



The Lisbon Strategy
in a knowledge society
without borders

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sem fronteiras

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**INFLUENCE OF THE LISBON STRATEGY IN THE WORLD :
COOPERATION WITH CHINA AND BRAZIL**

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1. Introduction

The Lisbon strategy has two relevant international dimensions: as the very soul of the reciprocal interplay between EU socio-economic model and the partially globalized economy; as the background of policies which have a direct impact on the external relations of the EU. The first dimension has been the topics of a huge amount of international literature focusing on two topics:

a) coherence or contradiction between regional socio-economic integration and global liberalization. From an European point of view, it is hard to accept one of the two extreme interpretations: on the one hand the J.Bhagwati thesis of the contradiction between regional regulation and globalization; on the other hand the R.Gilpin understanding of the unavoidable conflict between regional blocks. The Lisbon strategy understands the regional mix between regulation and deregulation as a positive and peaceful contribution to global governance.

a) the pluralist understanding of globalization and the capitalist diversity within the same global market¹. The Lisbon strategy asserts a European model of Knowledge society, while rejecting the idea of a unique global model. Competition and cooperation among regional models is the wished scenario².

This article will focus on these questions while developing the multiple sides of the second dimension, namely the EU research cooperation policies regarding research and strategic socio-economic issues with two emerging economies, China and Brazil.

2. Cooperation with China

China is not only a challenge for EU and a world as an emerging trade power, but also as a technological and socio-economic giant. In 2005 a EU-China Forum for cooperation in Research and Technology took place in Beijing with participation of 500 European and Chinese managers, public authorities and employers³. Let's for example think to "Galileo" and its tremendous driving effect as high technology cooperation is concerned.

¹ See C.Crouch, Models of capitalism in "New political economy" Univ of Sheffield, n 4 Dec 2005

² For the theoretical dimension of this issue: M. Telo'(ed) *EU and new regionalism*, Ashgate 2001 and M.Telo', *Europe: a civilian power?* Macmillan Palgrave 2005.

³ In May 2005 « China – EU high level Forum on S&T Policy and Strategy » in cooperation with the Ministry of Technology and open to the industry and the business- and research- communities and in accordance with the joint declaration signed between Minister Xu Guanhua and Commissioner Busquin in April 2004) on technology and socio-economic development (Specific goals are :to exchange views on S&T development strategies ; to review the China-EU S&T relations in a broad context; to suggest scenarios for future China-EU S&T relations .

Last but not least, among many European scholars and policy makers, the Advisory Group for social sciences and humanities (DG Research, European Commission) chaired by M.J.Rodrigues developed in 2004/5 an innovative dialogue with Chinese scholars and policy makers regarding the respective socio-economic model, where the Lisbon strategy and the new Chinese Five years plan were at the centre of the common agenda.

The dialogue is more and more focusing on the following themes: the Development Strategy in China and the European Union; Policies for trade, economic growth and competitiveness; Coordinating economic and social development. Policies for employment and welfare; Policies for knowledge, education, research and technology; The security challenges and their interface with global governance; The concluding session focused on a joint balance of the workshop's achievements and on future cooperation. The main partner Institution is the CASS⁴

The framework set by the Lisbon strategy is important for our relationship with China for two main reasons:

- the renewal of the EU socio-economic model needs an enhanced international research cooperation, regarding technology, natural sciences and social sciences;
- since its planning in 1999, its very core is the dialogue between the political agenda and the research agenda, between research and policy making.

Relevant similarities emerge with Europe: for instance, on the one hand, the historical legacy, the economic challenge of the « five coherences » and the political stake of building a nation-state were mentioned as supporting the thesis of the « unique » China's current experience. On the other hand, European and Chinese sides emphasized some crucial common challenges: the consequences of the globalized economy, the need to combine economic and social development as in the « Lisbon strategy », which are or could be relevant for EU-China cooperation.

