

# The Future of Europe as Seen from Hungary: The Need for an Enlarged Identity in an Enlarged Europe

ATTILA ÁGH

The often mentioned »crisis of Europe« is basically an identity crisis. Crisis is deeper in people's minds and perceptions than in the »real« world of politics and the economy. It is more an identity crisis than an institutional one. The »period of reflection« proposed by the European Commission is a more urgent requirement than institutional reform since the identity crisis – an overreaction, certainly – expresses an historical saturation point.

## EU Identity Crisis: Where Are We Heading?

The EU has reached its limits in many respects and only a creative crisis can help to overcome its present paralysis. The EU has generated five forms of »fatigue«:

1. Westernized Europe has reached its geographical limits with Eastern enlargement: the rest of Europe is beyond the »limes;«
2. solidarity has reached its limits due to »support fatigue« in the net contributor states;
3. policy integration has reached its limits and the first period of the Lisbon Strategy has been a failure;
4. »elite Europe« has reached its limits as people no longer follow them;
5. the reform capacity of the big founding states, Germany and France, has reached its internal limits and the EU must wait patiently while they deal with their domestic problems.<sup>1</sup>

---

1. The latest Eurobarometer survey (63, September 2005) amply demonstrates the identity crisis in the EU-25. The Germans and the French seem to be among the most pessimistic member states. For example, Germany is the most pessimistic state in the EU-25 as regards the next five years (things will improve: 25 %, stay the same: 50 %, and get worse: 21 %), while concerning the next 12 months 54 % of Germans and 50 % of Frenchmen think that the employment situation will get worse (2005: 13, 16).

This is not a fatal paralysis of the EU, just a temporary pause while it re-groups its forces. In order to overcome this crisis a new vision must be developed in the form of a new, »enlarged« European identity in an enlarged Europe. The new Member States have this new identity »by virtue of their birth,« but they do not know yet how to behave in the »European House.« The old Member States, in turn, hesitate to accept the new reality and tend to explain their long-term problems in terms of this newly enlarged Europe. And while both old and new Members try to put their European House in order, a number of other claimants are knocking at the door. Let us examine in more detail the five forms of fatigue which have produced the present crisis.<sup>2</sup>

## Geographical

In the process of enlargement Westernized Europe, characterized by the same »social code,« has finally reached its limits. The new Member States from Central Europe belong to the historical semi-periphery of Western Europe, within the framework of which their entire history since the sixteenth century has been about catching up with »Europe.« They have moved between »East« and »West« as if on a ferry-boat: although they tried several times to anchor firmly in a Western harbor, for long periods they drifted back into the stormy waters of the »East.« In what was hopefully the last chapter of their »Easternization« they were engulfed by the Soviet »external empire,« despite their efforts in the early postwar period to democratize. In these decades they felt abandoned and cheated by the West through the Yalta Peace Treaty. For centuries, however, modernization – in the form of Westernization or Europeanization – has been the main mobilizing slogan in these countries, and importing or »copying« Western – »European« – institutions has been a general principle and historical program. Beyond this part of Europe, in Eastern Europe and the Balkans, this social code has been much less evident, if it existed at all.

---

2. After concluding negotiations with the 10 accession states in Copenhagen in December 2002 a widespread debate began in the EU about its future borders (see, for example, the debate on the website of the European Policy Centre, to which I also contributed ([www.theepc.be](http://www.theepc.be)). There is currently an inflated debate on Turkey's proposed membership. The Austrian Institute for European Security (ÖIES) has published a detailed and sober analysis of Turkey (*Kommissionsbericht Türkei*), concluding that »as accession candidate Turkey has so far failed fully to meet the political criteria« ([www.oecies.or.at/doku/0501-kommission.html](http://www.oecies.or.at/doku/0501-kommission.html)).

Even the current Eastern enlargement has been too much for the citizens of the EU-15 states. They need time to acquire a new, enlarged identity by welcoming and embracing Central Europe. Therefore, understandably, most are not enthusiastic about further enlargement.

