

INNOVATIVE INSTITUTIONS

Nearly three years ago we have, in The National Council of Slovenia, started to formulate a document called The causes of the social crisis and recommendations for action. Until Spring 2009, all five constituent interest groups of The National Council have studied the draft and agreed on the final text. The national councilors have come to an agreement that the main drivers of the social crisis are the **imbalances** in modern societies on three levels:

- Personal level – crisis of values, greed, excessive consumerism
- National level – excessive differences between social classes
- Global level:
 - Excessive differences in living and working conditions of citizens belonging to different national economies
 - Attitude toward environment is devastating, not by accident or mistake, but being generated by financial and political elites' drive after extra-profit
 - Citizens, social and economic processes, whole industries and states are being manipulated by financial and political elites; the money spent on arms, drugs, corruption could easily finance the world technological paradigm change in favor of mankind and environment; important technologies are being prevented from implementation or killed-off; important doctrines, religions and churches are misusing their influence on people and contribute to the growth of intercultural intolerance.

Discussing the imbalances, we do not try to seek for the balance that once was, and one should maybe only find a way to restore the good old times. World has always been encountering imbalances at different levels of development. Everything was just definitely more partial than and not as interconnected as now. Technological development, development of social relations has been encountering imbalances on different dimensions of life. There is always a new balance to be sought for and imbalances are, in a way, a positive impulse for change. But this impulse is nowadays unique, so far, in its **global** and **complex** nature. This should consequently also be the nature of a required response. The leaders of the world today, unfortunately, do not seem to be near reaching a common understanding

about **the causes of the social crisis** and even less about the required **direction** of action.

What is happening today to our environment and our societies? Are things running predominantly well and assure the quality of life to us, to our children, to our grandchildren? One does not have to be too analytical to conclude that human civilization has long ago exceeded the sustainability levels in terms of population, pollution, biodiversity, carbon levels, natural resources, water quantity and quality and many others.

The knowledge and exchange of information on these subjects are rich. But, nothing really changes. It will change eventually, but it is an important difference in how and when it will happen. Will it be as a result of environmental and/or social outbursts with unforeseeable consequences, or will it be by a shift in socio-economic paradigm. Is it realistic to expect that serious attempts in formulating and implementing a new paradigm are going to emerge out of existing institutions and mechanisms? Not very likely. It is, therefore, very important to seek for more innovative approach in political institutional framework.

Innovative approach will be required for environmental experts to pay proper attention to the thesis that the environmental problems are not a consequence of lack of discipline or maybe a glitch in functioning of the modern globalized economy, but rather a logical consequence of the existing paradigm. The transnational corporations are getting bigger and bigger, more and more influential in controlling the markets and political decisions and collecting more and more profits. The problem is that the profits get individualized, while the negative impact of the globalized socio-economic paradigm get socialized – financed by the citizens, taxpayers. So, the problem of the eroding environmental structures does not predominantly lie in the field of chemistry but rather in the field of finance. The financial industry with sophisticated, derivative financial instruments is located in an ivory tower, far from the eyes and understanding of ordinary citizens. The allocation of a value created in a society gets attributed in exaggerated portion to the financial industry.

When we ask ourselves another question: Is it wise to attribute all the power about deciding on the most important questions of life of citizens **to political parties only**? How does the ethical platform, long term perspective of thinking, importance to appeal to the voters, readiness to open »non-productive« issues of the political party leaders look like? Are we able, in a today's globalized world, to speak about »noiseless« transformation of the will and interests of citizens into proper political decisions? Accepting parliamentary democracy and political parties as the best

solution, not ideal, but working, it seems wise to have a **possibility of second opinion**. This is the role of the National Council, a second chamber of the Slovenian Parliament. To certain extent innovative, because national councilors, when elected, do not become professional politicians when elected, but remain professionally active in their electorates, which might be in local communities or in different areas of society. It is also an important characteristic of the system that the political parties do not play a controlling role in incorporating nor in decision making of The National Council. It has thus developed a very intensive collaboration with NGOs and represents a valid, innovative platform of influencing formal political structures.

In order to intensify its work in formulating a draft of a New socio-economic paradigm and to intensify its interaction with NGOs, a consultative body of the president of The National Council (NC) has been nominated some two years ago – The Council for Innovative Society (CIS). CIS consists of national councilors and experts from outside the NC. There are three main content blocks CIS is dealing with:

1. The New Socio-economic paradigm
2. Forestry and wood processing industry
3. Environment and energy

The New Socio-economic paradigm is based on a vision of quality of life of the citizen representing the main goal and measure of quality of governance. Quality of life, measurably expressed in terms of welfare and freedom. The position and role of the middle class is given a central role, a critical attitude towards elites, separating predatory successful from socially beneficial elites, an inclusive attitude towards the poorer classes, supportive social nets, but seeking for a more motivating agreements based on active role of all and being fair to the giving and receiving party.

Forestry and wood processing industry has been taken as a pilot segment, as this segment represents a unique opportunity for Slovenia on one side, and on the other side show a complete lack of economic statesmanship. Slovenia has the natural resources of wood which are not sufficiently used. More than 60% of the territory is covered with forests, obeying the rules of sustainable, environmentally friendly use of timber some 2 million cubic meters more could be used yearly, some 30.000 jobs and 1 billion € of added value created. We have our own internal market for the use of wood in construction, wooden windows, doors, paper, energy,... We have the knowledge about forests and this are important figures for Slovenia and »if we will not make it here, we will not make it anywhere«! What we still need is more innovative governance on the state level.

Environment and energy is a strategic area where in Slovenia we are lacking a more holistic approach. Slovenia is producing 1/3 of electrical power in coal/lignite power stations, is reaching the level 25% import dependency, there still operate steel and aluminum smelters, consuming twice the energy yearly produced in two complete hydro power plant chains, but the biggest single investment in the magnitude of 1,2 billion € which is being pushed through is – burning the lignite! On the other hand we still have economically usable hydro energy exceeding the planned lignite burning power plant by the factor of 2, we have the main technologies to supply the equipment and construction, we are lacking jobs, and solid orders to support them. What we need is more innovative governance on the state level.