

Notebook No. 3

Icaro Think Tank

Transparency and good governance in organisations





CONTENTS

1. Presentation
2. Introduction
3. Transparency as a factor of good governance
4. Good transparency practices
 - Vicinay Cadenas
 - HOBE
 - Etorkintza Foundation
 - Bilbao City Council
5. Pillars on which transparency can be built

ANNEXES

- I. Press articles
- II. List of Participants
- III. Bibliography





1. PRESENTATION

This third Icaro Think Tank Notebook continues in the line of thought and action that the Novia Salcedo Foundation set as a challenge in 2011. Its commitment to our society encourages it to be a mouthpiece announcing the problems affecting society and the possible practical solutions to be considered, as a result of a deep reflection

1.1. Where do we come from and where are we going?

The publication of Notebook No. 1, following the first Icaro Seminar held in 2011, marked a milestone in the history of NSF. The Foundation's think tank - the so-called Icaro Think Tank - showcased its work for the first time, highlighting Social Innovation as a starting point. This is a novel concept, which is defined as the creative transformation of social relationships into new ways of exchanging value between people and organisations. Or, put another way, Social Innovation is a process that implies a change in personal and intergroup relations. This process of change, as has been pointed out in Notebook No. 1, requires a change in the values of society by introducing new practices. The rationale is that any change of values in individuals, organisations and society requires the strengthening of relations based on cooperation rather than relations based on domination. Cooperation vs. Domination, that is the key.

On occasion of the Seminar held in 2012, we published Notebook No. 2, concentrating on People and on the Change of Values that had taken place in personal relationships. We titled it "Learning to Cooperate", because cooperation is a conquest of individuals, organisations and of all society. It is also clearly a discipline that needs training throughout life. Learning to cooperate means, as we have learned from the conclusions of the seminar, learning to build shared projects, pooling information, knowledge, skills, and interests.

Notebook No. 3, published in June 2013, brings the public closer to the Icaro Seminar that took place in January in the Urgoiti Palace in Munguia, where previous events had also been held. This notebook focuses on Organisations and on how they Operate, identifying aspects that affect them.

With this in mind, we have the Icaro Think Tank Coordinator, Professor Emeritus Sabino Ayestarán and the presentation by Professor Albert Serra, together with four good practical sessions on transparency in organisations.

"Transparency and Good Governance" were the key concepts and the core aspect of the discussion, and hence the title. We had previously studied the origin of different organisations and the type of leadership provided by the people who managed or directed them, because we consider it is important to establish this aspect prior to developing the concept of transparency.

As a leitmotif in all our Icaro Notebooks, we do not forget to point out the three major shortcomings



Transparency, understood as a means, not as an objective, to provide citizens and society as a whole with good services.

of the turbulent times our society is going through: Cooperation, Participation and Sustainability of assets.

At the Novia Salcedo Foundation, we firmly believe that the conclusions drawn from this seminar can serve as a model or as guidelines for the Good Governance of public institutions and for any other type of organisation, whether public or private. Our speaker, Professor Albert Serra, discussed below, also considers that his speech can be extrapolated, although it is primarily aimed at public institutions. He also emphasises the core idea that transparency is a means to achieve the goal of good governance in organisations. In all of them, whatever their category.

¹ Emeritus Professor of Social Psychology at the University of the Basque Country, Franciscan Friar and Icaro Think Tank Coordinator from the Novia Salcedo Foundation

² Economist, Professor and Director of the Institute of Governance and Public Management at ESADE



1.2. Types of organisations

Organisations, the ultimate targets of the indications in this notebook-guide, differ depending on the institution to which they belong. Therefore, schools, universities, hospitals, businesses, non-profit social organisations, religious organisations, political organisations and trade unions, sports organisations, etc ... are different types of organisations depending on various institutions related to education, health, production, religion, administration or sport. They all, however different, have a common denominator, which is that they respond to a certain social need.

“Environment”, “Strategy” and “Organisation” form a triangle of elements that, in our opinion, should have the highest degree of internal consistency. The demands of the environment are the founding blocks of a future organisation and define the objectives that, in turn, determine the strategy to be adopted. The strategy ultimately determines the type of organisation or the structure of the relations between the people (Roberts, 2004). When an organisation fails to respond to social demands, it enters a phase of inconsistency and lack of coordination that portends the worst omens for its survival. This is because changing times, such as the period we are now living, are conducive to the death of some organisations and to the emergence of others.

Scott, in his book “Institutions and Organisations”, described, in great detail, the cyclical relationship established between society and institutions. Socialisation processes, establishing a social identity and applying penalties, are processes that strengthen the actions of an institution from the top down. The more closed an institution, the more it operates from the top down because its primary concern is not to respond to the needs of the social environment, but to preserve the identity of the institution itself. This is why it resorts to imposing penalties on organisations, groups and individuals that deviate from the beliefs and behaviour imposed by the institution.

On the other hand, negotiation and innovation processes build institutions from the Bottom-Up. The more open an institution is to the demands of its social environment, the more processes are conducted from the Bottom-Up. The need to adapt to the cultural change of the social environment requires the institution to accept negotiations and innovations that come from persons and group. These negotiation and innovation processes strengthen the autonomy of individuals and groups, and promote changes in the beliefs and behaviour patterns of institutions. (See Figure 1)

Organisations are also social systems subject to internal tensions that favour their development. The managers of an organisation must be aware of the contradictory forces that fuel the dynamics of their organisation. In social sciences, the term “tension” refers to opposing forces in unstable equilibrium (Ancelin Schützenberger, 1974). Internal tensions, often caused by environmental changes, require institutions and organisations to change and to seek new balances, both internally and in their relationship with society.

In the relevant literature, one can find references to different types of tension (Magnusson, Boccardelli and Börjesson, 2009; Englehardt and Simmons, 2002):

- Tension between the purpose of the person or group creating the organisation, which defines its objectives based on their interests, and the demands of the social, cultural and economic environment.
- Tension between procedures and regulation of activities, and the development of autonomy and creativity of people.
- Tension among the different ways of understanding leadership, which affect participation and cooperation among people in the organisation.
- Tension among the different values that determine the organisation’s objectives. The competing values model of Cameron and Quinn (1999) is a clear example of an organizational culture based on the unstable equilibrium between four values: Productivity, Competitiveness, Trust and Innovation.



The demands of the environment are the starting point for the analysis of any type of organisation. Organisations that do not favour social innovation are doomed to extinction

Organisations, including those operating in the same sector, differ. However, all current organisations have something in common: a highly volatile economic, social and cultural environment, whose needs they must cater to, or they risk being eliminated from society. The demands of the environment are the starting point for the analysis of any type of organisation. We shall focus our attention on the changes introduced by the socio-cultural environment and by technology in the internal relationships between individuals and groups within the organisation.

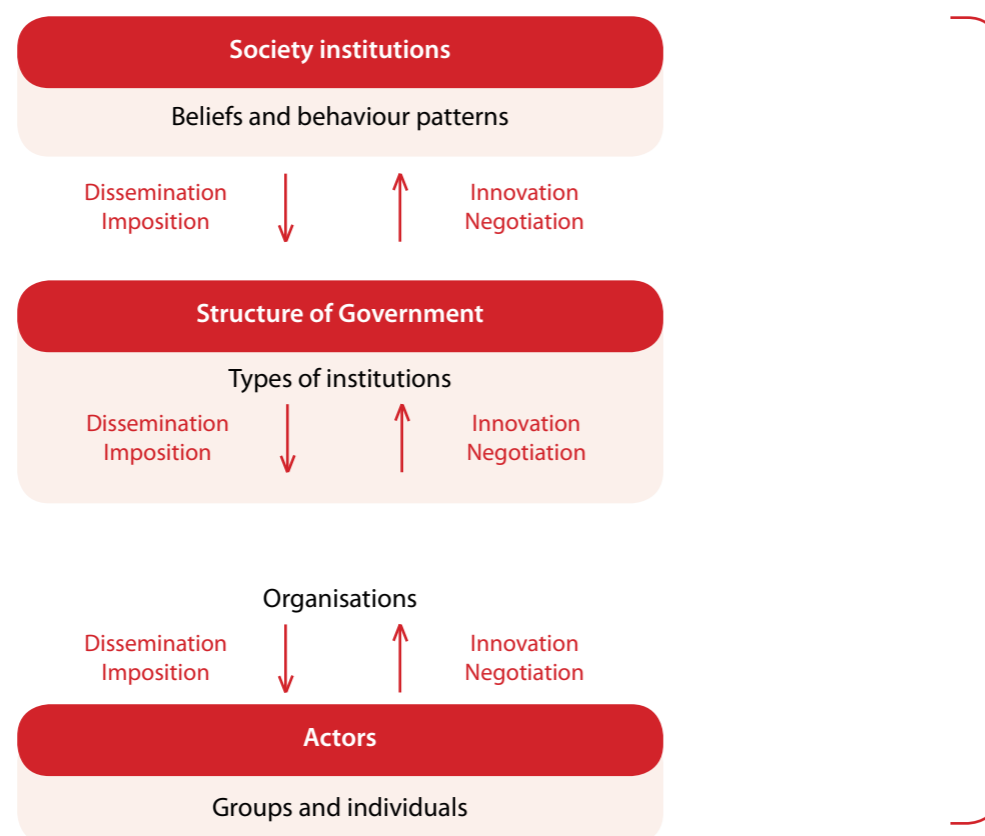
1.3. What does Basque society expect of organisations?

Every society is based on values. Some are clearly identified. Others, more diffuse and imprecise. Our society has a series of values that are accepted by most of the political, economic and social agents, at least from a theoretical point of view. It must be remembered, however, that all organisations display a great distance between the “values stated” and the “values practiced”.

We could list the values stated in our environment as follows: entrepreneurship, cooperation and participation of individuals in acquiring shared knowledge, technological, economic and social innovation, sustainability regarding the use of natural resources and social equality and cohesion (Innobasque, 2010). Globalization and internationalisation are important phenomena when trying to understand the cultural and economic changes of our time, but many people would be reluctant to consider them as values. They are certainly social realities that affect the behaviour of

of individuals, groups and states; but they are complex social phenomena, which require us to reinforce the values of entrepreneurship, innovation, participation, cooperation, equality, social cohesion and sustainability.

These values are expectations of the social environment of all organisations, but not to the same degree. In educational and production organisations, the capacity to meet these demands is crucial for their subsistence. Other types of organisations, such as religious, political and financial organisations, display a greater resistance to the social and cultural environment because they operate more like ghettos rather than beacons that illuminate and facilitate social innovation. However, in the medium to long term, organisations that do not favour social innovation are doomed to disappear.



Source: W. R. Scott: Institutions and Organisations, p. 142

1.4. Differences between individuals and groups as a source of innovation

Traditionally, all groups have tried to avoid conflict and sought uniformity in mental models and goals. The reason is that we have lived in a collectivist and hierarchical culture. Collectivist and hierarchical cultures do not support differences between people. Differences exist between social groups or categories, in terms of power and hierarchy. Individual differences are attributed to the group to which they belong and are valued in terms of the "superiority" or "inferiority" of the categories and social groups, and they create conflicts that threaten the survival of organisations.

Today we are witnessing major changes in society, at cultural and technological levels. Cultural changes favour the consideration of people regardless of the group to which they belong. People are valuable in themselves, regardless of their group, age, gender, country or race. Individual differences are an opportunity to enhance complementarity and mutual enrichment. But this is true only when individuals learn to cooperate and overcome conflicts through the creative negotiation of interests, and by strengthening their transactive memory.

Cultural change does not refer only to the individualisation of persons, but also to building social networks that favour cooperation among people beyond political parties, states and faith. This cooperation of people worldwide would not be possible without the spectacular development of information and communication technologies. Technology, meanwhile, is facilitating a major change in labour relations and in the meaning of organisations. And we wonder, what will organisations be like in coming decades?








Individual differences are an opportunity to enhance complementarity and mutual enrichment. But it is necessary for individuals learn to cooperate and overcome conflicts through the creative negotiation of interests

The magazine "Organisational Dynamics" features a very detailed description of how labour organisations will work in the 21st century (Ettorre, 1996). The truth is that all the forecasts point to greater a individualisation of labour relations (Ayestarán and Valencia, 2010) and to the consideration of people in terms of "information and knowledge". Associate this to the solution of specific problems, the development of individual skills, such as "enterprise", "ethical values", "transparency" and "emotional intelligence", and to the development of group skills such as the "teamwork" based on time-limited projects and goals whose results can be evaluated with a certain level of objectivity

1.5. Participation of workers in the management of organisations and the transformational leadership of managers

The individualisation of labour relations means that people take responsibility for the management of working groups and of the organisation. This concept of management includes the following actions:






-  Make decisions in the team's scope of responsibility.
-  Define the team's operational objectives.
-  Find information relevant to the team's goals.
-  Generate shared knowledge adjusted to the team's goals.
-  Share in organisational leadership:
 - Participate in the development of the personal skills of organisation members.
 - Participate in achieving the organisation's objectives.
 - Participate in dialogue and mutual adjustment between customers and the organisation.
 - Participate in the organisation's efforts, profits and losses.

