many people still see more growth as the solution to a variety of problems, such as poverty, unemployment, social exclusion and state debt, despite the fact that the limitations of growth are becoming increasingly obvious.



## The growth dilemma

In the meantime, various forms of growth criticism are attempting to define alternative paths, but their assessments diverge greatly in several respects – with a view to the causes, objectives and players, as well as to political and social courses of action. At the moment, the most socially acceptable approach is to uncouple economic growth from the depletion of resources by boosting technological innovation. This concept of achieving qualitative growth and resource-friendly production and of promoting renewable energy sources is sold under the Green Economy label. The main driving forces of this approach are market players credited with enough flexibility to handle change. Apart from this, intervention in business methods or the demands for social change have remained very modest. Supporters of a Green New Deal hope for huge investments in the ecological infrastructure in order to boost a weakening global economy. Admittedly, technology and investment are essential for success, but there are quite a few indications that this one-dimensional view of simply extending the present models and then giving them a green coat of paint will not suffice (even though this would be the most comfortable solution for traditional industrial countries). Unfortunately, in many cases up to now, efficiency gains have been offset by changes in consumer behaviour.

A “growth dilemma” implies, however, that zero or minus growth is not possible across the board as a result of the social consequences, and that it is not a sustainable vision either – in neither the Global North nor the Global South. Also the – to some extent – moral appeal for consumers to “make do with less” does not consider that the initial situations for a renunciation of expansive production methods or lifestyle differ greatly because of inequality between countries and inequality between social groups within the individual countries. Therefore, the question of a future beyond growth primarily addresses the highly developed countries, these being the smallest and richest part of humankind, but also the part that puts the

greatest strain on the world’s ecology. It is obvious that these regions have to be at the focus of a change in policy, above all in order to give the countries of the South the opportunity for development and to support them in doing this on a sustainable basis. Particularly with a view to humankind’s most urgent existential problems – the fight against hunger and poverty – it was not growth that played the decisive role in the past, but access to land, resources and knowledge. In rich societies, too, reducing inequality is the main prerequisite for the acceptance of growth-critical concepts. However, in most countries, existing structures and power constellations will make it impossible to achieve this aim. Most growth-critical concepts do not just involve a plea for negative growth, as is often propagated, but also deal with the question of how economic and social structures can be changed in such a way that they are no longer subjected to the pressure of growth.

The growth dilemma can only be resolved by structural changes. In this process, the “renunciation of growth” will not be free of conflict. The essential questions will not be left up to market participants, but will be seen as an eminent political and social shaping process, which will not proceed without a struggle: what will be allowed to grow because it contributes to public well-being; what must be reduced or abolished because it is socially and ecologically damaging; how the transition can be implemented in a socially just manner; and how the different concepts of efficiency, compatibility between nature and production methods and consumption patterns (consistency) are to be combined in the right proportions (sufficiency).

## Care work: focussing on the “economy in its entirety”

Growth-critical approaches tend to focus mainly on the over-exploitation of natural resources. But in addition to excesses against nature, society also tends to be careless about the social resources of the economic system, resources that are used on a daily basis and appear

to be infinite and immeasurable. We are talking here of the so-called “care work”, without which no community or economy can exist and which the “official” economy” does not take into account, but which remains an invisible resource in the private sphere. Care work, both for oneself and for others, can encompass so many different sectors: caregiving, education, child-rearing, and in many regions health, accommodation, the supply of water and electricity or the production of foodstuffs as well. It is care work that makes life possible in the first place. Every society and every person therefore needs care work. This work is largely assigned to and performed by women. This unequal distribution is one of the main causes of gender inequality, both on the labour market and in business and industry. Occupational and educational opportunities are often restricted by the need for care work. And often the social adaptation needed in times of crisis – whether due to armed conflicts, environmental disasters, gaps in state care or difficult social situations – is handled by women. Even though the percentage of women in gainful employment is increasing in some countries and discrimination in education and at the workplace has been reduced, the double burden imposed upon women subjects them to excessive demands, since the two sectors of the economy are not related to each other and care work is unfairly distributed and not seen as a social task. In ageing societies, the “care crisis” and organisation of care work according to market-economy principles is a permanent topic of discussion. But “care migration”, a special form of international division of labour that contributes to the redistribution of care work between women from different regions and social origin, is an important aspect of the global care crisis, too. The ILO estimates that there are approximately a hundred million domestic servants worldwide, many of them illegally employed, badly paid and socially isolated. Eighty per cent of them are migrants who often have children of their own and parents in need of assistance at home.

Viable models of progress must therefore not only be ecologically sustainable but also support gender equality and promote the

fair sharing of care work between the genders as a central topic. The one-dimensional concept of the economy destroys not only the environment but the social foundations of societies as well. We don’t just need tangible social policies but a fundamental change in perspective, too. Similar to the discussions on ecologically friendly growth, we must pay more attention to human beings and their needs. What conditions does good care work need to succeed? How can this work be fairly distributed? How can it gain more recognition, be upgraded and organised better? How can it be taken into account in economic and social indicators and made more “visible”? In this way, people start looking at the economy “as if everyone matters” (Lourdes Ben-ería) and the way we treat care work becomes the foundation for a sustainable economy, ensuring gender equality. Decisive impulses for social and ecological transformation could be imparted by feminist concepts such as the “caring economy”, with its idea of “work in its entirety” (*“das Ganze der Arbeit”*) and the “economy in its entirety” (*“das Ganze der Wirtschaft”*) (Adelheid Biesecker) and in which the principles of care, cooperation and orientation towards the essentials of life are the central issues.

New economic concepts are attractive when it starts becoming clear that they are not just a matter of “doing without” and morals, but of the opportunity for everyone to lead a better life, for example, more time for education and family, meaningful work or communal activities. As opposed to conservative growth criticism, which regards “negative growth as the inevitable fate of industrialised societies” (Meinhard Miegel), wants to entrench the unfair relationship of the genders and cancel emancipatory success and often ends up as pessimistic cultural criticism of modern times while leading to cuts in the welfare system, progressive parties must bring out a further aspect: that this new understanding of affluence includes much of what the Austrian author Robert Musil calls “sense of possibilities” – things that give people hope and motivate them to become involved.





## 4 Who is going to “fix it”?

All this talk of “no alternative” is untenable: after all, the parameters of an energy policy turnaround have already been calculated, alternative approaches in urban policy have been developed, implementable climate protection plans have been drafted and detailed suggestions for a radical bank reform have been discussed. Apart from this, concrete measures to contain the financial markets and transnational corporations even further, to reduce inequality and implement decent jobs have been presented worldwide. Intellectually, the Left is gaining ground. Now that the *Agenda 2030 for a sustainable development* has been approved by the international community, a global framework for the vision of social and ecological transformation is in place – with specific aims and indicators.

The intellectual and technological resources, and to some extent the material resources, for a transformation already exist. What is still needed is political willpower and the social forces to implement it. The core of social democratic, socialistic and progressive politics must be to establish a new kind of political humanism distinguished by two aims: first, to win over more people and empower them to play an active role in shaping their basic living conditions by means of their own actions and power of political judgement; and second, to improve people’s ability and opportunities to cooperate with one another. After all, as French philosopher André Gorz said, the

most efficient solutions to collective problems in society are collective solutions.

Furthermore, strong players who take up social developments, put them into a broader context and bring them together at the interface to state and government are needed. This is, above all, the task of parties and independent trade unions. Social movements can reach totally different sections of society, reveal citizens' unease about political solutions and inspire and motivate individuals to greater political involvement. The state will also play an important role by encouraging cooperative action, reducing market pressure and promoting international cooperation. Third, an essential prerequisite for this ability to take autonomous decisions and cooperate with others is the availability of communication tools, information and knowledge.

## 4.1 Focussing on people: free radicals

Far removed from right-wing populism, re-politicisation is going on in many societies, and although still very timid and often overlooked, its core is the political humanism that is so badly needed. In many countries, often out of a sheer need to survive, initiatives have emerged under the catchwords “solidarity-based economies” and “commons”, with the objectives of protecting and promoting vital natural and communal assets. Among the numerous examples are such diverging approaches as workers' and producers' cooperatives, energy cooperatives, open workshops, fair trade networks, credit unions, alternative currencies, support funds, participatory budgeting and open-source knowledge, not to mention the millions of self-help groups. In practice, the projects range from self-managed sewage treatment and waterworks in Columbia to solidarity-based agriculture in Japan, cooperative structures in the Emilia Romagna region, forest-user organisations in Ethiopia, right through to knowledge commons such as Navdanya (an Indian seed bank), creative common licences and

open-source software. In regions such as Latin America, the solidarity-based economy that emerged as an answer to the crises of the 1980s is already an integral part of national economies, usually playing a complementary role rather than challenging existing structures. Even in the United States, about ten million people work in companies fully or partially owned by their employees, three million more than belong to trade unions in the private sector.

### Joint practices

Some structures serving the common good have existed for a long time, such as the 500-year-old communal irrigation structures in the Swiss Alps. Others, such as Wikipedia, have revolutionised our knowledge culture within a very short time, making it more democratic and easily accessible. Similar to care work, concepts of a solidarity-based economy are already an inherent part of economies and ensure the livelihood of and provision of basic supplies to millions of people, as well as assisting the local development of numerous communities all around the world.

These pioneers of a different society do not wait for a major breakthrough that solves all problems in one fell swoop. Instead, they chip away at different solutions and experiments on countless little construction sites. In the best case, these initiatives unite values and strategies that promote the concept of transformation and can put it on a broad social basis. Initially, it is all about self-empowerment and the feeling of being able to contribute something to a good and successful life by one's own efforts. Creating functioning alternatives under the given conditions can have a very motivating effect and release partially buried political and social creativity. A positive mindset starts to replace mere defensive action (Against cuts in social services! Against pollution of the environment! Against the power of the banks!) and starts to ask specifically about the modules for a more democratic, more socially just and sustainable world. The idea of the



common good cannot progress without people who think in terms of cooperation and of creating common spaces, in this way demonstrating that individual and collective interest do not necessarily exclude each other. According to Nobel Prize laureate Elinor Ostrom (economics), people are “better than rational”; they often have the astounding ability to develop consistent, diverse and inventive systems of rules in order to use common resources sustainably and overcome social dilemmas.

This “common practice” contributes to aligning the economy more strongly towards social needs again and to democratising it. Production, distribution, administration and consumption that are more closely aligned to the common good are directed against the logic of shareholder value strategies, which often hold social questions and sustainability to be irrelevant. Democratic self-management and common property can gradually replace classical profit-oriented market structures through democratic concepts that are based on solidarity and geared towards ecological sustainability and the well-being of all. In turn, control over production and distribution, as well as mergers and alliances with social movements, allow us to place demands that exceed those of the respective initiative and prepare the ground for further solidarity projects.

### Starting on a local scale

Of course, these developments should not be over-romanticised. Many initiatives are born mainly out of necessity and emerge where market and state have failed and where economic and social pressures compel people to come up with their own, solidarity-based solutions and create a (new) social infrastructure. In these, people who find no protection or real employment in the structures of a market economy attempt to organise themselves, for example, the vast numbers of informally employed, the indigenous peoples and other groups who are often marginalised in national development strate-

gies. The initiatives remain precarious, often have little capital and are dependent on personal commitment and the time that individuals are able to invest. Besides, there is a danger that good ideas like the “sharing economy” will be co-opted by those seeking profit, or that philosophies founded on solidarity will be eroded at the interface to the market economy and global structures, as has happened to some fair-trade cooperatives. And last but not least, the commitment of so many people might tempt the state to neglect its obligation to provide elementary services.

Up to now, the pioneering spirit has rarely gone hand-in-hand with a more comprehensive strategy supported by state structures or international organisations. In future we should also pay more attention to solidarity-based approaches as an active transformation strategy and enhance their conditions for success by means of political action and by changing structures so that they promote concepts of solidarity instead of opposing them. An important aspect here will be that alternative concepts should not limit themselves to becoming extended NGO activities, where participation is reserved for the privileged few who have the necessary time, money and knowledge. Thinking, shaping and decision-making should therefore start near home, namely, in neighbourhoods, local communities, regions and at the workplace. Some paths will lead to a dead end, but other plans have the potential to come out of their niches, shifting systemic borders and becoming a visible alternative. However, in order for social and economic approaches and movements to be used offensively to drive transformation instead of huddling defensively in a corner, they need allies.

## 4.2 Political parties: we can do better

The joint set of values held by social democratic and socialist parties – liberty, justice and solidarity – are sturdy and held in high esteem

around the globe. These values are echoed in several social campaigns. Social democratic, socialist and progressive parties work towards these values. Reconciling them with the current problems and drawing practical consequences for political strategies, topics, the forming of alliances, political style and self-image from them are part of the major challenge that our parties must resolutely face up to.

