The fall of the Berlin Wall and European politics
Perspectives of new Europe in the early twenty-first century
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Introduction: the processes of European integration

The fall of the Berlin Wall in 1989 has become the symbol for a turning point in world history, as it signified the end of the bipolar world. This event also paved the way for fundamental transformations in European politics that can be described through five processes:

• security integration, with the disintegration of the Warsaw Pact and the full transatlantic integration of former Soviet countries into North Atlantic Treaty Organization (NATO);
• the economic integration process, whereby the dissolution of the Council for Mutual Economic Assistance (COMECON) led to the economic reintegration of the continent, above all within the EU;
• the political integration process, involving the democratization of the continent through the general acceptance of European norms via the Council of Europe, and through EU accession in Southern, Northern and Eastern Europe;
• the social integration process, which has permitted more or less free movement across the continent and the reunification of Europe through the acceptance of common socialization models, including a mass migration from East to West;
• the cultural and ideological integration process, via the promotion of European values and a European identity, a multilevel identity based on national and regional identities within the member states (MS).1

These processes have resulted in the reunification of Europe. Through them, Europe has been continuously updated even in geographic terms (or ‘quantitatively’): The borders of a unified Europe have been radically extended due to the EU’s widening policy. Potentially, widening may continue to include the western Balkan states and (much later) the Eastern partnership of six states. This process has also involved the permanent re-formulation of the European Neighbourhood Policy (ENP), which has defined the global position of this emerging continental
region among other global regions. Europe has also changed ‘qualitatively’ through the deepening processes of European integration, above all in the economic dimension, but increasingly in political, social and cultural dimensions as well. Standard analyses of European integration have focused on economic integration, and the global crisis provoking the Eurozone crisis has reinforced the importance of this dimension. However, in recent decades, increasing attention has been devoted to the other dimensions as well, primarily with regard to the ‘ politicization’ of the EU into a kind of ‘Political Union’. But Social Europe has also come to the fore, due to the impact of the global crisis on employment and on other drastic social transformations. European identity has also figured high on the agenda; in addition, the traditional meaning of European security (in terms of ‘military’ security) has lost significance, while a new, more comprehensive concept of security has gained importance. Due to the globalization process, and especially to the recent global crisis, sustainability has proved to be the true ‘security’. Consequently, genuine ‘securitization’ nowadays presupposes the creation of a sustainable and resilient society within its global environment.²

Various views have been expressed on the question of when the global crisis will come to an end, or, rather, ‘Is the Euro Crisis Over?’ (Pisani-Ferry 2013). However, there has been a common understanding that there can be no return to the pre-crisis situation, as only a new, more highly integrated EU will be able to consolidate itself. This chapter presents the view that the EU has emerged from the global crisis, and thanks to intensive crisis management it has reached a stage involving a new type of crisis: a ‘transformation crisis’. The global crisis has made it clear that despite the achievements of European integration up to the late 2000s, the EU is still plagued by a ‘systemic crisis’ that must be overcome (Barroso 2012: 3). Thus, the vital issue today is whether the EU can move ahead towards a more integrated ‘federative Europe’. In the spirit of Barroso’s State of the Union speech on 12 September 2012, the central message of this chapter is that after the turning point in 1989 there have been two distinctive stages in EU evolution. This paper refers to the first stage of the unified Europe as ‘old Europe’ and the second stage as ‘new Europe’. Globalization was also in its first stage between 1989 and 2009; with the ‘tsunami’ of the global financial crisis, it has entered the second stage of advanced globalization.³

The new stage currently underway necessitates a new definition of Europe that makes a sharp contrast between the old Europe and the new Europe. Some important changes have already been made within the conceptual framework of the field of European Politics (and, accordingly, also in European Studies) to demarcate these two stages. It is clear that there can be no return to the previous primary paradigm in European Studies, either. These new challenges have been formulated in the EU’s ‘Beyond the GDP’ programme, in recognition of the fact that a new kind of global competition has emerged between the EU and its global ‘strategic partners’. This has led to heated debates about the future of the EU in the increasingly globalized world, with sharply contrasting pessimistic and optimistic approaches. The Anglo-Saxon press has repeated a mantra claiming that ‘the EU is collapsing’, even though time and again this prediction has proven to be false (for an overview, see Thies 2012). In contrast, the president of the World Bank issued a statement in early 2013 on Europe’s (potentially) bright future, should the EU meet the new global challenge by ‘pooling sovereignty for global influence’.⁴

