

Book Review

Maria João Rodrigues, ed.
Europe, Globalization and the Lisbon Agenda.
Cheltenham, UK; Northampton MA, USA, 2009.

Reviewed by Howard A. Doughty

Let me begin with two seemingly unrelated and tangential comments.

The first is that a common phrase used to criticize ambitious programs that have failed to yield the desired results is: “it is fine in theory, but it doesn’t work in practice.” This is poppycock. If it doesn’t work in practice, then there is something wrong with the theory. If it works in theory, then it will work in practice. The reason that the phrase is used at all is that people have a poor understanding of the word “theory.” A theory is not a wild speculation, an “educated guess” or a loosely stated hypothesis. It is not what Ronald Reagan meant (or seemed to mean) when he said, in defence of creationism, that “evolution is just a theory,” in which people are free to believe or disbelieve as they choose. A theory is a statement that seeks to link proven hypotheses in a way that explains what we already know as fact. It also provides the basis for practical initiatives to achieve certain goals. If the theory is sufficiently comprehensive and the data upon which it is built is adequate to its purpose, then it will work ... *if it’s a good theory*.

The second is the concern that drove me to present a paper to the American Anthropology Association over a decade ago.¹ It spoke of the structural similarity between the “myth-dreams” of Melanesian “cargo cults” and the corporate culture of modern North America. Grand schemes, overarching “paradigms” and integrated ideological commitments to the demands of international competition including downsizing, outsourcing, employment flexibility and so on reminded me greatly of the hallucinations of shamans in support of their millennial movements for social reconstruction that would leave tribal communities prosperous and, at the same time, free of external control by Australian, American or other external forces that brought material wealth, but also busted up their cultures. Transformational delusions did not work. Would some project as mightily invested in innovation and change under pressure work any better?

The Lisbon Agenda is a decade old. By many accounts, it is a failure. Its purposes were, in my view, noble enough. It was produced by a collection of dedicated and responsible experts who recognized a problem and sought to set out solutions. The work was adopted by the European Council in Lisbon, Portugal in 2000. Its results were to become apparent by 2010. It is now trying again. Its results are to become apparent by 2020. Apparently, hope has not been entirely lost, though the goals are nowhere near being achieved.

There is also a somewhat higher level of urgency in the supportive rhetoric. On January 5, 2010, Maria João Rodrigues, the editor of the book under review, published *On the EU2020, From Lisbon* (available on-line at <http://www.mariajoaorodrigues.eu/files/EU202020_Contributions_100112_Final.pdf>), and a valuable companion to *Europe, Globalization and the Lisbon Agenda*). In it, she said that the “point of departure for the revivified venture should be to recognize that, even if Europe presents the best example of quality of life and of a development model combining economic, social and international dimensions, this model is just not sustainable and is driving us to an unacceptable situation.”

Few doubt that Europe has achieved the most satisfactory quality of life on Earth. From the catastrophe of World War II and the insanity of the “Cold War,” it has been rebuilt, it has largely united and it has mainly overcome centuries of religious and nationalist hostilities. It is now generally secular and mostly tolerant. It provides its citizens a substantial measure of security both against armed attack and the slower devastation of grinding poverty. Its education and health systems are good and equitable by most international standards. Yet, Rodrigues and her Lisbon colleagues are worried. The model of European development is, after all, the Western model of development. And, given contemporary ecological realities, it is simply unsustainable.

In 2000, some of this was already known. In 1983, Gro Harlem Brundtland, the United Nations asked the Prime Minister of Norway, to chair the World Commission on Environment and Development. Four years later, she produced her report, entitled *Our Common Future* which offered a theory of sustainable development. In 1992, it was followed by the far-famed conference in Rio de Janeiro conference, by the Kyoto Accords of 1997 and the most recent kick at the can, the Copenhagen talks of 2009. Sceptics may be forgiven for imagining that the entire process has been a colossal waste of time and (dare I say it?) energy as well.

Yet, environmental sustainability and the creation of a “green economy” is an essential feature of the Lisbon Agenda. Why should anyone expect the results in 2020 to be any better than in 2010?

Other elements of the Lisbon Agenda included efforts to remedy perceived economic stagnation in the member countries. This was important not only for obvious internal reasons, but also because of the imperatives of efficiency and productivity brought on by global competition, especially from the emerging giants of the (former) “Third World.” Social cohesion was to be encouraged and education was to be enhanced. Schools were to improved and the “learning economy” was to be embraced as a concept and given form by a dedicated policy of community-based “life-long learning.” In all of this and more, the presence of Austrian-born economist Joseph A. Schumpeter (1883-1950) loomed large. Schumpeter had argued that the key to economic change was innovation—both technological and organizational. The authority of the state and the productive potential of private enterprise combined, in his view, to present the tools necessary to encourage novelty, weed out what impractical and use what worked to transform society, bringing prosperity, equity and (when the issue arose) environmental sustainability.