Furthermore the EU concept of « social market economy » and the Chinese notion of « socialist market economy » : both parts agree about the need of building up step by step a common language in social science. The common academic reference to the Karl Polanyi's periodization of the XXth century's world economic history, the deep information by Chinese partners regarding the Lisbon strategy⁵, including the « Euro-jargon », show good examples of increasing communication standards. More examples are: « Knowledge Based Economy»

⁴ The CASS (Chinese academy social sciences) Vice-President, Professor Wang Luolin, Dr. Huang Ping , CASS-International Exchanges, Director- General and Dr. Zhou Huong, CASS, Institute of European Studies, former Director. More recently Prof Yang Yang has taken the role of driving force , by attending the Major Conference of the EU Commission of the Future of Social sciences (12/13 Dec 2005, Brussels) and planning further meeting in Beijin.

⁵ See the broad knowledge of the main guidelines of the « Lisbon strategy » by Chinese partners, including the diffusion of the book edited by M.J.Rodrigues (ed), *The European Knowledge Economy*, Elgar , 2001

(beyond the US concept of « New economy »), sustainable development / human development, internal / global governance, multilateralism / unilateralism within the international order, government reform and human rights.

Furthermore, this initial conceptual discussion has offered an appropriate background for a concrete definition of policies, namely trade policy, competition policy, industrial policy and macroeconomic policy.

The two following points became clearer: firstly, evidence has been provided on the very fact that China is looking for a distinctive way of economic and political transition. Prof Huang Ping, Prof Wang Jin (CASS and University of Iowa) and other Chinese scholars welcomed our suggestion about developing comparative, interdisciplinary and comprehensive research on transition societies. Secondly, the accelerating common framework of the globalized economy and the current crisis of the « Washington consensus » are clearly opening a new window of opportunities not only for the general development of EU-China cooperation but also for joint research programs, namely in social sciences, which did not exist ten or even five years ago. Prof. Yang Bin described the huge international impact of the so called « Washington consensus », taking into account both achievements and negative consequences, including for China. He concluded by suggesting a rich and consistent program of common research priorities, namely: lessons of neoliberal economic reforms, EU socio-economic modernization policies, concrete EU-China cooperation regarding banking, financial stability, development, regional policies and communication policy ; last but not least, research cooperation including Ministries of Economic development and reform, Education, Agriculture and decentralized governments as well, for instance in West-North and East-North regions of China.

According to a shared understanding, the various critical statements regarding the controversial balance of the application of the «Washington consensus » provide a new common framework for research programs, including more pluralistic views of globalized economy where both the current Chinese search for a transition model and the so called European « Lisbon strategy » are understood by both parts as new socio-economic globalization strategies for the coming decade, alternative to the recent illusions of a kind of « *reductio ad unum* ». This is an extraordinary input for multidisciplinary research agendas in social sciences.

Moreover, a discussion of political and philosophical concepts looks more mature than in the past. The philosopher Prof. Zhao Ting Yang. emphasizes the role of studies on basic ideas, for instance regarding modernization and culture, within a common future research agenda including :he theoretical implications of the EU experience of sharing State sovereignties and setting a post-state polity, the notions of state sovereignty, order, progress, political culture, human rights.... a new concept of development, where one of the crucial issues was the

critics of the myth of the autonomy of technology. The Lisbon strategy dialogue is combined with the issues related to the evolving global governance including highly sensitive research issues regarding security and their implications on EU and China: how current globalization and global common issues are challenging the concept of state's sovereignty itself and on cooperation areas between EU and Chinese research institutes, namely: a) reforming international norms and regimes; b) conflict prevention in the current unipolar global framework, classical hard security- and perspective security-issues (including regional security issues⁶, common security, positive peace building, peace keeping, peace enforcing, civilian power, interregionalism), the concept of multilateralism⁷, not least in relation to one of the main current challenges, that is « how to deal with malevolent actors?».

Dialogue and cooperation can take stock of the common awareness of the relevance of the Chinese current transition for the world's future; and also of the Chinese consciousness that the European continental integration process is of real interest for China as well.