The increased participation of workers in the management team and in the organisation means that the managers deploy a type of leadership known as "transformational" leadership.



1.6. Transformational Leadership

In 1985, Bass introduced the concept of transformational leadership. But, what does this mean? It is a way of exercising organisational leadership by focussing on three objectives: the development of people, achieving organisational goals and customer satisfaction. These objectives have been the guiding rules of all good leaders throughout time, but the specific aspect of transformational leadership lies in the mechanisms used by the leader to engage all group members to achieve those goals. The leader obtains the commitment and participation of all members through the following mechanisms:

-  *Referent power:* Leaders who use this factor are admired and respected; people trust them. The followers identify with them and try to imitate them.
-  *Authentic and ethical behaviour:* Leaders who use this factor are very aware of themselves and display transparency in relations, an internal ethical perspective and a balanced perception of reality.
-  *Inspirational Motivation:* This factor refers to leaders who are capable of motivating their team members by providing a meaning for their work. The leader also formulates an attractive future for employees and for the organisation.
-  *Intellectual stimulation:* These leaders encourage their employees to be innovative, creative and to seek solutions to any problems that may arise by themselves.
-  *Individualised Consideration:* Leaders who use this factor pay attention to the individual needs for achievement and growth of team members; they act as mentors.

Exercising transformational leadership means that leaders use their power in the team or in the organisation to empower weaker people. For this reason, transformational leadership results in shared leadership. In specialised literature, transformational leadership is associated with authentic and ethical leadership (Avolio, Walumbwa & Weber, 2009; Walumbwa, Avolio, Gardner, Wernsing & Peterson, 2008); Molero, Recio & Cuadrado, 2010; Brown & Treviño, 2006).







Mechanisms of transformational leadership: The power of reference, authentic and ethical behaviour, inspirational motivation, intellectual stimulation and individualised consideration.

1.7. When transformational leadership is authentic and ethical, it becomes exemplary leadership

We must recall that leaders who behave in an authentic and ethical manner prove to have certain characteristics. Among them we shall mention, for the first time, management transparency and relationships with people, a particularity that will eventually lead to good governance.

These are the characteristics of exemplary leadership:

-  *Awareness of oneself.* Who does not know oneself, projects every bad thing they are unable to acknowledge in themselves to others. The downside I see in others is very often the downside I am unable to acknowledge in myself. Leaders who distort their perception of themselves are generating a distorted picture of others.
-  *Transparency in management and in relationships with people.* This is an essential issue for any institution or organisation. Transparency is the basis of trust and of the credibility people deserve.
-  *Ethical attitude* in relation to people; this implies: a) respect for the rights of individuals, b) being prepared to solve conflicting interests from a cooperational standpoint, c) the use of the power one has to empower the weak.
-  *Balanced perception of reality,* which means that one knows how to avoid perceptual biases due to social desirability, social prejudice and envy and personal fear.



Transparency in management and in relationships with people is essential for any institution or organisation. Transparency is the basis of trust and of the credibility people deserve.





1.8. Regulatory context and cultural process related to the transformation of organisations

Organisational change, as a result of tensions between the different stakeholders and their mental models, is a complicated transformation process resulting in different directions according to the external and internal context. But this context is highly influenced by a structural principle present in any organisation, i.e. its own survival, and this is conditioned by sustainability mechanisms that come from laws or principles that regulate social aspects.

The external impact has two sides: one connected with the role of addressing needs that may arise from the environment and another connected with complying with legal and regulatory requirements that such an environment demands. A significant aspect in the development of organisations and in their transformation process is to address the impact of this regulatory or social context, which may greatly affect the personal culture, group culture and internal and external relationships; especially regarding the sustainability of the organisation.

We are in a continuous process of transformation, and leadership is one of the driving forces of change within organisations, in a contest of dominant or real values, which are the ones that definitely mobilise those changes. The process of change always has a before and after, but it cannot be visualised in advance as a clearly foreknown path.

The factors driving change are many and, among others, are the interests of the greater bodies of power, the capacity of leadership of reformist minority, the representativeness of the agents involved, legislation in force, the persistence of renovating actions, the expectation and hope of people in a desirable future and the material resources available to allow change.

The intentional movement of organisations in two complementary aspects, as agents of global change and as the product resulting from the change caused by the social, regulatory and cultural context, depends on how the driving forces of the process are activated. A specific issue for each organisation, together with the economic context, depending where each one is located. National regulations, in an increasingly globalised environment, determine very different ways of understanding and practicing the productive organisation of companies and of the use of the resources generated in them. The inevitable contagion caused by relationships between companies and their groups as a social entity in a legal context is a key factor in the transformation of an organisation. This, in turn, acts as an embryo of the social change and context changes that must arise in line with the purpose of the organisation and its social orientation, depending on how biased it is towards individual or collective interests.








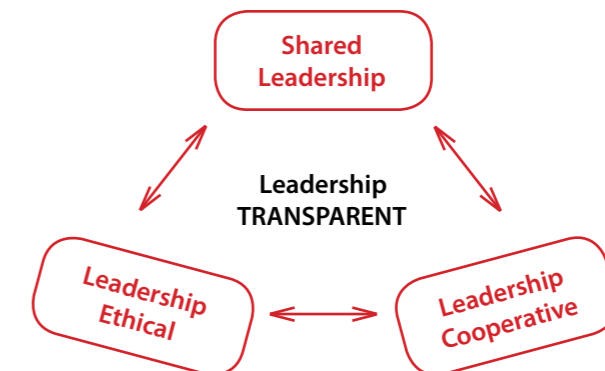
2. INTRODUCTION

Organisations will be unable to walk the path of long-awaited transparency unless the people in charge of their management exercise ethical leadership. It has been said above, and it should be emphasised, that we are in a continuous process of transformation within organisations and leadership is one of the driving forces of this transformation. In a contest of dominant or real values, that are definitely those that drive change, Ayestarán investigates how leadership in organisations has come to focus the influence of people and leadership on ethics, conducting a historical review of one of the most widely-studied topics in social psychology

2.1. Phases in the scientific construction of leadership in organisations





A continuación se exponen las distintas concepciones de la idea de liderazgo a través del paso del tiempo y cómo se ha ido construyendo lo que llamamos hoy en día liderazgo auténtico y ético que es el que nos conduce, de nuevo, a la transparencia. Razón y fundamento de este seminario.

-  a) Leadership as a personal quality of an individual (Stogdill, 1948). In the first half of the twentieth century, hundreds of studies were conducted on different leaders in different environments. They were seeking the common characteristics of good leaders. The only personal quality, common to all of them, was general intelligence.
-  b) Situational Leadership. There are two types of leaders: task leaders and socio-emotional leaders. The former promotes compliance with an organisation's objectives; the latter promotes human relations based on a climate of co-operation and mutual enrichment (Blake and Mouton, 1964)
-  c) Transformational and transactional leadership (Bass, 1985). Transformational leadership means empowering people: the leader becomes an ideal and behavioural reference, an inspiration and a motivator, providing intellectual stimulation and personal treatment. Transactional leadership means efficiency in achieving the organisation's objectives and product quality. A leader is building new leaders.
-  d) Distributed and shared leadership (Pearce and Manz, 2005). Everyone in the organisation feels responsible for the development of individuals, the organisation's objectives and customer satisfaction. Shared leadership is the result of transformational leadership. The empowerment of people leads to shared leadership.
-  e) Authentic and ethical leadership (Walumbwa et al., 2007). The demand for authenticity and ethics comes from shared leadership. It is impossible to share leadership, i.e. responsibility over people, the organisation's objectives and product quality, if there is no transparency and trust between people. Leadership has to be ethical and fully transparent.





2.2. Qualities of an authentic leader

-  a. **Self-awareness:**
Seeks feedback from others
Accurately describes the perception others have of him
-  b. **Transparency in the relationship:**
Says what he thinks, takes care how things are said
Admits errors if committed
-  c. **Internalised ethical values:**
Practices and decisions consistent with his beliefs and the organisation's goals
-  d. **Balance in data processing:**
Asks for opinions that challenge his most established ideas
Listens carefully to different points of view before reaching a conclusion

Transparency in management presupposes a shared, ethical and cooperative type of leadership. In other words, leadership - when shared - can only be ethical and transparent.



3. TRANSPARENCY AS A FACTOR IN GOOD GOVERNANCE

Given the complexity of the current situation, Professor Serra focuses on four basic reflections and on two references prior to the paper. The first consideration is to realise that the variables that will affect us in the future, in a precise way, are difficult to identify. The second point is to try to identify some key aspects of the current situation regarding the concept of Transparency. The third consideration is to define what we understand by Good Governance in order to clarify what we mean. And the fourth and last thought is to figure out how to approach the use of transparency as a factor for improving governance and good governance.

3.1. Visions of transparency: Objective or means? Corruption vs good governance

Due to the current situation in our society, the public believes that transparency is the solution and the ultimate goal of good governance. However, this is not the case. Transparency is only a means. In the absence of competent leadership, with or without transparency, the result is the same. And this is the reason why, in our environment, and because of opacity in management, transparency is used as a tool to fight corruption.

The example that illustrates this thesis is Transparency International (TI), a key organisation within the framework of transparency. A non-governmental, non-partisan, non-profit organisation dedicated to combating corruption at national and international level. Since its inception, TI has been widely recognised for placing the fight against corruption on the global agenda and is committed to building broad coalitions of individuals and organisations to work with them in reducing corruption and introducing reforms. However, rather than reporting corrupt individuals, governments or businesses, TI fights against corruption by building and strengthening integrity

This type of mass corruption that is affecting all sectors of Spanish society diverts transparency to the field of corruption. Corruption indices are measured and the debate focuses essentially on the requirement that governments have to be honest. However, this situation may not be more than a superbly-managed smokescreen that hides bad governance and the real issues that flow from it. The first aspect of transparency, therefore, has to do with corruption. But a second aspect of transparency has to do with good governance.



Transparency conveys confidence and confidence is critical for good governance







The first view of transparency was connected with corruption, but there is a second view that has to do with good governance

Because, although it seems a utopia, there may be honest governments. And transparency is the medium that enables the public to know what the government is doing, how it does it, why it does it and with what results. Transparency conveys confidence and trust is fundamental to good governance. And for Ícaro Think Tank this idea can be extrapolated to all public and private organisations



3.2. A complementary view: Transparency Board of Chile

While Transparency International focuses on corruption, there are important global agencies that do not even mention it in their statements of transparency. The first international model in this regard is the Transparency Board of Chile, an autonomous public corporation, with legal personality and its own assets, created by the Public Office of Transparency and Access to Information of the State Act. The Council's mission is to promote and cooperate in the construction and institutionalisation of a culture of transparency in Chile, guaranteeing people's right to public information. And its objectives are:

-  Promote the principle of transparency and expand the right of access to public information, generating relevant information on levels of implementation in the public sector and on best practices.
-  Guarantee the right of access to public information by ensuring its accessibility, enforceability and availability, and overseeing compliance with the duty of transparency through the media and other procedures established in virtue of the relevant regulations.
-  Improve regulations governing transparency and the right of access to information by encouraging the efficiency of the public administrations and citizen control.
-  Establish the Transparency Board based on a quality management model that promotes public participation, incorporating comparative experiences and best practices.

The four objectives listed above have a common denominator: none mention corruption. In these objectives, the Transparency Board basically require governments to do their job well, through a quality management model that promotes public participation and institutional best practices. Contrary to the view of Transparency International, which follows the first definition of transparency that has to do with corruption, the Transparency Board of Chile responds to the view that it has to do with good governance. This is the real goal. Something as simple in its statement and yet so difficult to put into practice in some countries. This is how transparency is understood in Chile, a country characterised by having some of the world's strongest institutions recognised internationally.

3.3. Another complementary view: The statement principles of the President of the United States

This is the second international reference that does not mention corruption in its mission statement. When Barack Obama took over the presidency of the United States, he issued a statement regarding transparency and open government goals for its term in office, in which he stressed the task of "establishing a system of transparency, public participation, and collaboration that will ensure and strengthen our democracy and promote transparency and efficiency in managing activities." Once again, as in the case of the Board of Chile, there is no mention of controlling dishonesty.

And this is because the primary role of transparency is to be able to assess the good or bad performance of the government, not control whether it is honest or not; society has a criminal code that it can use for that purpose. Honesty is a quality that should be inherent to leadership in the public sphere. However, we are experiencing such a troubled a situation that leadership is directly tainted by corruption and dishonesty. Society is thus developing its functions from a position of absolute distrust and this leads society to have to monitor any dishonest cases, to monitor whether institutions are doing the right thing for their country.