The reunification of Europe: from old Europe to new Europe

The main driver of the transition between old Europe and new Europe has been economic integration. Although crisis management for the Eurozone crisis has been very difficult,
European integration in other fields might actually have proven to be an even more complicated and controversial process. Therefore, the contrast between old Europe and new Europe may be greater in terms of political, social and cultural dimensions than in the field of economic integration. Accordingly, this paper will focus on political integration; this also includes key processes of social and cultural integration, since all these processes are closely interwoven. The security dimension in its broadest definition has also formed part of this ‘politicization’; the EU’s Nobel Peace Prize in 2012 was awarded for its comprehensive, decades-long ‘peace-keeping’ process across a unified Europe. There is no doubt that ‘the EU does represent a settled bloc of constitutional relations, and a zone of peace, in the international system’ (Hill and Smith 2011: 467).\(^5\)

World history moves in long cycles, and the major change represented by the EU’s reunification and transition from old Europe to new Europe has followed the historical itinerary of the transition between Kondratieff long cycles. In mainstream thinking, the post-war long cycle supposedly ended in 1989 with the collapse of the bipolar world, which also meant the end of ‘the short twentieth century’ featuring a divided Europe. Thus, the present long cycle (c.1989–2039) has now reached its half-way point, closing the first sub-cycle of Old Europe. The second sub-cycle (c.2014–39) will begin around the mid-2010s with the stormy start of New Europe. The logic of the long cycles thus seems to fit well with the main stages of European reunification, since there is no doubt that both the late 1980s and the mid-2010s have been the major historical turning points in European evolution.

Obviously, the major changes characterizing these long cycles and their sub-cycles have occurred through some shorter transitional periods. In 1989, the transitional period was marked by the decline of the Soviet Empire due to its failure to maintain competitiveness with the West.

The transition between the sub-cycles of Old Europe and New Europe has been forced upon the EU by the ‘tsunami’ of the global economic crisis. This global crisis has made it clear that the previous GDP-based economic growth model of conflicting polities within the EU has reached its limits, resulting in a profound, structural, ‘systemic crisis’ (in the words of president of the European Commission José Manuel Barroso). The growth model of the first stage produced clear crisis patterns in all policy fields and in the EU-related institutions in the 2000s. The painful years of global crisis management have proven that the transition to the new growth model has become inevitable. The transitional period from Old Europe to New Europe to overcome the transformation crisis can only be completed with the creation of new European institutional architecture and a new European policy universe.

In any case, the EU’s turn from global crisis management to transformation crisis management has revealed the internal nature of European developments in general. The EU has had a long history of structural crises; even its foundation created an unbalanced structure between/among policies and between the various policy fields and their corresponding institutions. Indeed, in the general road map for this ‘unbalanced’ situation, economic integration (with its provocative ‘spill-over’ effects on other policy fields) has been the main driver of integration. These effects have generally produced a lack of coherence and cohesion between/among EU policies, thereby creating serious tensions from time to time and ultimately provoking radical reforms. In addition, the asymmetry or misfit between policies’ pursuits and the institutions built for them has also profoundly influenced the structural dynamics of the EU, greatly contributing to the permanent creative crisis. Policies have always been more dynamic than institutions, enabling rapid adjustments to external challenges; institutional reforms have followed these adjustments slowly and belatedly, and (thus far) never perfectly. As a result, EU documents have always had a double nature.
They are simultaneously analytical and normative because they both regulate a given situation and mobilize for an expected future situation intended to resolve the structural crisis at hand.

Thus, the entire history of the EU has been a history of the EU ‘in the making’, as analysed in ‘crisis studies’ of the continuous readjustment process and constantly revised future-oriented EU definitions. This structural crisis has indeed been permanent, as it is inherent in the very nature of the EU; consequently, there has been no historical period in the EU without a ‘crisis’. However, from time to time this typical EU crisis seriously worsens, a situation that has usually been overcome in the special reform periods (e.g. by the Maastricht Treaty, which offered a temporary solution for the cumulative crisis in the pre-1989 period). The EU has always functioned in a crisis setting, and thus the creative crisis has spanned the entire history of the EU. The current transformation crisis is merely a promising sign of the functioning of the creative crisis.