The contributions to this book are made by a representative sample of some of the keenest (both sharp and committed) minds in Europe. They document, describe, assess and ultimately defend the Lisbon Agenda, while remaining aware that it has not lived up to its (and their) expectations and eager to modify and amend their recommendations where necessary.

Europe, Globalization and the Lisbon Agenda is divided almost symmetrically into four sections, each with an introductory and a summary essay by Maria João Rodrigues (who also contributes chapters on policy making and on public finance). She is, incidentally, Special Advisor to the European Commission, professor at universities in Lisbon and Brussels, has a list of accomplishments on her “short” CV that would make any five internationally celebrated academics proud, and has been intimately involved in the Lisbon Agenda from the outset.

The first group of essays focuses on the development of the agenda. Although written by economists (as almost all the chapters are), they are wholly and mercifully free of complicated equations and present graphics in the form of organizational and, on occasion, statistical charts that are easily understood and helpfully informative to the non-specialist but intelligent reader. The offerings take the form of reflections more than affirmations or polemics. The contributors want their audience to understand both the complexity that confront and the social values that guide the work. They also express clearly and convincingly the vision that they have for their continent, based on a profound faith in the importance of their goals and the essential role of innovation in constructing a competitive and dynamic knowledge-based economy capable of sustainable growth with more and better jobs, social cohesion and respect for the environment”—admirable goals all, but often enough repeated that they take on the form of a litany. Deeply felt and sometimes close to emotionally moving, they combine intelligence with conviction in a way not often witnessed in articles by academic economists.

The second cluster addresses European national diversity. Europe covers, by global measures, a rather small chunk of real estate; yet it is home to a wide range of cultures and sub-cultures, many languages, several religions and a variety of histories in which ethnic blood feuds, often of monumental proportions, that have set it afire and awash in blood over the centuries. The fact that, except for the extreme unpleasantness in what is conveniently called the “former Yugoslavia,” a tense and precarious peace has prevailed for sixty years is what religious people might call a miracle. The added fact that sincere moves toward harmony, if not homogeneity, followed the drawing down of the “Iron Curtain”—most importantly between the divided Germanys—is genuinely stunning. In this section, the authors show that they are not naïve, but they are optimistic about pressing forward with a pan-European social policy—a policy that Jos Berghman appropriately relates to a “patrimony [that] seems to reside in a combination of productivity and solidarity” that results in a roughly equal standard of living to that enjoyed in the United States, but without the toxic inequality. Ádám Török, however, alerts us to the enduring heterogeneity of European capitalisms including the East-Central

European, the Central European, the Southern European and the Nordic European. This heterogeneity represents, of course, the principal obstacle to a happy European harmony of methods and results, and it will not vanish soon.

Third, Rodrigues engages the globalized world. If knowledge is the key to prosperity (and she plainly believes that it is), then massive investment in education—both of children and adults, and of individuals and collectivities—is essential to maintaining what we have, much less improving our conditions. Those countries that allow teaching, research and development opportunities to be missed or who lazily rely on the information-sharing *largesse* of others will be hugely disappointed. The situation of the temporarily advanced nations and continents will face, the authors of the Lisbon Agenda deeply believe, and are already facing competition from several sources. The enormous potential for growth in China and India as well as their ability to exploit cheap labour are well known. So is the performance of the four dragons of the Pacific Rim (Singapore, Hong Kong, Taiwan and South Korea) and, of course, Japan—never mind Toyota’s much publicized problems with its vehicles’ accelerators. And, then, there is Brazil which presents only the leading nation in what could become a revitalized South America. Now, no one is sounding alarms. There is no panic. And, as we all should know, China and India and the others have their own problems. Not least among them is the fact that, even in China were to maintain its phenomenal growth rate (unlikely at best), it would take decades to approach the average standard of living enjoyed in the West—a prospect more likely to be curtailed by environmental factors than by economic competition from Manchester, Munich or Marseilles. Still, Europe is not self-sustaining. The energy crisis must be solved. And even the prospect of fossil fuel depletion resulting in greater reliance on local economies is going to demand resilient, nimble and resourceful survival strategies. It is these that the Lisbon Agenda has been championing.

Here is where the theory comes in. If the theoretical model embraced by the Lisbon Agenda had one major strength, it was the recognition that economics is much more than calculations of incomes, interest rates, investment returns and the like. Economics, if it is to be a discipline of “value,” must have values. The market is not (and probably never was) the determining factor in economic health; and, even if it did what it is alleged to do, some of the choices can simply be wrong in the sense that they allocate resources to suicidal projects. What the Lisbon Agenda sought to do was to bring to bear a wider range of information, ideas and fundamental human interests upon a set of problems (or challenges, if you like) that go far beyond the mind-set of what Linda McQuaig has called *Homo economicus*—the narrow profit-seeker, the “bean counter,” the wealth accumulator who is indifferent to matters that are not immediately quantifiable and subject to valuation in what Marx called “the callous cash nexus.”