## Solidarity

Solidarity has reached its limits due to the »support fatigue« in the net contributor states, as formulated in the »Letter of Six« of December 2003 to the European Commission, where six governments called for a reduction of contributions to future EU budgets. There are three reasons for this limited solidarity. First, in historical terms, which have never been spelled out clearly, it is widely held that the Cold War is over and little effort needs to be expended to win over the new Member States to »our side,« in contrast to the bipolar period when the countries of Southern Europe were viewed as vital allies. Second, the domestic economic problems of the main contributors: why should the net contributors pay more than one percent of GDP if they cannot meet the convergence criteria in terms of their own budget deficits (at least, this is the case with Germany and France)? Third, in functional terms – and in this respect the UK is the market leader – it is necessary that the regional and/or cohesion policy be renationalized. The Sapir (July 2003) and Tarschys (September 2003) Reports emphasize clearly that cohesion policy has not been a success, and anyway the EU must become more competitive, in a rather narrow economic sense. The Rasmussen (May 2003) and Kok Reports (November 2004) have advocated the opposite view by reinventing Lisbon with a strong social content as a global model. However, in order to reach agreement on the new financial framework a radical restructuring of the EU budget is necessary. Given the obstacle posed by the Schröder–Chirac Pact budget reforms are unlikely, although a new approach may be initiated by the Austrian Presidency in 2006.<sup>3</sup>

---

3. From the Sapir Report (July 2003), through the »growth and jobs« announced by Barroso in March 2005, until the present day there has been a fierce debate on whether the Lisbon Strategy will have to be relaunched in a more neo-liberal spirit or its social content retained.

## Policy Integration

Policy Integration has reached its limits, since »ever closer union« means not only the extension of integration to ever new policies, but above all the establishment of a fundamentally new relationship between those policies, which has proven a serious obstacle to most Member States. Through the Lisbon and Gothenburg types of policy integration as a program for sustainable development, the EU has become both enlarged and deepened in terms of its public policies; the new situation demands a much more complex approach to policy-making. With the exception of the Nordic states, no Member States are quite ready for the new task. This is why the first period of the Lisbon Strategy has been a failure and the Member States have only paid lip service to »national ownership« of or national responsibility for the Lisbon Agenda. Most EU-15 Member States are still in a pre-Lisbon stage of policy-making and for the new Member States the Lisbon Strategy is just wishful thinking, although a new, enlarged European identity would include greater competitiveness in the global arena.<sup>4</sup>

### »Elite Europe«

The EU was an elite creation for decades but »elite Europe« has reached its limits. Nevertheless, this approach continues in the activities of the European Council and a number of other EU bodies. This is even more evident in the efforts to organize a »directoire« of great powers that can »save Europe from chaos.« The larger states do not realize that the opposite is true: the more they concentrate decision-making in their hands, the bigger the chaos becomes. The longer the larger states persist in their lonely long-distance running, the more resistance they will encounter from the smaller states. The same is true of the gap between elites and the general population. »Elite Europe« has become outdated, and the more the elites run ahead, the more the people of Europe will take to the streets

---

4. The Kok Report emphasized that »in turn, social cohesion and environmental sustainability can contribute to higher growth and employment« (2004: 6), while the Rasmussen Report proposed European-style governance as a global model: »Our vision of Europe is to further develop these new forms of governance, strengthening the legitimacy of the EU institutions, in our effort to meet the challenges of global complexity in the 21st century« (2003: 32).

or vote negatively in referendums. EU citizens will no longer tolerate an »enlightened monarchy« – the role played by Valéry Giscard D’Estaing at the Convention. Political leadership is very important, but not in the form of decisions made in »smoke-filled rooms« but rather in the development of a new historical vision for Europe. Most EU leaders have sought to avoid conflict by making »Sunday speeches« (using Jacques Delors’s term) instead of taking a risk by communicating the real problems and long-term alternatives. The only solution is a partnership of all EU Member States, but also of elites and EU citizens; and both presuppose a Common European Public Space as a permanent arena of communication.<sup>5</sup>

