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LOCAL PARTNERSHIP BETWEEN LOCAL AUTHORITIES, SOCIAL ECONOMY AND PRIVATE SECTOR FOR LOCAL DEVELOPMENT, DEMOCRACY AND WELFARE

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Workshop 1 – Services of General Economic Interest

Dear Friends,

I would like to thank CIRIEC International for giving me the opportunity to speak today. You will notice that this is a very political speech from a mayor in Sweden but also from a president of a European network. Let me start by taking you back to Sweden some 70 years ago.

On a bitter cold day in January 1935, in the north of Sweden, Elin Johansson died at the age of 43.

She had given birth to 13 children and contracted pneumonia at Christmas 1934, while attending the funeral of one of her children.

Elin Johansson was my grandmother and she left behind my grandfather, who was a poor forest worker, alone with the 12 remaining children, on their little croft in north Sweden.

My mother, who was 15 at the time, was left with an enormous responsibility, together with her older sister, to look after the home and her small brothers and sisters.

A few years ago I asked my now 83 years old mother what dreams and visions my grandmother had.

The most important thing for her was that her children were healthy and that there was food for the coming week and clothes for the next winter!

These were her dreams and her vision at the beginning of the thirties in Sweden. Dreams of a better material standard – in other words a vision of a better life.

Elin Johansson's, and people like her, there dreams and ambitions became the basis that Swedish society was built on since then. People's longing for a better material standard, fairer distribution of wealth and opportunities, the ability to mobilize groups of people to carry out changes and a successful collaboration between tradeunions and industry, democratic institutions and the social economy, is conclusive for the democratic welfare society we know today in Sweden.

If my grandmother in her heaven could see our standard of living today in Sweden she wouldn't believe it! All children attend good schools, there are well established services for care of the elderly and the handicapped/disabled, food in plenty and good housing for everyone, and everyone has the right to be heard.

We are now standing at the threshold of a new century – the twenty-first – and many people are full of thoughts and speculations of how to best develop our society. What we did during the fifties and sixties was new then but is no longer appropriate in the same way.

We must be prepared to stimulate progressive changes in order that we might develop our society together with our citizens. In order that we might strengthen important democratic and social values we must constantly be prepared for changes.

- What then is new?
- What is progressive?
- What changes must be made?

There are three mutual, encompassing global goals that the majority of political and social movements need to make quite clear. The three encompassing political goals are:

- First of all, there must be a fair distribution of joint resources and social justice. This is fundamental for a modern society.
- Secondly, demands for the people's participation in the changes taking place must become a centre point. This is a natural claim for citizens in a modern society.
- Thirdly, it is absolutely imperative that consideration is shown for the global environment on our common planet – it is the only one we have!

When this is done we must face the question how we shall devote our energy to these issues and in the face of this we must formulate a mutual outlook on mankind. Believing in people's ability is basically a must for carrying out changes.

People are fundamentally social and loyal beings, who want to help others and see a fair distribution of all our resources.

This basic outlook on mankind is conclusive for a positive and sustainable development. The social force needing liberated is indeed people themselves.

I am of the opinion that it is high time for a new balance and partnership between the public sector, private sector and the civic society. A "Trinity" for a modern society. It is in the grey zone, somewhere between society's various sectors, that new models for a welfare society appear.

Among the members of REVES there are examples of doors being slightly opened for these new models of welfare society. (I say models – because there is not only one and they are not alike anywhere.) REVES started in 1996 and are now covering more than 30 territories in 9 countries in Europe.

It is at local level, amongst the ordinary people, that future solutions are formed. The paradoxical effect of internationalisation is that it is at local level we see new ideas flourish.

These fundamental demands on how society should be organised are especially strong among the young. That is to say the demands mentioned above – fair distribution of common resources, consideration for a sustainable environment and opportunities for people to participate in changes in society.

In Sweden the strong welfarestate has done a lot of good for people, but has also done people more passive. This means, paradoxically enough, that the working class movement in Sweden, in its eagerness to create a secure society, has paved the way for values that lead in quite another direction than intended.