If there is suspicion that corruption exists, this requires society to be constantly vigilant

Another consequence of this tainted situation we are experiencing is the discredit of the public sector, which favours the private sector. This is a debate that has already concluded worldwide, but not yet in our country. The principles for the need for a strong state have been more than proven in Europe, in much of America and in many Asian countries. If there is suspicion because corruption exists, a negative atmosphere is created that leads society to be constantly vigilant. The issue should not be whether politicians are honest or not, but whether they work well or not; their honesty should be taken for granted as mentioned above. It is obvious, in the twenty-first century, that there are no strong societies without strong States; however, in Spain, we find a feeling of discredit towards the public sector, to the point that it has led to the discredit of the entire ruling elite. Everyone is under suspicion. However, the truth is that you cannot have a good private sector without a good public sector and vice versa. At this point, we should mention Sabino Ayestarán's thesis, according to which it is the regeneration of our leadership system which has to be revised. Once again, we emphasise that the concepts of transparency and honesty must be separated from the concept of good governance, because they are different things.

When the criminal code has to be used to assess the performance of a government, there is something wrong with the way that country is operating. The government should be honest and then, in addition, it must be a good government.

3.4. Global transparency: the boundaries between public and private

The unstoppable process of horizontal and vertical organisational interaction of society is reaching levels where it is becoming complicated and practically unfeasible to separate the private, public, and non-profit or third sectors. This complicated system is precisely the problem advanced societies are facing. There is increasing risk and difficulties in managing the scenario because societies are tremendously diverse, disparate and with keenly different sectoral levels of development.

We have imagined a social system with these three major subsystems: the private enterprise system that produces wealth, the public sector that provides public goods and ensures coexistence frameworks for society to function, and social structures that citizens are capable of building themselves and that go beyond individual interests without damaging the interests of society. Until now, each one governed its own business in its own sphere, but now, it is more difficult to differentiate these sectors, in fact, it is practically impossible. Any part of the public sector comes into contact with the private sector or the third sector. And that's what we mean by public-private cooperation, a concept that is crucial today.

The Army, the Health Services, Public Works are clear examples of public-private cooperation. The military is a public institution that acquires its material goods from the private sector, from companies, because the army is not engaged in manufacturing and yet it needs the products the private sector provides. The public health service does not manufacture the instruments it needs for its hospitals and these instruments are purchased from private enterprises. The reports issued by SEOPAN, the association of construction companies, clearly state the extent to which the public sector has purchased goods and services from the private sector. These companies belong to the sector that builds airports, highways and public works in general. Here we find a clear interaction between both sectors, because the alternative would be to go back in time and use other means to address public works that would be clearly old-fashioned.



Transparency is the only variable able to transmit the necessary trust

To avoid collusion between both sectors, the managers must flawlessly make the correct decisions when contracting public works with private companies. Because, everything connected with corruption comes from both sectors: public and private. This is the first aspect that has to be addressed. Make no mistake, without assistance from beyond the public institutional system, there would be no organised corruption. Let's look at the previous example regarding SEOPAN. When your chairman analyses forecasts, he will always be more interested in the accounts of partner companies than in the results of the public investment for society, i.e. infrastructure. It is not for the private sector, in this case, to do this correctly, but for public managers. If public investment projects that are of no use are the result of this collaboration, of which there are several examples in this country, then, public policies are not good. They may not be illegal decisions, there may not even be any trace of corruption or misappropriation of public funds; but they are not good public policy.





This complexity of the system is what may open the door to the possibility of public-private collusion behind citizen's backs (not to mention the usual public-public and private-private scams). On the other hand, public-private cooperation should be always be at the service of society. Any dishonest behaviour should be condemned not only by law, but by the public-private system. The requirement is clear: leaders, through their commitment, must build a barrier to contain corruption. Because an advanced democratic country cannot afford dishonest behaviours, and public-private cooperation should be a good management tool despite its difficulties




The government should be honest and then, in addition, it must be a good government

The second element of this global and territorial complexity is Governance and this is what the public system must face. This is the other view of transparency and its aim is to achieve good Governance or Government. Our society has developed the "wicked problems" concept to refer to problems that the governments have to face and where the solution is always partially bad. Whatever you do, the solution will not be good. There are no good solutions, since they are all inherently bad. In a globally complicated situation, it is very difficult to build interest groups that are large enough for a solution to satisfy the majority. The level of diversity of interests is so broad that the possibility of finding a problem that generates a lot of support is very complicated. This is the case at present, there is a large spread between different sectors and the different sensibilities of society. Therefore, this leads to huge public management challenges in this complicated scenario and the demands on governments, in this sense, are new.

The graphical representation of this complicated scenario can be achieved by a matrix with two variables: Control of the situation and Certainty regarding the solution. There are, consequently, four possible solutions depending on the level of control of the situation and on the level of certainty regarding the solution.

-  Low level of control of the situation / high certainty regarding the solution: we know what we have to do, but it requires good communication.
-  High level of control of the situation / low level of certainty regarding the solution: it requires a policy.
-  High level of control of the situation / high level of certainty regarding the solution: in principle, we know what to do.
-  Low level of control of the situation / low level of certainty regarding the solution: the situation is not under control, we do not know what to do and, therefore, negotiation is required.

 A clear example of lack of control and lack of certainty is the unemployment problem in Spain. The solution would involve all sectors of society and would require studying what needs to be done, how it can be done together and how to achieve the necessary objective through prior negotiations. These processes are complex and require leaders with a great ability to promote commitments, to encourage citizens to work in the same direction; therefore, these leaders would base their systems on their ability to provide trust and loyalty. This is where transparency plays an absolute role because it is the only way of transmitting the necessary trust.

3.5.A complementary concept: Good Governance



How do we define good governance? Good Governance is the exercise of power in a country characterised by features such as efficiency, transparency, accountability, participation of the civil society and the rule of law, which reveals a government's determination to use the resources available for economic and social development.

The table details the qualities of good governance as stated by three influential international organisations:


ODA (British government development assistance agency)	UNDP	World Bank
<p><i>Good governance</i></p> <ul style="list-style-type: none"> • Legitimacy • Accountability • Competence • Human rights / law 	<p><i>Good governance</i></p> <ul style="list-style-type: none"> • Political Legitimacy • Freedom of association and participation • Fair and reliable judicial system • Accountability, administrative (and financial) • Efficient and effective public sector management. • Cooperation with institutions of the civil society. 	<p><i>Good governance</i></p> <ul style="list-style-type: none"> • Transparent and predictable policy management • Professional management • Executive branch that is accountable • Strong and participatory civil society • Rule of Law

American Professor, Mark Moore, in his book "Creating Public Value: Strategic Management in Government" (Penguin Putnam, 1988), a benchmark for the world of public management, proposes three main criteria for determining public value. Moore's central concern is to define a new public manager "who, thanks to the ethically responsible exercise of their political and operational management capacity, help create value in the public sector". The second important aspect is his attempt to solve the administration-political contribution and the third is to "design a practical reasoning guide for public managers" to achieve the two objectives mentioned above.

Good governance, therefore, creates public value for citizens and society. Public value is created when activities are performed that provide useful and effective responses to needs or demands for which:

-  There is political desirability based on a legitimate public process that is reasonably consistent. The democratic legitimacy of government actions should exist in relation to every action, not only when going to the polls. This logic is only different in opaque societies.
-  There are expectations to promote social change that will alter the conditions of society as a whole, or at least of some social groups recognised as legitimate recipients of the public value created. In other words, public actions will result in identifiable social benefits. Nothing is good by itself, one must always ask what social impact will be achieved by each action. This is because the State's goal is not so much to provide services or make investments, but to ensure that those services and



- investments improve the standard of living of different social groups.
-  There is a dimension of collective ownership that characterizes the nature of public goods. Public goods are not based on the logic of private goods in the sense that people benefit from what they acquire; public goods should benefit everyone. In society, there are goods that the private sector cannot provide and this is precisely the collective dimension of public goods. A telling example is urban safety. There is no private safety in a city. Cities are safe for everyone or they are not safe for anyone. In European society, safety is a public good although it is not valued very highly. In Spain, we have a privileged level of safety in our cities and we do not value it to its full extent. If that safety did not exist, however, we would be unable to live as we do.




The indicator that measures governance is not the volume of services provided but the volume of changes achieved. The concept of public value does not exist in this country. One of the great problems of today's public leaders is managing their public corporations, for which they are responsible, in addition to the territory administered and its contents. While the private sector is responsible for its companies, a mayor has to oversee a city council (a corporation with its administrative structure) and the entire municipality; i.e. a company, and the positive impact on the relevant territory. This is the dual role of politics, where corporate mismanagement in government leads to disastrous results in the territory. And this is the case of the current adjustment in the budget, which is leading us to destroy the public service system in order to restore the economic and financial situation that should never have been affected. Now, the problem is how to recover from this situation and not from the territory, the municipality, the citizenry.



The indicator that measures governance is not the volume of services provided but the volume of changes achieved

3.6. The Transparency-Accountability-Responsibility value chain

Mark Moore notes that, for a long period of time, the idea of the actual implementation of policies was the core issue of governance, rather than the successful management of public organisations. However, the idea is that public managers must develop "public value" by integrating:

-  The substantive reflection of what is valuable and effective
-  A diagnosis of political expectations
-  A detailed analysis of what is operationally feasible

When designing public value, managers must find a way to integrate the political dimension, the substantive dimension and the administrative dimension.



The way services are applied to achieve social change is the success indicator in the public sector. As already explained, it is not the volume of services but the volume of change. It is not about knowing how many training courses have been provided, but about whether the unemployment rate decreases or not after providing those training courses. The success indicator for the health system is not the number of hospital beds per inhabitants, but the improvement in life expectancy, the reduction in cancer mortality, the eradication of childhood diseases, etc ... This is precisely creating public value

formed citizens who know how much they are paying each year on tax, what services they are using, how they work, what services the country has to offer, where we stand compared to other countries. Therefore, we need to use transparency in the sense of information, knowledge, capacity for judgment, assessment of what is reasonable, primarily directed at two aspects: ensure legal protection and public procedure. These requirements will ensure that public property is being used in a legally correct manner and under the appropriate supervision to ensure appropriate results. On the other hand, we must supervise the volume of public value created and the efficient use of public resources, assuming that they are being used honestly, which does not guarantee they are being used efficiently for the benefit of citizens. The assessment of how all this is managed is essential in order to reach conclusions on public actions

And in this scenario of accountability and responsibility, where do we place transparency? Fundamentally applying a mind map where transparency is understood as the information and knowledge citizens have of collective interests. We need in-



3.7. Governance and Transparency

Legislative and legal framework, some internal and external control bodies, and especially political leadership and professional public managers capable of performing these tasks, are required. And fundamentally, transparency as a means for citizens to know all the facts. Currently, the government's programme makes no sense. We have already assumed that government programmes now serve to win the elections and, therefore, it is impossible to assess compliance. If nothing is done as promised, there is no point in assessing it. In this respect, that is the great difficulty regarding the administration in this country.

In fact Good Government, Governance, includes a multitude of values for the benefit of the community. Loyalty to citizens. This is not what we have seen in this country; on the contrary, we have seen very disloyal behaviour towards the citizenship: the economic agreement reached with the European institutions. In this scenario, as it affects our country in 2013, we should ask ourselves, what has happened and who is to blame? Where was the mistake made? Even if only to avoid repeating it. Without these explanations there is no transparency, without transparency there is no trust, without confidence there is not much of a solution. We must be able to solve collective problems in order to solve specific problems and here we find a combination of two essential conditions: Accountability and Responsibility, where transparency is applied to obtain quality governance.

3.8. Some elements that ensure value for Citizens: Integrated Reporting and Accountability

The British are working on an idea called Integrated Reporting (International Integrated Reporting Council). This is an attempt to build a single annual report for companies in which each company:

- analyses their external factors: business threats and opportunities
- set out their strategy: their objectives and action plans
- explain their social contribution: creating value
- detail how they have achieved this and explain their business model: financial and non-financial resources
- determine their reputational capital and how it affects all stakeholders

This international group, with the support of many British companies, is studying how to design a model that will provide transparency in the above report. The public sector should imitate it, try to inform and not mislead, because the best strategy for disinformation is over-information. In this sense we should develop some kind of instrument to clarify government. Because, frankly, considering that transparency is limited to the mayor of a municipality publishing his salary on the council website is insulting. The public wants to know more, it wants to know what happens on the street, what level of income we have, how we are progressing in relation to the creation of wealth, etc ... and politicians should explain all this clearly.

- Below, we shall describe the components or factors of transparency for a member of the administration:
 - The government programme: what they plan to do, how and with what resources.
 - Their offer of public services to citizens.
 - Their commitment to ensure a procedure, supervision and security in relation to contracts.
 - The optimal management of resources. The assessment system includes publishing results and audit accounts.

In line with this example of good governance, Professor Serra explains that there are countries using closed lists and that provide good governance, just as there are quite decentralized countries like the U.S. and Germany that operate without difficulty. There are also countries, such as Italy, where there is an interesting concept called "sotto governance", which is a way of operating - under the counter - that ensures the country does not come to a halt and can continue operating despite the difficulties the different political groups have to carry out their mandate.

Finally, so-called "Accountability" is also worth mentioning, for which there is no translation from English but which refers to public-private governance being accountable and open to public scrutiny. Basically, this is a proposal that creates value, a guarantee of access to information that makes it possible to scrutinise actions and make people accountable at the end of their term. Responsibility and accountability imply bearing the costs of sanctions or incentives based on the performance of individuals, and that are exercised transparently for the public to know.

4. GOOD PRACTICES

In this chapter, we shall present four types of organisations, with different approaches to transparency, that can help us identify the enemies of transparency in organisations, whether in the public sector, private sector or third sector. In other words, what is the cost of non-transparency in an organisation

Business Category: VICINAY CADENAS



Represented by its manager Jesus Navas. Vicinay Cadenas is a company that belongs to the Vicinay Marine group, established over 200 years ago and a leading global supplier of ropes and chains for the offshore industry. Awarded with a silver Q for quality based on the EFQM model, they are certified in ISO 9001 product quality, ISO 14001, ISO 14006, ISO 14025 Sustainability and Environment, and OHSAS 18001 Health and Safety at work. Committed to Corporate Social Responsibility, they publish a Sustainability Report each year and are members of The United Nations Global Compact. Their 274 employees share the company's 100% transparency values. In Vicinay, it is important to "know what you want to be and know what you are".

This company has classified its interest groups into five categories: employees and their families, shareholders and investors, customers, who are obviously the basis of any business, suppliers and society. There is interaction with all interest

groups to achieve sustainable growth in cooperation with them through transparency. The company is practically a symbiosis that tries to merge all its parts. Its efforts to promote transparency are specified as follows:

- through multiple meetings to discuss the company's positive and negative aspects, and dedication to dialogue
- by means of a daily newsletter that has been handed out to the staff and to some stakeholders for the last 17 years
- through its "company covenant" based on results. If the company wins, everyone wins, and if the company loses, everyone loses. This agreement has been made possible thanks to the Workers' Committee, which has operated with great responsibility for years

For Vicinay Cadenas, customers are the core elements and the company is organised by processes, using different teams of people who communicate with each other and with other teams. It is a three-dimensional organisation, which can be depicted graphically as within a sphere. In their attempt to overthrow obstacles to transparency - and hierarchies are such obstacles in their opinion -



they always try to have two or three people who can do the same job. In other words, if one person fails, he/she can be replaced immediately by another. However, each person is different and unique, and that adds value to the company. At Vicinay, the idea is to progress thanks to people's so-called "emo-talent", a tool that helps to know each person by performing an exercise that involves individual and collective reflection. It is about identifying each person's talent so that it can benefit everyone.

Their external references come from the group's different fields of business. Their customers include major oil companies that are a good benchmark when it comes to management. They also try to find different specialized benchmarks in the world. They belong to the Izaite Association, which means that Vicinay tries to ensure its products are manufactured in the most environmentally friendly and efficient manner possible, taking small steps to encourage other organisations.

Vicinay's commitment to its 274 employees, if the company runs into bad times, became evident four years ago when production halved. The company management stated there would be no workforce adjustment plan and that the only obligation was to work and overcome the situation. Vicinay display a true commitment to employment and it proves this with facts: temporary staff represents only 10% of all employees and the company does not do overtime.



Public Sector Category: IHOBE



Represented by José Antonio Armolea, member of the Department of Administration. IHOBE is a Public Company, established 30 years ago, charged with supporting the Department of Environment and Regional Policy of the Basque Government in the development of environmental policies and promotion of a culture of environmental sustainability throughout the Basque Autonomous Community. IHOBE is involved in: land, climate change, waste, sustainable products and consumption, municipalities and local sustainability, eco-efficient industry, biodiversity and environmental knowledge. It has been awarded the silver Q for quality based on the EFQM model. It is committed to social responsibility as an essential part of good governance, where all employees have a role. The implementation of its "human capital" as the core element of the organisation is key to them. The 67 employees administered a budget worth 12.5 million euros in 2012 and they feel at home working in a public company that gives them the chance to do things to improve their environment. When drafting a standard, or when leading collaborative projects with

other companies, they have the opportunity to improve what surrounds them. And they find this possibility highly satisfactory. It is much easier to promote Good governance if you are happy and satisfied with the project you are working on. IHOBE understands transparency in a farsighted manner and exercises it openly, regarding the good and the bad. For IHOBE, good governance is not an option but an obligation.

Many of the actions they perform in terms of good governance and transparency were launched years ago before they knew what was meant by good governance. However, since 2009, the Government has published a guide with recommendations, proposals and guidelines for organisations in the public sphere. This guide sets out the benefits of this point of view. There are three stakeholders: employees, customers and society. Its implementation of transparency for good governance responds to behavioural patterns, procedures and protocols aimed at governing its relationship with the Basque Government and with the above-mentioned stakeholders. The patterns of behaviour are ethical codes that are clearly identified and constitute a commitment to comply with the regulations.

Transparency for IHOBE does not only involve publishing some documents on the web. They must also be easy to access and understandable. Public information should be as clear and transparent as possible. There are, however, certain limits that must be applied in a consistent and responsible manner, and that constitute one of the obstacles for trust. How is that information going to be used? What is the purpose of that



information? Can a group misuse that information? These are concerns related to transparency, and due to those concerns, the public administrations have been rather reluctant to be transparent. But, how is the information provided? How does society know that such information is available? Regulating the right to access information is extremely advanced in the environmental sector and it limits what can and cannot be published. Public procurement should protect certain third-party interests and therefore, the full bids submitted by suppliers cannot be made public, for example.

A public organisation, such as IHOBE must clearly understand that it is owned by the public. And the public has every right to know how the organisation is being managed.

IHOBE does not have any specific external benchmarks, but it does have a wide range of relationships with the public and private sectors and can obtain points of reference from many sources. This organisation could be a good example of the above-mentioned "sotto governance". Here, although the head is a political figure, the other members of the organisation are not.

Third Sector Category: FUNDACIÓN ETORKINTZA



Represented by its Director, Salvia Hierro, Fundación Etorkintza is a private non-profit foundation established in 1984 in Bilbao. Its mission is to improve the quality of life of people with mental health problems, addictions and people open to social vulnerability through prevention, intervention, assistance and social inclusion strategies. The foundation's values are ethics and social engagement, participatory leadership, comprehensive intervention, professionalism and transparency. Its vision is the desire to be recognised as an entity dedicated to improving the quality of life and defending those who have more difficulties and who are more vulnerable. They work at three fields to achieve the early detection of cases:

- At a municipal level: 14 municipalities in the Basque Country
- In the field of education: 200 schools
- In the field of leisure and open environments (streets, markets, etc..)

They have a centre that caters for teenagers and families at risk, a care centre for

adult population, a therapeutic community in Kortézubi, a unit and day centre for people suffering from severe exclusion, and a specific training unit. Thanks to its management and commitment to excellence, it has been awarded an Euskalit diploma.

Today, the foundation employs a professional team of 50 people and a board comprising seven other people. It manages a budget of two million euros and, in 2010, it began to design a project based on autonomous management units with a clear commitment to a horizontal organizational system. Its processes are more clearly defined and are based on a participatory model that takes into account the professionalism of the people. Trust in relationships is what has made this change in management possible.

A key aspect at Etorkintza is their ability to treat information in a context in which any person can contribute, influence and intervene. There is no overall leader, but there are six management unit leaders.

Ethics and honesty are important when assessing the results since it is an entity that works so that others can manage risks. For them, transparency is consensus, negotiation with everyone,

whether they are from the foundation or the people they assist. The limits are the needs of their users.

For Etorkintza, the positive aspects of transparency are the improvement in effectiveness and efficiency, as well as an improvement in people. The downside, on the other hand, are the difficulties, the continuous feeling of insecurity and uncertainty, the fear of failure and fear of responsibility, as well as resistance to change.

The results of the changes introduced in the management system are an improvement in the use of resources, greater motivation and satisfaction of the people involved and a better chance to create things together. There is also a greater ability to detect users' needs





Public Administration Category: BILBAO CITY COUNCIL



Represented by Isabel Garcés, head of Transparency, who has made a point of thanking the Novia Salcedo Foundation for giving them the chance of relating to private organisations, as the Bilbao City Council usually deals with public administrations.

The Bilbao City Council, whose current town hall was opened in 1892, is highly committed to transparency, as this is a primary strategic objective for the institution. It is no coincidence that the first plan of the ten that the council has named is transparency. The Bilbao brand represents good work, good governance, economic rigor and zero debt. In 2008, it won the Transparency International award as the best transparent City Council for the publication on its website of a series of indicators related to measuring different aspects of municipal management. In 2013, the mayor, Iñaki Azkuna, also won the award for best mayor in the world, granted by an independent British Foundation that assessed his performances and commitment to the citizens of Bilbao.

Transparency makes good management more visible and this is related to the need to constantly provide data on actions implemented. This demand for accountability is what makes the council determined to achieve its goals with the participation of the citizens and with public-private partnerships to improve life in the city. This demand for accountability is one of the City's key commitments. The city's plans must be aimed at clear and measurable objectives, as demanded by the citizens. The idea is to ge-

nerate public value with the contribution of all public and private agents to achieve a social outcome: build trust, build bridges and regain lost credibility, in addition to making a pact - between citizens and the local administration in the current context.

However, in order to be transparent, first thing required is self-assessment. Is it so easy to be transparent? Is it simply about publishing information in the public domain? Communicating through a website is not enough. Transparency is a transversal task with a view to promoting good governance in local governments. The information may be comprehensive but not accessible, and document management is a key aspect regarding transparency. It also has to be linked to the improvement in the management of technology and of communication.

But, how did transparency materialise in the city council of Bilbao? A new tab on the official website was designed in 2011: the municipal transparency portal. It is a compendium of 80 highly valuable indicators that provide information on how resources are managed, how much and how money is spent, how suppliers are hired and what procurement systems are used, the wages of employees and of the politicians running the institution. In the end, it shows that what is of value is the information itself. However, transparency is not only publishing 80 indicators on a portal. In this sense, Transparency International neglects other aspects that can be achieved through transparency and focuses on the fight against corruption, but for the city council, transparency is much more. In the Bilbao City Council it means that the policy should include studies that result in strategic plans.

Through economic and financial transparency, the policy programme includes strategic processes that make it possible to assess the resources spent in each dis-

trict or on each item: civil works, schools, in any sphere of municipal action.

Another of the city council's objectives to improve transparency is to manage procurement. Citizens are provided with information on the systems used to award contracts, most of which are based on public tender processes. 94% are awarded through open tender systems and 6% are minor contracts. Contractors' profiles are also published so that future suppliers can know what they can sell to the city council and what requirements they will have to meet. Contracts that are going to be put out to tender are published in advance.

The international benchmark for the Bilbao City Council necessarily includes the United States. What President Obama has achieved by transforming his administration when he reached the White House is absolutely impressive. One can obtain really detailed information. Citizens can access the information and learn about any issue to the extent that they wish.

The novelty on which the council is working at the moment is the implementation of a transparency portal for the twelve municipal bodies. No public administration has achieved this level of transparency. The people who manage these entities are appointed by discretion, which is not obvious for those who have gone through a more or less open selection process, although certainly less transparent than in Chile. Bilbao has district councils that are taking decisions regarding the municipal budget;

this is the extent to which participation extends. As to the manner of exercising this participation, there are many sector councils whose cooperation is very important. The City Council has organised a participation process regarding the general town development plan, which attracted 400 proposals from all kinds of

backgrounds, from people interested in what Bilbao will look like in the future. The 8 service cards are another interesting initiative that is assessed by an independent certification body.

It is known that organising citizen participation movements is not easy, but ways are being found. However, the great challenge for the city council is to develop an open government system through citizen participation and public-private collaboration. There is a cross-sector plan geared to achieving this transparency goal. The highlight is

the website where citizens can find the information they need. Is society in Bilbao consulted sufficiently? Many will say no, but to complement the ratings established every 4 years, we have district councils, which have working committees dedicated to prioritizing the projects that need developing in each neighbourhood and they are also consulted frequently. Participation channels include sector councils: women, the elderly, disabled, etc ...

One of the objectives of the City Council's plans for the future is to simplify the administrative bureaucracy, in response to the demands of citizens.



Some Conclusions

Avoiding corruption and promoting accountability are the goals of a system based on transparency, but, would one last thought regarding transparency be missing? That of responsibility? The public administrations and citizens do not have a customer-supplier relationship; they are more like a partnership. That is, a relationship between equals. It would be advisable to educate people in this field and build relations outward. We have to think about this...

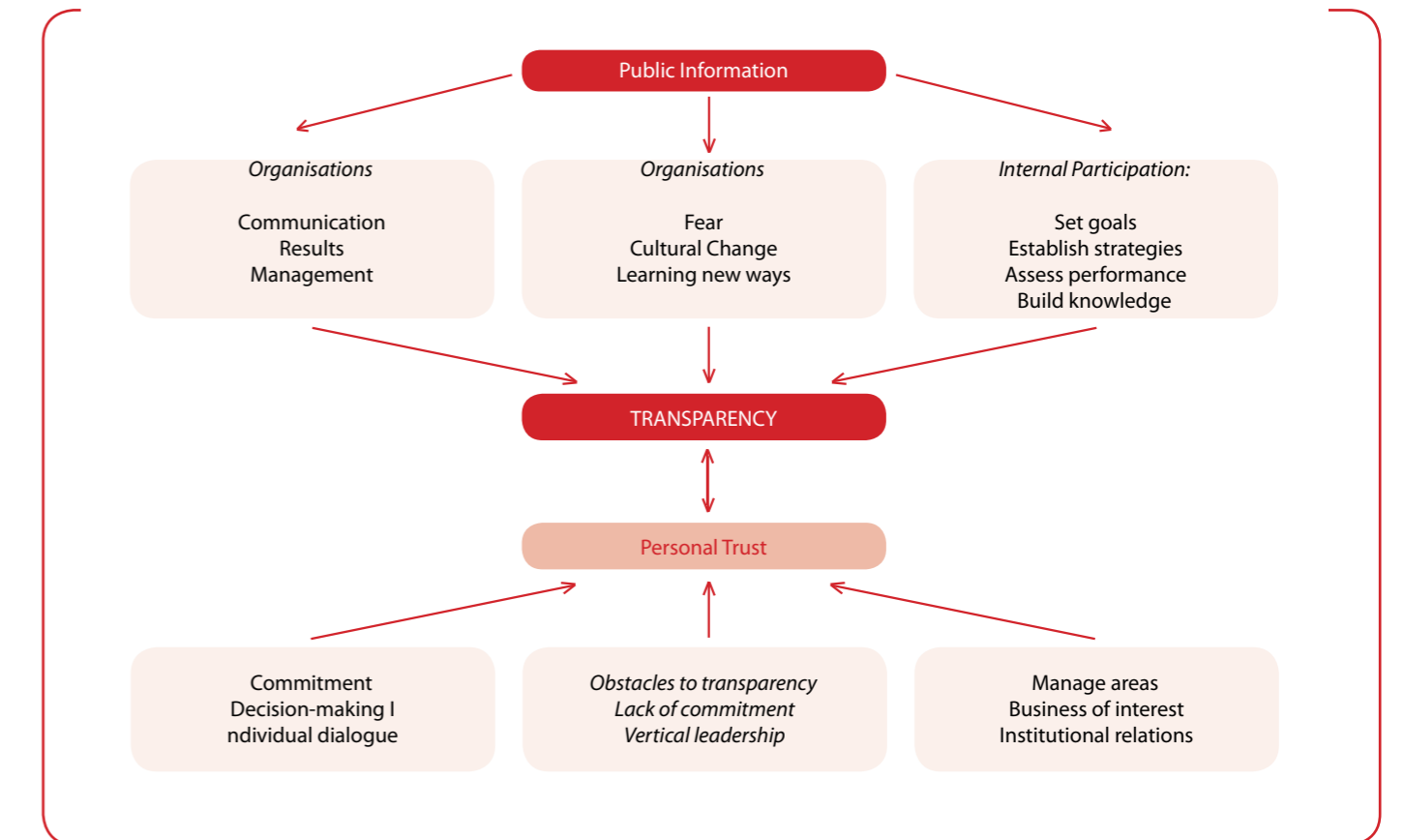
The common denominator of the four examples of good practices mentioned is that they are organisations with a highly advanced management structure. The four also depend on the internal participation of the people who belong to them and they feel the pride of ownership.

Regarding public organisations, and noting that the challenges of transparency are directed outwards... We have been complacent, very complacent citizens. You cannot demand transparency and be critical, without allowing people to see you the way you would like to see them



5. PILLARS ON WHICH TRANSPARENCY CAN BE BUILT

Eight teams, comprising eight people each, worked during the Seminar after listening to one and all to extract the results which are shown below.



Trust: basis of transparency

Communication: dialogue, consistency, clear, sufficient, relevant and accessible information; negotiation, creativity, short and long term credibility, efficiency, sense of humour, failure as a source of learning, continuous questioning.

Management system: adult organisations, consolidated management system based on rules and methods, evaluation, habits, responsibility, requirements, accountability, long-term vision, generate social value, economic investment and investment in individuals; horizontal structure.

Leadership: knowledge, will, consistency and clarity, honesty, committed to people, ethical, transformers, generate new leaders, skills management, exemplary behaviour.

Participation: shared (up & down) and homogeneous project, cross-pollination and flexibility of teams, shared leadership, proximity to decision-making.

Environment: external sphere importance of customers, markets, suppliers, community, inner sphere people and government bodies.



ANNEX I Ícaro press articles

May 2013 - May 2012

THE CHALLENGE OF THE MAGIC RING

Posted in DEIA on May 27, 2013, by José Luis Villacorta, Doctor of Philosophy, specialist in Modern and Contemporary history.



We must read Plato again. What is happening to us today was explained twenty-five centuries ago. In his work, The Republic, he explained a thesis that was in fashion in Athens in the fourth century BC: justice is a purely conventional situation that has no positive value when applied because it makes those who defend it sad and makes them look stupid before their own society. Obviously, he reflects against this dangerous opinion.

In his second book, he tells us the story of Gyges. This shepherd had found a ring that made him invisible. Using this ring, he was able to enter the king's house, kill him and seize all his property, without leaving any evidence. This magical ring has since become the most attractive metaphor for all those who aspire to seize power. This talisman is the instrument that many could use at their discretion, as many people would act in the same way if, one day, they had it in their hands, because they would be able to become, "invisible by turning the collet outward". If the righteous abstains from doing something so simple, "he will be regarded by the world as a fool for his pains. Men may praise him in public out of fear for themselves, but they will laugh at him in their hearts." This is the environment that is apparent in Athens in the fourth century BC.

Given this position, usually defended by Sophists, Socrates maintains the opposite view, that Plato will defend throughout the Republic. Since then, the shepherd of the legend has had followers and advocates (and, of course, critics) throughout European history. The ability to become invisible, i.e. to go unpunished, is a dream cherished by a large number of people that has crossed all ages, although other people, not a small number, choose political ethics. Having thus stated the issue, what has to be refuted is the proposition that no one is a just and righteous voluntarily, but only because we have no option: for fear of the guardian, through timidity or cowardice. One part of society would only do good when it is unable to get away with evil.

The conclusion of this thesis is devastating: if we guarantee a person total impunity, the whole moral element, all the dikes of civilization would dissolve and true human (?) nature would emerge, placing corrupt human beings among the beasts.

Since then, from Machiavelli to Hobbes, from Rousseau to Freud, Europeans have had to face the challenge of the magic ring. Those that defend it reissued this legend and their firmest point is so-called political realism versus naiveté (?) or the simple stupidity (?) of their detractors.

Today, we are paying the consequences of this distrust of ethics, practiced by the corrupt of all ages, when degraded as a mere theoretical discourse or sickly dream.

Plato himself, this time in the Protagoras, proposed political science as a gift from Zeus to the human race, because without it we would be doomed to disappear. So, he orders Hermes to "bring justice and reverence to men for cities cannot exist without them".

Morality and justice must be practiced by all, not by an elite, such as medicine. And the last order is categorical and unqualified: "make a law by my order, that he who has no part in reverence and justice shall be put to death, for he is a plague of the state."

The Greeks believed that the fire of intelligence was enough for humans to go down in history, provided with politics. Democracy would be possible if humans based their social relations on honour and justice. When this is achieved, citizens will be born. In other words, knowledge is extended in know-how. The human city is based on techniques, obviously, but techniques that are developed in support of science (episteme). Subsequently, other political philosophies (even theologies) will be imposed in Europe with the intention of supporting coexistence on other grounds, a development that has no place in this small article.

But this Greek philosophy is one of the elements that shaped the European identity. When Europe turns away from these basics, it is taken over by barbarism and savagery feeds on destruction. Today, we are witnessing, partly outraged and frightened, the destruction of the social, labour, scientific, technical and moral fabric.

Edgar Morin never tires of quoting Hölderlin: "But where the danger is, also grows the saving power".

As citizens, we feel disconcerted, because the foundations that made us what we are have been dynamited. Is it possible to restore the foundations of our society? YES. And to achieve this, we must destroy the ring, whose magic breeds impunity, as soon as possible.



LOWEST COMMON DENOMINATOR OR GREATEST COMMON FACTOR?

Published in EL CORREO on May 20, 2013, by Sabino Ayestarán
Ícaro Think Tank Coordinator from the Novia Salcedo Foundation.
Emeritus Professor of Social Psychology at the UPV/EHU



When speaking of negotiations, one often hears the expression “find the lowest common denominator (common ground).” It suggests that, if we want to reach an agreement, we must reduce our expectations to a minimum. I recently heard a member of the Basque government use it when referring to negotiations with the trade unions.

Wherever a negotiation focuses on seeking the “lowest common denominator”, I am reminded of Iker, a young man who was hired by a company. He joined as a junior worker on a relatively low salary. After three months, his mother became very ill. He needed more money to help his mother. This is when I met him. I suggested he explain his situation to the Director of the company. Perhaps she could offer him a job with greater responsibilities. The first interview with the Director lasted 45 minutes. He explained the problem in five minutes and waited for an answer from the Director. She continued to ask questions: “How is your mother?” “Can you see anything in the company that you could help to improve?” “They told me about a problem you had with customer X, how did you solve that problem?”

The director listened and did not make any comment. In the end, she said: “Come back next week, at the same time”. The Director immediately called a meeting with her team and submitted the following proposal: “I have spoken to Iker. He has a serious family problem and needs more money. He believes he could improve the company’s Intranet significantly. Frankly, I think he can. I propose we give him the responsibility of organising and putting a bit of life into our Intranet, with a salary that would match his new responsibility”. Today, Iker is the Director’s best partner in transforming the company’s structure.

This is an example of what is known as “creative Interest-based negotiations”. They are not limited to the aspirations of the people involved in the conflict. On the contrary, their personal skills are enhanced, developed. The pre-conceived ideas people had going into the conflict are changed. A new scenario is created where it is possible to find a solution that is good for all the parties. This is seeking the greatest common factor, i.e. mutual infinite recognition. Then, the reality of human limits will take us to an intermediate level between the lowest common denominator and the greatest common factor.

Technically, this type of negotiation is easy. It is part of the technique of forming an innovative team. In fact, I can say, based on certain experience, that most teams quickly learn to apply this creative interest-based negotiation technique.

The challenge is to implement this technique in organisations. Most organisations will not have worked on the communication skills required for creative negotiations. Even worse, we are used to negotiating when we have the upper hand. Having the upper hand precludes cooperation. Both sides cannot win. One wins what the other side loses.

Creative negotiation is not possible from a dominant position.

This being so, why do we insist on negotiating from a dominant position? Because defend the “group” interests: social groups, political groups, religious groups, labour groups, professional groups, etc ... From a collectivist perspective, cooperation is not possible.

Groups lose flexibility as individualities disappear and they group interests are imposed.

Can a group be innovative? Yes, provided it manages to use different ideas. Listening to different ideas, changing initial positions, integrating different ideas from a new perspective, defining and implementing new ideas, is the path towards innovation. Groups that allow individuals to reach internal agreements based on the creative negotiation of differences are able to cooperate with other groups. They have learned to negotiate by extending their horizon of interest. Innovation requires mental flexibility and the expansion of the horizon of interest. An innovative group is able to negotiate creatively with other groups. Groups that do not practice internal democracy cannot co-operate with other groups. They are condemned to negotiate from a position of power or law. They are not trained for a creative interest-based negotiation



THERE IS NO FUTURE WITHOUT TRANSPARENCY

Published in EL CORREO on April 13, 2013, by Aitor Anchía, Jaime Balaguer, Steffen Bay Rasmussen, Irati Cifuentes, Xavier Gómez, Eider Inunciaga, Young Icaro from the Novia Salcedo Foundation

Article 28 of the French Constitution of 1793 refers to the right of a people to review, reform and change their constitution, so that one generation cannot impose its laws on future generations. No doubt, these are words that should remain in the collective memory of all, and more so, in a scenario as bleak as the present, which could well be compared to a new National Episode by Pérez Galdós.

Our generation has been shaped in an atmosphere of institutional opacity that is inappropriate in a twenty-first century democracy. We cannot allow ourselves to be influenced by this panorama that will sweep away our future, dilute our collective expectations and personal expectations. We should and we must build our future.

It is 2013 and we find ourselves in a tremendously difficult situation. If the economic crisis was not enough, we also have a serious disease affecting the patterns of behaviour of politicians, with the consequent stagnation of public institutions, which is none other than corruption. The lack of transparency, is a clear symptom of this condition. As a result, society as a whole is experiencing an unparalleled moral and ethical crisis. We assume that this situation will not extend ad infinitum, but we cannot allow that the initiative to deal with all these problems should emanate solely from those that are the centre of the problem.

Recently, this situation has become evident with scandalous corruption cases that have dominated the current political map. This is why we urgently need to boost trust in our politicians, dissipating the little or no trust they convey to young people; a pledge of loyalty to citizens is required, that will encourage moving from a customer-supplier relationship to a partnership. How can we encourage trust in people and institutions? Mainly by giving precedence to ethical and transparent behaviours in all our actions; that is the keystone for recovering trust. The education we receive from childhood plays a vital role, as has been observed in the education imparted

in Nordic countries, where civility and knowledge combine to form an enriching amalgam. Both are values that have been conspicuous by their absence in our recent education and they are values that we want; it is part of the DNA of education that coming generations will receive.

As stated by Professor Albert Serra, Director of the Institute of Governance and Public Management at ESADE, during the recent 3rd Ícaro Think Tank Seminar of the Novia Salcedo Foundation, transparency is a means to fight against corruption and a way for the citizens to participate in the idea of Good Governance. Serra repeatedly referred to the current situation where corruption appears in all the national press. He hinted at the possibility that state powers wanted these cases to appear on the front pages in order to avoid or disguise the real problem, which is none other than the bad governance performed by the political parties in public institutions. Based on the above, we must stress the importance of transparency, as it provides legal certainty and makes it possible to control the results and impact of any actions performed. However, we have to note that not only the public sector has been involved in these scandals, the private sector has also been an active and complicit party in this unbecoming conduct by encouraging it, in many cases, to share in the benefits. In short, both the public and private sectors have participated in the conspiracy.

Society should be able to put aside corruption cases, and start to talk about confidence indices. Cooperative individualism can and must become the guiding principal in the recovery. As young people, we need to be at the forefront that process.



We must not get caught up in a vicious cycle. The tools that we can use to encourage transparency are basically the following: encourage shared leadership, unite stakeholders, be flexible, overcome short-termism, create social pressure to motivate change, provide action plans that have visible indicators, measure quality, communicate positive and negative results, audits, accountability, measure impacts, manage talent, be efficient and compare opinions ...

The whole process described is very complicated, requiring the best of each one of us. Let this energetic youth give us strength! The same can be said for governments, which will have to engage with the public, making transparency a cornerstone of their policies. Despite the complexity and uncertainty of what the future holds, let's recall the words that the Italian historian, Leo Valiani, said some time ago when asked about the twentieth century: <<Our century is proof that the triumph of the ideals of justice and equality is always ephemeral, but also that, if we can preserve freedom, we can always start again... It is necessary to preserve hope even in the most desperate situations >>. Let's preserve as our freedom through transparency in the interests of a new beginning

THE CENTURY OF WOMEN?

Published in EL CORREO on January 27, 2013 by Ana Díaz Álvarez, PhD in Social Psychology



Victoria Camps tells us that the twenty-first century will be the century of women. In her book, titled as mentioned above, she helps us understand a new type of feminism that is based on several goals to be achieved in the fields of Education, Labour, Politics and Moral Discourse. Regarding the latter, she explains that the women still have things to say as women and that there is still a long way to go before an acceptable level of equality is achieved. The great French sociologist and Prince of Asturias Award 2010, Alain Touraine, at a recent conference in Bilbao, spoke of a world with a new socioeconomic order in which "social aspects" were to be replaced by "ethical aspects" and where women were the key to building the future. Touraine explains that the main actors in this century will be women because they advocate an integrative view, they talk about serious things, have conquered the word and only they talk about the link between the individual and co-

llective interests.

Women still have to overcome obstacles. Victoria Camps alerts us to two key obstacles. The first is the role of women in private life, in which the division of tasks is still very traditional and discriminatory. However, we must not lose sight of the fact that we cannot do without those values that women have freely displayed and dispensed in this role. The second obstacle, and the one on which I will focus, is the slowness with which women have access to jobs and positions of greater responsibility.

Significant data from the Basque Country tell us that 60% of all young people who finish their university education are women. And it is increasingly harder for us to understand that, in a world where women are so well represented in higher education and in many new jobs, women do not reach decision making levels. Figures from the EU (2012) show that 85% of the members of boards of directors and 91.1% of executive board members are men. In our country, we only have to see these bodies and boards to confirm that this figure is even greater. This unbalanced situation has led the European Commission to propose legislation in order to establish a 40% representation target on non-executive boards in public companies. Once again, we must legislate to ensure a right that, on the other hand, has been won

through great effort and sacrifice. Therefore, will it really be the century of women? Are we willing to make it so?

ICARO Think-Tank maintains that the momentum of sustainable and integrating economic growth is not possible without Social Innovation. Social innovation consists in harnessing the knowledge of all people, men and women, their freedom of thought and expression and allowing them to cooperate freely within organisations. Social innovation as the result of a collective process, that includes "the others". Among the challenges posed, we agree with Victoria Camps regarding those she stated for this century and we shall defend the "ethical" aspect and "relevant role of women" indicated by Alain Touraine. We must implement these ethical values such as equality, participation and cooperation to build a more sustainable economic system that is fair for everyone



ANOTHER WAY OF UNDERSTANDING THE CREATION OF WEALTH

Published in DEIA on December 29, 2012 by Juan José Goñi Zabala, PhD in Industrial Engineering



The habit of classifying companies by sectors when issuing recommendations or preparing studies, hides certain features that may be more important in deciding how to treat and assess, in these times of change, the various entities and organisations. Businesses have almost always been seen as production entities, i.e. entities that optimize resources for a recurring process that is almost always the same. Their effectiveness is based on using optimized methods to systematically reduce costs through the standardisation and automation of everything they do. This model leads to high levels of specialisation, an economy based on learning and a way of fragmented way of working that does little for personal development and team culture.

Production companies are viewed through the prism of mechanical prin-

ciples that require resources that are used in the processes. However, for a production company to exist, there must have been a previous production activity that created the technology or that knowhow that is repeated endlessly in routine production processes. This part of the production activity, which includes design, innovation, proposals, development, learning, creation and experimentation, is hardly valued in the production model. It seems that this prior work, however necessary, is not perceived as such and the effort is not acknowledged, nor are the conditions created to attain results.

It is understood that this marginal work arises spontaneously and that only what is produced creates wealth. This is not so; increasingly the differential value lies in creating something new and this is what provides a qualitative differences compared with existing products.

It is the production of businesses and institutions whose main purpose is this, that creates collective wealth and sustains it, especially where production processes are in decline. A company's production requires the incorporation of knowledge to make something new and relationship skills regarding the way tasks are performed, to create value for people.

All sectors feature production and pre-production companies. The latter -which are fewer - invest much more in training, design and innovation than production companies. But the result of this attitude and commitment generates greater wealth as it transfers knowledge to people and this, together with motivation, is

capable of creating new businesses and initiatives that will be used by others to continue working. Production companies are oriented towards the short term and pre-production companies also consider their own future and that of others as part of their tasks.

Today's economy needs more pre-production companies as well as an administrative and social network that supports them as they are the basis of a new business fabric, something that is not directly connected with the economic sectors as is sometimes said. The work of these companies and entities is based on other principles and rules of interaction between persons, knowledge, teams and customers. They make it their business to know more, to share solutions and to promote cooperation to create the something new. These are the companies we need so much and that we should identify, encourage and acknowledge

WINK AT THE MOON?

Published in EL CORREO on November 10, 2012 by Begoña Etxebarria, Director of the Novia Salcedo Foundation



Unemployment figures persist five years since the outbreak of the crisis. Some figures: 164,139 people are seeking employment in the Basque Country (15.5% of the active population). Of these, 54,068 are young people aged 16 to 34. Of these, 40% have vocational studies or higher education (Lanbide September 2012). According to the Basque Institute of Statistics, 42.6% of the Basque population aged 30 to 34 had higher education studies in 2011, eight points higher than the average for EU-27 countries (34.6%). This indicates that in recent years, the Basque population with higher education studies has been increased markedly from 30.5 per cent for people aged 30 to 34 in 2000 to 42.6 per cent last year. These figures indicate two things: one, that our society is committed to knowledge and education, based on the indispensable effort of families. Two, we have a real problem with the current model - turning that investment in education into employment, resulting in this serious youth employment issue.

Scientists who laid the foundations of social sciences in the late nineteenth century, such as Emile Durkheim, Max Weber or Sigmund Freud understood that

work was a key element of modern life.

US professor and psychologist, Howard Gardner, Prince of Asturias Award for Social Sciences 2011, and author of the multiple intelligence theory, when describing the skills young people must acquire for the future, does so from the position that the world he would like to live in is a world characterized by good work. However, this being a central element in our lives, most specialists in recent years are predicting an uncertain future from an employment standpoint, as we have been witnessing. Work and work well done have been core aspects of our Basque Society by which we have been recognized throughout long periods of its history. Can we state that this will be the case in the future? Can we pass on these values to young people, if everything seems to indicate that "work" as we know it is no longer available?

The sociologist, Alain Touraine (also Prince of Asturias Award for Communication and Humanities 2010) stated, during a recent conference in Bilbao, that the way we approach problems makes it impossible to solve them. The problem with youth employment is one of those where we need to change the way we are approaching it because, beyond being seen as an "inevitable" consequence of the crisis in which we find ourselves, it should be approached as a question mark for all society regarding how we are organizing our economic activity and its priorities.

The voices of thinkers of great intellectual and moral stature who advocate the need for a new global approach that will restore the core "human" values in economic activities are gaining strength. From any point of view we choose, the answer is always the same: there is no other way than to move towards sustainability based on the greatest possible level of fairness regarding human, economic, social and ecological resources. And among those "truths" that we are seeking, we constantly come across the urgent need to practice universal ethical values at all levels: personal, organisational and throughout society, reconciling individual freedom with the need

to cooperate and participate in building "new" common assets. And this is the point where we are in the Social Innovation agenda.

Making this new paradigm come true involves a giant step in human evolution. Caring for the future, for the way we pass the baton to future generations, providing real opportunities to others, even in challenging conditions, promoting the idea of citizenship among individuals and organisations that take the initiative and do not wait for others to solve problems, that create value and result in high-quality initiatives, companies and services, of a new type, based on knowledge and on work well done. Building a society that is responsible, that integrates and cares, and takes into account the consequences of its activities on "others" and makes us feel good, must be our priority every morning.

Last August, Neil Armstrong died at the age of 82. Among his last wishes was the desire to convey to future generations the value of dreams, effort, perseverance and work, to invite them to take a "small step for man, bust a giant leap for mankind". Let's wink at the moon as a tribute to him. Let's approach this great leap "of humanity" with determination, effort and imagination; a leap that will restore confidence in the society we are building; a society that deals with integration and that finds solutions to the main problems that concern us all in an innovative manner



INDIVIDUALIZATION AS A CONDITION FOR COOPERATION

Published in DEIA on November 6, 2012 by Sabino Ayestarán, ICARO Think Tank Coordinator. Professor Emeritus UPV/EHU

Individualización como condición para la cooperación



DEIA SABINO AYESTARÁN (*)

La individualización de los individuos dentro de la cultura occidental, entendida en términos de la autonomía personal y de la libertad de elección, es un fenómeno reciente. La autoridad, ya sea religiosa, política, económica o científica, se basa en la jerarquía de la verdad. La verdad se construye en la interacción entre personas diferentes, pero no entre individuos aislados como en la modernidad. Esto es el modelo cultural que define al poder de la modernidad y a la generación de la cultura postmoderna. El proceso de individualización de los individuos es un fenómeno reciente que surge de la cultura postmoderna. En los últimos treinta años, el individuo se ha convertido en un sujeto autónomo, responsable y capaz de tomar decisiones. Esto se ha hecho con el fin de promover la "libertad" y el "bienestar". Desde una perspectiva ética, el individuo es un sujeto autónomo que debe ser tratado como tal. La individualización de los individuos es un fenómeno reciente que surge de la cultura postmoderna. En los últimos treinta años, el individuo se ha convertido en un sujeto autónomo, responsable y capaz de tomar decisiones. Esto se ha hecho con el fin de promover la "libertad" y el "bienestar". Desde una perspectiva ética, el individuo es un sujeto autónomo que debe ser tratado como tal.



El objetivo final de la economía es el desarrollo integral de la persona. Todos los esfuerzos económicos de la economía deben ser redireccionados en función de su contribución a la persona.

I have just taken part in an International seminar on "Postmodern Culture and truth" in Rome. The conclusion can be summarized in one sentence: "Authority, whether religious, political, economic or scientific, is not in possession of the truth." Truth is built through the interaction between different people, regarding their personal interests and their spheres of expertise. This is the cultural change that defines the passage from modernity to postmodernity, or, as Ulrich Beck prefers to call it, to reflexive modernization. The individualisation process has been a process of emancipation of people with respect to groups, such as their families, ethnic, nation-state, religious groups, political parties, etc... The principles that form the basis of individualisation are: de-traditionalization, the need and possibility of individual decision making and, as a prerequisite, a more or less delimited horizon of options, and the assumption of responsibility for the consequences of one's own choices.