## Reform Capacity

The reform capacity of Germany and France has reached its limits and puts the immediate future of the EU in jeopardy: the deep recession in the EU has been caused mainly by the poor performance of these big founding states. In the modern age, the main historical pattern of development in the industrialized countries has been the complete overhaul of the institutional system, after decades of status quo or »business as usual,« in order to adjust it to new economic realities. However, in the German and French cases this institutional adjustment is still missing, since the entrenched organized interests established during the former period of socio-economic development are preventing or at least retarding the necessary institutional transformations. Nowadays, the UK seems to have remained recession-free, hence its staunch advocacy of free markets. Japan has recently made great efforts to overcome its long-term paralysis, but Germany and France are still combating their internal crises. This is a very serious problem since they are exporting their view of the problems all over Europe, making pessimism the most successful German and French export and one of the main reasons for the perception of an EU crisis. It is important to underline that their problems have not been created by

---

5. Peter Ludlow has underlined the importance of the debate on where the frontier of the European Union lies or should lie and points out, concerning further enlargement, that »the Union’s policy towards its neighbours is still far from clear ... Uncertainty will nevertheless breed tension both within and beyond the frontiers of the new Union.« At the same time, he has described the rift between the bigger and smaller states in great detail, criticizing both: »The Big behaved arrogantly. The Small have reacted short-sightedly« (Ludlow 2004: 343–344).

Eastern enlargement but by their own long-term »immobilism«: however, it is easiest to blame »le plombier polonais« for everything. First, the biggest and most influential Member States must get used to the fact of an enlarged Europe in order to develop a common understanding between old and new Members.<sup>6</sup>

All in all, the crisis of the EU is regarded in Hungary, and indeed all the new Member States, as an identity crisis: Who are we and where are we heading? Eastern enlargement has taken place both too late and too early. Too early because the internal problems of the EU-15 remain unsolved, above all the financial conflict between agriculture and competitiveness (»agriculture versus Lisbon«), while within the framework of enlargement the Big Bang constituted a premature and awkward solution. Too late, since with a master plan on accession the EU could have prepared Eastern enlargement much better, for example, over several rounds starting in the late 1990s, so generating much less of a shock for EU-15 citizens. The current situation is that even after more than a year of an enlarged Europe the EU has yet to elaborate such a master plan. Central Europe has become part of the Union but not yet accepted in the minds and hearts of many citizens in the EU-15 Member States. For them, after a long period of »innocence,« there has been a sudden realization that the golden days are gone. Instead, vague forms of victimization have emerged: the »Eastern invasion« is blamed for everything.<sup>7</sup>

## **Hungary: »Westernmost East« Becoming »Easternmost West«**

The new Central European Member States have much in common. They have a common history with a shared cultural heritage, as well as a common social and cultural code of »catching up with Europe,« recently re-

---

6. Western policy institutes and think-tanks have made serious efforts to assess the impact of Eastern enlargement on the EU-15, primarily on its bigger states (see, for instance, Dauderstädt and Witte (2002) and Dauderstädt (2004)); see also the discussion on the FES's Europolity website). Nevertheless, one has the impression that the actual impact has surprised them.

7. Alan Mayhew pointed out as early as 1998 the »unpreparedness« of the EU for Eastern enlargement, since it had no clear policy on enlargement, and warned about its consequences. He quoted the British Foreign Minister in 1989 referring to the previous period of a divided Europe as one »under which we've lived quite happily for forty years« (Mayhew 1998: 10, 13).

formulated as a »Return to Europe.« Despite their national diversity and their – usually exaggerated – claims to uniqueness, they have experienced convergent socio-economic development since the early 1990s. Given their increasing regional cooperation, it will be clearly visible in the Union that they represent a regional group in the EU decision-making process. Under pressure of common problems of EU membership the Visegrád Four states Czech Republic, Hungary, Poland, and Slovakia developed a framework of cooperation called the »Budapest Programme,« endorsed by the prime ministers at their 11 July 2005 summit in Budapest. Since 1 July 2005 Hungary has had the rotating presidency of the Visegrád Four (V4) and has taken steps to strengthen regional cooperation beyond V4 to create a »V4+2« by inviting Austria and Slovenia to the Budapest Summit. Central Europe has also developed a multi-layered identity with at least three layers: national, regional, and European.<sup>8</sup>