All in all, the Beijing historical agreement of 2003 October 31st between the EU and China, the strategic preparatory papers of both parties and of the new input towards a mature and multidimensional research partnership open a great window of opportunities. Both sides not only agree on strengthening the role of social research within the EU-China research cooperation (towards a new generation of bilateral agreements), but also on concrete common research priorities linking the research and the political agendas. Last but not least let's mention the role social research could play as a provider of a deeper background for a multilevel, decentralized and centralized, bilateral and multilateral political dialogue, involving universities, research centers, social actors and policy makers.

The proposal of future research cooperation looks as a particularly relevant one, in Chinese words as a « new open way of cooperating », aiming at improving the research quality and at bridging with the policy agenda as well: a permanent cooperation framework between CASS and European Research Institutions, open to further and larger thematic multidisciplinary networks in China and EU.

Regarding the EU cooperation policy with China, the Advisory Group is coming to the conclusion, shared with all the Commission services with which it is in touch, that the ambitious aim of making the best use of the current window of opportunities, of raising the profile of EU partnership with China, is realistic. If the financial and political conditions are there, the Advisory Group will go on with the Mission's follow-up, while keeping in mind its general guidelines: a) strengthening the role of social sciences in research cooperation with

⁶ Regarding the increasing regionalization of security issues in Eastern Asia as in the world, see B.Buzan, *Regions and Power*, Cambridge University Press, 2003.

⁷ Communication of the Commission to the Council and the EU Parliament : Union européenne et nations unies : le choix du multilatéralisme (10.9. 2003) and the so called « Solana paper » on European security strategy, June-December 2003.

China ; b) providing his coherent contribution to the common endeavour of enhancing the internal coherence and strategic consistency of EU relations with China.

3. Cooperation with Brazil

Despite the serious 2005 political crisis and social unrest, the IMF endorsed the international markets positive evaluation on the macroeconomic stability of Brazil, which has no precedent in recent decades. The success of the export oriented economic policy, namely of the Ministry of Finance is largely recognized, at least out of Brazil. However, the open political controversy regarding the current balance between monetary policy and growth policy is affecting the research community either. The critical points regard the domestic social contradictions provoked by the so called hyperorthodox macroeconomic policy mastering the inflation rate (6%), and almost every public budgets, while enhancing the central bank interest rate at 19,75%. The traditional Brazilian mix of problems typical of a developing country (making the need of growth policy very strong and including the strongest and still growing public sector in Latin America), and challenges typical of an highly developed country aiming at building a knowledge society, has not yet found a satisfying, balanced , socio-economic model and the slow reform policy is matter of criticism and social protests. We focus on seven main issues which can be both topics of common research and opportunities for cooperation with EU:

1) At the Ministry of Finance, we had the opportunity to be confronted with ongoing attempt to transform the macroeconomic stability - obtained through the Minister Palocci's policy- into microeconomic reforms: bankrupt law, efficiency of credit market, reducing accession to loans, SMEs policy, reduction of indirect and direct taxation (targeted groups), reduction of informal economy. As well known, Brazil is looking to integrate the OECD . This approach is far from getting a broad support within the academic community. Our meeting in Rio with Prof Jaguaribe, an internationally recognized scientific authority, provided us with a critical understanding of the current economic policy qualified as 'neoliberal'. According to Prof. Jaguaribe, the current macroeconomic policy, aiming at financial stability, is in conflict with the Lula-Government social program which needs a growth policy at a minimal annual rate of 6% (while today is less than 4%) and a stronger commitment to a South American more autonomous development and industrial policy⁸. Reforming the tax structure and fiscal policy: which fiscal policy can foster private investments and employment as well? To what extent the current dialogue with OECD and IMF regarding macroeconomic policy is of some help? What can Brazil learn from the ECB monetary policy? Structural reforms, adapting

⁸ This criticism is shared by S. Monclaire, CRPS Sorbonne, Paris, author of *Gouverner l'intégration. Les politiques du Brésil de Lula*, IHEAL, Paris, 2005

Brazil to the opening to the global competition while implementing the Government concept of 'Solidarity Economics' as labour market policies and informality are concerned. It is a matter of fact that the Brazilian combination of orthodoxy and economic nationalism does not include privatization but the growing up of the civil servants and their wages. There is a program in IPEA-Rio, called 'studies on regulation' including structural reforms, fiscal policy, competition policy, energy policy and liberalization, environment policy. Public policy evaluation and monitoring on a regular basis (see below). Brazilian external trade policy: what about the interplay between interregional negotiations and WTO Doha agenda? After the failure of October 2004 with EU and the emerging problems within FTAA, which level should come first and which one should follow?