The reasons for this development have already been extensively described and discussed, and in principle all arguments culminate in the observation that our parties' response to the radical changes in the cultural, economic, organisational and bureaucratic foundations of our work is not yet satisfactory. The issues involve developments and phenomena such as the dissolution of traditional (working-class) milieus and the differentiation of societies, structural changes in the economy and pressure on social democratic efforts to introduce regulation into the nation state, the neglect of ecological issues and loss of the social orientation function, the loss of former allies and alienation of social movements, the return of nationalism and the lack of a shared, powerful international voice.

What's more – parties of all hues and colours have been at the bottom end of the public esteem ladder, globally speaking, for years. Rightly or wrongly, they are not trusted. Resentments of this kind are fuelled by the widespread belief that parties are not concerned with resolving issues, but only worry about their own (power) interests, that they are out of touch with the masses, represent some social groups excessively and others not at all and that they no longer have anything to offer in the way of solutions to communal problems. The undifferentiated disdain for parties, expressed within society but also within governments, often goes hand in hand with the anti-democratic sentiments and autocratic self-perception of some government members. These call for unity between them and “the people”, a relationship that, in their eyes, would be disturbed by democratic institutions. However, in many countries, political parties are simply too weak, too strongly person-oriented and too suppressed to be able

to counter such attitudes by demonstrating and exercising their key democratic role. This is not good news.

### **We need political parties**

The condition of a democracy is inextricably related to that of the parties – they are the only institutions that act directly at the interface between the state, society and parliaments and are able to influence all these sectors; they consolidate particular and local interests; they formulate different ideological concepts of society in general, and it is they who ought to organise and stage debates about political orientation. So we need parties – this is exactly what social democrats and socialists should confidently point out. The same appeal is addressed to those members of civil society who enjoy striking up discussions on the demise of political parties and consider them to be superfluous. We shall not succeed in bringing about a social and ecological transformation without powerful social democratic and socialist parties who make a clear stance while being able to arbitrate both within and between social groups. However, if they are to fulfil their tasks, these parties have to evolve.

### **Providing orientation**

In the past, social democratic and socialist parties were often called on the scene when the lines of conflict between different political, social and economic concepts became evident, when central rifts in society had to be taken into account, contradicting developments had to be overcome and differences of interests and opinions had to be resolved; and whenever large sections of society needed explanations of the situation and alternative solutions, as is the case nowadays. New intellectual vigour and a “normative sense of direction” (Axel Honneth) are needed to provide adequate orientation towards thinking in terms of alternatives and developing concepts for a better

future. Social democratic and socialist parties have to formulate their social goals more actively, because in recent years social groups have increasingly been defining themselves in terms of common problems only. The goal here must be to discuss basic principles as well. Not that it must be possible to implement every idea ad hoc – the point is that progressive, social democratic and socialist parties need to have at their disposal an intellectual milieu in the form of think tanks, websites and periodicals that are broadly networked, capable of (pre)formulating impressive alternatives and injecting new ways of thinking into these parties.

Societies need more analysis and discussion again. This includes the realisation that controversy should not be equated to a lack of orientation and that political disputes about fundamental alternatives must not be dismissed as “internal party squabbling”. The opposite is true: the lack of controversial debate and the inability to recognise political differences is precisely what has handicapped political discussions and fostered right-wing populist movements in many countries. Social democratic and socialist parties have to be open to discussion on the various approaches to solving social issues, but they also need to be true to their parties’ political principles. Despite the many national differences, these parties must distinguish themselves from other parties by taking a clear ideological stance and presenting a unique identity from which they can derive common projects.

### **More social involvement**

In particular, the workers’ parties are expected to provide an ideological, social and cultural framework for social debates. This means, however, accepting the fact that they cannot perform this task alone. Claiming a political monopoly and excluding other social players does not strengthen parties, but marginalises them; and it is equally obvious that the countless (micro-)movements and initiatives of re-

cent years cannot accomplish change and reform on their own. Even though we need many of these movements and initiatives, above all we need parties that support them. Social democrats and socialists must therefore become more adept at bringing traditional and new forms of social power together.

The aspirations of social democratic and socialist parties to shape and make use of state institutions are a fundamental requirement for successful transformation. However, in order to provide a connecting link, they must improve their position as parties that are firmly embedded in society. They will have to leave more room for discourse and debate in close exchange with people who are already working on social democratic solutions outside the party. It is not simply a question of accepting the multifarious movements as seismographs that provide information on social developments. What is needed is a fundamental change of attitude. The question is no longer just “What can the party do for you?” but “What can the party, the social movements and the trade unions do together?” and “How can parties, by way of their privileged position in politics, promote joint projects?” This means that parties will play an important role in networks like these, but they will not be the sole actor.

In many countries and at a global level, progressive protagonists are fragmented and their relationships are characterised by distrust and misunderstanding, as well as by considerably diverging ideological and strategic concepts. What we need is a productive method of handling such differences. Successful cooperation with other progressive players cannot be achieved by simply integrating them into a political work of art created by a party, but only by allowing the various stakeholders to work on actual projects without having to sacrifice their autonomy.

In this way, progressive policies no longer simply focus on gaining power. They can also trigger real change by social cooperation and alliances above and beyond the governmental level. Parties are then no longer simply structures for obtaining majorities, but are

“creative communities with a cause”, hubs where social discussions with a clear approach can take place. It is often difficult to maintain the balance between the party as a state entity and the party as a social entity, that is, between an openness towards the various facets of progressive social policies on the one hand and the need to weigh up diverse interests when in power on the other. All the same, both sides need to be linked because they both characterise our understanding of politics – real changes in parliaments, governments and states can only be achieved if civil societies have become politically aware. Democratic (counter-)power, in turn, can only unfold on a sustainable basis if it is shored up by organisations such as parties or trade unions that can influence key institutions in society. As opposed to social movements and NGOs, parties have a greater obligation to take public welfare into consideration and discuss contradicting concepts openly. In the end, though, parties will often have to make decisions on what direction to take when implementing transformation.

### **“Leaving no one behind”**

On no account should only the privileged members of the affluent sectors of society be empowered to carve out the transformation process. Revitalisation of social democratic and socialist politics should, in particular, be driven by those who are most vividly confronted by social discrepancies. These people often form the majority of a society, and being excluded from economic and social participation, they feel that there is no institution or organisation that represents their interests. These are also the people who would formerly have ranked among the working classes in the industrialised countries, even if they often did have good wages, stable jobs, were organised in trade unions, were politically and culturally aware and had a strong feeling of belonging in society. Nowadays, objectively, they are among the losers of globalisation and feel that “the elite” has forgotten them and “the political sector” no longer represents them. In

their insecure position, they see any further structural changes, these being an unavoidable part of any transformation process, mainly as a threat. The commitment of *Agenda 2030* to “leave no one behind” must be the imperative for social democrats and socialists, especially in this context; otherwise the already looming threat will continue: right-wing movements will grab the topic of class conflict and clamour for reactionary solutions. We need staying power to implement these goals, since the changes will require parties, partners in the alliance and voters alike to be patient and give us some time, for it is not enough to simply invoke new strategies in party programmes. It is more important to apply the strategies and prove that they work in actual practice.

## **4.3 The fellowship**

### **Trade unions: workers of the world, unite ...**

After years of diagnosing the crises and demise of labour and trade union movements in detail, the trade unions have been able to score a comeback recently. Doomsday scenarios are rarely talked about these days, and in many regions the trade unions are once again playing a greater part in political and social disputes. It is true that there are still very different views among trade unions, as among progressive stakeholders in general, about which parts of the old system can be patched and which need to be replaced. But it is clear that trade unions will be among the decisive actors in many transformation processes – not just with regard to central transformation sectors such as energy, industry, agriculture, construction, transportation and public services, but also in terms of fair transitions, renewing and furthering democracy and shaping globalisation.

Trade unions were seen for a long time as being structurally conservative institutions, especially regarding ecological transformation. The attitude of some trade unions towards environmen-



tal issues may still be ambivalent, but in recent years a number of organisations at local, national and global levels have developed a new awareness of how to consider social and environmental issues in combination and how to intermesh them. There are many trade union policy concepts of how to break through the strongly defended front line between economics and ecology: ranging from alliances of “teamsters and turtles” at the time of the anti-WTO protests through the huge commitment of the International Trade Union Confederation to climate negotiations and the formulation of concepts for a just transition towards a new economic order, right down to numerous local initiatives for the creation of “climate jobs”. This shift in awareness can largely be attributed to the obvious fact that the management crises of many trade unions are forcing them to change the way they see their political role, their organisation culture and strategic objectives if they wish to play a significant part in shaping change.

“There are no jobs on a dead planet” is the International Trade Union Confederation’s slogan. While the trade unions were still sceptical about the Kyoto Protocol back in 1997, they are now driving the debate – primarily through their international umbrella organisations – about how combating climate change can be used to reassert and consolidate the principles of decent work – secure jobs, decent pay, social protection, respect for workers’ rights and social dialogue; and the Paris Agreement on climate change and *Agenda 2030* both state objectives that can only be achieved if trade unions participate massively in their implementation.

With their ideas on fair transformation, trade unions are following a concept that echoes the spirit and strategy of socio-economic transformation from the workers’ standpoint. This concept models an initial common horizon for trade unions in the years to come, offers other stakeholders topics that they can relate to and, with respect to the individual processes, asks quite specifically who is going to pay for ecological transformation. Basically, environmental and social policy aims do not contradict each other here, but can

strengthen one another – all measures must aim to reduce emissions, abolish inequality and poverty and to create decent work opportunities. However, in actual transformation processes, mostly on a local basis, there are often considerable conflicts of interest. Many working people have experienced and suffered under the fact that in the last four decades, various structural changes have been enforced without their participation in decision-making, against their economic interests and frequently even against their existential interests. For instance, jobs in fossil fuel industries might be damaging to the climate and have an unsure future, but they constitute a means of making a livelihood here and now. Just and fair transitions must therefore ensure both: secure jobs only in those sectors that support the transition to low-emission economies *and* tangible and direct assistance for all those who are genuinely adversely affected by structural change. These measures include research on and early evaluation of the social and employment-related consequences of transformation processes, as well as education and training measures and the expansion of social security systems.

More than any other stakeholders, strong trade unions can make a wide range of power resources available to support social and ecological transformation: at the workplace, as an organised labour movement, as advocacy bodies within state structures and as partners in broad social alliances.

### **Social movements: “particle accelerators”**

Protest movements and campaigns supporting social solutions have gained in importance in the past 10 years. According to a study by the Friedrich-Ebert-Stiftung, between 2006 and 2013 alone there were over 800 protests in almost 90 countries. The Occupy movement managed to set up 1,400 camps in the world’s major cities within just a few weeks. In addition to Occupy members camping in parks and the Arab Spring, there were worldwide hunger riots, strikes, wildcat

disputes and urban unrest as well. Hackers and whistleblowers obtained access to extensive data, and in cases like the NSA affair and the Panama Papers they brought transparency to the clandestine acts of governments, companies and financial market players.

However different the actual localised reasons leading to the protests were, the demands of the various movements all mainly focussed on economic fairness, “real democracy” and personal rights. The protests were therefore directed against the erosion of the elementary foundations of everyday life and against the dissociation between the economy and the needs of large sections of society. Whether Tunisia, Brazil, Spain or France, the “uprising of the educated” („*Aufstand der Ausgebildeten*“ – Wolfgang Kraushaar) was a protest by young, middle-class citizens against a future without prospects. In many countries of Africa, but also in many of the world’s cities, “service delivery protests” have become common in the fight for affordable homes, transportation, energy, electricity and food.

Women’s rights movements have also played an important role in numerous local and national conflicts, with the everyday situations of women being just as diverse as the political, economic, social and cultural frameworks that are affected by feminist movements and to which feminist movements are reacting. In the developed countries, women’s rights policies have concentrated more on achieving civil rights, overcoming conventional role models and implementing equal rights of representation in employment and politics, while giving women the right to choose their own profession and ensuring them equal pay. In the countries of the South, the right of safety for all humans is often given priority – freedom from fear and deprivation, as well as the freedom to live in dignity. Here, the crucial issue is the enforcement of human rights, such as the right to education and work, freedom from discrimination and the right to personal freedom and safety. The struggles for global justice and for feminist standpoints in political-economic issues were also primarily supported by feminist intellectual and grass-roots movements from the

Global South. These movements have been driving the debate on water, health, education, safety and the privatisation of public goods for a long time.