Hungary is in many ways a typical Central European state but it has also developed a number of characteristic features within the framework of the »future of Europe« debate. Hungary is the most Europeanized East Central European country but paradoxically suffers from deeper contradictions than its fellow new Member States. A short historical review would show how Hungary has developed since the 1980s as one of the »reform states« with Poland, through the »beauty contest« or counterproductive »who is ahead of whom?« game played out among the Central European states in the 1990s, to the decisive return to a Central European identity and cooperation in the 2000s. The latest Eurobarometer survey, however, confirms Hungary's long-term status as the most fervent supporter of a European identity and EU integration. The attachment to Europe is strongest of all 25 Member States in Hungary (92 percent) (see Eurobarometer 2005: 112), as is support for an EU Constitution (78 percent) (see Hungarian Eurobarometer 2005: 5–6). However, Hungary has experienced serious difficulties in its Europeanization process,

---

8. The Visegrád Four prime ministers have emphasized several times the salience of the Lisbon Strategy for the new Member States. This was the main message of the latest Budapest Summit, but even when they met on 8 December 2004 in Warsaw they »stressed that solidarity should be the guiding principle for distribution of cohesion funds in the enlarged Union.« First of all, the prime ministers have emphasized »the importance of ensuring that the new financial instruments help to close the development gap between the economies of the Member States by providing fair access to various programmes in the area of Research & Development and education aimed at reducing the technological gap and improving competitiveness.«

although most are shared with its fellow new Member States. As an indication of their severe domestic problems, the new Member States prefer EU democracy to their domestic democracy, in strong contrast to the EU-15 Member States: 57 percent of people in the EU-15 are satisfied with democracy in their country, but only 33 percent of those in the EU-10. While people in the EU-15 are more satisfied with domestic democracy than with EU democracy (only 48 percent), in the EU-10 53 percent are satisfied with EU democracy, 20 percent more than those satisfied with domestic democracy (Eurobarometer 2005: 20–23). This deep distrust of their own political systems is characteristic of the new democracies, as was – and to a great extent still it is – the case with Greece, Portugal, and Spain.

Amongst the new Member States Hungary is an enthusiast for EU democracy and further integration, including the EU institutions and Constitution. This demonstrates not only Hungary's centuries-long attachment to a European identity but also the high level of dissatisfaction with domestic developments: in fact, the proportion of those in Hungary dissatisfied with domestic democracy is 71 percent, among the highest in Europe. This dissatisfaction has been generated by the most virulent *Kulturkampf* (culture struggle) in Central Europe and the extreme party polarization that has affected the everyday life of Hungarians. The usual party typology in the new Central European democracies runs along the twin axes of Left versus Right, and Nation (Tradition) versus Europe (Modernization), yielding four types: Leftist Modernizers/Europeanizers (Social Democracy), Leftist Traditionalists/Conservatives (the surviving Communist Parties), Rightist Modernizers/Europeanizers (centre-right parties), and Rightist Traditionalists/Conservatives (national-populist or even right-extremist parties). Central European experience indicates that the establishment of the Rightist Modernizer/Europeanizer parties has been the most difficult task in the region. Parties on the Right are either fragmented along the lines outlined above, and so coalition-building is very difficult for them, as the Polish case shows. Or the dividing line blurs on the Right side of the political spectrum and a governing majority is possible for a unified Right. However, this tends to come at the high price of introducing a strong Euro-skepticism and national and social populism into the official policies of the unified party, which may also harbor persons with extreme rightist views and personalities, as the Hungarian case shows. In Hungary the heaviest price has in fact been the verbal/cultural civil war instigated by FIDESZ–Hungarian Civic Alliance in order to keep its camp together, reaching its peak during general elec-



tion campaigns. It abandons the national consensus on the reforms necessary for EU adjustment and produces a series of statements of coded or open anti-Europeanism to appease the 10–15 percent of the population who are anti-EU and whom they need for an electoral majority. Actually, FIDESZ consists of many conflicting parties in one, so that, whether in government or opposition, it on the one hand makes Hungarian participation in the EU controversial and on the other blurs the image of the EU in domestic debates.

