

continued from page 13

access to power, or does it take the agency of the disadvantaged themselves? Katherine Newman's analysis of the effects of taxation in the US below the federal level demonstrated how state actions can create, or at least exacerbate, inequality. Alfred Gusenbauer pointed out in his concluding remarks that, furthermore, people are much more critical of the inequalities created by the state than of those created by the markets. However, in their suggested solutions, the experts from the US and those from Europe, perhaps characteristically, looked towards different saviors: whereas the US scholars were more likely to ponder how to mobilize social movements against so-

cio-economic inequality, the Europeans looked to their governments and the EU for redistributive policies. As Claus Offe remarked: "We can legislate standards for clean air; why does it not seem possible to legislate for lower Gini coefficients?" <

<sup>1)</sup> OECD: Divided We Stand. Why Inequality Keeps Rising, 2011.

<sup>2)</sup> Congressional Budget Office: Trends in the Distribution of Household Income between 1979 and 2007, 2011.

<sup>3)</sup> Richard G. Wilkinson and Kate Pickett: The Spirit Level: Why More Equal Societies Almost Always Do Better, Bloomsbury Press: London, 2009.

Christina Pössel joined the IWM in 2013 as program coordinator.

## Commemoration Ceremony

On the first evening of the conference, a commemoration ceremony in memoriam Krzysztof Michalski (1948–2013), founding Rector of the IWM, took place at the Museum of Applied Arts Vienna. In his memory, Michael Sandel, Anne T. and Robert M. Bass Professor of Government at Harvard University and member of the IWM Academic Advisory Board, gave a lecture on "Solidarity" (for a German translation see *Transit 44*), preceded by and introductory speech (see *IWMpost 111*) by Cornelia Klinger, Professor of Philosophy at the University of Tübingen and IWM Permanent Fellow.

# Solidarity and

REPORT

*The economic downturn and the rigorous austerity policies that followed the banking and financial crisis of 2008 increased the level of inequality within European societies and among EU member states. New models of solidarity are in more demand than ever. On April 7, 2013, Elsa Fornero, Ira Katznelson, Michael Sandel, Andreas Treichl and Alfred Gusenbauer (chair) discussed how to escape the crises and to promote new models of good life at the Vienna Burgtheater.*

From a theoretical point of view, Ira Katznelson opened up the discussion with distinguishing between four different layers of inequality: the structural dimension of inequality, the every-day experi-

and elderly people, in particular, had been excluded from the highly protected labor market so far, Fornero emphasized that inequality has increased not only in Italy, but also in Europe and the US. As a main reason for the current disaster she identified the excessive and blind faith that was put in markets.

In his function as CEO of Erste Group and representing, as Alfred Gusenbauer put it, "the view from inside the beast", Andreas Treichl showed sympathy for his female co-discussant: "It is not extremely enjoyable to be a banker these days, but to be an Italian politician must be horrible." In his statement Treichl questioned the double standards when talking about the financial crisis and its consequences for states like Greece: For decades, Western and Northern European countries—including Austria—had made huge profits by exporting goods and services to Southern Europe they actually weren't able to afford: "And now we tell them, what they did was wrong and that they have



*"Putting a price on a good also changes its meaning."*

Michael Sandel

ence of inequality, the way we think about inequality and how we act in certain situations. These four dimensions could explain, so the Professor of Political Science and History at Columbia University, why inequality is experienced and discussed in different ways.

