

## COMMENT ON JOSÉ RAGA'S 'WELFARE AND DEVOLUTION TO LOCAL GOVERNMENTS OR MEDIATING INSTITUTIONS'

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It is a pleasure for me to comment on the interesting approach to the distribution of social responsibilities proposed by José Raga, specially his affirmation that it is necessary and desirable that these responsibilities 'return to their true origin'. I should clarify, however that the difficulties confronting the 'welfare state', which motivated the analysis of Raga, correspond essentially to a European phenomenon, totally unknown to Latin American countries, either because they never had 'welfare state' in the magnitude developed in the European countries, or because they have already resolved some of the problems that our speaker worries about. In the case of my country, for example, we have had a retirement pension system of individual capitalisation since the beginning of the eighties. And although the phenomenon of demographic transition begins to affect us with similar characteristics in relation to the population's aging, we still do not know if its results will be comparable to those described for the European case. I would not like, therefore, to make a comparative analysis with Latin American statistics, but rather, to concentrate on the discussion that is at the basis of the analysis on the social distribution of responsibilities between the public sector and the private one, at individual level or at the intermediate associations, since this discussion is also for our countries of the utmost relevance.

Raga makes a very interesting recount of the history of the ideas developed around this problem, including the juridical-constitutional discussions regarding the place people have in the definition of sovereignty; the concepts of society and of public interest by Adam Smith and by other authors that have studied the role of the State in the economy; and the principles which shape the social teaching of the Church by the authorized

voice of papal teachings. The concept of subsidiarity and its practical form of application is at the core of the debate. Although it is recognized that the term 'subsidiarity' was introduced by Pius XI in his encyclical letter *Quadragesimo anno*, the concept involved in this expression has a longer tradition that practically crosses the whole modern history. A sociologist would say that subsidiarity became problematic since society transformed its ranked ordered social structure into a functionally differentiated order, because this radical change brought about a necessary redistribution of the responsibilities associated with the different positions. Remembering the authors of the past has the great advantage of recognizing the evolution that this problem has suffered due to historical and social circumstances, but it also allows us to appreciate the deficiencies and inadequacies of the available conceptualisations.

I have no doubt that the two social subsystems which anticipated all the others in developing a functional organization were the political subsystem, that solved the jurisdictional question by means of the universal and impersonal rule of law and the economic subsystem, that solved the problem of scarcity of resources for the satisfaction of people's needs by a division of labour that efficiently allocated resources by means of the free market, based on the monetarisation of economy and the development of financial markets. It is understandable that in the context of this early subsystems differentiation, the discussion about the social order between people and the associations of different types was concentrated on the usually tense relationships between State and market, a discussion that now extends more thoroughly to the relationships between State and civil society.

However, I think that it is necessary to enlarge even more this conceptualisation, since also other important subsystems of society have already completed their processes of functional reorganization. The subsystem of science and the subsystem of education, to mention just two important examples, nowadays play an equally decisive role for the survival of society, without which neither the State nor the market could operate efficiently. Although all these subsystems are interrelated to each other in terms of input/output, they are self-regulated systems whose bounds do not necessarily correspond to those of the juridical order or to those which determine the chain of payments. As a current example, I can mention the high probability that someone may decide to carry out a clonation of human beings: he/she could do it thinking exclusively of the interest of science or of some particular laboratory, even when it has been legally prohibited at national or international level. In the case of educa-

tion, I am thinking of the regular curricular changes of educational study plans, carried out with technical-pedagogical approaches, but with independence of their eventual impact on the formation of economic agents or future social demands.

These examples and many others I could add, may excuse me from making a detailed analysis of the process of functional differentiation. For instance, nowadays the role carried out by mass media, by the use of technology, or by ecological determinations is of great importance. What seems evident is that the social conditionings of the exercise of people's freedom and of their responsibilities making decisions do not depend exclusively on the regulative or administrative role of the State and on the size of the public sector, even when they continue to be important elements to consider. Nor could it be affirmed that people's freedom is assured if its activity is developed in the private sector. Nowadays there exist transnational private corporations of greater size than many States and which could even condition their sovereignty. People's freedom and their responsibilities as well as their associations also depend on many other social factors which have in common the fact that they force people to use knowledge and information selectively and to assume the risks and responsibilities associated to that selection. The functionally organized society has exponentially increased the complexity of its operations, with the consequence that such a complexity is not transparent neither for people nor for their reference groups. It seems that society has evolved faster than ideological discussions and so it is very frequent to discover that decisions relating to the distribution of responsibilities among the different social sectors require more and more a technical character and at the same time pragmatic decisions, rather than ideological ones.