The Central European new Member States have recently experienced the first practical difficulties of EU membership, in absorbing EU transfers in particular, and in building up absorption capacity in general. The accession story has lately taken a new turn, as the realization dawns that the capacities of the macro-political actors who managed the EU accession negotiations from above are not adequate to cope with full membership because EU-conformant capacity is still largely missing at lower levels of society. As commonsensical as it may seem to point it out, the country as a whole has entered the EU, not just the governments that virtually monopolized the EU relationship until May 2004 and created an »accession democratic deficit.« Heather Grabbe notes that »until the final phase of the accession negotiations, discussion of European integration was confined to a small political elite. Only the negotiating team, the EU liaison departments and some ministries were involved in European matters at a detailed level. Much of the political class still knew very little about the EU's policies and how it was organized, while the public had a fairly hazy notion of what EU membership involved.« (Grabbe 2004: 69)

This democratic deficit attaching to accession should not be confused with the problems of the EU democratic deficit, which still lie ahead.

Thus, in 2004 all governments of the acceding countries were shaken by EU entry and most of them failed and fell. First the Polish, then the Czech and Hungarian governments were reshuffled after entry. There have also been profound governmental changes in Slovenia, permanent instability in the Slovak government, and frequent transformations in government in the Baltic States. The Bulgarian and Romanian governments have experienced an even greater and more protracted political crisis in 2005. This general phenomenon – I would call it an »accession crisis« – shows that the new Member States are still very vulnerable to EU pressure for structural accommodation, primarily in financial matters (such as deep cuts in the state budget prior to introduction of the euro). The collapse of governments around entry-time indicates that the »mon-

ster waves« coming from the EU first hit governments and macro-politics in general. These monster waves have also reached meso-politics, as in the very first year of membership these countries' absorption capacity in relation to EU transfers has been seriously tested. Finally, these pressures have increasingly affected people's everyday lives in the new Member States: that is, they have provoked rapid transformations in terms of micro-politics. Accession has put societies under pressure as the social capacity of the new Member States has had to face not a virtual but a real test within the EU. The »social crisis« has been generated not only by its negative side as a »trap of materialist needs« but also by its positive side in the form of the EU requirement of a well-functioning society. The previously run-down and not yet completely reconstructed public sector has come under pressure to deliver in accordance with EU needs. For instance, a high educational level is no longer merely a »social« demand – in abstract terms as a »welfare« issue or moral norm – but a simple and pragmatic EU demand for educated manpower, or in general for EU-conformant public services in all areas. These problems may be summarized under the heading of »social consolidation« as a major precondition not of formal membership but of effective or successful membership.<sup>9</sup>

## **»Post-Accession« and »Take-Off«**

The governments of the new Member States have undergone an accession crisis under the double pressure of meeting EU requirements and domestic demands for social consolidation. This accession crisis continues in all walks of life, due to the fact that not only the new Member States, but also the EU were not properly prepared for accession. Eastern enlargement has been underfinanced and subject to excessive demands; after all, EU entry caused a shock even in much more developed countries in previous enlargements. The new members have been forced onto the Procrustean bed of the present seven-year budgeting cycle (2000–2006) and confronted with the urgent need to join the eurozone. When they entered the EU, they had to make do with whatever money happened to be available for what Michael Schreyer, former budgeting commissioner, called a »cheap enlargement«. In addition, it has not been taken into con-

---

9. I have detailed the problems of the accession democratic deficit and accession crisis in relation to the Central European countries in my latest book (Ágh 2005).