In 1993, Victoria Camps published a book titled "Paradoxes of individualism". In traditional environments, individualism has been associated with social isolation, aggression and selfishness. That's the view that Victoria Camps calls "psychological". From an "ethical" point of view, individualism is a culture that promotes personal autonomy and taking on personal responsibility for the consequences of one's actions. It represents overcoming collectivist structures and the building of social ties based on respect for individuality and tolerance of differences.

To cooperate, individuals have to be autonomous. Dependence makes cooperation unfeasible. The free interaction between autonomous persons facilitates the emergence of new groups, ideas, feelings and projects that have been built among all who share the experience. This is the way towards the construction of truth and of ethical standards.

However, personal autonomy also means the loss of shelter, such as the nation and state, of hierarchical institutions, political parties that make decisions for citizens and universal religions that mark the way forward in life. We must not forget: the individualisation implies taking on the responsibility for the society we are building. As citizens, we are responsible for way institutions and organisations work. We need to demand transparency from all organisations and participate in their management. In the era of knowledge and innovation, leadership must be shared.

I realize that I'm making citizens responsible for change. I see no other way. History shows that it is very difficult and rare for a group of people to give up, voluntarily, the privileges granted by power in any of its forms: political power, economic power, religious power, the power of information and the power of knowledge. Privileges have to be taken back. We need not resort to the guillotine. Today, it is movements such as "indignados" from May 15 or citizen movements that have made the Arab Spring possible and that have forced those in power to give up their privileged positions. Globalization, thanks to the technological development of the media, allows the creation of transnational social networks and the cooperation between individuals, beyond any differences regarding families, ethnic groups, nations, states, political parties and religions.

Individuals have broken the bonds that kept them tied to different social groups, that have equally dominated and protected them, and they have acquired a level of autonomy that enables them to enter into associations with other individuals on an equal footing. Through cooperation with different people, citizens can apply pressure to political parties, churches, states, unions and businesses, demanding greater transparency, labour flexibility and participation in the management of organisations.

However, this globalised world, which is geared towards the creation of a new society, free from the protection of states, political parties and churches, is exposed to the risks of capitalist exploitation, where the younger generation, especially young people with menial jobs, are open to the risk of only obtaining part-time contracts, losing their jobs, remaining in unsafe employment and not acquiring retirement rights.

In addition, the same technology that allows us to communicate globally is reducing the number of jobs. Robotisation is replacing production lines. Any simple repetitive activity will eventually be performed by a robot. Machines are replacing the work performed by people. Is this bad? Not necessarily. If the benefits of work are distributed fairly, income will not necessarily fall.

Production does not drop because the machines are introduced. On the contrary, technology increases production levels. What is important is that the profits are distributed in a fair manner. We could work fewer hours and spend more time dedicated to creativity and culture. This implies a major change towards greater transparency in production and political organisations and a clear orientation of the economic activity towards the common good.

Are we dreaming? Yes, but the dreams are necessary to build a new reality. For ICARO Think Tank of the Novia Salcedo Foundation, Social Innovation is based on three principles: cooperation, democracy and economy.

-Cooperation among different people, who use differences to strengthen innovation and creative negotiation in conflicts of interest. The creative interest-based negotiation technique has been christened by Covey as "The 3rd Alternative". Covey has always been very clever and quick to grasp new ideas of great depth. In this case, he has captured the importance of the creative interest-based negotiation technique and he develops this technique in a 509 page book.

-The Internal Democracy of organisations, based on shared leadership and the participation of individuals in the management of the organisation. Organisations in which people share efforts, benefits and management. Companies based on the creation of shared knowledge and innovation need an ethical and transparent type of transformational leadership.

-Sustainable economic and technological development in relation to human and ecological resources. The ultimate goal of the economy is the overall development of individuals. All the instrumental goals of the economy must be established based on their contribution to the final goal.

The conservative forces are clearly reluctant to abandon their spheres of power and they use their economic power to control and tame this "global generation", that is developing into a society that is more equal, more cooperative and more development-oriented regarding individuals. Scholars of culture agree on the description of type of modernity that is coming to an end but they do not have a clear idea or the conceptual schema to define the new modernity.



IS ONE WORLD ENDING AND ANOTHER STARTING?

Published in EL CORREO on October 8, 2012 by Txomin Bereciartua, Honorary Chairman of the Novia Salcedo Foundation.



the laws imposed by the strongest. It was then when history started at the beginning of the Neolithic in Mesopotamia with the settlement of some of our ancestors in fixed locations to cultivate the land and domesticate and breed animals. Those first citizens of the world had taken the step of becoming more fully “homo sapiens” and, as such, they developed within them a force that led them on to the uninterrupted path of centuries of beauty, wisdom, constant innovation, improving their lifestyles and the introduction of cultures. But at the same time, they were still tied to the atavistic “homo predator” instinct, which led them to subjugate others based on the law of the strongest and they acted accordingly. And that has continued to be the case. In fact, most of the events found in our history books refer to an unbroken succession of births, lives and deaths of empires, nations and groups of people involved in wars, invasions and genocide.

We and our children used to live happily and casually in our happy city, confident in our well-being and progress, when suddenly the whole socio-labour shebang has come tumbling down and we find ourselves sunk in that deep dark abyss that is called crisis. We are in a crisis, it is true; and we are afraid.

It is not the first crisis we have gone through, of course. In fact, the lives of all the people of a certain age have been a succession of crises. When we were children, we had that crash in 1929 with the subsequent depression. Then we had to grow up and live through wars, dictatorships and famine, and concatenated continuous crises that we have weathered and overcome, but that have marked us.

If you ask historians, they will tell you that crises are those dark and undesirable, but inevitable, companions of human beings. It was in pre-historic times, when our ancestors were a mob of wandering hunters subjected to

However, our present crisis is not just another one, it is different because the world in which it is unfolding has changed thanks to technology, which has achieved something that was unthinkable until now: the possibility of split second communications from one side of the planet to the other. Thus, we have taken a leap in that Human Revolution known as globalization, which makes us citizens of a world in which cultures have come closer, where barriers are being broken and where nations and communities that used to focus on themselves are coming together. It has also made it possible for world governance to come under the dominion of that hidden demiurge called “the markets”, which controls lives and money in its favour.

How can we escape this? We do not know and there are all types of opinions. Some are thoroughly pessimistic and proclaim that there will be no such escape

because we are witnessing the death of history and thereby of the world. Others yearn for past times, convinced that if we do not turn back we shall be unable to maintain the essence and, then, there will be no solution. Many see a gloomy and frightening outcome, fearing that we are inevitably falling into the hands of “Big Brother”, which will direct and control everything in its favour, even if that implies causing pain and suffering.

We support solutions that are more hopeful and positive. We see the current crisis as dark as that time of night that precedes the dawn of a new day. Something totally new is looming on the horizon. What is it? What will it be like?

It is an intuition, but, are we the unwitting protagonists and witnesses of a total change in history, one in which our present Age disappears, that Age that began back in the Neolithic, so that a new Age can be born? Man has colonized the earth to the point of exhaustion and is now thinking about colonization in the universe, but man has failed to colonise and improve himself. Man is too “homo predator”, unable to live in peace on earth.

Are we not on the verge of a new era in history in which our descendants will learn to focus on colonizing their inner selves and discover themselves, thus becoming more fully “homo sapiens”?

This change will take time, because history is always changes slowly, over centuries. It is up to us to start that change, as someone has to take the first steps on the new road. Let’s seek “Great Masters” to guide us. Who are they? Where are they? We do not know but we will have to find them and, if we don’t, we will have to train them, even if it takes a long time and much effort.

ANSWERS TO THE SPHINX

Published in EL CORREO on September 10, 2012 by José Luis Villacorta, Doctor of Philosophy, specialist in Modern and Contemporary History



When Arnold J. Toynbee addressed the history of civilizations, he set a challenge for all of them; the ancient threat, in the shape of a riddle, that the Sphinx of Thebes made to each person who passed nearby: “Solve the riddle or be eaten”. According to his theory on universal history, only the civilizations that can solve it have a certain future. If not, they disappear.

In the current juncture, the new generations must solve their own future by providing the correct answer. 48 years ago, Umberto Eco published his work, *Apocalypse Postponed*, to explain the two positions taken before the overwhelming reality of mass culture. Those were obviously “other times”. Today, we need other guides, equally intelligent, that go beyond apocalyptic pessimism and intellectualised optimism and propose a real horizon or, at least, one loaded with all the weight of enlightened wisdom.

Based on a pressing concern for young people, who have made their indignation clear and who need a reference framework based on wide-ranging reflections, I propose the five key features mentioned by Howard

Gardner in his book, *Five minds for the future*. Editorial Paidós has published several of his works: *The Mind’s New Science*, *Multiple Intelligences*, *Changing Minds*, *Intelligence Reframed*, etc. Last year he won the Prince of Asturias Award for Social Sciences.

Why recommend looking into this professor’s thoughts: for the elementary reason of living in a time of huge changes, for the need to deal with the mass of information at all levels in an intelligent manner and the requirement of integrating scientific and technological facts, such as data and tools, in our daily work.

This means we have to integrate new ways of learning and thinking in the professional, economic, religious, etc. field.

H. Gardner is a psychologist and, as such, tries to assume the five cognitive skills that are already being required of candidates for professions required by what has become known as the third industrial revolution (Jeremy Rifkin). He has worked on, and offers in this book, the five key cognitive skills: disciplined mind, synthetic mind, creative mind, respectful mind and ethical mind.

The 231 pages of the book are dedicated to answering the key questions, that must be solved in educational and professional fields:

How can a person obtain several disciplines, overcoming the isolation of training for one thing? Experts, who focus on a single and specific specialty, no longer enjoy the best possibilities. At the same time, a person has to be able to synthesize the barrage of data offered from the electronic fields of information. What are the components of that synthesis and how can one achieve interdisciplinary synthesis?

Today’s society is not seeking the creation of pyramidal organisations, in which blind obedience is valued; they need people who can assimilate and creatively understand a given situation. How can you achieve a creative spirit

and educate it over a lifetime? No one should dream of a profession “legitimized” by a certificate dated in past decades.

Tolerance has ceased to be a matter of urgency as interreligious relations flow through serene and respectful channels without fuelling confrontation. But how can you develop a respectful mind? Above all, how can a mind be made to value different analyses, criteria, options... and choose the best way without stubbornly sticking to one’s own views?

And, finally, how can we incorporate the ethical perspective to this multiple process and be aware of the threats? Ethical standards are not exclusively religious, of course. A society capable of facing today’s challenges must be populated by people capable of overcoming personal views and “accepting the point of view of an impartial spectator”, as Peter Singer says, quoted by Gardner.

The conclusion of this perspective is a brief, teaching and guiding summary. His final words remind us that human beings are members of a community (hence, we have to make common cause with our fellow members), in which we can feel “alive”, “clairvoyant”, but we must not forget that we are “vulnerable” especially if we are not careful in developing our “clear and distinct human” potential. Is this the response that can neutralize the bad practices of the Sphinx? At least, I think it’s a way of not living under the need to choose between Hobbes and Darwin.



WHAT KIND OF EUROPE IN WHAT KIND OF WORLD?

Published in DEIA on June 19, 2012 by Federico Solana, Chairman of the Novia Salcedo Foundation.



among its weakest citizens, the most vulnerable, those who are most affected by the tragedy of unemployment, social exclusion and those competing for the lowest salaries. In some cases, major democratic political parties even enter into alliances with extreme radicals or they are at least willing to accept their xenophobic policies, their limitations to the rights and freedom of individuals, in order to win votes. There is a sense of threat, loss of jobs, loss of rights, customs, traditions and lifestyles, transmitted from one generation to the next and which are core elements in a sense of national belonging. Research conducted by sociologists shows that most people who vote for radical groups are from especially degraded rural and industrialized areas going through restructuring processes.

Individuals will easily hand over their freedom in exchange for a more decisive intervention by the public powers, which offer them protection and security, even if this requires losing civil rights. Identify traits are strengthened and used as a retaining wall against the attack and aggression of those that are different, strangers, alien.

Today's Europe must not fail to unite the defence of the needy and the protection of basic social rights - health, education, equality before the law - with the strengthening of individual rights and the maintenance of the highest levels of freedom, in a balanced system that defends and protects different and, often, contradictory interests.

