

# **PART I**



## Introduction

From July 12-14, 1996, the University of Geneva hosted the 8<sup>th</sup> Annual Conference of the Society for the Advancement of Socio-Economics (SASE). The Centre for Socio-Eco-Nomic Development actively participated in this international event through the organization of five panels in which 30 participants presented contributions.

### ***What are the objectives of SASE?***

The **Society for the Advancement of Socio-Economics** was founded in March 1989 at a meeting at the Harvard Business School by the American sociologist Amitai Etzioni and a number of academics who looked for alternatives to the existing mainstream models of economics. SASE has little interest in criticising neo-classical economics *per se*, but rather seeks to develop alternative approaches that are predictive, exemplary, and morally sound. It does not entail a commitment to any one ideological position, but is open to a range of positions that share a view of treating economic behaviour as involving the whole person and facets of society.

### ***What is a "socio-economic" approach?***

Socio-economics assumes that economics is not a self-contained system, but rather it is embedded in society, polity, and culture. Socio-economics regards competition as a subsystem embedded within a societal context that contains values, power relations, and social networks. The societal context both enables and restrains competition. That is, socio-economics assumes that interests are not necessarily or automatically complementary and harmonious; societal sources of order are necessary for markets to function efficiently.

Socio-economics further assumes that individual choices are shaped by values, emotions, social bonds, and judgments - rather than by a precise calculation of self-interest. There is no prior assumption that people act rationally, nor that they pursue only or largely self-interest or pleasure.

Methodologically, socio-economics regards inductive studies as coequal in standing with deductive ones. For example, a study of how firms actually behave has the same basic merit as treating the firm as an analytic concept in a mathematical model. Inductive inputs and deductive derivations are assumed to be correct, and thus balance, one another. Socio-economics is both a positive and a normative science. That is, it openly recognises its policy relevance and seeks to be self-aware of its normative implications rather than maintain the mantle of an exclusively positive science.

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## ***General theme of 1996 Annual Conference***

The general theme of the 1996 program was the « **Socio-Economic Foundations of a Just Society** », a topic that is currently being widely discussed in many countries. Indeed, this is an important theme at this moment in history as contradictory demands are on the agenda: welfare states are under attack and, in some instances, are being dismantled, but at the same time they provide the elementary conditions for surviving to a growing number of people; globalisation is pushing towards universalisation of rules (in such different fields as human rights, trade, environment, etc ), but triggers off strong resistance from those who are being more and more excluded from the game; the production of goods has reached the highest level in history, but so has the number of people living under the poverty line; etc. In front of these dramatic situations and urgent challenges, isn't it time to re-think and re-build the "Socio-economic Foundations of a Just Society"?

## ***Participation of the Centre for Socio-Eco-Nomic Development to the 8<sup>th</sup> SASE Annual Conference***

The **Centre for Socio-Eco-Nomic Development (CSEND)** is an independent, Geneva-based, non-profit and self-financed foundation specialising in the area of organisational reform in the public sector. CSEND aims to strengthen public administrations and public-sector organisations based on an integrative socio-economic approach. Key services offered by CSEND include: institution-building projects, management development and training seminars, North-South-East-West mediation and negotiations, surveys and certifications, and research.

Due to its institutional objective of closely linking theory and practice, and its established experience in organizing seminars, CSEND was mandated by SASE to propose topics and speakers for panel discussions at its 8<sup>th</sup> Annual Conference. CSEND organised these five panels, invited selected speakers and moderated the following five sessions:

1. New Public Management in a Socio-Economic Perspective
2. Human Rights: A New Form of Colonialism?
3. Governance: What Kind of Social Contract between Elites and Citizens?
4. Transborder Cooperation: How to Bridge Across Boundaries?
5. Is Free Trade Universal?

The panel moderators and participants were all specialists in their respective fields, and come from numerous Swiss and international institutions.

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## ***Presentation of the panels and the contributions of the participants***

### **New Public Management in a Socio-Economic Perspective**

New Public Management (NPM) plays a dominant role in the reform of public administration. NPM's main tenants are based on the application of private sector inspired concepts and instruments which are supposed to enhance efficiency and responsiveness of public administrations. The socio-economic impact and viability of NPM and the societal context of administrative reform - i.e. notably, value systems, equity considerations, institutional structures, political interests and power relations - may however constrain the validity of NPM concepts and render their implementation more difficult. What are these constraints, and to what extent are NPM and Socio-Economics mutually exclusive? Alternatively, to what extent and under what modalities can NPM and Socio-Economics be complementary?