The nature of EU development has been analysed by Stefano Bartolini. According to his research, European integration has entered a new phase in the European state system, emerging from the pressures exerted both from the inside ‘by the unbearable costs of the rivalries of the state systems’ and from the outside ‘by the growing pressure deriving from the slow but significant economic peripheralisation of Europe’ in the world economy after WWII (Bartolini 2005: 366). Thus, even the first stage of a unified Europe required both internal and external crisis adjustments. The ‘internal’ adjustment of the EU between 1985 and 1995 was exemplified by Jacques Delors’s ‘Relaunching Europe’ project, which took place in parallel with preparations for Eastern enlargement (the ‘external’ adjustment). ‘European politics’ in the proper meaning of the term was represented by this twin turn in the integration process, which together has generated a true ‘pan-European approach’.

Indeed, the Eastern enlargement was closely intertwined with internal integration. Tim Haughton has pointed out that the accessions of the countries of Central and Eastern Europe (CEE) to the EU ‘have transformed not just the politics of CEE, but European politics as a whole’ (Haughton 2007: 133). Thus, Eastern enlargement was a major step taken in the direction of a united Europe: ‘The unification of the European continent since the fall of the Berlin Wall in 1989 and the collapse of communist regimes in central and eastern Europe has changed the nature of European politics. . . . The recent democratisation processes in central and eastern Europe were a major boost for the European integration processes’ (Magone 2011: 2, 70).

However, this unified Europe after 1989 could only be an influential global actor if it was organized as a ‘region’; it proved to be a dynamic regional actor in its geographical neighbourhood through the regionalization in the ENP and the continuation of the pre-accession process in the western Balkans. In fact, European integration was a pioneering element in the structural reorganization of the world. As described in many works by Mario Telò (see, e.g., Telò 2006), the EU developed into an emerging ‘mega-region’ because in the late twentieth century the EU became a real global unit through the ongoing globalization of Europe. Thanks to its macro-regionalization, in this prior stage of globalization Europe emerged as a well-organized region in comparison to the other continental regions among the rising global powers (e.g. the BRICs). The global world is now structured within a multilevel governance system through ‘regionalization’ at various levels; this multilevel system consists of (1) continent-sized mega-regions (such as the EU, the USA, and China or ASEAN), (2) macro-regions (such as the Baltic Sea Region and the Danube Region within the EU), (3) country-sized units (such as the EU member states) and (4) sub-national regions (such as the NUTS2 regions in the EU) (see Ágh 2012).

In the 2000s, the EU became a strong global actor that initiated strategic partnerships with other global actors and promoted regional cooperation elsewhere. The European Security Strategy
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(2003) emphasized the concept that regional organizations could strengthen global governance: ‘The EU has repeatedly tried to promote regional integration in other parts of the world’ (Tsoukalis et al. 2010: 9). As a result of the developments in the 2000s, the EU ‘is undoubtedly the most integrated regional grouping in the world and serves as a model for many other regional groupings’ (Smith 2008: 77). But the cruel test of the global financial crisis has shown that there are still some ‘missing links’ in this fragmented Europe caught between globalization and Europeanization, and/or between regionalism and a global order. Consequently, ‘a new narrative’ was urgently required to describe Europe’s place in the world (Mayer 2009: 6–7).

Again, the central message of this paper is that the permanent EU crisis has reached its climax in the present stage of advanced globalization. The ongoing ‘systemic crisis’ has been produced by structural imbalances between member states’ internal ‘rivalries’ and external global pressures; this crisis calls for a reinvention of Europe in the new century.

Reinventing Europe for the twenty-first century

The resolution of the current systemic crisis will necessitate the largest and most profound transformation thus far in EU history, deserving of the name coined by Karl Polanyi: the Great Transformation (Polanyi 1957 [1944]). The common view is that 2011 was the worst year (‘annus horribilis’) and that the following year, 2012, already represented the first step towards consolidation, indicating that the ‘worst was over’. Thus, as emphasized by many analysts (e.g. Bache et al. 2011: 221), the ‘EU at the crossroads’ situation took place in 2012. The year 2011 might have been the final year of global crisis management and of the Old Europe; 2012 was already the first year of the transformation crisis and of the Great Transformation that will give rise to the New Europe. The great ‘earthquake’ (Hill 2012) in 2011 was followed by a breakthrough towards the ‘Federative Europe’ of the second stage: ‘[b]etween the summers of 2011 and 2012 the political discourse on EU integration changed dramatically. . . . Now, the old debate about a “Political Union” . . . is back’ (Janning 2012: 1).