Many innovative strategic and organisational approaches have evolved as a result. Recently, women’s rights movements in the developed countries have been focussing increasingly on topics such as sexual violence, sexism and social justice issues; these movements make intensive use of the new media and are closely networked with other social movements.

In these highly diverse social movements, a totally different global spirit can be discerned. Since all other channels for articulating their views were blocked (or non-existent), the protest movements, however different they may have been, all expressed their discontent with society at large. The Indignados, the Occupy movement, Gezi Park squatters, Y’en a Marre in Senegal and many others – they were all a sign that politicians and institutions in many countries had avoided confronting themselves with the fears and needs of the people. The protests combined both criticism of social shortcomings and criticism of increasingly authoritarian styles of government, be they in the form of corrupt modernisation regimes or crisis management systems largely removed from any democratic control, as in Europe. The commitment of so many, mostly young people should not be taken for granted, since we are dealing here with a generation whose personal situation is marked by uncertainty. In spite of this, they want to do more than simply echo the sarcasm of the disillusioned and pursue their own, already limited, private opportunities. Here, according to Claus Leggewie, it is not so much that the “principle of democracy is controversial, but that its everyday practice is disappointing”.

Regarded superficially, many of these protests were doubtlessly unsuccessful in terms of tangible, concrete results – which is why they are easily dismissed as political folklore and a relapse into social romanticism. But looking at the long-term effect, certain suc-

cesses come to mind – united by the motto “Another world is possible”, social movements and events such as the World Social Forum have started to dismantle the myth of inevitability that claimed that it was virtually impossible to even consider a different form of society nowadays. Many of the concepts formulated there as rules for putting a leash on the international finance markets are now awaiting consideration on ministerial desks.

The protests have changed political discourse and brought subjects such as inequality into the focus of public debate, as well as leading to the establishment of new social forces and parties. But even more important is that they have given a lot of people who no longer feel themselves represented by traditional organisations a political home, where they can bring up issues, learn to understand political processes, formulate their own viewpoint and create networks. Many social movements and NGOs have discussed and disseminated information on complicated political and economic topics with an overwhelming and exhaustive fervour for enlightenment but without resorting to the usual political phraseology. The wider social movements often provide impulses for community and neighbourhood action, because unlike protests against the IMF, WTO and World Bank in the 1990s, today’s social movements are more deeply embedded in local conflicts and debates. In many countries, such protests have crept into citizens’ everyday life beneath the radar of media publicity, and a broad range of micro-movements is evolving. Social movements often act as a sort of “particle accelerator” for individuals as they spread political inspiration and motivation. This is one of the reasons why they continue to be important allies in the fight for social and ecological transformation and for “making democracy more democratic” (Hartmut Rosa).

## 4.4 Matters of state

Although knocking the state and being sceptical about power have become almost standard for many progressive campaign groups today, transformation is impossible without the support of the state. Social and ecological transformation and a thriving society geared to the common good need a strong state as their partner. In the globalisation frenzy of the 1990s, the state fell into general disrepute and global processes were aimed at the “juggernaut” state. In recent years, though, a renaissance of the powerful state has been observed. However, the state is no longer an active shaper of the structural framework for transformation, but primarily acts as a crisis manager, stabilising factor and conservative power in areas where the markets fail. At the same time, the rediscovered classical sovereignty policies – whether with reference to (border) safety, economics or cooperation with international institutions – restricted themselves largely to domestic or even nationalistic action and ignored global governance issues.

The state is always a concentrated model of social power relationships. As the repressive ally of the economic and political elites, it often opposes progressive movements by shoring up exploitation, curtailing civil rights or hindering political work. In its extreme form, the state and its resources, above all, become easy pickings to be plundered by those elites. Unlike in the heyday of the welfare state, many people now experience the state, even in the developed countries, to be an alienated and in some ways hostile institution that cannot be expected to improve.

For progressive, social democratic and socialist parties, the relationship between state, society and the economy has always been a focal theme that has found different expression in different countries and periods. In the past, the policies of progressive, social democratic and socialist parties were not merely aimed at democratising the state and ruling powers. They associated the concept of an ac-

tive state with the hope that a social form of democracy would come out on top in various fields of society, including the economy. In this process, the state was seen as the main instrument of reform – regulating, imparting momentum, redistributing and driving innovation. In recent decades, however, the reformative zeal of many states has waned and the tools with which they can intervene as a regulating force have either been dulled or even abandoned in the course of the opening to the (financial) markets and globalisation.

### **The state as an “enabler”**

For this reason, two questions have to be answered today. First: How can the state become a stronger “enabler” (Elinor Ostrom) for the development of various forms of self-organisation, self-administration and empowerment of people in their communities while promoting the ability of societies as a whole to implement and advance the social and ecological transformation? To achieve this, state structures and activities must be directed towards promoting and protecting sociopolitical innovation and the integration of this innovation into the greater common good. In order to encourage concepts that are geared towards the common good, it is essential that state institutions at various levels firstly concentrate on making a “development toolset” (material infrastructure such as technology, capital, knowledge and social environments) available for projects designed to serve the common good. For instance, if numerous socio-economic laboratories for testing (and perhaps rejecting) new ways of doing things are to be established in those sectors that are key to the common good, the paternalistic attitude often encountered in many state institutions must make way for a different attitude that lays the basis for cooperation and at least allows for – and can put up with – diversity among the various solutions oriented towards the common good. As with other innovation processes, during the second stage, public institutions will be able to promote social and ecological struc-

tural transformation more directly by offering incentives for particularly successful approaches (e.g. through taxation measures) and removing structural barriers, thereby generating guiding impulses and ensuring that agents of the common good are moving in the right direction. However, a formative state in this sense not only has to pick up and reinforce stimuli “from below”, but must also observe things “from above”, namely, systemically.

### **Governance above and beyond the national state**

In light of the above, the second question is: How can the institutions of the state be rehabilitated so that they are capable of performing the tasks of taming and regulating again? For example: How can they ensure that methods for a just and fair transformation also take due account of those who are losing out because of transformation processes? And how can they provide leeway for new economical concepts and reduce the pressure of global markets? This does not mean that the state should take total control of everything. But aligning the economy to social needs and regulating the (financial) markets must be again regarded as the core objectives of state actions. Even though this appears to be complex, difficult to understand and, in particular, difficult to communicate at the moment, many of the measures can only be implemented at both a regional and a global level. Thus it is more important than ever to make the development of ideas for governance and administration above and beyond the national state an essential task of all social democratic and socialist parties. Without lapsing into a state of naïve optimism that everything can be controlled, the following insights are shared by most social democrats and socialists: first – binding global regulatory frameworks and guidelines have contributed towards civilising relationships between states; second – global and regional cooperation does not lead to more, but to less complexity (since the resulting mutual trust reduces complexity and insecurity and regains room to manoeuvre); and

third – even when the going is rough, the solution is not to stop observing global rules, but to persevere in strengthening global governance, even though it is still very selective. In spite of the EU crisis, the miserable condition of many other regional unions and upheaval in the international system, the following still applies: the active scope of national politics is too limited to handle global challenges effectively. As opposed to the situation at local or national level, reform suggestions are least tangible at the international level, and even in times of active international cooperation are the most difficult to implement. Nevertheless, global governance remains the only way to achieve “healthy internationalism” (Boutros Boutros Ghali). An international organisation of social democratic and socialist parties must accept this principle, because the story of establishing efficient and viable political networks with both regional and global effects has only just begun. The Global Agenda Council on Global Governance and the Future of Regional Organisations, for example, suggested “poly-governance models” filling the gaps of “multi-level governance”. Such models for partnership and collaboration, including different societal and government actors, can address deficits of information, help to reconcile different interests and provide a platform for a vacuum in governance or cooperation.

For this reason, shared prosperity requires strong public institutions. The process of strengthening a sector geared to the common good, if correctly understood, is therefore totally different to conservative strategies of calling for social commitment, backing up voluntary organisations and charitable associations only rhetorically and then, for all intents and purposes, continuing to undermine the (welfare) state. On the contrary, welfare state principles such as solidarity mechanisms, fair education opportunities and a public cultural life, all guaranteed by the state, are essential elements of approaches that intend to serve the common good.

The members of a society, as the new “social power”, and the state act as partners in devising alternatives. For this partnership to

succeed, the relationship between state institutions and active citizens, along with their initiatives, must remain resilient. There must be space to learn from the other partner, to take corrective measures and to follow impulses. This requires an attitude to the state as one in which citizens are seen not simply as passive recipients of services, but as “productive” members of society. The state itself must therefore be transparent and create new participatory institutions, other than elections and plebiscites, not just to encourage an interchange of transformation concepts, but also to capture the democratic momentum generated by projects and initiatives for the common good and to fortify democracy on the whole.

There are already many examples of how “mini publics” influence political decisions at local and national levels. These range from local “consultative groups” (Claus Leggewie) on energy transition and public transport, “participatory budgeting”, “town meetings” and citizens’ juries, right down to the now famous “anthill” in Iceland – where, as a reaction to the loss of trust in politics following the financial crisis, a thousand citizens were selected at random to develop proposals for a new constitution that was subsequently commented on by large sections of the population through the systematic utilisation of social media. We are not talking about setting up institutions that compete with parliaments and magistrates, but institutions that make use of “swarm intelligence”, usually at a local level, and encourage debate and the exchange of ideas, institutions that are able not only to provide more suitable and practicable answers, but also to generate a “we-feeling” in the community or neighbourhood – a totally different concept to right-wing identity politics. Many democratic experiments of this kind are already taking place all around the world. But up to now, they have often not been taken seriously enough.

## 4.5 Machines

Communications and information are crucial for transformation and access to these must be ensured everywhere, especially where access is still hindered by technical, social or cultural barriers. The blueprint for a different world must be open to all those who wish to participate in drafting it. Technological advances give us the opportunity to regain control of many issues. Of course, technological innovations have at least two facets, and the downsides of technological progress on the road to a “Second Machine Age” (Erik Brynjolfsson / Andrew McAfee) are known to all: automation of routine jobs and the exacerbation of inequality, ubiquitous surveillance, violation of privacy and uncertain technological impact assessments. We should therefore not approach technological innovation with blind trust, but it makes just as little sense to have taboos on the subject – after all, the objective is to find out how the social potential of technology can be nurtured and what conditions are required to do this.

There are great expectations concerning the further development and spread of information technologies. Internet-based instruments are already attracting attention, even outside close circles of experts – for instance, 3D printing, which may enable global production of goods anywhere on earth in future, or MOOCs (Massive Open Online Courses) that create a freely accessible learning environment and make education more democratic. Technologies that are accessible to the masses and can be adapted to local demands can contribute towards solving development problems, particularly in the Global South. Adapted technologies like these should comprise resource-saving, sustainable, flexible and open systems that can be maintained and controlled locally. This, in turn, requires not only that as many people as possible are given access to (information) technology, but that this is also used to kick off new socio-economic developments that will be of benefit to all.

The results described in the World Bank’s *World Development Report* on “Digital Dividends” are ambivalent at best: while it is true that three-quarters of the world’s population now have access to modern communications technology – there are more households with a mobile telephone than with clean drinking water and electricity – up to now the digital dividends, that is, associated development successes, have been very modest. This is because the social success of the use of technology also depends on the overall conditions, namely, whether distributed, widespread research is fostered, whether a minimum level of investment capital is available, whether know-how on production and organisation is generated, and simply, whether basic education is improved across the globe (just under 800 million people are illiterate, women making up two-thirds of this group). So the sustainable success of many “grass-roots technologies” that have already been developed and are in use depends on the access and framework conditions that are in place.

Left-wing political movements should therefore have fewer reservations about technology and give more thought to its social dimensions – after all, technology is not an autonomous power; it is developed and deployed by humans. The questions facing us here are no different than in other fields. Who has access to technology? What needs – and whose needs, in particular from a gender perspective – are satisfied by technology? Who actually gets to decide? Technology can perpetuate rulership and maximise profits, or it can make work, life and social participation easier for all. Putting it briefly: “machine capitalism” (Dietmar Dath) may not be very popular right now, but that is not the fault of the machines. And so it is important to drag this debate out of the sectors where it is mainly held – in the largely exclusive, closed club of governments and business – into the public at large, because that is where it belongs. This calls for the creation of more venues where sociopolitical and technological “workshop mentalities” can meet – places where technology is geared to people’s needs, where the utility aspect of things is given priority,

where engineers and developers are won over (and paid) for meaningful technological projects and where alternative production situations can evolve.