So, in the concluding segment, we find some elements of reform in the Lisbon process. The importance of legally binding agreements is stressed. The possibility of policy flexibility is debated. Wolfgang Drechsler says that “the most important public administration reform movement of the last quarter of a century has been the new public management (NPM) ...” It seems, he adds, “to be at the core of all Lisbon Agenda public administration initiatives. NPM is the transfer to the public sector of private business and

market principles and management techniques to the public sector ... NPM is Anglo-American, and it was promoted vigorously by the key international finance institutions such as the World Bank and the International Monetary Fund.” It is, however, recognized to be powerful mainly because it is “a genuine ideological concept” which is in decline, no longer fashionable and something of a failure. According to the City of Dübendorf, Zurich, Switzerland (the only reference directly quoted by Dreschler), “no improvements of efficiency, effectiveness nor quality could be attributed to NPM reforms.”

Should the Lisbon Agenda be abandoned? Should it be re-thought from its first principles? Should it be declared to be good in theory but not in practice? Should it be written off as just one more “myth-dream”?

On the basis of this book, the theory needs adjustment. But it also needs political will. No theory, program or policy will work if it is not taken seriously, bent out of shape, conveniently embraced when it favours some regions and conveniently ignored when it seems to work against their local interests. There are problems with the theory, of course, for no complicated transformative agenda will be perfect from the start—especially one that involves the transformation, adaptation and reconstruction of parts of whole countries in the tangled and sometimes self-contradictory European Union.

Some general problems remain and will not be easily overcome. They include, in my view, the enduring protective self-interests of the component parts which can, of course, be resolved, but only through protracted internal negotiations, none of which are guaranteed success. There is also the possibility of an inclination to “top-down” tactics for implementation that are apt to stir up local resentments that will not easily be reconciled. And, of course, there is the predilection to avoid “bureaucratic” control in favour of private sector initiatives. The enduring problem here is that the private sector is, by definition, primarily interested in its private profits and only secondarily, if at all, with the public good.

I am left heartened by much (but not all) of what is to be read in *Europe, Globalization and the Lisbon Agenda*. None but the most cynical (or those who have a material interest in its failure) would deny the qualifications or the sincerity of the contributors to this book. The worst that might be said is that they have taken on a noble but impossible task. If Rome wasn’t built (or destroyed) in a day, is it any more likely that Europe will be thoroughly integrated and set on a path to avoid future calamities and dislocations in a decade or two, or even three?

In sum, I am optimistic because I am compelled to be optimistic. The alternative to a Europe that continues to work is not acceptable for Europeans and, as a non-European, I am eager to find ways in which economies and ecologies can co-exist without the crash (not the “clash”) of civilizations that seems imminent if we do not rapidly allay and ameliorate issues of environmental sustainability, energy availability and the small herd of large elephants in the Board Room—domestic and global inequity, ethnic and religious bigotry and the old standards of pestilence, famine and war

Of course, there is also the view that the combining of nations into regional collaborations is just part of a corporatist trend toward global control. Why not? We worried for fifty years about the communist conspiracy to take over the world, so why not give capitalism its place at centre stage. We have seen the obliteration local markets by national economies. We have seen the world divided up by imperialist economies. Maybe we are about to see various imperialisms swallowed up in international capitalist integration.² Or maybe not.

We should not get ahead of ourselves. Still, there is some need to pay attention to how worthy plans (or theories) are implemented. One of the intellectual inspirations for innovation and for many of the women and men who have produced the Lisbon Agenda in the interest of improving the lives of their compatriots and co-continentalists was, as mentioned, Joseph A. Schumpeter whose faith in innovation, distrust of excessive democracy and respect for large private, for-profit institutions makes me hope that part of the revitalization of the Lisbon Agenda will be a commitment not just to the material and social well-being of ordinary people, but an enhanced opportunity to be involved in the well-intentioned plan to adroitly navigate the troubled waters ahead, both metaphorically and, perhaps, as the ocean levels rise.

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Notes:

1. Doughty, H. A. (2010). Originally presented as “Anthropology and Corporate Culture” to the American Anthropological Association in association with the Society for Anthropology in Community Colleges in 1997, it has been reworked and will be published as *Cargo Cults & Corporate Culture*, in H. A. Doughty & M. Tuzi, eds., *Culture & Difference: Essays on Canadian Society*. Toronto: Guernica Editions, pp. 136-207.
2. For just one error-riddled but nonetheless provocative example of this perspective, see Arthur MacEwan. (1972). “Capitalist Expansion, Ideology and Intervention,” *The Review of Radical Political Economy* 4(1).