sideration that the new members have to meet the convergence criteria, which is likely to slow down their economic growth and the reconstruction of their public services. Heather Grabbe has summarized these problems under the heading of »accession costs.« Her argument makes it clear that the accession crisis could have been predicted and prevented in the EU: »The accession negotiations have left a bitter taste in central Europe because the financial deal was not generous to the new member states. ... Their financial ministers are likely to need more transfers from Brussels because several of them will face considerable problems with public finances in the first years of EU membership. ... The new members' finance ministries will have to find more money to co-finance infrastructure projects, in order to qualify for EU budgetary transfers. ... At the same time, the new members will be trying to qualify for monetary union, so they have to trim their budget deficits down to 3 per cent of GDP. ... However, several candidates whose budget deficits are already rising, most notably the Czech Republic, Hungary and Poland, could face a fiscal crunch that will make their governments unpopular.« (Grabbe 2004: 65, 68)<sup>10</sup>

At the same time, as the new Member States seek to consolidate their membership the Lisbon Strategy has emerged as a positive »enforced development« and a great historical opportunity. However, given their relative backwardness it also in many ways appears to be a premature demand. Undoubtedly the Lisbon Strategy, with its synergies for a developed society, could lead to a win-win situation or positive-sum game after a successful post-accession period. The new Member States have no time to waste, however, and they have to implement it right away, regardless of the ambiguities of their present situation. Certainly, the revolution of high expectations, through participation in EU assistance programs, could produce a large social capacity facilitating effective membership. Implementation of the Lisbon Strategy should start immediately in the new Member States. They must concentrate all their efforts not only on »quantitative« catching-up in GDP per capita terms, but also and above all on »qualitative« catching-up in the Lisbon spirit., However, the EU

---

10. Many EU-15 Member States have been unable to meet the convergence criteria for years. Thus, it is incomprehensible why the European Commission is putting pressure on the new Member States to introduce the euro despite the heavy burden it would impose on them in terms of economic development and the reconstruction of public services. It is a counter-productive move and somewhat hypocritical since these conditions have not been met by, for example, Germany and France.

must also realize that the new Member States are to a great extent still having to cope with a pre-Lisbon Agenda, including economic reconstruction, institutional reforms, and restoring public services.<sup>11</sup>

It is obvious that Eastern enlargement has produced a bigger challenge than any previous enlargement because of its size and character. The following paradoxes concerning enlargement apply directly to the recent enlargement and indirectly to future enlargements:

The later enlargement takes place

1. the longer and more difficult the catch-up period for less developed countries, not to mention an increasing need for EU assistance;
2. the more qualitative problems future members have to face in policy formulation and integration (for example, in social, environmental, and information-society-related policies);
3. the more reluctant the net contributors to assist the new members.

These cumulative negative effects will become stronger and stronger in future enlargements and will create tremendous difficulties for potential new members, including Croatia, Bulgaria, and Romania, since these countries will have no say in the 2006 budget negotiations (their first contribution to the debate would be in 2013). Thus, a new strategy is needed to accommodate the 10 new members and to help them to attain effective membership. Beyond this, the EU must rethink its enlargement strategy after EU-28 comes into being. The common wisdom is that the new Member States remain incompletely prepared for effective membership since they have attained EU »compatibility« but not yet EU »conformity.« I therefore propose a distinction between the »post-accession« period and the »take-off« period: the first involves the institutional accommodation process to be completed within the EU as a post-accession process; the second is the ensuing acceleration period when these new Member States are already competitive in the EU and have started the catching-up process towards the EU average. Greece and Portugal are still in the post-accession period, while Spain has begun the take-off period. Ireland, on the other hand, is far beyond its take-off period, having not only reached but surpassed the EU average.

---

11. The Hübner Report (2005) has simplified the relationship between cohesion policy and the Lisbon Strategy by declaring that there is a »congruity« between them, although it accepts that it is higher in the more prosperous regions (2005: 7). This is the crux of the matter since the new Member States belong to the less developed part of the EU and do not get substantial assistance for the Lisbon Agenda.