2) Inequality and social imbalances. Our meetings with Ana Peliano (DISOC, IPEA Brasilia⁹), the IPEA-Rio and the Ministry of social development and fight against hunger (Marcia Lopez) allow us to some considerations: As in the EU, poverty is considered as an integrated concept going beyond the simple income. IPEA is studying six main indicators: work, income, health, education, housing, security. However, also the impact of gender and age are taken into account. According to the Ministry evaluation, around 40 millions Brazilians are still suffering of food insufficiencies, which explain the government priority for fighting hunger (and the role still played by the small farmer's economy in stopping urbanization and assuring food provisions). A second point, which should be deepened (increasingly linked to urbanization) is the enhanced weight of informal economy. Controversial data are available: between 30% (according to Prof. Proença) and 50% (pp. 34 and 38 of the 'Radar Social'). A third issue to be discussed further is the policy dimension. The government is focusing¹⁰ on a) social assistance, b) education programs, c) fight against hunger and alimentary security (Program 'Fome Zero'), including access to water, d) 'Bolsa familia'. Actually, the main innovation as the current social policy against poverty is concerned is the 'Bolsa familia' (family grant) as an example of "minimum income", whose strategic background is not only national but also global (the "Millennium goals", UN¹¹). The 'Bolsa familia' aims at fighting extreme poverty while breaking with assistance policies of the past and fostering concerned citizens' -namely women'- participation at local level. We observed a potential coherence between this social policy and the struggle aiming at reducing informal economy (including the informal part of the formalized economy) fostered by the Ministry of Finance (see above). In the same framework, we met in Rio an other IPEA

⁹ See IPEA-DISOC "Radar Social", Brasilia 2005.

¹⁰ Ministry of Social Policy, *Política Nacional de Assistência Social*, Brasilia, Nov. 2004

¹¹ Presidencia da Republica, *Objetivos de desenvolvimento do milenio*, September 2004, in co-operation with IPEA and IBGE. Let us also mention that, even at interregional level, social cohesion is one of the top priorities on the agenda of the forthcoming EU-LA meeting of 2006 in Vienna (interregional multidimensional process started in Rio -1999- and continued in Madrid - 2002- and Guadalajara - 2004).

eminent scholar, namely Paulo Tafner, editor of the IPEA volume on the “State of the Nation” focusing the 2005 edition on ‘Youth in Brazil’, whose focus are: decreasing birth rate since the 80s, dramatic growing up of schooling level, impact on the labour market, need of targeted employment policies. What looks interesting for comparative research are timing and indicators for convergence with other South American countries, namely the more advanced Argentina and Chili, beyond the previous gap.

An exchange is necessary regarding inequalities and social policies on four empirical issues, which deserve the attention of the international research community: a) the evolving definition of the concept of social rights, and citizens inclusion, where the gender dimension, the education and youth policy are taking a growing importance; in this frameworks multidisciplinary studies on citizenship in Latin America role of women and social movements are central; b) the problem of impact-assessment and transparency of social policy (reduction of the extreme poverty and containment of the current growth of inequalities); c) the common problem of middle term and long term sustainability of social protection (and link to active labour market policies) and the necessary debate on fiscal policy (even if in Brazil the pension issue looks less urgent than in EU countries); d) the problematic link between decentralized governance, social participation and democracy in a country where social policy is very fragmented at municipality level (see below).

3) Innovation and technology. The meeting with the DISET-IPEA¹² provided an opportunity for exchanging views and research strategies regarding the innovation policy. From the Brazilian side the crucial issues according to Prof. Salerno (DISET and ABDI, Brazilian Agency Industrial Development) is, after a decade of renouncing to any industrial policy (the 90s) to radically reinvent the long tradition of national industrial policy, while adjusting it to the globalized economy. Horizontal guidelines: innovation law-making, exports, modernization, institutional dimension. Sectoral policies: strategic options: new companies R&D, clusters for industry modernization, nanotechnologies, renewable energies. Institutions building, (tax system inefficiency, public agencies coordination).