### **Human Rights: A New Form of Colonialism ?**

West European and North American governments have repeatedly accused Asian, Arab, African and South American countries of violating the tenants of the Human Rights Charter. Critics from developing countries have often labelled this accusation as « neo-colonial strategies » designed to discredit governments of the Southern Hemisphere in order to slow their economic growth and in order to reduce competitive pressure arising from emerging economies. Are Human Rights universally valid concepts?

### **Governance: What Kind of Social Contract Between Elites and Citizens?**

Leading financial and developing institutions such as the World Bank, the IMF and the OECD have recently emphasised the importance of « Good Governance » as guarantees if not preconditions for sustained economic and social growth. What does « Good Governance » really entail? How is it being « engineered »? Should it be based on French « elitist-dirigism », anglo-saxon « power-sharing » or German & Swiss « Corporatism »? What should be the « right » relation between the « governing elites » and their respectively « governed » citizens?

### **Transborder Cooperation: How to Bridge Across Boundaries?**

Transborder Cooperation means crossing boundaries, being "here" and "there", being "at home" and "abroad". Many borders in Europe but also in other regions of the world separate people who often speak the same language, have a common history and tradition and are related to each other. Still the border is there and by its very existence creates "otherness" which manifests itself especially through difference in regard to laws and bureaucratic procedures, but sometimes also in

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terms of different economic and social realities. What are the ingredients for successful boundary spanning across national borders?

### **Is Free Trade Universal ?**

Countries of the so called « Asian Tigers » have often been accused of not playing « by the rules of free trade », of being protectionist, mercantilist or expansionist. Asian Tiger governments often label such accusations « pressure tactics » used by the advanced countries to gain trade concessions which are not based on reciprocity. Is « free trade » a concept fitting the needs of the developed OECD countries who can « afford » free trade or is « Free Trade » a universally valid strategy to achieve sustained economic and social growth?



## The Society for the Advancement of Socio-Economics

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### OVERVIEW

The purpose of The Society for the Advancement of Socio-Economics (SASE) is

- to advance an encompassing understanding of economic behavior, and more generally, choice behavior, across a broad range of academic disciplines;
- to support the scientific study, scholarship, intellectual exploration and public policy implications of the study of economic (or choice) behavior within the encompassing psychological, societal, institutional, historical, philosophical, and ethical contexts; and
- to balance inductive and deductive approaches, preserving the empirical, reality-testing quality of study.

Socio-economics assumes that economics is embedded in society, polity, and culture, and is not a self-contained system. Socio-economics regards competition as a subsystem embedded within a societal context that contains values, power relations, and social networks. The societal context both enables and restrains competition. That is, socio-economics assumes that interests are not necessarily or automatically complementary and harmonious; societal sources of order are necessary for markets to function efficiently.

Socio-economics further assumes that individual choices are shaped by values, emotions, social bonds, and judgments—rather than by a precise calculation of self-interest. There is no prior assumption that people act rationally, or that they pursue only or largely self-interest or pleasure.

Methodologically, socio-economics regards inductive studies as coequal in standing with deductive ones. For example, a study of how firms actually behave has the same basic merit as treating the firm as an analytic concept in a mathematical model. Inductive inputs and deductive derivations are assumed to correct, and thus balance, one another. Socio-economics is both a positive and a normative science. That is, it openly recognizes its policy relevance and seeks to be self-aware of its normative implications rather than maintain the mantle of an exclusively positive science.

SASE has little interest in criticizing neoclassical economics per se, and seeks to develop alternative approaches that are predictive, exemplary, and morally sound. Socio-economics does not entail a commitment to any one ideological position, but is open to a range of positions that share a view of treating economic behavior as involving the whole person and all facets of society.

### HISTORY

The Society for the Advancement of Socio-Economics was founded at a meeting held at the Harvard Business School on March 31-April 2, 1989. The meeting was attended by over 200 individuals representing a variety of academic disciplines including economics, sociology, psychology, political science, and business administration. The constitution was adopted on April 2, 1989.