Elsa Fornero, Italian Minister for Labor, Social Affairs and Equal Opportunities, was confronted with the less abstract outcomes of redistribution struggles right at the beginning of the debate. A group of young Italians in the audience who called themselves "Choosy Italian migrants" heckled her and handed out leaflets. Their spokesperson criticized Fornero for her labor market reforms which have forced many young workers to go abroad. Fornero, in turn, invited the activists to meet with her after the public debate (which they did) and stressed, according to her personal experience, the narrow limits of solidarity when it comes to mediate between opposing demands in times of crisis. Well-aware that young, female



*"We now know that the faith we put in markets was too much."*

Elsa Fornero

to pay for what we sold them." Thus solidarity can be found, in the best case, only within national contexts, according to Treichl. Compared to

## Conference On Solidarity VIII: Inequality and Social Solidarity April 5–6, 2013, Vienna

### Program

April 5, 2013

Welcome and Introduction:  
Cornelia Klinger

The IWM / Columbia Social  
Solidarity-Program:  
Kenneth Prewitt

### Session I: Introduction—Thinking About Inequality

Introduction:  
Robert Hauser  
Ira Katznelson  
Ivan Krastev

April 6, 2013

### Session II: Concentrated Poverty— Economic Deprivation and Social Geography

Introduction:  
Paul Jargowsky  
Gerard Pfann  
Nicole Marwell  
Natalia Zubarevich

### Session III: Concentrated Poverty— Differentiated Citizenship

Introduction:  
Kay Schlozman  
Miroslav Beblavy  
Rogers Smith

### Session IV: Consequences for the Poor and Non-Poor

Introduction:  
Cornelia Klinger  
Katherine Newman  
Paul Starr  
Conclusions:  
Alfred Gusenbauer

Conference chairs:  
Claus Offe  
Kenneth Prewitt

### Participants

**Miroslav Beblavy**  
Professor of Public Policy, Comenius University, Bratislava; Member of the Slovak Parliament; former Deputy Minister of Social Affairs

**Klaus Dörre**  
Professor of Sociology, Friedrich-Schiller University of Jena

**Karl Duffek**  
Director, Dr.-Karl-Renner-Institut, Vienna

**Georg Fischer**  
Director, Analysis, Evaluation, External Relations, Directorate-General for Employment, Social Affairs & Equal Opportunities, European Commission, Brussels

**Gerd Grötzing**  
Professor of European Studies, International Institute of Management, University of Flensburg

**Alfred Gusenbauer**  
Former Federal Chancellor of Austria, Vienna

**Elemer Hankiss**  
Public Policy Fellow and Research Director, Institute of Political Science, Hungarian Academy of Sciences, Budapest

**Robert Mason Hauser**  
Professor of Sociology, University of Wisconsin-Madison

**Paul A. Jargowsky**  
Professor of Public Policy; Director, Center for Urban Research and Urban Education, Rutgers University, Camden

**Ira Katznelson**  
Professor of Political Science and History, Columbia University, New York; President, Social Science Research Council; Deputy Chair of the IWM Academic Advisory Board

**Cornelia Klinger**  
Permanent Fellow, IWM, Vienna; Professor of Philosophy, University of Tübingen

**János M. Kovács**  
Permanent Fellow, IWM, Vienna; External Research Fellow, Institute of Economics, Hungarian Academy of Science, Budapest

**Ivan Krastev**  
Permanent Fellow, IWM, Vienna; Chair of the Board, Centre for Liberal Strategies, Sofia

**Nicole P. Marwell**  
Professor of Public Affairs and Sociology, City University of New York

### Rainer Münz

Head of Research and Development, Erste Bank, Vienna; Senior Fellow, Hamburg Institute of International Economics

### Katherine S. Newman

Professor of Sociology and Public Affairs; Dean, Krieger School of Arts and Sciences, Johns Hopkins University, Baltimore

### Ton Nijhuis

Professor of German Studies, Faculty of Social Sciences; Scientific Director, Duitsland Instituut, University of Amsterdam; Member of the IWM Academic Advisory Board

### Claus Offe

Professor of Political Sociology, Hertie School of Governance, Berlin; Member of the IWM Academic Advisory Board

### Gerard Pfann

Professor in Econometrics of Markets and Organizations; Vice-Dean for Research, School of Business & Economics, Maastricht University

### Kenneth Prewitt

Vice-President for Global Centers and Professor of Public Affairs, Columbia University, New York

### Kay L. Schlozman

Professor of Political Science, Boston College, Chestnut Hill

### Rogers Smith

Professor of Political Science, University of Pennsylvania, Philadelphia

### Alexander Smolar

Senior Research Fellow, CNRS, Paris; President of the Board, Stefan Batory Foundation, Warsaw

### Paul Starr

Professor of Sociology and Public Affairs, Princeton University

### Mieke Verloo

Professor of Comparative Politics and Inequality Issues, University of Nijmegen; IWM Non-Resident Permanent Fellow

### Natalia Zubarevich

Professor of Economic and Social Geography of Russia, Moscow State University; Director of the Regional Program, Independent Institute for Social Policy

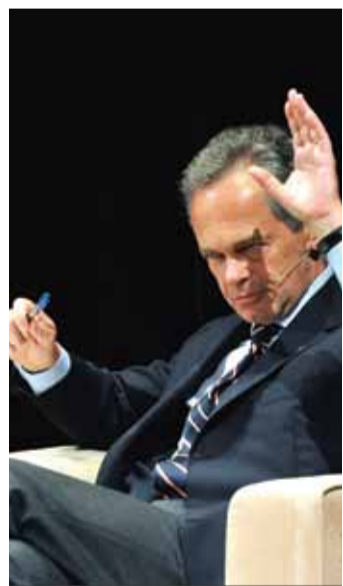
The conference series "On Solidarity" is organized in cooperation with Columbia University, ERSTE Foundation, Duitsland Instituut Amsterdam, Renner Institute and Erste Bank.

# the Promotion of Good Life



Michael Sandel, Andreas Treichl, Alfred Gusenbauer, Elsa Fornero and Ira Katznelson debating about "Solidarity and Inequality" at the Vienna Burgtheater

the last decades of the 20<sup>th</sup> century, when events like the fall of the Iron Curtain made him proud of being European, he—and probably not he alone—has lost his enthusiasm for the EU. At this point, Elsa Fornero countered that especially the younger Italians define themselves as Europeans, but that youth unemployment is one of the most pressing challenges today. Therefore the focus has to be put on macro-policies



*"You can't be half pregnant, either we go for Europe in total or we forget it."*

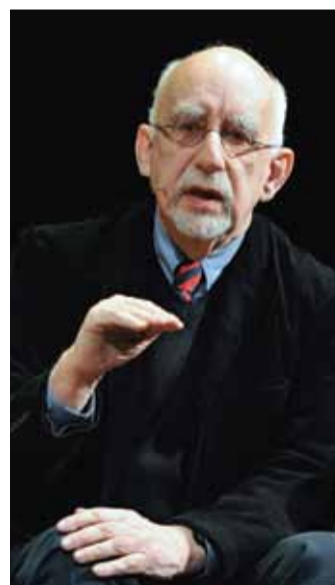
Andreas Treichl

in order to return to "real solidarity" that is not built on privileges.

Referring to Andreas Treichl comments that the European Union

had concentrated too much on the economic project over the last 13 years, Michael Sandel, Professor of Government at Harvard University, posed the question—as an "outsider" from the USA—what became of the (political) vision of Europe. He agreed with his co-panelists that the moral and civic bases of solidarity had eroded in the last decades and named two reasons for that development: The first is that inequality itself has increased and the second is the tendency to "marketize" every sphere of life—including personal relations, health care, education and civic life. "Democracy does not require perfect equality", as he put it, but when these two tendencies (inequality and market thinking) come together "we end up in a situation where people from different social, ethnic or religious backgrounds do not encounter with each other anymore in their daily lives". Combined with widespread mistrust and cynicism in politics, the widening gap between rich and poor is thus not only an obstacle to solidarity, but a real threat to democracy—a point on which all participants agreed. As a possible way out of this crisis, Sandel stressed the importance of public discourse on questions of the good life and the value of public goods—a process that might raise controversial, but essential issues related to democratic citizenship. Although democratic institutions, the rule of law as well as the protection of individual and group rights are equally important for the functioning of civic life, as Ira Katznelson emphasized, parties and democracy itself would not work very well. When it comes to questions of healthcare,

education, and pension systems, a new social contract is indispensable to restoring solidarity across generations, Sandel concluded with a plea



*"If democratic procedures are being questioned we really have to be fearful."*

Ira Katznelson

for lived solidarity: "We should not regard solidarity and civic virtue as commodities that are depleted with use, we should instead regard them as muscles that are strengthened with exercise." ◀

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## Debating Europe / Europa im Diskurs January 13 / March 10 / April 7, 2013 Burgtheater, Vienna



Since 2008, the series *Debating Europe* brings leading politicians, scholars and intellectuals together on-stage to discuss pressing questions of European relevance. The public debates are jointly organized by the Vienna Burgtheater, ERSTE Foundation, and the newspaper *Der Standard*.

Die Matinee-Serie *Europa im Diskurs* bringt seit 2008 führende Persönlichkeiten aus Politik und Wissenschaft auf die Bühne des Wiener Burgtheaters, um über aktuelle europäische Fragen zu diskutieren. Die Reihe ist eine Kooperation von IWM, Burgtheater, ERSTE Stiftung und der Tageszeitung *Der Standard*.

Sonntag, 13. Januar 2013

### Welche Rolle spielt Europa in der Welt?

Die USA wenden sich immer mehr von Europa ab und der Pazifik-Region zu. Die erste Veranstaltung der Reihe *Europa im Diskurs* 2013 ging der Frage nach, ob Europa nur noch als „historisches Disneyland“ (Walter Laqueur) von Bedeutung ist, oder ob die Europäische Union als Friedensprojekt und „Soft Power“ nach wie vor Vorbildcharakter hat.



**Roland Berger**  
Unternehmensberater

**Benita Ferrero-Waldner**  
ehem. EU-Außenkommissarin

**Klaus Hänsch**  
ehem. Präsident des EU-Parlaments

**Jean Ziegler**  
Globalisierungsgegner

Moderation:  
**Alexandra Förderl-Schmid**  
Chefredakteurin, *Der Standard*

Sonntag, 10. März 2013

### Was hält Europa zusammen?

In der zweiten Diskussionsrunde ging es angesichts der drohenden Staatspleite Griechenlands sowie der Austrittsdrohung Großbritanniens aus der EU um die Fliehkräfte innerhalb

der Europäischen Union und die Frage, ob es trotz aller kulturellen Unterschiede so etwas wie eine gemeinsame kulturelle Identität geben kann.



**Heinz Fischer**  
Österreichischer Bundespräsident

**Rosen Plevneliev**  
Bulgarischer Staatspräsident

**Johannes Hahn**  
EU-Kommissar für Regionalpolitik

**Roger Köppel**  
Chefredakteur, *Die Weltwoche*

Moderation:  
**Alexandra Förderl-Schmid**  
Chefredakteurin, *Der Standard*

Sunday, April 7, 2013

### Inequality and Solidarity

The level of inequality within societies and among states increased within the last years. Policies to fight back the crisis from 2008 onwards caused record-high public debts and intensified this trend. The third debate in this series asked for the social and political consequences of the widening gap between rich and poor (for details see p. 16/17).

**Elsa Fornero**  
Italian Minister for Labor, Social Affairs and Equal Opportunities

**Ira Katznelson**  
Professor of Political Science and History, Columbia University; President, Social Science Research Council

**Michael Sandel**  
Professor of Government, Harvard University

**Andreas Treichl**  
CEO, Erste Group, Vienna

Chair:  
**Alfred Gusenbauer**  
Former Chancellor of Austria

Videos of all debates on: [www.iwm.at](http://www.iwm.at)