4) What Brazil understands by Planning? The ABDI main task is precisely to coordinate with the Presidency of the Republic and several agencies belonging to the Ministries of Economy, Planning, Development. Innovation and sustainable development are at the top of the Brazilian scientific concerns. A Conference has been organized on these issues by the Brazilian Academy of science (ABC) in 2001 and by the National Forum in Rio in 2002¹³. Furthermore, Brazil is looking at adaptating the culture of national planning within the new globalized economy. A Workshop took place with Nucleo Assuntos Estrategicos Presidencia

¹² See IPEA Annual report, and G. Arbix, M.S. Salerno, J. A De Negri, “A nova competitividade da industria e o novo Impresariado”, paper, 2005. Moreover, see IPEA-DISET, “Plano de Trabaho 2004-2006”, June 2004

¹³ J.P. Velloso (ed) F. E Cardoso and others, *Brasil e a economia do cohecimento*, José Oyimpio, Rio, 2002

da Republica (NAE, President: Luis Gushiken) namely with the Executive Secretary, Colonel Osvaldo Oliva Neto. The “Project Brazil 3T, 2007, 2015, 2022” (July 2004¹⁴), elaborated under coordination of Prof G. Arbix has been presented by the Executive Secretary, Colonel Oliva stressing particularly: The central goal of building a Knowledge society and similarities with the Lisbon agenda; The massive people consultation and discussion about the main goals; The geo-economic and geopolitical dimension of the energy issue and the role of Brazil as an advanced workshop for alternative energy (for example as the very broad diffusion of bio-fuel for transports is concerned). The radical diversity of new strategic planning (setting national top priorities) from both traditional planning and mere macroeconomic stability of the 90s.

5) Environment protection and development policy. Several meetings in Brasilia and Rio and particularly the dialogue with Berta Becker, Rio University, were very useful in connecting the agrarian policy with social policy and environment issues. Agrarian Reform is essential to stop wild urbanization, fight against old and new poverty and strengthen Brazilian exports. However, it is openly one of the weak points of the current government. The strength of agrarian lobbying on the one hand and the lack of clear Government strategy on the other hand explain this largely recognized shortcoming¹⁵. However, the doubts within the government about traditional agrarian reform concepts are largely justified: in the current situation, distribution of land does not mean necessarily socio-economic development. The Agrarian reform is linked to the general problem of the future of Mato Grosso and Amazon that is the dynamic balance between development, environment and fight against poverty.

When focusing on the Amazon region, Brazil is an extraordinary laboratory for global research, precisely regarding the relationship between the three issues, which were and are at the very centre of the Johannesburg Agenda (2003): sustainable development as a possible synthesis between social, environmental and development challenges. The government 2003 ‘Sustainable Amazon Plan’ is at the centre of debates both in the Parliament and within the scientific community. The current policy of “protected areas” looks insufficient and even counterproductive. However, even if a new strategy is not yet mature and internal conflicts are growing up, new paths for social research and social policy are emerging. For example, following our meetings and namely to one with an outstanding international environment specialist, B. Becker (Rio Fed. University), new issues are emerging for social research,

¹⁴ NAE, *Project Brazil 3 Moments. Presentation*, January 2004.

¹⁵ 80,000 families out of 430.000 targeted for 2006 have received an average property of 20 hectares, which is only enough for a family to survive (not enough water and electricity, not access to credit, no technical support, no education): all in all nothing to do with the Brazil need of increasing agrarian exports. Most of farmers fail within a few years and sell their property to large landowners. However, the controversial ‘Movimento dos Sem Terra’, pretending to represent 4 millions families, organizes an hard social pressure against the government (see demonstration on May 17th in Brasilia).

namely: adapting to Amazon area and agrarian policy the concept of knowledge society. New technologies may offer alternatives to the “wood culture”: biotechnologies, including for medical care, new agricultural sectors.