Why is this happening? Because when a society is in a deep crisis, panic spreads

Consequently, all members of the EU must work together in order to function as an integrated and united whole, towards a higher quality social order and with a common vision. We must meet the condition that Pierre Vimont, Secretary General of the European External Action Service, proposed in his speech

What kind of Europe in what kind of world? What must we do to make Europe regain its energy, enthusiasm and hope? during an event at the Robert Schuman Foundation: "First we have to define a strategic vision for the European Union. We should try to have a realistic, concrete and easily understandable action plan for the next five or six years. That plan should contain clearly identified and agreed priorities without forgetting that noble aspiration of basing that plan on welfare states, but for all.

The European Union has so many means of action at its disposal to achieve those ends. Simply then, these means will only become effective if they are firmly coordinated. It is at this price, by asserting its concern for coherence, that the European Union will recover its reason for being and take up its full place in the international arena.

BUILDING SOMETHING NEW, WITH NEW PEOPLE

Published in EL CORREO on May 25, 2012 by Begoña Etxebarria, Chairperson of the Novia Salcedo Foundation.



We shall not solve the unemployment problem and the breakdown of the economy only with labour reforms and passing laws to create jobs. We need a profound change in the values of an entire society, introducing new practices to ensure the sustainability of the system itself, and that will necessarily balance economic, social and environmental issues, as fairly as possible and for all.

Indeed, this ideal of sustainability cannot exclude the issue of hunger in the world, because, as stated by the Nobel Prize in economics, Amartya Sen, while there is hunger in the world we should not be talking about anything else.

To proceed with this Social model change, we need structural changes, of course, but what is really urgent and unavoidable is a profound cultural change in us, in companies, organisations and institutions so that our actions

will be based on values and obligations that are different from those we have now.

It is no longer sufficient to issue grand theories, or organise great protests. We must move from words to deeds, from proclaimed values to practical values. Identify what is making the system unsustainable and put an end to it. We must stop magnifying the power of economics over things imbued with social values, and end the permissiveness we have for behaviours and practices that fall short of the circumstances. In short, take action, and applaud, again and again, the "Good Governance of Good Things", positively discriminating practices that go in that direction.

And speaking of sustainability, one of the first questions which should reflect on in depth is how an aging society like ours makes young people of working age unable to work. One in four young people are out of work in Europe. In countries

like Spain and Greece youth unemployment is 50%, the same as in South Africa. In the U.S., youth unemployment figures are the highest in the last sixty years.

If it is clear that achieving the renewal and sustainability of the system requires the creative force and transformative capacities of all, why do we not do it? Young people are a key factor in social change, economic development and technological progress. Their imagination, ideals, perspectives and energy are essential for the development of the societies in which they live but they urgently need these spaces and places that allow them to focus their own development.

Building new things necessarily implies taking new people into consideration. Let us open the doors of businesses and organisations to young people. Let us all cooperate to lay the foundations of this new model in which the ultimate goal of the economy is the development of all people. Let us multiply efforts to create and develop programmes that are specifically prepared for young people, which make the most of their potential.

Our young people are part of this "global generation" that is seeking a place in a more egalitarian and more cooperative world. Their correct and timely integration will have an impact on the welfare of future generations.



IT'S ABOUT RELIGIONS AND PSEUDORELIGIONS

Published in DEIA on May 14, 2012 by Txomin Bereciartua, Honorary Chairman of the Novia Salcedo Foundation.



Colaboración

Por TXOMIN BERECIARTUA (*)

Entre religiones o pseudoreligiones anda el juego

UNA noticia de prensa que nos presentaba a un científico afirmando con convicción que "no parece necesario acudir a nada sobrenatural para explicar que estamos aquí. Dios es una idea, como todas, construida por los códigos cognitivos", me ha hecho mirar a mi alrededor mental y pensar: ¿No estamos los humanos demasiado dispuestos a defender con rotundidad la verdad, que desde luego es la nuestra?

Este científico tiene todo el derecho del mundo a ver que el mundo es fruto del azar y Dios no existe, con la misma seguridad con que otros afirmamos que Dios no solo existe, sino que es el principio de todo. En el fondo se trata de un choque de trenes entre dos opiniones que dominan en el mundo, una en la de las religiones y la otra la de aquellas seguidores de las ciencias que han elevado a dogma sus conocimientos.

Genes heredados

Pero es que, además los humanos nos hemos inventado o vamos inventando otro tipo de "religiones" dicho así entre comillas. Son esas nuestras verdades profundas incrustadas en nuestro interior y que son parte de nosotros mismos. No hay que olvidar que somos una mezcla bien fraguada de genes heredados, posturas heredadas ante las grandes preguntas, visiones de pueblo en que nacimos, descubrimientos que hemos ido haciendo en los estafios y en el trato con la cuadrilla de amigos, consignas de líderes políticos a quienes seguimos casi a ciegas y sin rechistar aunque veamos sus contradicciones, porque son los nuestros.

Este cuerpo de religiones y pseudoreligiones, que nos marca con sello personal, tiene sus peligros. No somos antecorvas aisladas, sino miembros de comunidades humanas en las que debemos vivir en relación con otros. Y si no acertamos a abrirnos en diálogo hacia los que piensan diferente, algunos creemos

No podemos mirar hacia otro lado aunque nos cueste tanto el tener en cuenta a quienes viven codo a codo con nosotros. Somos diferentes llamados a convivir, entendernos y ayudarnos

same conviction that others have when affirming that God not only exists, but is the beginning of everything. Basically, it is a clash between two opinions that dominate the world, one is religion and the other is the opinion of followers of science that have elevated their knowledge to the level of dogma.

However, in addition, humans are now inventing other "religions", expressed in quotation marks. Are those our deep truths embedded in our inner selves and part of ourselves. We must not forget that we are a mixture of inherited genes, inherited positions covering big questions, we inherit the view of the nation where we were born, discoveries we have made when studying and when talking to friends, slogans of political leaders we follow almost blindly and without question even if we are aware of their contradictions, because they are ours.

This body of religions and pseudo-religions that mark us with a personal seal can be dangerous. We are not isolated hermits but members of human communities in which we must live in relationship with others. If we do not manage to open up a dialogue with those who think differently, some near us and others far away, some who are friends and others who are not, we risk turning our lives into boxing matches, sometimes bloody. We can even

reach the point, and we do, of confrontations, insults and even violence and deaths; all this has happened before here and in other places, even today.

This is serious, especially at this critical juncture of change in which the world we have known and where we live is falling apart and we are moving towards another about which we know nothing, but one in which globalization has brought us all closer together. We are very close, almost too close. We cannot look away even if it is difficult to take into account those who live side by side with us. We are different people who have to coexist, understand and help each other; we have no choice.

Let's forget about our excluding securities and open ourselves up through dialogue. Let us learn to talk by listening what others have to say.

Do we have different views? We are entitled to, but we must defend them without confrontation, with fair play, with respect and openness of mind and spirit. This will enable us to use that work of art that is our rationality.

How do you do that without losing our feeling of interior security? We will carry on talking about it.

ANNEX II List of Participants

- | | | | |
|--------------------------|--|---|-------------------------------------|
| 1. Adriana Martínez Sans | Aptes | 35. José Rafael Guijarro Cárdenas | ADEGUA |
| 2. Aitor Anchia | Ícaro | 36. José Ramón Guridi | Gezabaldu |
| 3. Albert Serra | ESADE | 37. Joseba Amondarain | DFG |
| 4. Alfonso Davalillo | UPV-EHU | 38. Joseba Bilbao Gaubeka | LKS S. COOP. |
| 5. Amaia Agirre | UPV-EHU | 39. Josexu Villacorta | Universidad de Deusto |
| 6. Amaia Hernando | Osakidetza | 40. Juan José Otamendi | DFB |
| 7. Ana Díaz | NSF | 41. Juan Miguel Mora Sánchez | Abogado |
| 8. Andrea López | NSF | 42. Juanjo Goñi | Aldaizea |
| 9. Ane Bustinduy | LKS | 43. Laura Simón | NSF |
| 10. Begoña Etxebarria | NSF | 44. Luis Cañada | NSF |
| 11. Carmen Echevarría | NSF | 45. Luis Gimeno | Ícaro |
| 12. Cristina del Campo | Red de Institutos Tecnológicos de Valencia | 46. Luis M ^a López Aranguren | Fundación Tomillo |
| | NSF | 47. María Carmen Matthies | Centros de Salud Mental |
| | Osakidetza | 48. María Jesús Novo | NSF |
| | NSF | 49. Mercedes Apella | NSF |
| | NSF | 50. Mikel Cabello | Instituto de Gobernanza Democrática |
| | Teknimap | | NSF |
| 13. Eduardo Tolosa | SUUMA & B10 Projects | 51. Mónica Muñoz | Vicinay Cadenas |
| 14. Elena Baylin | NSF | 52. Noelia Cuadrado | Universidad de Deusto |
| 15. Elisa Mena | NSF | 53. Olga Villa | Innova Salud |
| 16. Federico Solana | NSF | 54. Oscar Moracho | Innobasque |
| 17. Felipe Guisasaola | LKS | 55. Pablo Angulo | Escuela Andaluza de Economía Social |
| 18. Fernando Barrenechea | Gipuzkoa Berritzen | 56. Pedro Campano del Río | EIO |
| 19. Helena Orella | NSF | | Prospektiker |
| 20. Ingrid Ramsoy | Ayuntamiento de Bilbao | 57. Pilar Rodríguez | Secot |
| 21. Iñaki Ibarra | Vicinay Cadenas | 58. Raquel Serrano | Fundación Etnor |
| 22. Ion Irurzun | Gezabaldu | 59. René Aga | UPV-EHU |
| 23. Iratxe Herboso | Ícaro Joven | 60. Roberto Ballester | MIK |
| 24. Isabel Garcés | NSF | 61. Sabino Ayestarán | Fundación Etorokintza |
| 25. Izaskun Lertxundi | | 62. Saioa Arando | Fundación Etorokintza |
| 26. Izaskun Trabudua | | 63. Salvia Hierro | SPRI |
| 27. Jaime Balaguer | | 64. Teresa Querejazu | NSF |
| 28. Javier Chalbaud | | 65. Tomás Orbea | Ícaro Joven |
| 29. Javier Gutierrez | | 66. Txomin Bereciartua | |
| 30. Javier Iñiguez | | 67. Xabier Gómez | |
| 31. Javier Ruiz | | | |
| 32. Jesús Navas | | | |
| 33. Jon Arrieta | | | |
| 34. José Antonio Armolea | | | |





ANEXO III Bibliography

- Ancelin Schützenberger, A. (1974). Diccionario de técnicas de grupo. Salamanca: Ediciones Sígueme, Palabra "Tensión", p. 237.
- Avolio, B. J., Walumbwa, F. O. & Weber, T. J. (2009). Leadership: Current Theories, Research, and Future Directions. Annual Review of Psychology, vol. 60, 421-449.
- Ayestarán, S. y Valencia, J. (2010). ¿Cómo influyen los cambios culturales sobre el contrato psicológico entre el trabajador y la organización? Revista de Psicología Social, 25 (2), 131-144.
- Brown, M. E. & Treviño, L. K. (2006). Ethical Leadership: A review and future directions. The Leadership Quarterly, 17, 595-616.
- Cameron, K. M., y Quinn, R. E. (1999). Diagnosing and Changing Organizational Culture. Based on the Competing Values Framework. Reading, Massachusetts: Addison-Wesley.
- Englehard, C. S. Simmons, P. R. (2002). Organizational Flexibility for a changing world. Leadership and Organisation Development Journal, 23 (3), 113-121.
- Ettore, B. (1996). On the Future of Work and an End to the "Century of organisation". Organizational Dynamics, 25 (1), 15-26.
- Innobasque (2010). Hacia una Sociedad Vasca 2030 basada en Valores Innovadores. Zamudio.
- Magnusson, M., Boccardelli, P. y Börjesson, S. (2009). Managing the Efficiency-Flexibility Tension in Innovation: Strategic and Organizational Aspects. Creativity and Innovation Management, 18 (1), 2-7.
- Molero Alonso, F., Recio Saboya, P. y Cuadrado Guirado, I. (2010). Liderazgo transformacional y liderazgo transaccional: un análisis de la estructura factorial del Multifactor Leadership Questionnaire (MLQ) en una muestra española. Psicothema, 22 (3), 495-501.
- Moore, Mark (1998). Gestión estratégica y creación de valor en el sector público. Editorial Paidós.
- Roberts, J. (2004). La empresa moderna. Barcelona: Antoni Bosch.
- Scott, W. R. (2008). Institutions and Organisations. Ideas and Interests. Sage Publications. Tercera edición.
- Walumbwa, F. O., Avolio, B. J., Gardner, W. L., Wernsing, T. S. & Peterson, S. J. (2008). Authentic Leadership: Development and Validation of a Theory-Based Measure. Journal of Management, 34 (1), 89-126.

Notes:



Bilbao Mayo 2013

Paseo Campo Volantín 24, planta 1
48007 - Bilbao

Tlfno: 94 425 59 59
Fax: 94 425 70 96

[nsfundazioa@noviasalcedo.es](mailto:nfundazioa@noviasalcedo.es)
www.noviasalcedo.es