In this context, the idea of subsidiarity not only represents a doctrinal principle of the tradition of the Church, or of any other school of thought; but a practical and effective mechanism of distribution of decisions and responsibilities in contexts of high complexity and risk. In this sense, I have an optimistic overview regarding the development of modern society. Functional differentiation itself has forced a growing individuation process, due to the fact that it can no longer identify the role with the person, as it happened in ranked ordered societies. Functional differentiation organizes the phenomenon of attribution and generation of expectations in the specific contexts in which functions are coded and each person participates simultaneously of many of them. I have the impression that what has favoured market efficiency at so many levels of social life has not been a liberal or neo-liberal ideology nor any other ideology, but its own development

of complexity, specially by attributing worth to available information and expected knowledge; a process which is so highly contingent that it cannot be centralized. As I have repeatedly mentioned in this Academy, Luhmann describes current society as an 'acentric' or 'policentric' society, because in the present levels of complexity there is no omniscient observer nor could there be, neither personal nor institutional, that could by itself gather all the available information in real time.

This overspecialisation of knowledge and of its associated information compels that subsidiarity must be supplemented with solidarity, as H.H. John Paul II visionarily outlined. Not only at the level of direct assistance to the survival of the weakest ('The poor cannot wait', he said in Chile), but also in the most complex ways facing the assistance of those who know and are informed versus those who do not know and are not informed. Could someone who takes an airplane not blindly trust that the complex net of people involved in its production, maintenance and control of the functioning of the plane has enough knowledge to interpret correctly all the information related to its performance? Could any patient who enters a complex clinic not simply trust in the ability to codify and decode information of all the professional teams that will work in the process? It is true that present society operates with growing levels of risk, sometimes incalculable, but on the other hand it also operates with growing levels of trust in people that have specialized knowledge and join their efforts for a team work. The Hobbesian idea of fight of all against all (*homo homini lupus*) does not have a place in an information regulated society, at least not as a basic overview for understanding social life. Evidently there are and there will be many social conflicts with different grades of violence so much at the domestic as at the international level. But the dynamics of the specialization of knowledge and information compel us daily to a reciprocal trust in the abilities of each one.

I think this is the present deficit of strong and centralist States. They can concentrate enormous quantities of resources, but they cannot concentrate a complex level of knowledge on highly contingent circumstances and variables. The capacity of institutions to foresee has been strongly restricted to their particular environment and it is highly improbable that one of them can gather by itself the knowledge of the whole society. Neither the State, nor markets, nor universities, nor companies, nor laboratories would be able to sustain this pretense of wholeness. Therefore, the principle of subsidiarity turns out to be the most efficient when using intelligence and the capacities of all people for the development of common good or of general interest. If in the past its priority might have been doctrinal or ide-

ologically founded, the organization of current society has given it a reasonability and plausibility that even common sense understands.

In emergent societies, such as the one in which I live, the fundamental role of the State has primarily been to guarantee the population's security against eventual external aggressors, which has been achieved; thereafter, to guarantee the institutional juridical order, which has also been achieved in spite of times of uncertainty and of alteration of the political order. Thereafter, it has been to guarantee the macroeconomic stability of the balance of payments, the stability of the currency, and the international confidence and credibility, which in my country, a particular case, has also been achieved, but not so in all Latin American countries. The new challenge, still unreachable, is to guarantee an education of quality that would allow most of our population to be integrated with proficiency in the understanding and knowledge of highly specialized information needed in complex societies today. But our governments know that they can only trust those groups of citizens which have already achieved a higher quality in their education. Any policies that ignore this fact would not only harm the population but also the foundations of the State itself. Contrary to the examples that Raga analyses about the responsibilities attributed to the public sector and the private one, this analysis cannot presuppose the model of a 'zero-sum game', but rather take into account the synergies that brings about the circulation of knowledge and information which aims at value addition, creativity, technological innovation, new forms of organization and co-responsibility.

In my country, for example, there are two truly complex universities due to the number of faculties they have and because they carry out so many educational activities as well as research. One is public, the University of Chile and the other is private, the Pontifical Catholic University of Chile, to which I belong. They have approximately the same size, both receive the best students from our second level school system and they compete hand by hand for the quality of their alumni and for their research funds. The fact that they are good universities makes them much more similar than what differentiates them in the origin of their financing or the juridical statute which defines them. In fact, in both cases, the financing sources are both public and private. Both have a public responsibility in our society, due to their contribution to the education of high level professionals who assume leadership positions in their respective specialization areas and to their research and publications. Both are well administered. Neither would the State think of nationalising the Pontifical Catholic University nor the market or the population of privatising the University of Chile just because

it belongs to the State. This situation has not been the result of the application of an ideological model but of a long history of guaranteeing the population the quality of their education. I wanted to draw your attention to this example to show that in the context of the operation of a complex society, not only the dispute between State and market is relevant but also all factors that society has increasingly organized in particular functional subsystems, which have fostered further specialization of knowledge and further cooperation among those who are mutually responsible for the service to society and people.

Anyway, I fully agree with Raga in the foundation of his argument: the inalienable value of the dignity of each human being and the subsidiarity and solidarity principles as the best ways of guaranteeing people's freedom and simultaneously the well-being of society as a whole. But the real conditions of organization of the current society also demand a more complex understanding of social relationships, taking into special account the role of production and transmission of knowledge and information in all social environments, even in those more closely linked to interpersonal and familiar relationships. If this intellectual effort is not made, I think that one runs the risk that freedom and subsidiarity could become purely rhetorical concepts with no relation to real society.