6) The institutional dimension. The key point is the new synergy to be fostered between universities, international support and small enterprises: exaggerated fragmentation of responsibilities (more than 5 000 municipal entities), lack of guidance for investments at municipal and regional level, wrong functioning of the compensation system between states. According to the Republic Presidency Advisor for the state organization, Vicente Trevas, and to a large scientific literature, the federal system in its present form works in favour of increasing inequalities. Research should focus on the credibility of the objective of the Lula government to establish new instruments making of the federal system an instrument for fighting inequalities (National Fund; creation of consortia among municipalities, etc). The same issue has been raised by Prof. Becker regarding the possible regionalization of the Amazon area (see above)

7) Regional Cooperation among neighbouring states. Brazil combines strong national priorities with a serious and multidimensional commitment to regional cooperation. As regional cooperation is concerned, the priority is being given to deepening Mercosur; however, the latter looks as the hard core of several concentric circles and partnerships, such as the broader South America (The South American Community of Nations, promoted by President Lula and 9 SA States in December 2004 in Cusco) and the Latin-American regionalism (ALADI, Rio Group). Furthermore, since two years, the polygamic dialogue with both USA (FTAA) and EU (bi-regional Rio Process and negotiations EU-MERCOSUR for a free trade area) is complemented by several South – South partnerships, as IBSA (with India and South Africa) and BRIC, the enhanced relationship of Brazil with Russia, India and China¹⁶.

All in all, the interplay between domestic and regional-international dimensions is so advanced that it would be completely wrong to drop down from the common EU-Brazil research agenda the main issues of regional cooperation, in the broad meaning. For example: A common issue to be addressed is the balance between regional cooperation and global cooperation. Between these two multilateral levels, inter-regionalism plays a salient role. However, the current uncertainties involve tough trade negotiations not only with EU and with USA (FTAA), but also within MERCOSUR. The national interest of Brazil in both partnerships is a highly controversial issue. From the EU point of view it is important to underline the interest for Brazil of the multidimensional (and not only free trade) dimension of the interregional partnership with Europe, including cooperation, culture, political

dialogue, common visions of global governance and multilateralism, legacy of interethnic relations (J. P. Dos Reis Velloso, founding father of the IPEA).

Brazil is looking at both deepening and widening MERCOSUR and creating a larger Community of South American States (needing firstly infrastructures cooperation for roads and energy). The Republic President's main political Advisor, Marco Aurelio Garcia, focused on regional cooperation and drew our attention on the importance of the Assuncion Speech of June 20th 2005 by President Lula¹⁷: he combines in a realistic way the Brazilian commitment for deepening MERCOSUR far beyond trade (Structural Fund against for social cohesion, 100 M dollars, to be financed by 60% by Brazil; Coreper; Permanent Court; Centre for the promotion of the rule of law; Social forum etc) with open concerns regarding some resistances of partners to common institutions building (see for example, the delay in creating a MERCOSUR Parliament justified by the overwhelming Brazilian population and the opposition to QMV). Mr Garcia stressed also the negative impact of the French referendum for LA regional integration, given the traditionally high expectations for an autonomous, powerful, democratic and secularized EU and the traditional link between MERCOSUR and EU. Regional integration and civil society. It is a matter of fact that many of the above-discussed issues have a regional dimension and are already subject of joint projects among several Latino American research institutes. MERCOSUR is the actual and potential framework of civil society networking, including Universities and the research community. For example, regarding social responsibility, IPEA cooperates with the Argentinean ICEA and other LA centres. Linked to this dynamic reality, a further topic for comparative research would be, to what extent is the current networking at level of civil society (Universities, research community, youth organizations, women associations, Unions etc) interacting with the regional MERCOSUR integration process at intergovernmental level? Is regional integration making social networking easier to compensate elite level integration or is rather empowering executive national powers and economic lobbies against civil society and national parliaments?

The EU is interested in strengthening interregional research communities. The Commission has been playing a relevant role in fostering regional cooperation in Latin America over the last two decades.