More work is needed on these post-accession and take-off periods if we are to understand and promote the special development of new Member States in the near future. However, the learning curve of EU institutions in general, and of the Commission in particular, in coping with the diversity of the EU-25 also requires more detailed study. The new approach to competitiveness in the spirit of the Lisbon Strategy has tremendously increased the level of complexity in public policy-making in the EU-25 and institutional overload has emerged. Several Presidency Conclusions testify that the EU institutions are not yet fully prepared to manage this complexity. However, the Kok Report of November 2004 has shown that the EU can respond to the new challenge. With the demand for effective membership on the part of the new Member States, in fact, a new period has commenced for the EU as a whole. Increasingly, the EU-25 is being challenged to think and act for the long run and in a strategic perspective. Eastern enlargement will test modernization and solidarity in both respects: globally in terms of the EU-25, and locally for the new members in their specific catching-up processes. The EU has so far been strongly influenced by the conflicting short-term interests of the Member States. However, both short-term and long-term interests must be reconsidered in the spirit of the Lisbon Strategy. The solidarity principle must serve to promote investment for long-term interests and competitiveness. Clearly, completion of the new Member States' post-accession period as soon as possible is in the common interest of the EU-25. Ways and means must therefore be found to create the optimal pre-conditions. In the same way, commencement of the take-off period in the new Member States after a few years must also be in the common interest of the EU-25 and its accomplishment requires a strategic approach within the framework of the Lisbon Agenda. The moment of truth for the future of the EU-25 will come when the decision is taken on cohesion policy within the framework of the next seven-year budget.<sup>12</sup>

---

12. I have designed four scenarios on the future of the EU-25: (1) the Headstart scenario as a best-case scenario involving rapid catching-up on the part of the new Member States; (2) the Doomsday scenario as a worst-case scenario, with further enlargements in the near future leading to disintegration; (3) the Fragmented EU as a partial disintegration scenario with an EU consisting of several half-isolated sub-continental regions, such as the Nordic versus the Southern states; and (4) the Charlemagne scenario as an imperial scenario resulting from a French–German *directoire* (Ágh 2005: 305–313).

The EU is in crisis but the crisis is good because it facilitates the identification of goals and priorities. The crisis is a painful experience that mobilizes for radical change. The EU has always developed through crises and the present one provides an opportunity to create a more integrated and more competitive Union.

## References

- Ágh, Attila (2005) *Institutional Design and Regional Capacity-Building in the Post-Accession Period*, Budapest: Hungarian Centre for Democracy Studies.
- Cameron, Fraser (ed.) (2004) *The Future of Europe: Integration and Enlargement*, London: Routledge.
- Dauderstädt, Michael and Lothar Witte (eds.) (2002) *Work and Welfare in the Enlarging Euroland*, FES International Policy Analysis Unit.
- Dauderstädt, Michael (2004) *Conflicting Distributive Interests in a Deepening and Widening Europe: A Challenge to the Emerging Europolity*, FES International Policy Analysis Unit.
- Eurobarometer (2005) *Public Opinion in the European Union*, 63, Full Report (September).
- Eurobarometer (2005) *National Report Hungary*, 63.4, Executive Summary (Spring).
- Grabbe, Heather (2004) »The Newcomers,« in: Cameron, Fraser(ed.), op. cit.
- Hübner, Danuta (2005) »Towards a New Partnership for Growth, Jobs and Cohesion,« in: *Third Progress Report on Cohesion*, Brussels, 17.05.2005, COM (2005) 192.
- Kok, Wim (2004) *Facing the Challenge: The Lisbon Strategy for Growth and Employment*, Report of the High-Level Group for the European Commission (November).
- Ludlow, Peter (2004) *The Making of the New Europe*, Brussels: EuroComment.
- Mayhew, Alan (1998) *Recreating Europe: The European Union's Policy towards Central and Eastern Europe*, Cambridge: Cambridge University Press.
- Rasmussen, Poul Nyrup (2003) *Europe and a New Global Order*, Report for the Party of European Socialists (May).
- Sapir, André (2003) *Agenda for a Growing Europe: Making the EU Economic System Deliver*, Report of the Independent High-Level Study Group for the European Commission (July).
- Tarschys, Daniel (2003) *Reinventing Cohesion: The Future of European Structural Policy*, Swedish Institute for European Policy Studies ([www.sieps.se](http://www.sieps.se)).