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Myopic Governance

Life is always somewhat chaotic and uncertain, but we entrust governments to make it relatively stable and predictable. Citizens and firms need to plan ahead for their daily lives and investments. In an unstable and erratic environment, money is notoriously wasted, personal careers are ruined and family lives are subject to chance. Chaos and order are relative terms, and they are difficult to measure. Successful planning requires not just stability and order, but also knowledge, legitimacy and adequate resources. Governments claim to be in control and are determined to guard our future, but history shows that these claims ought to be taken with a healthy dose of scepticism. In recent years, we have witnessed a series of crises that have not been prevented and which were solved only partially at best. Consider the debt and energy crises, the health crisis caused by COVID-19 or the security crisis caused by Russian military adventures. And I have not yet even come to the environmental crisis or the crisis of trust that do not have a clear beginning or end.

We tend to blame neo-liberal folly and the rise of populist politics for our failing to cope with these crises. Neoliberal privatisation and de-regulation have reduced governments' abilities to shape economic life in particular. Neo-liberal policies have also generated inequalities that make it difficult to arrive at a common definition of the public good, which is essential for any effective governance. Populism challenged the existing political arrangements such as the balance of power and judicial oversight free from political interference. It also generated what we call post-truth, which questions basic facts and logical reasoning. Excessive polarisation, especially on social media, is also said to be caused by populism. These are all valid arguments, but in my new book – *The Lost Future and How to Reclaim It* – I go a step further, suggesting that traditional forms of democratic governance are not well suited for coping with the set of new challenges of this age.

Let us ask one fundamental question: Is democratic governance up to the challenge created by the digital revolution? The digital revolution is a good example to consider because it evolved only in the past three decades, changing Europe and the world beyond recognition. The internet produced a “flat world” with porous borders, created a “high-speed society”, generated “instantaneous communication”, prompted “connectivity wars”, caused the rise of “market states” and the unprecedented upsurge of networks, to mention only some of the most discussed developments.¹ However, democratic governance hardly took notice of the ever more compressed time and space generated by the digital revolution. Democratic institutions rely on time-consuming deliberation, negotiation and adjudication. Citizens' participation also takes time. And this is mostly confined to national borders. When the global financial crisis struck Europe, governments decided to apply national solutions to multinational banks only to learn that things are more complicated and we need a European response to the crisis. The first reaction of our democratic governments to the spread of a deadly virus was to seal national borders, although the geography of the pandemic revealed a much more complex net of contagion. Migration that represents a trans-border phenomenon *sui generis* is still handled chiefly by national governments, some of which are engaged in erecting new walls on their borders rather than joining forces to distribute migrants and address the roots of migration in zones of war and poverty. Governments' responses to the internet-induced acceleration and communication amounts to emergency measures with little reflection, transparency and deliberation. Yet this “WhatsApp governance”, to use Jonathan White's expression, rewards hype and spin generating accidental short-term fixes rather than adequate measures to address the problems at hand.

1 Castells, M. (2001), *The Internet Galaxy. Reflections on the Internet, Business, and Society*, Oxford University Press; Friedman, T. L. (2005), *The World is Flat. The Globalized World in the Twenty-First Century*, Farrar, Straus & Giroux; Colvile, R. (2016), *The Great Acceleration: How the World is Getting Faster, Faster*, Bloomsbury Books; Leonard, M. (2022), *The Age of Unpeace. How Connectivity Causes Conflict*, Penguin.

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The above-mentioned shortcomings of our democratic governance do not necessarily lead to an apocalypse but they result in suboptimal solutions that make it difficult for Europe to punch its weight. They make citizens cynical, atomised and unable to form a common front for anything constructive. Above all, they dash hope for a better future. In 2017, the Pew Foundation discovered that in France, only 9% of those polled declared that their children would be better off, while 71% believed that they would be worse off. Data for other Western democracies were not any brighter.

Governance in its essence is about mastering time and space, and the current democratic institutions are poorly suited to meet this challenge because democratic governance is tied to nation-states defending the selfish interests of a given territory. Democracy is also hostage to present-day voters with detrimental implications for future generations. This explains why politics stumble in the ever more interdependent global environment, running at an ever faster pace. When politics, time and space are out of sync, governance is notoriously inadequate and enjoys weak legitimacy.

Various efforts have been undertaken to address the short-sightedness of democratic governance. We tried to create institutions responsible for safeguarding the future such as the Committee for the Future in Finland or the Hungarian Ombudsman for the Future Generations, but they have not been taken seriously by politicians. We tried to delegate decisions to non-majoritarian institutions such as Constitutional Courts and Central Banks, with the hope that it will reduce voters' selfishness and MPs short-sightedness. Unfortunately, this stirred up a populist revolt claiming that the sovereign people were effectively deprived of their voice. We tried to empower transnational institutions like the EU, but this has failed to curb national selfishness. After all, at the EU decision-making table we have leaders of 27 member states trying to defend national interests. Not all of them are hard sovereignists, but even soft ones need to respond to their own electorate.

I believe that the limited success of addressing problems related to myopic governance is due to the wrong diagnosis. We were unable to acknowledge that the key player in democratic governance – the nation-state – is unable to perform many of its traditional functions. We stuck to the old-fashioned and increasingly illusory notion of national sovereignty even though numerous local and transnational actors are needed to address the challenges of the 21st century. The end result is quite perverse. European integration intended to put the ghost of nationalism to rest, but we observe the greatest rise in nationalism since the World War II. After decades of introducing the concept of shared sovereignty, governments are now trying to reclaim sovereignty from local and transnational actors.

Let us return to our example: the digital revolution has empowered informal networks at the expense of highly institutional states. The ever greater role of cities in providing public goods and administering public provisions shows this well. Large cities, in particular, are multiethnic and multinational hotspots providing jobs, transport, education and security. Connectivity is in their DNA and, unlike states, they rely chiefly on informal functional arrangements rather than borders, laws and hierarchy. The EU is also a kind of network, with Brussels acting like a concentrated point of intersection and interaction rather than commanding centre. The EU is bound by the formal treaty, but its governance is increasingly non-territorial, multi-level and multi-centred.

The problem is that formal powers and resources are monopolised by states that are no longer able to perform their traditional functions effectively and legitimately. Networks are seen as states' agents at best, and as enemies of state at worse. Consider how the EU was portrayed not just by the advocates of Brexit, but such prominent EU politicians as Giorgia Meloni, Mateusz Morawiecki or Viktor Orbán. Networks of NGOs saving lives of migrants or campaigning for the protection of the natural environment are increasingly treated as traitors by states. This must change. If states want to be effective and legitimate, they must join hands with networks willing and able to contribute to governing. Multi-level governance is a nice but empty slogan. It is time to give it a real meaning or else chaos will prevail, initially in poor peripheries and later in affluent centres.

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