All in all, we finally focused on the role of social sciences and humanities within the general bilateral framework of the Joint declaration of the Joint Committee Brazil-EC of April 14 2005. The latter's main aim was giving "rise to an ongoing process of exploring ways and means of developing dialogue and stronger understanding in all areas of mutual interest

¹⁷ Pronunciamento do Presidente de Republica, Luiz Inácio Lula da Silva, Conselho da Cupula do Mercosul, Assunção, Paraguai, 20 Junho 2005.

between both sides” 18. This is also the approach of the strategic paper in preparation for the next phase of the EU-Brazil cooperation. More specifically, an agreement for scientific cooperation is now in the final stage of ratification from both sides. There is evidence of a new trend: Brazilian and Latino America’s elites increasingly migrate to USA for high education purposes (supported by huge private and public funding, ex: Ford Foundation). That means that all what has been done at bilateral and multilateral basis (Alfa Program, opening the 6FP to overseas partners etc) is important but not enough and that it is urgent to open a new phase of scientific cooperation in social sciences

Brazil is undergoing a crucial phase in its history. Next decade will be crucial as the country status within global governance is concerned, as well its position between developing countries and developed world. Research policy plays a crucial role in this framework. Both as an outstanding Latino-American partner as well as an emergent regional and global actor, Brazil deserves much more attention by the European Union international cooperation policy than it is currently occurring. The number and relevance of the common research issues we are listing, witnesses the existence of a huge and multidimensional potential for an enhanced multidisciplinary cooperation in mutual interest, reliable partners, in the framework of a partnership relevant for policymaking agenda. EU should better balance bilateral and multilateral cooperation.

4. Conclusions : the Lisbon strategy and the EU ongoing international role in time of stagnation

Generally said we are witnessing an enhanced gap between the European trade and economic power on the one hand and, on the other, its political profile. The EU current stagnation negatively interplays with an instable world order: China still peaceful nationalism, US unilateralism, G20 assertiveness within WTO and diffused tendencies towards fragmentation (Iran....). However, expectations and hopes as the European global role are far from disappearing. What alternative model is emerging in the current world to the supposed A pragmatic way out of the crisis, suggested by the Hampton Court and Brussels European Council, inspired by Jean Monnet, and supported by the Manuel Barroso Commission, should nor be underestimated in its potential impact. On the very centre there is the re-launching the “Lisbon agenda” and its international relevance: priority for economic reform, research, competing universities), single market achievement. What is new is that this agenda will include significant steps towards a European energy policy influencing the post “Kyoto protocol” agenda Secondly, reforming the national social models might be

¹⁸ Brazil-EC Joint Committee, *Joint Declaration*, 14 April 2005, P.2

combined with concrete steps towards a greater assertiveness of EU in promoting its model elsewhere, completing a picture of policies entailing a clear external dimension. Why should it not be underestimated? It is not only an inertial and 'pragmatic' approach. Seriously building a 'European knowledge society' might be a new functional equivalent to the role of the creation of the single market after the Single European Act. Innovation policy, industrial policy, social policy, employment policy, competition policy are crucial national competencies and for the EU it is fundamental to coordinate them by better combining national and European dimensions of socio-economic reform. All these policies have huge international implications. Let's think at the growing cooperation with China and Brazil...Last but not least, the pragmatic agenda includes primacy of research and technology: the European Space Agency is starting with «Galileo», the independent satellite research project: an example of EU as a competitive global research power. However, on the other hand, this progresses need a political complement. After 1989/91 and particularly after 2001, if the EU is not provided with institutional tools and capabilities making it able to cope with new threats and legitimizing its external multilateral action, it risks of being the Voltaire's «Candide» of the 21st century world disorder.

All in all, the right way out of the crisis should combine the pragmatic EU agenda by with a political initiative that is the constitutional dimension. In other words, by constructing Europe as an incipient civilian power¹⁹, beyond both illusions of 'Europe puissance' in classical military terms, and also of a 'World's Switzerland', a nice island of economic welfare, hoping to be protected from the global challenges and threats of the human kind.

¹⁹ If interested in deepening my understanding of the EU contribution to global governance, please look at M. Telo', *Europe : a Civilian Power ?*, cit.