It is my conviction that, when people discover that the market powers cannot manage to solve the problems of individual citizens nor of society, the disappointment will be very great. The old structures won't do either, so people will be looking for something new!

Planned economy is dead!
Hyper-capitalism is dying!
Long live the democratic economy!

This could be a words cry echoing through the nations!

An interesting debate has arisen concerning how to organise society following globalisation, the collapse of planned economy and a galloping short time profit capitalism. The last defenders of a planned economy were silenced when its foremost bastion, the former Soviet Union collapsed. But even belief in global hyper-capitalism's ability to create a secure existence for the people of the world has drastically fallen in keeping with the unpredictability of nervous, profit-minded stockbrokers. Profit can never be a driving force for solidarity. The answer lies in a well functioning market economy, which is ruled by democratically made decisions, accommodating strong commitment and allowing for the people's own movements, that is to say the social economy.

More and more European movements, both political and social, are pursuing an ever increasing lively debate on how a democratic economy, showing solidarity for society, should be formulated. No economic system should ever be allowed to exploit people or nature, or violate people's democratic freedom or rights. No economic system can turn a blind eye to the fact that a reasonably fair distribution of our resources is necessary to achieve a long-term sustainable society. Fundamentally this requires a balanced market economy, allowed to function within the framework

stipulated by democratically chosen bodies and a fair distribution of common resources. Both the public sector and private businesses, as well as a strongly developing social economy, are important elements in the type of society many people would like to see.

There is need of a global political system, made up of democratically chosen bodies that can limit the exploitation of people and nature, which is currently to be seen in our world.

There is a need for legislation in nations that create opportunities to reach encompassing political goals. Social justice, democratic participation in the community and consideration for the environment.

Above all, new models are needed on how to establish local and regional partnerships in order to reach these goals, which are so important to the people.

The role of the social economy in a pluralistic welfare society is becoming more and more appreciated by citizens in an ever increasing number of countries. This is naturally due to the fact that the social economy gives added values that no civilised society can be without. In the social economy's associations, co-operative and jointly owned companies, people have more influence and control over what happens. Membership and general advantages can be valued higher than economical profit and important social values can be confirmed.

The social economy carries with it added values that no one wants to be without. Especially people in the local community see this as a tremendous asset, so it is not really surprising that interest is growing.

Political interest in Europe is also growing as to how municipalities and regions (that is to say local and regional government) can stimulate growth of the social economy. In Sweden this can almost be interpreted as a re-born interest for people's movements and their role in modern society. It is also probable that many people who are politically active will form an ideological force against the new liberal ideas, which are still going strong! Not to mention the fascist and racist movements, which are beginning to raise their ugly heads again.

A people's movement perspective and the social economy's organisations are then important features in the ideological debate. There are many progressive forces taking part in the debate and most of the political parties are seriously interested in pursuing the issue.

The European Institutes stimulate the debate. EU's Committee of the Regions (where I am a member) recently took up a definite position for the political document

“Partnership between local and regional government and the Social Economy’s organisations: to promote employment, local development and social cohesion”. (This document is to be found on the WEB-site of COR.)

The debate on the significance of this type of partnership will be discussed in Europe’s municipalities and regions during the coming years. It is time for local and regional authorities to seriously take on the task of forming permanent partnerships with representatives for citizens’ own organisations. This would contribute to changes that are good for both developing democracy, creating sustainable systems for the local welfare that the municipalities are responsible for, as well stimulating growth. Local, public owned companies has a roll to play in those partnership.

Ladies and Gentlemen!

The social economy gives added values that we cannot afford to be without. This is why progressive models of a modern society can never really work without a significant involvement of representatives for the social economy. Local and regional partnerships are the answer for new, exciting and modern people who want to create development in their regions, on the people’s and nature’s conditions, and carrying out services of general interests. Both we who are elected in local and regional government, those active in organisations within the social economy and private businesses in our market economy, have an important task before us.

The individual’s dream, like my grandmothers once upon a time, of a better life for her/himself and for others must be realised also in the twenty-first century. This should be so for everyone – not just a chosen few!

Thank you for hearing me out!