## 5 Hotspots

Without the interaction of people who are free to develop their potential, with strong stakeholders such as political parties, trade unions and social movements, (new) companies and managers who support transformation, socially relevant technology and a state that sets the right incentives and regulative impulses – without the interaction of all these factors, we cannot possibly achieve the tasks that are currently facing us. The spectrum of challenges is huge: they range from food security, social inclusion, the future of work, health, migration and gender equality, infrastructure changes, environmental, marine and climate protection, regulation of the financial markets and international trade and investment, right through to the establishment of efficient local and national institutions and of regional and global governance and security structures. What is more, practically all the changes affect powerful economic and geopolitical interests, collide with long-standing cultural systems and involve social risks. None of these aspects can be tackled in isolation from the others. *Agenda 2030*, with its 17 goals and 169 sub-goals, outlines the vast global task ahead of us quite well.

Admittedly, every issue is important. But socialists and social democrats in the Progressive Alliance will need to pool forces and concentrate first and foremost on specific projects. The selection criteria for key projects are:



1. They are particularly important and urgent for the transformation process and create scope for further developments. 2. They contribute to the renewal of democracy. 3. They “motivate” our society and parties. 4. They help to build trust and confidence within and between societies. 5. They emphasise fundamental socialist and social democratic values. 6. International understanding is essential for their implementation.

The four benchmarks for social democratic, socialist and progressive politics in these projects are therefore:

- **Establishing justice:** Instead of only partially occupying themselves with the social question in moral terms (as in conservative approaches), progressive, social democratic and socialist parties will establish an “organic solidarity” – that is, they will make social justice across all fields of politics – economics, security, climate change and the environment, technology, education and health – the core element of their policies.
- **Building trust and confidence:** Above all, social democrats and socialists will, however difficult it may be, start to promote trust and confidence – both between and within societies, and in local communities and at a national level. This means that political and social trust and confidence have to be established and erosion of trust and confidence must be avoided. We shall do this by promoting the common good – no special interests, whether of a religious, ethnic or economic nature, will be supported. Moreover, we are convinced that social democracy, political discourse and the settlement of conflict by non-military means are the right approaches – we shall not tolerate political isolation and authoritarian solutions. Trust and confidence are the essence of political and social action; they form the real,

mutual “security contract”, as well as being the essential requirement for cooperation.

- **Renewing democracy:** For socialists and social democrats, democracy is not just a form of representation; it is also a resource for political, economic and social innovation and added value. In a “productive democracy” (Joel Rogers) of this kind, attention focuses on people and their capabilities. An active and creative state and companies that shape society must create opportunities for all to share and join in.
- **Overcoming contradictions:** Social democrats and socialists must say goodbye to the “silo mentality” where everyone puts their own sector and their own success first and concentrates on defending their own territory. Modern societies and international politics are complicated. One cannot resolve contradictions by simply ignoring them, but rather by facing up to them. We take all contradictory aspects into consideration and try to reduce or resolve them, by taking a pragmatic approach on the one hand and by developing an idea of how they may affect the future on the other. The ability to cooperate (despite nationalist aspirations) is still the main resource of modern power and the capacity to shape the world we live in. This applies both to the ability to form alliances and cooperative actions within a society and to international politics and political levels in between. We shall therefore concentrate on creating and strengthening cooperative and inclusive institutions.

## 5.1 Oil was yesterday: working towards a just and fair global energy transformation

Energy policy, more than any other field of politics, demonstrates how complex and necessary transformation is and what it needs to achieve. It can only succeed if many actors and political levels all work together. Nevertheless, the Paris Climate Agreement and *Agenda 2030 for Sustainable Development* have created framework conditions that are better than any before, in order to drive a fair global energy transformation forwards.

Modern life is inconceivable without a secure, reliable and affordable energy supply. Many of the essential requirements of human development – such as food, health, education, transportation, production and communication – depend on the availability of an adequate energy supply. Even today, 1.1 billion people living mainly in rural areas still have no access to a basic electricity supply; 2.9 billion people are dependent on traditional biomass fuel (mainly wood). Access to energy is and remains one of the essential requirements for overcoming extreme poverty and achieving (global) justice.

At the same time, along with urbanisation and changes in land use, transformation of our energy systems is one of the three key global fields that need to be addressed if we are to achieve effective climate protection. The reason for this is that the energy sector is responsible for around two-thirds of all greenhouse gas emissions. Here, fast action is needed if global warming is to remain below 2 degrees Celsius, because the CO<sub>2</sub> potential of the earth's remaining fossil fuel deposits is around five times that which we are allowed to consume if this target is to remain at all achievable. Protecting the climate has become the “defining factor” for future energy systems. However, since the conventional energy industry is one of the global economy's most profitable branches, substantial assets are at stake

and opposition in this highly concentrated branch will be accordingly tough. Private and state-owned energy concerns have tremendous economic and political clout and one should not forget that they are also major employers. Bringing about changes to the energy-intensive lifestyle of many developed countries will not be easy, either. Energy-intensive consumer behaviour and the downright wasting of energy in these countries contrasts sharply to the energy poverty of some developing countries. For example, in 2010 the 20 million inhabitants of New York consumed as much electricity as the 790 million people living in Sub-Saharan Africa. At the same time, the energy hunger of the industrial countries is destroying basic vital resources in developing countries, where the population suffers from the social and ecological consequences of energy production and generation.

Consequently, transformative approaches must focus on several totally different – and at first sight contradictory – aims: reducing greenhouse gas emissions, ensuring energy supply, eliminating energy poverty and providing comprehensive and fair interim solutions for employees affected by the transition.

### A start has already been made

The good news is that measures to end the fossil-fuel era have already been launched. This new beginning is marked not only by the successful outcome of the Paris Climate Conference and the G7 summit in Elmau, where the major industrial countries set themselves the goal of fully decarbonising their national economies by 2100. A successful global energy transformation is a precondition for implementing the goals of *Agenda 2030* as well. In many countries the “energy turnaround” is already a reality; in terms of power plant output and total investment, in 2013 – for the first time – more energy generation facilities operating on a regenerative basis were built worldwide than coal, gas or nuclear power stations. Even in China, coal consumption is on the decrease. The cost of solar energy generation

has decreased considerably and photovoltaics is the cheapest form of electricity generation in some regions. In global terms, photovoltaic output has increased by a factor of 50 within the past 10 years. The importance of renewable energy sources is also growing in the heating and mobility sectors. Apart from this, the major energy corporations have lost their oligopoly positions in many renewable energy sectors, to the benefit of numerous small producers such as municipalities, farmers and private households. Other advantages of the often decentrally utilisable renewable energy sources are greater autonomy, a more stable energy supply and social participation. If production costs continue to drop and the technical conditions for a decentralised energy supply continue to improve, these may be decisive factors in eliminating energy poverty in many regions of the world that get a lot of sunlight. Some large institutional investors such as insurance companies, state funds, pension funds and foundations have already reacted to the changed framework conditions by withdrawing investments from large coal, gas and oil companies. Numerous municipalities, towns and countries, supported by businesses, social movements and NGOs, have already formulated – and to some extent achieved – their goal of “100 per cent renewables”. In recent years, a grassroots movement with the potential of achieving sustainable changes to our economic structures has established itself.

According to calculations by international environmental organisations, under favourable circumstances the global energy system could be adapted to renewable energy sources, even on a cost-neutral basis, by 2050. However, we still have a long way to go to achieve this. The transition is only possible with renewable, efficient, decentralised, digitally supported and universally useable energy systems that are organised and implemented in a participatory manner. This means that production systems must be realigned, huge new infrastructures and more innovative products developed, employment relations and consumer behaviour adapted, and global cooperation in-

tensified. Therefore it will not suffice to simply swap from one type of energy to another. An energy transition necessitates changes to existing power structures and social habits – this is the only way to find viable answers to the questions of how energy should be generated, who owns it, how it is distributed and how it is used. What we need are:

- **A stable regulatory framework:** It is beyond doubt that enormous investments will have to be made in renewable energy sources, in energy efficiency and digitalisation of the energy systems, and it will be impossible to shoulder the high start-up costs without the assistance of the private sector. Clearly such boosts in investment must above all be implemented globally and quickly in the industrial countries, but the developing countries, too, should set themselves ambitious goals and develop long-term, sustainable energy strategies. Especially in developing countries, where the energy supply is often exclusively in the hands of the state, lack of investment is one of the highest barriers to a comprehensive energy transition. However, the prerequisite for investments – especially foreign investments – is confidence that framework conditions will remain stable. This means that the state must create stable political and regulatory conditions for the construction of new energy systems – by providing suitable stimuli and legal certainty, minimising investment risks, introducing electricity feed laws and promoting energy cooperatives.
- **Energy justice:** A great many people would benefit from changing over to decentralised systems based on renewable energy sources, but this new energy supply would have to be secure and affordable. Especially in developing countries, the price of (fossil-fuel-based) energy is often artificially kept low by subsidies – although these mainly benefit the supply companies

and the more wealthy sections of the population. It makes more sense to cushion the social impact of possible energy price increases through direct assistance. At the same time, the economic potential of a changeover has to be made clear – this includes, for example, new jobs in the energy supply sector or the establishment of subsequent value chains by electrification in rural areas. Socially compatible energy policies also involve providing convincing concepts to ensure the financial and employment security of people currently working in the conventional energy sector. Long-term climate and energy policy goals must always be considered in connection with employment policy targets and guided by the principle of decent work.

- **A “race to the top”:** Developing countries will tackle the “energy turnaround” by themselves, but will also need international support and the cooperation of the more wealthy nations. This will include accepting financial obligations to contribute to the financing of international climate protection and development, as well as encouraging direct investment and commitment on the part of private industry, and technological support and assistance in building up strategic capacities. Corporate cooperation and transformation partnerships between countries at different levels of development can boost targeted progress in the energy transition process. International development cooperation must be rigorously restructured to support decentralised renewable energy supply sources. Here, the multilateral development banks can play a major role in financing new structures and the WTO and UNC-TAD can be of great assistance when it comes to trade issues, ownership rights and investment regimes. Ambitious regional programmes such as the Africa Renewable Energy Initiative show that regional forms of cooperation are important com-

ponents of global energy transition. International forums such as IRENA and UNEP, as well as further consultations on how to implement sustainability goals, must include an exchange of information on best practices in the implementation of energy transitions in order to provide guidance for national energy policies.

- **Energy from below:** Energy transitions do not simply happen by themselves. For energy transformation to succeed, pressure from society to restructure the energy system, willingness on the part of the population to accept changes, and increased knowledge about alternative energy options are needed. Towns and communities are the real settings for the energy transition. Local solutions will of course be highly variable as a result of differences in the prevailing conditions. In the case of decentralised energy systems, an increasing number of people are at the same time both consumers and producers of energy: this opens up opportunities to hold local energy discourses, with close involvement of citizens in planning, decision-making processes and implementation. Participation is desirable not only with regard to the “creativity of the masses”, but also to the settlement of disputes and reconciliation of varying interests. Such complex transformations hold a lot of potential for conflict. By way of divestment campaigns such as the Fossil-Free campaign, which is now active in 60 countries, “bottom-up action” can be taken in future to make corporate policies that are damaging to the climate less lucrative or at least to reduce or blackball investment in these sectors.

## 5.2 Money, money...

### Everything NOK

If the aim is to make economic development more sustainable, to strengthen confidence in politics and within societies, to reduce inequality and to focus economic processes on the needs of the people, then politically taming the international financial market will have to be at the top of the agenda.

The economic, political and psychological damage caused by the 2008 crisis was devastating. European governments alone poured 1.6 trillion euros into saving the banking sector in the period up to 2010. To cushion the effect of the economic crash, states around the world spent 2,000 billion US dollars on stimulus packages. Entire economies collapsed and poverty and hunger started to increase again. The crisis clearly demonstrated that politics no longer has a grip (and in some respects does not want to have a grip) on the risky business models of the financial sector. Confidence in the ability of politics to control and shape conditions has been destroyed. The get-rich mentality of the economic elites who were responsible for the crash violated the sense of justice of large sections of society: after all, their institutes were rescued using public money, thereby overriding the principle of institutional liability – a fundamental pillar of the market economy. The privatisation of profits and the socialisation of losses have never been as obvious as during the financial crisis. Seldom have the workings and character of a system that is so vital to the development of a society contravened the interests of a society so obviously as in the disposition of the financial markets.

The financial and banking sector is also at the centre of international tax evasion practices. Even conservative estimates by the OECD put the loss of revenues due to corporate tax evasion at 240 billion US dollars. This is an especially hard blow to the countries of the Global South, where gross national products are generally low. Apart from which, lacking other revenue sources, they are more reliant

on the taxation of corporate profits than the countries of the North. Thus, according to estimates, the effect on the public budgets of developing nations is twice or triple that on budgets in OECD countries. Added to this are the substantial sums the countries of the Global South are losing as a result of offshore tax evasion by their political and economic elites – most of the money going north, by the way. Almost a third of the wealth of rich Africans – approximately 500 billion US dollars – is invested in tax havens. The Mbeki Panel of the African Union reports that for every dollar they receive in development aid, from investments or from money transfers by emigrants, they lose almost a whole dollar because of illicit capital outflow. There are many causes for this: these countries often do not have efficient taxation systems, their revenue agencies are poorly equipped, corrupt elites smuggle misappropriated public funds abroad and invest the money in shadow banking hubs, foreign investors are granted long-term tax privileges or avoid paying tax by applying the many tricks for shifting profits to low-tax countries. What is more, developing countries usually cannot access their citizens' banking data in OECD countries.

A reversal of this trend is nowhere in sight, not even after the many discussions about business practices in the “red light districts of capitalism”. In 2014 corporate investment in tax havens was almost four times as high as in 2001. Nine out of ten globally active corporations have at least one subsidiary in a tax haven.

### Reforms are too ineffective

After the financial crisis of 2008, a series of reforms was launched that originally gave some cause for hope. The most notable of these were formulated in the G20 resolutions of 2008 and 2009. No player, no product, no market was to be left unregulated and unsupervised in future. The EU, too, initiated moves to regulate the finance market, including revision of the rating regulations and the Transparency Directive, bank stress tests and the enforcement of the Basel III framework.



All this has not had any real political impact – no new banking culture geared towards sustainability and support of the real economy has evolved. After 10 years of crises, bailouts and reforms, the global finance system remains dangerous and dysfunctional. Now, as before, it is characterised by short-term yield maximisation and ignorance of risks. Banks are still financing their long-term business with short-term loans. Only 26 per cent of these serve the traditional loan business; the most important balance-sheet items are derivatives. Even after the Basel III accord, prescribed common equity is still too low for banks to meet their liabilities themselves if a crisis arises, as opposed to calling on the taxpayer for assistance. There are two other large blank areas of financial market reforms that still pose a major risk: the shadow banking sector and banks regarded as “too big to fail”, that is, the systemic banks, which so far are still not regulated and make states more vulnerable to blackmail.

Most of the risky practices that led to the financial crisis were legal. But after the reforms, the banks still have too much leeway. The aim of social democratic, socialist and progressive politics in coming years must therefore be to make the financial sector more democratic, drive it back into its role as a service provider and regulate and develop banking further in such a way that it no longer poses a constant systemic risk to entire economies and societies.

- **Restraining and restructuring the finance markets:** “No second Lehman Brothers” – the world’s major nations were unanimous on this issue. But as memories of the crisis and its causes faded, so did the will to reshape things. Resistance by financial market players also started to increase again and political powers became increasingly prepared to give in to them. Social democrats and socialists must therefore make a strong commitment to a more emphatic restraining of the financial markets. This includes: regulating shadow banking in order to prevent individual business fields being farmed out to unregu-

lated sectors; putting an end to state liability; establishment of a separated banking system; prohibiting risky operations and speculation with agricultural commodities, fuel and energy; regulating high-frequency trading; reforming the business models of the rating agencies; and massive extension of supervision instruments. It must also be made quite clear that anyone involved in money laundering or assisting with tax evasion can expect legal consequences under criminal law. Considerably stricter and better equity capital requirements must be established, especially for all financial institutions that might get entire national economies into trouble in times of crisis. Another measure that definitely and finally needs to be implemented is financial transaction taxation – an issue that has been agreed upon several times over, at least in the eurozone.

- **Tax it!** Fiscal policy as a shaping force and efficient taxation systems are in a number of ways vital to a successful transformation: first, they can mobilise much-needed financial resources, and second, the taxation system helps us achieve fairer distribution of income and wealth within our society. Taxes can be used to promote politically desirable projects, to make undesirable activities more expensive, and to influence consumption and production decisions. Last but not least, we could reshape taxation systems so as to permit greater democratic control and a stronger rule of law – after all, tax payers are entitled to demand that governments account for the money put at their disposal. This is why setting up national taxation systems and mutual support in such activities is so important, especially in developing countries. But this is still not enough: we have to continue improving international cooperation in matters of taxation. After all, business and the economy went international a long time ago.

The measures to contain illegal tax evasion and legal tax avoidance as agreed upon by the G20, the EU and the OECD demonstrate that changes are possible, even in an international context. These measures include the automatic exchange of information between states about financial accounts, the G20 action plan to combat the incomplete disclosure or transfer of company profits, and the transparency regulations as set down in the EU Capital Requirements Directive. Nevertheless, additional steps are needed. Social democrats and socialists are committed to: putting an end to the ruinous race for rock-bottom tax rates by bringing transparency into the incentives offered to multinational corporations and by outlawing harmful taxation practices; introducing effective minimum thresholds for corporate taxation and consolidated global taxation for multinational groups, and ensuring that these are internationally accepted over longer periods; obliging companies to disclose country-specific data as part of their reporting practice, so that anyone can understand how and where corporations pay taxes; consistently blocking tax havens, for example, by closing the loopholes in criminal procedure, especially with regard to the banks, and barring tax havens from participation in the international financial system. In all cases, it is important to involve the countries of the Global South – ideally within the framework of participation in a multinational body under the aegis of the UN. Modern free-trade agreements could also be used to establish joint binding corporate taxation regulations.

- **Banking from below:** Societies must not allow precarious systems to grow and threaten the interests of a large majority of the population. Let there be no doubt: it is the state's obligation to enforce strict regulations against such developments. But it is also important that more people understand the crucial issues of the financial markets and how these can be han-

dled. Much of the information that has come to light about the business practices of banks and other finance market players has been revealed by whistle-blowers. We must therefore improve protection of those who expose illicit conduct. What is more, we need social enlightenment and “literacy campaigns” with regard to financial market politics – these could be conducted, for example, by NGOs – because the debate on decisive issues must be fuelled.

What is the significance of finances and banking in our lives? How can people become more confident in their dealings with the financial sector? What alternatives are available?

Quite obviously, the cooperative credit union system is one alternative, but other alternatives also include new trends that involve experimenting with totally different financial technologies (FinTechs). Some of the latter have the potential to establish alternative banking and financial services in the future, for instance, by using block chain technology, that can ensure secure transactions in virtually any banking sector and that are more transparent, decentralised and cost-saving to boot. The “Internet of finance” is able to foster peer-to-peer credits (granting of loans by and to private persons without involving banks), the establishment of alternative loan markets and the spread of cryptocurrencies. This will create alternatives that will force the financial system to retreat to its function as a service provider: facilitating loan allocations, managing risk, financing enterprise and enabling savings and investment.

### 5.3 Globalisation must work! – Decent work for everyone around the world

Supporting the struggle for decent work around the world is one of the key tasks of social democratic, progressive and socialist parties.

Work is a central aspect of human development and all people have a relationship with work. Decent work for decent pay secures people's livelihoods, reduces inequality, fosters gender equality and strengthens communities by acknowledging that work in the household, caregiving work and volunteer work is also work. It fosters creativity, enables people to participate in society and boosts their self-esteem. According to the German Trade Union Confederation's *Decent work Index*, work is fair and decent if it satisfies the requirements of those who perform it. Decent work is therefore one specific element of transformation. Work, that is, gainful employment, can, however, also involve coercion and stress and the violation of human rights; it can violate human dignity, exploit the worker and be dangerous; it can lead to inequality and destabilise families and communities. Work must therefore be defined and planned in such a way that it promotes human development, as well as social and ecological transformation.

### **Precarious working conditions**

Since the financial and economic crisis, employment figures, which had been good up to that point, have dropped and 30 million people who lost their jobs have not managed to find new employment. Official labour market statistics indicate that just under 200 million persons are presently unemployed, worldwide. Taking the latest demographic trends into consideration, approximately 40 million additional people will enter the employment market every year. This means that roughly 420 million new jobs will be needed across the world by 2030. Even more of these jobs will be related to the service sector than at present. Another fact is that employment potential is not fully exploited in many regions: women continue to be underrepresented in the official labour market, young people are more severely affected by unemployment and, in spite of some recent

progress, many children and young people still lack elementary education opportunities.

With regard to the quality of working conditions, decent work is little more than a dream for many people, and not just for the 21 million subjected to forced labour. Approximately 830 million people are considered to belong to the "working poor", who have to make do with less than two US dollars a day. Women are paid worse, have less security and still perform the lion's share of unpaid family work. Especially in the developing countries, a large proportion of the population is employed in the so-called "informal economy", where productivity is low, poor working conditions prevail, unfair wages are paid and social insurance is completely lacking. Only a quarter of the world's population has some form of social insurance. Every year 2.3 million people are killed in accidents at work, and in many developed countries the number of people no longer able to work because of poor health exceeds the number of registered unemployed persons. Trade unions are prevented from tackling the social abuses – 50 per cent of all employed people work in countries that have not ratified ILO Convention 87 on the Freedom of Association and Protection of the Right to Organise. Illegal migrants, sex workers and domestic servants, in particular, are exposed to discrimination, exploitation and violence.

### **A brave new world of work?**

Internationalisation of trade and business and digitalisation of the economy in the years to come will continue to be the major trends defining labour markets and the character of work. The developments involved are ambivalent. The establishment of global added-value chains, world-spanning decisions on trade and investment, and migration have all contributed towards the globalisation of work, whereas the regulation of work and protection of work – when this exists at all – is dealt with at a national level. Approximately half a

billion people are already working in global value-added chains. This has created jobs, even in many developing countries. In recent years a number of states with emerging economies have succeeded in shedding the reputation of being low-wage countries and have become competitors of industrial countries by producing high-quality work. At the same time, market pressure has often simply been passed down to the workforce to the detriment of wages, safety and health at work and/or legal and social security. In the course of product and capital market globalisation, wages, salaries and work standards have been degraded to “location competition” factors that culminate in a “race to the bottom”, a race of countries trying to outdo one another in offering lower standards and with serious social and economic consequences for the respective national economies.

Digitalisation of the economy has already been a significant driver of the international division of labour in the past decades. There are clear indications that this trend will accelerate in the coming years and further differentiate work sectors by intermeshing totally different technologies such as artificial intelligence, 3D printing, smartphones, robot engineering and biotechnology. The Internet of Things will transform entire value-creation systems and dissolve the spatial and temporal boundaries of product and labour markets even more. Work is becoming more mobile and multi-localised.

However, the political outcome of this digital revolution with regard to the labour situation is still a matter of debate and cannot yet be foreseen. On the bright side, there is hope for new business models and sectors that will create new jobs and greater productivity to the benefit of all, better and healthier workplaces and more flexible modes of work to the benefit of the working people, more sovereign control of one’s own time, better opportunities for setting up businesses and support for new approaches to an economy of solidarity.

All the same, there is also cause to be sceptical, since the economic developments of the last thirty years have brought about two

different results: enormous technological progress on the one hand, and extreme inequality on the other. Further technological revolutions might exacerbate inequality. The “Rise of the Robots” (Martin Ford) fuels fear and, indeed, a new wave of automation can lead to the elimination of routine jobs, particularly in the median sector of white-collar work. This no longer only affects the production sector; it also hits the service sector and knowledge work. Some qualifications are being devalued and the demand for others is rising; entire professions will cease to exist while new ones emerge. This could lead to further polarisation on the labour markets (and in the distribution of earnings), for example, because of increased demand for highly qualified staff (recruited on the global labour market) and for poorly paid service workers (who are found on the national labour market or are migrants). It can already be seen that workers in the flexible world of crowd-working, click-working and “human cloud” platforms on which the wage-earner is supposed to be an “entrepreneur” are only employees on short call, with irregular contracts, short-term employment, poor social security and little protection by trade unions.

Nevertheless, digital technologies also have the potential to support transformation in favour of decent work. The question of who will reap the “digital dividend” has not yet been decided. We do not yet know exactly what is coming, but we can shape developments. Social democratic, socialist and progressive parties must maintain the projects of “decent work throughout the world” and continue to make this their stated goal on their future agenda. And not only with regard to isolated issues, but as a comprehensive aim, as expressed in the International Labour Organisation’s Decent Work Agenda. What working people need are:

- **Sustainable work:** Global social and ecological transformation requires people who are willing to contribute to bringing it about. Sustainable work means that an individual is able to engage in sensible and safe activities as part of a sustain-

able value-creation process in the economy and society and can earn enough to afford a decent and fair livelihood. The factors determining where sustainable work can be found and what countries, regions, communities and enterprises can do to create decent work and jobs for (and by) the transformation are very diverse. The key elements of an employment strategy are therefore: definition of the objectives of employment and work; a stable macro-economic environment; growth in sustainable sectors that creates jobs; innovative education, learning and qualification campaigns to accompany transformation and digitalisation of the world of work; new regulatory frameworks for those in informal employment, for Web-based forms of employment and for work-sharing platforms; taxation and fiscal policies that take into consideration the labour market situation; better access to loans for small and medium-sized enterprises; and a focus on the areas where the poor live and work (e.g. in agriculture). However, digital progress should also be used to develop new work (and working time) models, not in the sense of an entrepreneur selling his capabilities, bearing all the risks by himself and having to optimise his business to suit business demands, but as a model that takes a holistic view of work and in which the value assigned to work is based on its social usefulness. In its report *The employment dilemma and the future of work*, the Club of Rome suggests considering a multi-layered work model that includes conventional paid employment, caregiving, communal and charitable work and self-sufficiency. In this model it is important to achieve a fairer distribution of domestic work and caregiving among the genders, for example, by making well-paid and high-quality jobs more accessible to women, by providing better basic water, energy and food supplies, changing social standards and acknowledging the value of caregiving. In addition, it is essential to discuss alternative arrangements in which an income can be

ensured for all sectors of the population, and which is totally unrelated to conventional work in return for wages.

- **Rights:** Decent work should not be totally dependent on the benevolence or malevolence of the respective interests of companies and governments; it must, by nature, be based on fundamental rights. The freedom of association, free collective bargaining and the right to enter into collective agreements, the abolition of forced labour and child labour, prohibition of discrimination at work and the obligation to pay equal wages for equal work – these are the ILO's key work standards. Social democrats and socialists must fight to ensure that these standards, along with other conventions for workers' protection, are applied, both in their own countries and around the globe. This obligation also includes extending the responsibility of enterprises to ensure legally binding human rights protection, the obligation of enterprises to account for and ensure transparency all along supply chains and further developing the framework of international standards, for instance, with regard to underpinning the OECD guidelines for multilateral enterprises, as well as the UN's guiding principles for the economy and human rights. The obligation to observe core work standards must be an irrevocable part of all trade agreements. It is essential to ensure human rights globally and at all levels, to ensure minimum wage policies, to introduce living wages and social security for all, enabling people to cope better with personal and economic crises. The concept of Social Protection Floors (SPFs) presented by the ILO offers an opportunity to provide basic social security even for the weakest of the populations of the Global South. Last but not least, in view of the globalisation of work, we must support the institution of regulated, safe and responsible migration and personal mobility, both at international and regional level.



- **Participation:** If, first, we are serious about realising the goal of empowering people and enabling them to participate in shaping important areas of life, and, second, we affirm that the economy is increasingly transforming itself away from society and that the principles of democracy, the common good and the interests of the people hardly play a role any longer and, third, we assume that making the economy democratic is the main prerequisite for a successful social and ecological transformation, it is essential to strengthen democracy and participation at the workplace in the coming years.

Workers' movements all around the world have gathered a wealth of experience through various forms of participation. It will be important to renew the claim to rights of participation and co-determination in enterprises and to plan and apply production processes, not just with regard to the digital transformation and ensuring decent work, but also in order to ensure a social and ecological transformation in general. On the contrary, transformation will only succeed if all those who are affected by it are allowed to participate, in other words, if the participation potential of workers is applied systematically, thus controlling transformation from the basis upwards. After years of neo-liberalism, interventions of this kind might appear to be almost impossible and will meet with huge opposition.

There is no such thing as a silver bullet, either. The most direct way of recovering autonomy is to introduce some form of solidarity economics, self-managed enterprises and production cooperatives. In other types of companies, participation in management must be extended to include work organisation issues such as the sovereignty over one's own time. In many cases powerful and free trade unions will be needed if progress is to be achieved. Social democrats and socialists must support the work of the trade unions, especially in those areas

where trade unions are weaker and it is difficult to integrate certain groups such as clickworkers, but also the landless, domestic servants, street merchants and migrant workers.

Faced with a globalised economy, the trade unions and their partners will have to tackle another issue, which is simple, but poses a difficult challenge. This is to define a new concept of solidarity that is no longer based on a geographic location and homogeneous communities, but which has to model the many heterogeneous manifestations of work all along the value-added chains and migration networks. Effective representation of interests and workers' participation can therefore no longer be contained within national borders. Transnational networks of companies and industries, international framework agreements with transnational corporations and various forms of social dialogue are all strategies that the trade unions are already applying in response to these challenges. We must continue supporting them in these endeavours.

## 5.4 Risky times? Peace is indivisible

We are living in times of transition: political and social upheavals have shattered the old structures and constellations of political action, but the ongoing crisis has not shown us any new ones. In many places, the legitimacy of political structures, and thus the state's original promise of providing and ensuring safety and security, is being called into question. Times of transition are ambivalent; they create opportunities to reshape politics, but at the same time lead to insecurity and uncertainty.

## Growing insecurity

Nowadays, many societies are characterised by an underlying feeling of insecurity. According to surveys, the concept of “security” now occupies one of the top places in the popularity scale, next to “freedom” and “fairness” – and not just in a single but in a triple sense: in the social and existential sense; in the sense of security of personal integrity (comparable to the two dimensions of human security “freedom from want” and “freedom from fear”); and last but not least in the sense of being able to rely on rules and social continuity. This is because we also associate security with institutions and arrangements whose task it is to provide constructive solutions for crises, prevent violence and ward off internal and external threats to individuals and political structures.

At present there are many reasons both for the “feeling of insecurity” and for the actual “situation of insecurity”. At global, national and individual levels, these include:

- **The erosion of international order:** Multilateral institutions such as the United Nations have not been sufficiently able to establish themselves as pillars of an enduring world peace order; on the contrary, the renaissance of superpower politics, the return of war as a political instrument and the growing tendency towards a self-granted departure from collective standards are manifesting themselves quite clearly. This trend is accompanied by the danger of a new global arms race. On the other hand, international diplomacy has managed to see some success in recent years, for instance, in the Agreement on Climate Change, *Agenda 2030* and the Iran Nuclear Agreement.
- **Acute crises:** The distinction between external and internal security is becoming blurred. The reasons for this include prolonged wars and so-called “economies of violence”, targeted

attacks on civilians, a rising number of people displaced by violent conflicts, geopolitics and proxy wars, ethnic conflicts, conflicts over resources, environmental issues and water supplies, terrorism and organised crime, as well as simple “civilisation-driven self-harm” (Ulrich Beck), such as climate change.

- **State monopoly on the legitimate use of force is being challenged:** Sovereign states and their monopoly on the legitimate use of force are core elements of our world order, but at the same time the breakdown of this monopoly and/or its lack of legitimation (in the case of repressive structures) are considered to be the major cause of violent conflicts. This situation is exacerbated by other developments such as the debate about wider security concepts or the privatisation of security measures in the face of new threats such as international terrorism. Automation of warfare, too, raises immediate questions on the future constitution of democratically controlled monopolies in the use of force.
- **The individual’s loss of control:** People are finding it more and more complicated, confusing and hazardous to shape their own lives. The cultural and social systems that used to give many people guidance throughout their lives are disintegrating. People are no longer able to plan their own personal future and as a result are losing trust in the institutions that used to offer moral support and guidance. Violence against women is often the result of structural inequality between the sexes. Men are worldwide one of the main causes of premature death in women. For many people the “safety devices” seem to be deactivated in the world around them and their ability to tolerate risks is decreasing – and at the same time, these anxious members of (Western) “risk societies” (Ulrich Beck) long for more and more security.

### **Security in a world without boundaries: for whom, by whom?**

Guaranteeing both inward and outward security has always been the task of the state. Although essentially neutral, the concept of “security” has acquired certain political and social connotations in many countries. When discussing security, one should always ask: whose security are we talking about? Who do we want to protect and what is the danger? The question of the causes and of political responsibility is often obscure. Social insecurity will pose a particular challenge for political movements in the years to come because politics must not ignore the fears of society. It is important to attentively listen to these fears and tackle the causes wherever possible. All the same, the longing for security and the state’s response to this must not be so biased that even a tightly controlled social system that increasingly restricts freedom is experienced as being a place of refuge.

Freedom and security, therefore, strike a delicate balance but are not on the same level. In a state governed by the rule of law, security serves to protect the rights and freedom of everyone living in this state, and measures must be carefully considered before being taken. Contrary to this, in authoritarian systems, the focus is often not on human security, but on securing the authority of the state or those in power. Yet in democratic systems, stricter legislation often fails to improve security but simply restricts the rights of freedom instead. While society’s need for security is often answered by the call to avert alleged “hazards”, an answer that tends to rely on enhanced personal safety, and on the renunciation of “risky” freedoms and social control, it will only be possible to reduce real risks and hazards through “multilateral problem-solving strategies”. These rely more on collective security, cooperative elements, transparency and democratic opportunities to exert influence and liberalisation. It is impossible to ensure the security of one side without ensuring the same for the other.

Social democrats and socialists therefore combine the handling of acute crises with attempts to find viable medium-term and long-term solutions. They advocate a policy of replacing the law of the strong by the strength of law, and of banishing any kind of violence from international relations. A social democratic concept of peace, both internally and externally, aims for sustainable, constructive peace that is more than just the absence of war and violence. It implies the employment of a wide range of civil instruments, stresses global solidarity and the role of parliaments and depends on interaction with other political sectors. Its interests are focussed on human security. Projects that the Progressive Alliance should pursue are, for instance:

- **Strengthening the United Nations:** The time is ripe for a new peace agenda. Initiating and drafting this agenda would be in keeping with the social democratic and socialist parties’ long-standing peace-making tradition. Initial answers to several totally different peace issues would have to be bundled here. How can we shape a new policy of détente and organise confidence-building measures? How can the United Nations, as the key player in any peacekeeping process, be reformed and strengthened in the 21st century? What practical peacekeeping instruments do we need – peace missions, civilian peacebuilding, mediation, reconciliation – and how can these be enhanced? How can we achieve a global renaissance of disarmament? To be specific, social democrats and socialists should strengthen the institutions that guarantee joint security – above all, the United Nations. This is the only body that is in a position to shape a global peace policy. This is why the UN’s current situation gives us all the more reason to worry: more than any other institution in the world, the UN is groaning under the burden of the tasks it is supposed to fulfil, while on the other hand it is impossible to meet the challenges of

peacekeeping without UN support. The United Nations often only plays a rhetorical role, but the real issue is to empower this institution and make it fit for its future tasks: progressive, social democratic and socialist parties should make every effort to provide political, financial and personnel support for the new UN Secretary General in enforcing reforms as part of the “Sustaining Peace” agenda. This includes improving the regular budget, reforming the workings of the Security Council and increasing transparency of and democratic participation in UN actions. But above all, to take the UN seriously means to actively promote initiatives both inside and outside the institution – as an innovative political strength, as an agenda-setter, as an active political ally of the UN and as a bridge-builder between parties with differing positions. This involves, for example, supporting the call made by the Horta Commission to reinforce UN peacekeeping as a response to the new types of conflict and violence, as well as supporting the Töpfer Commission in the institutional restructuring of the UN system with regard to the *Agenda 2030*. It also includes endorsing the recommendations of the High-level Review on the implementation of the UN Security Council Resolution 1325, which calls on parties to a conflict to protect women’s rights and to include women on an equal footing in peace negotiations, conflict mediation and reconstruction efforts. The aim is to create the vital components of a global peace and security architecture that will strengthen the UN’s ability to respond to future challenges, particularly in the fields of crisis prevention and transformation of conflicts.

- **Priority for civilian means:** Social democrats and socialists are in full agreement that prevention and civilian instruments for resolving conflicts must take priority over military measures. Even if military intervention may be legitimate as a “last

resort” to prevent extreme human rights violations within the strict framework of international law, peaceful global politics must follow the logic of civil procedures. This requires a policy of internationally agreed crisis-prevention measures that targets the causes of violence – a policy conceived for long-term applicability, one that is democratically controlled and geared towards the principles of solidarity and a responsibility to protect people. This task becomes ever more urgent with the increasing tendency of many countries to follow political concepts aimed at short-term results and frequently targeting only national advantages. Nationalistic strategies, by contrast, neither make it any easier to deal with difficult present-day challenges nor contribute towards sustainably overcoming these challenges, whereas the results of diplomatic negotiations such as those concerning Iran’s nuclear programme prove that diplomacy can be successful in settling even acute crises. However, an arms race, now becoming a threat again after years of decreasing expenditure for armaments all around the world, could start widening the gap between the instruments of civilian crisis prevention and military security policies again. This has to be avoided. To this end, social democrats and socialists will advocate the further strengthening of civilian means. And they should just as avidly support more restrictive control of armament transfers and negotiations on the renewal of conventional (and nuclear) arms control agreements, making reference to existing collective security mechanisms.

- **Legitimate monopoly on the use of force and democratic control of the security sector:** In many countries, progressive forces keep a healthy distance from the state security sector, as well as skirting security policy issues in general – often for very understandable reasons. Nevertheless, social democratic and socialist parties must pay closer attention to the issue of

internal security if the matter is not to be totally left up to conservative or repressive forces. Only then will they be able to point out alternatives to the (often unsuccessful) “iron fist” paradigm and counteract the powerful myth that greater security can only be obtained by restricting civil rights and reducing democracy and transparency. Social democratic policy therefore presumes that a legitimate state monopoly on the use of force, in conjunction with comprehensive democratic control and the embedding of the security sector in society, is indispensable. The formulation of security policy objectives and strategies and clear-cut mandates and control mechanisms for parties involved in security measures must be part of the democratic public debate and decision-making process. Furthermore, it is important to continue extending work in the sector of prevention of violence and extremism and to understand that strengthening trust within society and between the citizens and the state is a never-ending task.

## 5.5 Governing the cities

All the social challenges of our day and age, but also the opportunities and perspectives, are mirrored in our cities. As of 2006, for the first time in history, over half the world’s population officially lives in cities; in 2020 that figure will be 60 per cent. Almost the entire population increase in the coming years will be in the cities. Within a few decades, two to three billion people around the world will leave rural areas for the cities. This is the biggest migratory movement of our era. Urbanisation will expand at a particularly rapid pace in the countries of the Global South. Big cities will increasingly become the hubs of economic growth and the generation of art and knowledge. They are already the pivotal nodes of financial and trading flows and – like

a modern version of the city state – they will increase their influence over the (economic) processes of globalisation.

In many places, the city represents both an opportunity and a concentration of problems, is both an enclave of prosperity and a slum. For many, it initially brings a relative improvement to their situation, and for the impoverished rural populations in many parts of the developing countries it is a place of refuge. At the same time, the urban wilderness is full of risks, coupled with major challenges in terms of urban infrastructure, mobility, social services, education and health-care systems. Splendour and misery rub shoulders here and dramatic contrasts in living standards are at their most blatant. It is in the cities that we are confronted most directly with issues of allegiance, participation and social diversity.

The pressure on local resources such as land and water is also considerable. Cities contribute disproportionately to greenhouse gas emissions, accounting for more than two-thirds globally. According to the German Advisory Council on Global Change, if cities continue to be built with cement and steel, as has been the practice up to now, the mere production of all the building materials would, in itself, use up the world’s entire emissions budget for keeping within the 1.5 degree target. It will not be possible to achieve the envisaged global climate goals unless urban development goals are set as well.

Some consider that urban living in many major cities of this world gives a foretaste of the social conflicts ahead – social segregation, failed integration, privatisation of security, violence and anarchy. But cities can also be places for community and democracy where people of different origin, gender, social classes, age and sexual orientation can, in the best case, work and live together and shape the environment in which they live. Cities have already become huge “transformation machines” and the future of social, sustainable and democratic societies will be decided not least also by the fate of the cities.



Cities have always been bastions of the social democratic, progressive and socialist parties. Together with trade unions and social movements, these parties will need more than ever to play their part in urban reorganisation in the 21st century. Many city concepts, whether the “smart city” that banks on information and communication technologies, the “resilient city” that focuses on flexibility and the ability to adapt, or the “cosmopolitan city”, all emphasise just one aspect of urban development and often neglect the social and democratic challenges involved. Social democrats and socialists see the city as the place where a most diverse range of people works and lives, and base their future city agenda on low emissions, human rights, social inclusion and democratic participation. To achieve this, we need the following:

- **Strong public services and infrastructure:** Functional, accessible and affordable public services and infrastructure are essential for good community relations and economic prosperity. This includes energy and water supply, waste management, transportation, health, education, adequate housing, public safety, culture and the provision of public spaces, especially in the poorest neighbourhoods. In many towns and cities, public land provided for communal agricultural activities could ease the access to food in urban areas. In the past, public initiatives have often proved to be more efficient and comprehensive and to incur fewer social costs. In a lot of these areas it is important to present an urban infrastructure concept that serves the good of the public in order to counter the individual interests of those who see the town as something to be plundered and an object of speculation and wish to commercialise public space even more.

With regard to the quality of the services, public employees (and the service sector trade unions) play a key role. They have to be well trained in order to ensure quality, be well

paid so that they can actually live in “their” city, and they must have the right to organise. The town must use its market power to ensure that labour, social and ecological standards are upheld in public procurement procedures. The creation of decent work in the cities plays just as much of a key role in reducing inequality as does space management that serves the public good. In order to implement these projects, the cities must have sufficient financial room to manoeuvre. To ensure this, many of the cities must improve their capacity and ability to collect taxes, on the one hand, and be given fair participation in tax revenues, for example, by including transnational corporations and/or being allowed to participate in taxation decisions at a national level, on the other.

- **An ecological transition:** Waste and garbage, air pollution, water shortages and the contamination of water and soil all have a strong negative impact on the quality of life in towns and cities. Cities should not only be able to offer their inhabitants a healthy environment, but must also make a substantial contribution to ensuring that the development of humanity takes place within their planning boundaries. Urban planning must therefore take into consideration that climate protection and ecology are integrated in a combined topic. There are many approaches to an ecological transition that relieves the burden on the environment. These include energy efficiency and energy-saving measures, the construction of decentralised solar energy plants, for example, in informal settlements, expansion of closed-cycle economies, the mixing of residential and commercial districts, emission-free traffic in city centres, specific measures regarding energy-efficient building methods, or the development of a low-emission public transport system. To be widely accepted, sustainable urban policy must

consider the ecological and social aspects as developing hand in hand.

- **Confidence and trust:** Confidence and trust (in fellow human beings, in the local government, in the public services) are the key prerequisites for a good urban ambience. For this reason, we need mechanisms and processes to strengthen confidence-building measures in cities and prevent the erosion of trust. This is initially the job of city governments, who see themselves as mediators and organisers of change, who take understandable decisions and have the resources and capabilities to conceive and implement projects. Fighting corruption (including everyday corruption), for example, by introducing more transparency into publicly awarded contracts or by anti-corruption guidelines in public administration, is a significant step towards boosting confidence.

At the same time, there is a large pool of people, especially in urban communities, who want to help to shape the way they live together in their own neighbourhood, and many social movements are demanding that they be allowed to participate in urban development and are introducing new ideas. Here, opportunities of democratic participation are needed (e.g. through participation in urban planning processes, participatory budgets, round tables or neighbourhood management), but also civil conflict mechanisms that can mediate between those who already live there and the vast numbers who are still coming. Participation can only work if local governments and authorities take public opinion seriously and the man in the street is prepared to accept that he has to make compromises. With regard to democratic participation in communal politics, we must be careful that participation does not become a privilege and that measures are taken to offer the opportunity to participate to those with the weakest voice and

those who are in greatest need of a social city to help them. And because cities are particularly attractive to migrants, the “citizen status” and the associated access to rights must be based on other criteria than “nationality status” – criteria such as the place of residence or participation in the community. “Sanctuary Cities, like New York or San Francisco, where people have access to work, housing and social services and enjoy the protection of law, irrespective of their alien status, have already taken this step.

## 5.6 Badlands – the case for an agricultural transformation

A successful social and ecological transformation depends more than anything else on our agricultural production methods and on our eating habits. Agriculture is the main source of income and livelihood for more than a third of humanity; agriculture is expected to feed the people and is responsible for producing at least 40 per cent of all greenhouse gases, making it one of the major sources of man-made greenhouse gas emissions. Unless the existing structures are changed, agriculture will continue to place a burden on the environment, will increase social injustice and will do nothing to sustainably combat hunger.

Admittedly, the existing agricultural production and food supply systems ensure that a lot of food reaches the markets, and record harvests and rock-bottom cereal prices make the hunger revolts of 2008 and 2011 seem like a brief episode. Nevertheless, the world food supply system is very crisis-prone and, in its present form, creates huge social costs and ecological damage. This includes, for example, the excessive use and the degradation of agricultural land; huge CO<sub>2</sub> emissions due to livestock farming or forest clearance; wastage and pollution of water; health hazards due to the intensive use of fer-

tilisers and pesticides; a decrease of crop biodiversity, with the risk that future generations will be less able to adapt to environmental changes; higher susceptibility of crops to disease and increased resistance of pests to chemicals due to the use of synthetic pesticides; a stronger focus on export, which admittedly provides income and jobs, but makes these more subject to price fluctuations and trade conditions, and, on a local scale, leads to food insecurity due to changed land use.

Although this figure has decreased considerably in recent years, almost 800 million people still go hungry and 2 billion people are undernourished. Competition for arable land has increased again in recent years. Only 43 per cent of cereal crops are used to feed people. The rest is processed as animal fodder, vehicle fuel and industrial raw material, mainly for use in developed countries. But agriculture is not just a main cause of climate change; it is also a victim. In coming years, much fertile arable land will be lost because of drought, flooding and soil salination as a result of rising sea levels.

### **Agriculture under pressure from the markets**

Many the problems listed here are associated mainly with an industrialised form of agriculture, which, in global terms, only constitutes a small but growing share of world food production, but which significantly shapes the system as a whole. In view of the huge investments required to make it profitable, it has to rely on large-scale monocultures, intensive land use and the interest of a large group of affluent consumers. Social and ecological demands or sustainable rural development are of no importance here. In addition, the problems are growing exponentially, as the industrialised agricultural system brings various developments into focus, as under a magnifying glass, similar to observations in other sectors of the global economy.

There is no other sector in which mergers and concentration efforts were as marked in recent years as in the agricultural sector. Ac-

cording to the *Konzernatlas 2017* (2017 atlas of corporations) no more than four large corporations control 70 per cent of world trade in agricultural consumables, three corporations dominate 50 per cent of the world's agricultural machinery market, and after its acquisition of Monsanto, Bayer now has a one-third world market share in commercial seed and one-quarter of the market share in pesticides. Market power in certain part markets is even more pronounced. For example, four-fifths of global tea trading is in the hands of only three corporations. Moreover, the large corporations are excellently networked along the entire supply chain.

Many mergers are orchestrated by investment companies wishing to gain a foothold in this lucrative market, and in this way they subjugate one of humanity's most sensitive systems to the logic of the financial markets. Hedge funds and banks also dominate trade in wheat, and the share of speculation in overall trade has increased considerably; investment companies specialising in agriculture have been founded and agricultural land funds have been established. This development has encouraged the buying-up of large agricultural areas and water rights since the food crisis of 2008, buyers mainly consisting of private investors, but also state investors and agricultural companies working hand in hand with local governments. In Africa, this land grab has focussed mainly on countries where the legal situation is uncertain and large parts of the population are suffering famine.

In the end, these developments lead to serious dependence on individual buyers and vendors, to privatisation of knowledge, to the loss of alternative farming methods and to increased price pressure along the supply chain, which, in the end, is (at least partly) responsible for low incomes, poor wages and bad working conditions. Decentralised, small-scale agriculture, indispensable for ensuring a continuous supply of food, often competes with global companies on unequal terms and is ultimately supplanted – with serious consequences for the local and regional food supply.

### Development of local and regional food systems

In many countries and regions, there are already signs of a change in attitude in favour of diversified agro-environmental systems that are intended not only to replace industrial agriculture but also to allow progress in rural subsistence farming. The concept of agroecology, which is already applied by millions of smallholders, offers an alternative to reorganising agriculture along more social and ecological lines. Using different forms of cultivation and introducing a diverse variety of crops, this concept has the goal of improving soil fertility, finding substitutes for the chemicals used, achieving a more balanced range of foodstuffs and a generally more resistant form of agriculture, and stabilising the income of the farmers. Initial studies have already shown that approaches of this kind are particularly successful in areas where food is desperately needed. In addition, they are often more work-intensive and create more jobs in areas of rural poverty. As opposed to industrial agriculture, which usually attempts to achieve one goal at the expense of others, agro-ecological systems have the potential to combine a number of varied goals such as productivity, environmental protection, resilience and food quality. In view of the rapid urbanisation that is taking place, the development of local food systems is of central importance for urban development in particular. Despite all this, most governments and many donor countries still favour industrial approaches. There are a number of factors that support the existing system, for example, subsidies for certain crop plants and for energy, greater research focus on industrialised agriculture and the leverage of large corporations, as well as the population's eating habits and its expectation that food must be cheap.

For this reason, social democratic, socialist and progressive parties must pay more attention to agricultural issues and food supply. Some of the issues that have to be addressed are:

- **Supporting and promoting agro-ecological systems:** Hunger can only be resolved locally through food sovereignty and local production. Regional self-sufficiency in food, wherever this is possible, is the backbone of sustainable rural development. Setting up and preserving local food markets and regional marketing channels is therefore just as important as access to land and water. Secure terms of tenancy and property rights, in particular in the form of common ownership, along with the concomitant water rights, are a prerequisite for this. Legislation on seed trading and public seed banks can encourage the diversity of the crops planted and facilitate adaptation to environmental changes. Specific integrated research on the problems of agro-ecological strategies and regional food supply that takes into consideration the wealth of experience of local farmers can contribute to further development and expansion of this approach. National and local governments can set incentives for agro-ecological cultivation methods and agricultural cooperatives by offering subsidies or giving farmers access to land. Administrations can create a stable existential basis for small farms by becoming reliable buyers of regional agro-ecological products, for example, as part of programmes to combat hunger (such as Fome Zero – “Zero Hunger” – in Brazil) or for use in community kitchens, hospitals and schools.
- **Providing a regulative framework for the agricultural sector:** The agricultural transformation will not happen from one day to the next. Social democrats and socialists must ensure that the negative effects of the business model used by many large corporations, as well as their power of veto, must at least be curbed. The instruments that might be used include stricter merger control, measures to reduce abuse of market power, disclosure of land acquisition by corporations and investors, as well as prohibition of speculation with foodstuffs. There is

hardly any other business sector where working conditions are as poor as in agriculture – sometimes virtually amounting to slavery. The fight for subsistence wages, the right to organise, social protection, and due diligence in human rights issues right down the supply chain are especially relevant here. The conclusion of international framework agreements with global unions is one possible strategy. Generally, there is also a need for a new global framework for trade and investment in the agricultural sector. The world trade system, as well as regional and bilateral agreements, must take greater consideration of the interests of poorer countries, for example, with regard to questions of market opening, ownership rights, exceptions for subsidies, establishing a safe food supply, temporary import restrictions or – a dream of the future – promotion of agro-ecological farming methods.

- **A democratic food supply system:** As the former United Nations Special Rapporteur on the right to food, Olivier de Schutter, explained, the reason why agro-ecological methods are not particularly widespread is that farmers' opinions are not heard when political decisions are being made. More participatory rights are needed here. Control of local and regional food supply chains can be regained by nutrition councils like the ones established in many Latin American countries and which bring producers, consumers, local and regional institutions, scientists and traders together at a round table. This is also a means of formulating strategies for foodstuff cycles, applying new joint ideas for a re-organisation of agriculture and assuming monitoring activities. Last but not least, the consumer side of the nutrition problem must be discussed and the population must be made aware that a change in their eating habits (e.g. eating less meat), lower consumption of biofuel and measures to reduce the enormous waste of foodstuffs will also help to

make our food supply system more socially and ecologically sustainable.





## 6 Future perspectives

When the first of May was declared “International Workers’ Day” at the first meeting of the International Socialist Conference in Paris in 1889, the maxim was: “Capitalism is organised on a national basis – and only the international solidarity of the workers’ movement can keep it in check.” Today, almost 130 years later, we find that the truly international force is capitalism.

In present-day global capitalism, the old social issues have simply returned in a new guise. Then as now, it is all about struggling to establish social rules for the markets in order to stop brutal, ruthless exploitation. It is also about securing and defending the democratic substance of our societies. However, both the social struggle and the fight for democracy have become more difficult against the backdrop of globalisation. We are not questioning what globalisation has achieved here. In many countries the proportion of people living in poverty has been reduced. But these successes do not tell the whole story, as we can see from this report. If the price of the successes of globalised capitalism means giving up the standards of civilisation that protect our natural and social environment from the excesses of economical exploitation, keep risky technologies in check, permit collective solidarity and empower the economically weaker members of society to participate and hold democratic institutions and decisions to be more valuable than unbridled profit-driven mar-

ket forces – to put it briefly, if that price means abandoning every value one stands for, then it is too high.

Despite this, the globalisation of the economy and the upheavals it has caused over the recent decades have been accepted largely unchallenged. Those who opposed the dictum of cutting public expenditure and privatising publicly owned companies were seen as outsiders. The categorical imperative of the story of globalisation that played out more or less the same around the world was “Adapt”. Even today, there are many who think that markets unhindered by any social restrictions are simply a law of nature.

Therefore, in some respects, today’s global financial capitalism is undoing the declarations of independence made by the great democratic revolutions. It overrides the declarations of human and civil rights and ignores the achievements of the workers’ movement. It puts societies’ social cohesion at risk. “Adapt!” is not a promise. It is a threat, and in social terms it throws us back to an age of subservience. Ever since the Enlightenment, this admonition has undermined the essence of civil development – namely the freedom to lead a self-determined life. The gist of this message is not “Live as you would want”, but rather “Live as you (supposedly) should”. A message that is just as anti-liberal, anti-democratic and antisocial as that of the national socialists and right-wing populists.

At this point we should point out that our discussions on restraining capitalism concern not only economic issues, but also a new world order that gives everyone the opportunity to lead a better life. If wealth is largely in the hands of a few individuals and large international corporations, we need to talk about the living conditions of those who have only a small share of this wealth or none at all. We are talking here about humane working conditions, gender equality, respect for human rights, the fight against poverty and – yes, also about war and peace.

People have always tried to convince progressive and social democratic forces that the existing order cannot be changed. But we

have never let ourselves be robbed of our sense of justice. We have never been satisfied with immovable structures and have always fought for just and social coexistence regardless. In uncertain times in the past, one could always rely on progressive political forces whenever it was necessary not just to convince people of a better future, but to actively make it happen. We have to build on this strength again if we are to provide solutions for the tasks that lie ahead.

One thing, however, is beyond doubt. One person or organisation alone will not have an effect. No one can guarantee secure jobs and just and decent wages on a global scale if they pursue these goals alone – that is a very important lesson that progressive forces have learned. No one can ensure security, health, good education or peace on their own. Without support from others, no one can show banks and hedge funds where the limits are. Giving an appropriate political response to the problems that have arisen in the shadow of economic globalisation can only be done globally. International solidarity on the part of progressive forces is needed to shape a just global order. The formula is simple: changes can only be achieved by working together and solidarity generates the power to make these changes. After all, solidarity is the dominant force bonding our societies together worldwide.

A true alliance of progressive forces at the international level can only be achieved if we are not afraid to explore new organisational paths. In this context, Willy Brandt said: “Nothing happens automatically. And only few things last. Therefore – be mindful of your strength, and of the fact that every era wants its own answers, and you have to be up to its speed in order to be able to do good.” Let us understand this as an exhortation to explore new paths with a critical spirit.

The object of this report is to provide the impetus for and form the basis of such action. It aspires, in line with the concept of international solidarity and justice, to create visions for a new global order and at the same time provide practical recommendations for action.

The Progressive Alliance is predestined to be a platform for continuing and intensifying the debate on success factors for a fairer, more just society. It brings together all the important social democratic, socialist and progressive stakeholders for this exchange of ideas.

At the same time, it is now up to the parties, trade unions and civil society organisations of this network, with their significant expertise, their comprehensive partner networks and with their individual spheres of influence, to form new alliances and, in the long term, to continue tackling the topics discussed in the Progressive Alliance and bring them right into the centre of their political work.

Globalisation is not simply a fate to which we must all resign ourselves. We can shape the interaction of politics, the economy and society to serve the interest of the people, provided that a powerful movement supports this transformation.





## Profiles



### Luiz Dulci

**The Director of the Instituto Lula served as General Secretary of the Presidency of Brazil with the rank of Minister from 2003 to 2010.**

Born in 1956, in Santos Dumont, Minas Gerais. Dulci graduated from the Federal University of Rio de Janeiro with a degree in Classical Languages and Literature. He worked as a teacher in middle school and high school, taught courses in adult education in Amazonia and worked as college professor. He was the first president of Sind-UTE, the education workers union in Minas Gerais, and was one of the leaders of the so called “new unionism” in Brazil. He was a founding member of Workers Party in 1980, and he was elected the party’s first secretary of organization. He was elected a Federal Deputy in 1982. From 1993 till 1997 he served first as the Secretary of Government and then as the Secretary of Culture in the Municipal Government of Belo Horizonte, MG. He was General Secretary of Workers Party from 1996 to 2002. He is the author or co-author of several books focused on political, educational and cultural issues.”





### Sigmar Gabriel

**Minister for Foreign Affairs of the Federal Republic of Germany since 2017, Minister for Economic Affairs and Energy from 2013 to 2017. Chairman of the Social Democratic Party of Germany (SPD) from 2009 to 2017.**

Born in Goslar in 1959, Sigmar Gabriel studied Politics, Sociology and German and passed the state examinations to become a teacher. From 1990 to 2005 he was a member of the state parliament and from 1999 to 2003 Prime Minister of Lower Saxony. He has been a member of the German Federal Parliament (Bundestag) since 2005 and served as Federal Environment Minister between 2005 and 2009.



### Risa Hontiveros

**Member of the Philippine Senate and representative of the Akbayan Citizens' Action Party since 2016. Chairperson of Akbayan since 2012.**

Born in Manila in 1966, Ms Hontiveros studied Social Sciences at the Ateneo de Manila University before working as a television journalist. From 2004 to 2010 she was a member of the House of Representatives of the Philippines. Apart from her career as a politician, she also became involved in civil initiatives for social rights and women's rights at an early age.



### Pascal Lamy

**Director-General of the World Trade Organization from 2005 to 2013, and previously European Commissioner for Trade from 1999 to 2004.**

Born in 1947 in a suburb of Paris, Mr Lamy holds degrees in Law (HEC), Politics (IEP) and Administration (ENA). He has been a member of the French Socialist Party since 1969 and has held several positions in French politics, including that of advisor to Economics and Finance Minister Jacques Delors in 1981 and of Deputy Head of Prime Minister Pierre Mauroy's cabinet from 1983 to 1984. Mr Lamy is Vice President of the Foundation for European Progressive Studies.



### Benjamin William Mkapa

**President of Tanzania from 1995 to 2005.**

Born in Masasi in 1938, Mr Mkapa graduated from Makerere University in Uganda with a degree in English and went on to take a Master's degree in International Affairs at Columbia University, New York. After several years as a journalist, he turned his attention to politics. He was Minister of Foreign Affairs in Tanzania from 1977 to 1980 and again from 1984 to 1990. From 1996 to 2005 he was chairman of the governing party, Chama Cha Mapinduzi (CCM).





## Martin Schulz

**Chairman-elect of the Social Democratic Party of Germany. From 2012 to 2017 President of the European Parliament.**

Born in 1955 near the city of Aachen, Mr Schulz originally completed an apprenticeship as a bookseller. From 1987 to 1998 he was Mayor of Würselen, a small town in the Rhineland. From 1994 to 2017 he served as Member of the European Parliament, where he was Chairman of the SPD Group from 2000 to 2004 and Chairman of the Socialist Group from 2004 to 2012. In 2014 he was nominated as candidate for the post of President of the European Commission by the Party of European Socialists. From 2013 to 2017 he served as EU representative of the SPD party executive.



## Sergei Stanishev

**President of the Party of European Socialists (PES) since 2011 and Prime Minister of Bulgaria from 2005 to 2009. It was under his government that Bulgaria was admitted to the EU.**

Born in 1966 in the Ukrainian town of Khereson, Mr Stanishev studied at Moscow State University, where he was awarded a PhD in History. Between 2001 and 2005 and 2009 and 2014 he was a member of the Bulgarian National Assembly and from 2001 to 2014 President of the Bulgarian Socialist Party (BSP). He has been a Member of the European Parliament since 2014.



## Jochen Steinhilber

**has been Head of the Global Policy and Development department of the Friedrich-Ebert-Stiftung (FES) since 2010, and is the contact person with regard to fundamental international policy issues. Previously, he headed the FES office in São Paulo.**

Born near Stuttgart in 1970, Mr Steinhilber studied Politics and Political Economics at the University of Marburg.



## Konstantin Woinoff

**Coordinator of the Progressive Alliance. Since 1999 at SPD's Executive Board in several positions, including Head of the Office of Deputy Chairperson Heidemarie Wieczorek-Zeul, and currently Deputy International Secretary.**

Born in Munich in 1971. Studies of Sociology in Berlin, Munich and Nairobi.





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