SASE held its second annual conference at the George Washington University, Washington, D.C. March 16-18, 1990. The conference was attended by over 400 registered participants.

On May 30, 1990 SASE was officially registered as a non-profit corporation in the District of Columbia. The incorporating officials were the first president and vice presidents of the Society, Amitai Etzioni (George Washington University), Paul Lawrence (Harvard University) and Michael Useem (University of Pennsylvania).

A conference titled "The Consumption of Time and the Timing of Consumption: Towards a New Behavioral and Socio-Economics" was held at Erasmus University, the Netherlands, November 5-8, 1990.

The third annual conference of SASE was held at the Stockholm School of Economics, Stockholm, Sweden, June 16-19, 1991. The conference was attended by over 500 people.

A summer workshop on socio-economics was held in Aspen, Colorado July 31-August 4, 1991.

On August 16, 1991 SASE was classified as a 509 (a) (2) publicly supported organization and qualified as an organization both exempt from federal income taxes and an organization for which donors or contributors may deduct their gifts.

A symposium on the socio-economics of the environment was held October 17-18, 1991, at the University of Geneva, Switzerland.

In February, 1992, dues paying SASE membership passed the 1,000 mark. Membership has since grown to over 1,200. SASE has members in 28 countries and official branch chapters have been formed in Germany, France, Canada, the United Kingdom, Australia, Japan, Hungary, the Czech Republic, Argentina, and Russia.

The fourth annual conference of SASE was held March 27-29, 1992 at the Graduate School of Management, University of California, Irvine. The conference was attended by over 700 people.

The Fifth Annual Conference of SASE was held March 26-28, 1993 at the New School for Social Research, New York City.

The Sixth Annual Conference of SASE will be held at the Hautes Etudes Commerciales, Paris, France in July 15-17, 1994.

## PUBLICATIONS

- Journal of Socio-Economics, Editor: Richard Hattwick (Western Illinois University). Publisher: JAI Press.
- Series: Research in the Advancement of Socio-Economics, Editor: Peter G. Brown (University of Maryland). Publisher: JAI Press.
- Series: Studies in Socio-Economics, Editor: Amitai Etzioni (George Washington University). Publisher: M.E. Sharpe.

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## *Mission and Objectives*

The Centre for Socio-Eco/Nomic Development (CSEND), based in Geneva, Switzerland, is an independent, non-profit foundation specialising in organisational reform in the public sector. CSEND works to strengthen public administrations and public-sector organisations through an integrated, socio-economic approach.

## *Staff*

CSEND employs eight permanent staff. In addition, more than 200 freelance experts are available for specific assignments. CSEND's staff is highly qualified, with broad experience gained throughout the world.

## *Expertise*

The expertise of CSEND's staff is continually augmented and updated through close co-operation with universities and research institutes. The Centre's well-stocked library meets the special needs of both staff and experts working for CSEND on varied assignments.

## *CSEND Services*

### *1. Institution-Building Projects*

CSEND conducts project identification and project formulation assignments with a special focus on performance improvement in public administrations, the public sector and state-owned enterprises.

### *2. Project Start-Up and Team Building*

CSEND works with project teams from different countries, with cooperation-development teams and with groups from international agencies to help them resolve issues regarding roles and responsibilities, decision-making, and conflict management.

### *3. Management Development and Training Seminars*

CSEND offers management development, and seminars on leadership, resource management, organisational development, and skills-updating for professional trainers. We also assess training needs for entire organisations.

### *4. North-South-East-West Mediation and Negotiations*

CSEND designs and conducts trade and negotiation seminars for diplomats and government officials. We develop case studies and provide participants with concepts and techniques needed for effective mastery of diverse negotiation scenarios within the context of North-South-East-West relations.

### *5. Surveys and Certification*

CSEND designs and administers client and attitude surveys for public and private-sector organisations, and participates in international working groups set up to define ISO 9000 quality standards for training, education and new public management.

### *6. Research and Conferences*

CSEND conducts social science research on issues of public interest and organises conferences to seek solutions to current socio-economic concerns, and to further the development of socio-economic theory and application methods.

### *7. Cultural Exchange*

We organise art exhibitions, cultural exchange programmes and conferences on developments in the contemporary arts of Europe, Asia, Africa and the Americas. We also arrange programmes on contemporary health systems.

## *Examples of Current and Recent Projects*

### *1. Institution-Building Projects*

#### *Republic of Slovenia*

CSEND is currently undertaking a technical cooperation project in Slovenia. The basic goal of the project is to contribute to the modernisation of Slovenia's central government and public service agencies, and to support improved performance of Slovenia's senior civil servants.

This bilateral Swiss-Slovenian project responds to the broadly felt need to reform and to improve the effectiveness of Slovenia's public administration, specifically its central administration, public services and training, and the development of civil servants.

Upon completion, the project is expected to help Slovenia modernise its administration and management methods on an ongoing basis by achieving the following objectives:

- In the near term, by developing two new central government units, the Organisation and Management (O & M) unit and the Training and Management Development (T & D) unit.
- Later, by supporting the continuing operation of these two central government units of the Republic of Slovenia.

#### *People's Republic of China*

CSEND is currently carrying out a technical cooperation project in China. The main goal of the project is to facilitate implementation of China's public administrative reform by improving the human resource management and development, and training capabilities of its public administrations and largest public enterprises.

This bilateral Sino-Swiss project responds to the call by China's government for reform and modernisation of its public administration. It is designed to increase the delivery capacity of China's public sector training organisations, to support the development of a country-wide training network and to help raise and formalise China's professional standards in the field of management training and development.

#### *Russia*

CSEND has advised the European Bank for Reconstruction and Development. London (EBRD) in designing the "Morozov Project". The project's goal is to support structural reform through the establishment of Business and Training Centres (BTC) in all regions of the Russian Federation. CSEND is also helping to implement "Morozov" in Samara (Volga Region), the sixth-largest city in Russia. CSEND's specific responsibility is to assist the institutional development of the Samara BTC to enable it to fulfil its mission of contributing to the economic transformation and development of the Samara region.

Specifically, CSEND is assisting the Samara BTC in strengthening its operational capabilities by: (1) Providing consulting and advisory services, (2) Providing training and retraining, and (3) Fostering business development in the Samara region.

### *2. Project Start-Up and Team Building*

CSEND was mandated to conduct an interdepartmental team building process for UNICEF's two main Geneva-based organisations and to help both organisations find mutually acceptable solutions for resource allocation.

CSEND was a member of UNDP's Management Development Programme team, which assessed Vietnam's need to renovate its public administration ("Doi Moi") by defining a 5-year technical assistance programme for Vietnam.

### *3. Management Development and Training Seminars*

CSEND was retained by the International Labor Organisation (ILO) to conduct a training needs analysis for its entire Geneva headquarters staff and propose a master plan for future training programmes. CSEND also conducted a management effectiveness study of ILO's recruitment practices for external consultants and experts.

### *4. North-South-East-West Mediation and Negotiations*

CSEND developed case studies based on the Cyprus conflict and the water utilisation dispute between Turkey and Syria. These and other real-life cases are regularly used in CSEND's ongoing training seminars for diplomats in Bonn, The Hague, Berne, Geneva, Kuala Lumpur, Jakarta, Manila, New York, Madrid and elsewhere.

### *5. Surveys and Certification*

CSEND has been appointed by the Swiss government to the ISO Working Group 4, whose goal is to establish quality standards for management training and education. The new ISO norm is expected to be ready by 1997. CSEND has also participated in the World Bank's first client survey covering Ivory Coast, Mali and Tunisia.

### *6. Research and Conferences*

CSEND has played a major role in the design of a comparative research project on the use of in-service training by central governments, and acts as *rapporteur* of this international research consortium, which includes research teams from Austria, Canada, Italy, Germany, Morocco, Mexico, Cameroon, Hong Kong and Switzerland.

### *7. Cultural Exchanges*

CSEND has organised art exhibitions of the Chinese painter Wang Hong Jian and the Ukrainian artist and sculptor Roman Romanychne. It also organised conferences and roundtables on Chinese Traditional Medicine. CSEND also participated in the country-wide debate on "national cohesion" of Switzerland.

### *Working Languages*

English, French, German, Italian, Chinese (Mandarin), Russian, Spanish