In fact, the phrase ‘more Europe’ was forcefully introduced into the European discourse by Angela Merkel – first in her Bundestag speech in February 2012 – although this was just the ‘maiden name’ of the ‘Political Union’. Overall, the EU’s agenda changed significantly from 2011 to 2012:

For much of the history of European integration, the final goal of Political Union – the famous finalité politique – was seen as a distant one. . . . But the euro crisis has led to a massive transfer of power to the EU level and made political union a real possibility. Political initiatives by European Council President Herman Van Rompuy . . . and European Commission President José Manuel Barroso’s recent call for a ‘federation of nation states’ have kicked off a new debate about political union.

(Dullien and Torreblanca 2012: 1)

The radical shift towards New Europe was summarized in Barroso’s 2012 State of the Union speech; as the attached letter to Martin Schulz describes, the aim of this address was to set out ‘a clear political vision for the future of our Union’. Barroso defines the EU’s current ‘systemic crisis’ as one in which the ‘interconnected global markets are quicker and therefore more powerful than fragmented national political systems’. Therefore, Barroso concludes, ‘globalisation demands more European unity’, warning that ‘[w]e are now in a transition, in a defining moment’. There is no doubt that the EU needs the requisite ‘instruments to cope with this new reality’ in order to overcome the fragmentation of its member states in terms of economic governance. In his
address, Barroso presents ‘a Decisive Deal for Europe’ as a solution to the systemic crisis, promising a positive-sum game. Specifically, he emphasizes that ‘[a] political union also means doing more to fulfil our global role’ and that ‘[s]haring sovereignty in Europe means being more sovereign in a global world’ (Barroso 2012: 2, 9). This statement can be seen as the linchpin of his speech and his key message to the member states.

This political vision has been fully developed and even more thoroughly substantiated in a longer document, the ‘Blueprint’ of the Commission (30 November 2012), which argues that a ‘genuine’ (i.e. a functioning and sustainable) Economic and Monetary Union (EMU) presupposes further integration, involving coherence and coordination among the various policy fields and the integrated system of institutions, leading to some kind of Political Union (European Commission 2012: 36–41). This fundamental argument about the ‘genuine’ EMU has been ongoing, and the concept of further integration has been finalized in the declaration of the four presidents coordinated by Van Rompuy (2012), together with Barroso, Juncker and Draghi (4 December 2012). The key concept was ready in time for the December 2012 summit, where it was endorsed by the conclusions of the European Council (on 13/14 December 2012; see European Council 2012: 2). The basic issue presented in the conclusions concerns how the ‘systemic crisis’ may be overcome by creating the necessary institutional architecture to eliminate fragmentation among the member states and the misfit between the EMU and the almost nonexistent ‘Political Union’.

However, it is also clear that this decade in EU history completing the shift from Old Europe to New Europe consists of three shorter periods. The EU has always developed through successive crises, and this time the resolution of the recent transformation crisis may take place in two steps. At present, the EU is still focusing on its ‘transition strategy’ between global crisis management and transformation crisis management; in 2014 the new period can be initiated.

As Barroso indicated in his State of the Union 2012 address, ‘[b]efore the next European elections in 2014, the Commission will present its outlines for the shape of the future European Union’ (Barroso 2012: 10). The period of ‘transition strategy’ will end in 2014, when both the new financial perspective and the new institutional cycle of the EU begin. This turning point will also be linked to the subsequent European Parliament (EP) elections, followed by the inauguration of a new European Commission and by the elections of the presidents of the European Commission and the European Council (EUCO). In the third period (between 2018 and 2020, following the second launching period between 2014 and 2017), the emergence of New Europe can be expected, based on the new paradigm involving principles of social progress and/or sustainable development. In official documents (first in the EU 2020 Strategy), EU leaders have pointed out several times that they have been planning for a decade-long consolidation as part of the road map (see European Council 2012; Van Rompuy 2012).

Thus, the EU has already entered the post-crisis period, tasked with the largest and most profound transformation in its history. To date, the 2010s have been a decade of ