

Revolutionizing Governance and Reforming European Governance

*Applying the new principles of Governance and enabling it to play once again its historical guiding role in building twenty-first century governance.
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Résumé

A crisis of governance can be observed at all levels and in all areas of the world: this crisis concerns concepts, scales, methods, cultures. It is inseparable from the crisis that affect development models. Tomorrow's governance must be based on the management of relations: between governance levels, between actors, between issues. Comparative experience proves that it is possible to establish common principles for governance, between actors, between issues. Comparative experience proves that it is possible to establish common principles for twenty-first century governance. The concept of active subsidiarity is at the core of these principles

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- 1) The tremendous scientific, economic and technical changes of the last hundred years have created new conditions and radically new challenges for governance.
- 2) The thought systems and institutions of governance have evolved far slower than realities: hence a "crisis of governance" can be observed at all levels and on all continents. It simultaneously affects governance scales, concepts, cultures, public management techniques.
- 3) Experience shows that governance, in the twenty-first century, is based on a *certain number of common principles*, while its concrete modes of implementation must be invented for each specific context. These common principles have been revealed through a comparative approach between levels of governance and between different regions of the world and by observing numerous tentative responses to crises.
- 4) The current crisis of governance is *inseparable from the crisis of development models*. We must move from a "Westphalian" (the State is sovereign) and "Fordian" model (uniform production of isolated goods and services) to a *model based on relations*.
- 5) Three types of major relations must be organized: the relations between *levels of governance* (which found the principle of active subsidiarity), the relations between actors (which found partnerships) and the relations between *issues* (which found integrated, systemic approaches).
- 6) Thus the art of governance is defined on the one hand, by drafting common principles, and on the other hand by *finding locally the best adapted solutions* to apply these principles.

The principles are organized in four broad chapters:

- From **an economy of goods/a goods-producing economy (économie des biens)** to the ecology of intelligence,
- Community as an institution, the ethical foundations of governance, the social contract,
- Managing relations, active subsidiarity and the role of territories,
- The methods and tools of governance.
- 7) *From an economy of goods to the ecology of intelligence.*

To govern the market, one must distinguish 4 categories of goods and services: goods which are destroyed when they are shared (i.e., ecosystems); goods which are divided when they are shared and are not essentially products of human inventiveness (i.e., natural resources); goods and services which are produced by human inventiveness and are divided when they are shared (typically, industrial goods); goods which are the most interesting for the future, which are multiplied when they are shared (typically: knowledge). Each one of these categories corresponds to a different logical approach of management, and therefore to specific modes of governance.

- 8) *Community as an institution, the ethical foundations of governance, the social contract.*

Globalization compels us to invent conditions of "living together" without any possibility of referring to a shared transcendence. We must unavoidably build contractual societies. The contract we need is founded on a common ethical basis: The Charter of Human Responsibilities. *Europe needs a European Charter of responsibilities*, as a constitutional under-frame on the basis of which it will be able to define its **field (scope)** of intervention.

- 9) *Managing relations, active subsidiarity and the role of territories*

Relations between levels of competence can no longer be organized on the basis of sharing skills, because no real problem in society can be processed at a single level. The *principle of active subsidiarity* consists in defining together the leading common principles of the policies to be implemented; then, each level is in charge of specifying the practical modes of implementation of these principles. *The European Union is the ideal framework to implement the principle of active subsidiarity*, thanks to which the diversity of societies becomes an asset instead of an impediment. The philosophy of active subsidiarity perfectly applies to the economy and to the management of various categories of goods and services. Its leading principles include the conditions of a genuine partnership between different actors.

- In this new philosophy, the *territory is the basic unit of future governance*, the level at which the three types of relations (between governance scales, between actors and between issues) are organized.
- Active subsidiarity and subsidiarity both assert that we must find at the lowest level of governance the concrete ways of implementing policies, thus stressing creativity, responsibility and specific factors on a local scale. They are, however, radically opposite on other issues: subsidiarity is based on the hypothesis that a list of comprehensive and more or less exclusive competence items have been defined for each level of governance. Active subsidiarity is based on *sharing competence and learning how to develop cooperation between different levels* - - as the king-pin of governance. The European Union must therefore be defined by a legitimate scope of intervention and by modes of cooperation with States, and not by a list of sectorial items of expertise
- 10) *The methods and tools of governance*

The investment dedicated during the twentieth century to public governance engineering is much lower than the investment designed for corporate governing. Public governance must be placed at the core of debates, in order to stress that this type of investment is urgent. Three major axes can be highlighted:

- *Engineering institutions* and operating them, promoting the evolution of administrative cultures in order to favor relations, implementing the principle of active subsidiarity, developing partnership relations taking responsibility for the relevance of the implemented policies.
- *The cycle of developing, implementing and monitoring public policies*; this cycle is far more important than the issue of political decision making, which is limited in time. From this point of view, the European Union, by establishing a fundamental distinction between the power to propose and the power to decide has contributed, without always realizing the scope of its influence, to the revolution of governance.
- *The art of dealing with, and of combining, several time cycles.*
- 11) These different principles lead to a set of major proposals, for Europe, in particular:
 - Found the Constitution on a European Charter of Responsibilities.
 - Establish European governance on the principle of active subsidiarity.

- Create European debate forums on the principle of active subsidiarity, and to set up a "European public scene", in particular via Internet, to initiate on this public scene other debate structures than those which exist on national public scenes.
- Use the reform of European governance as the driving force of a broader revolution of governance aimed at, on the one hand States and territories, and on the other hand at world governance.
- Develop a European philosophy of territorial management, as a basis for major common policies (CAP, structural funds).
- Reform the internal operating mode of the Commission, by developing a global long term strategy to help methods and cultures evolve.
- Take a strong initiative to promote the reform of world governance.
- Formalize the implemented **development cycle (cycle d'élaboration)** and monitor public policies.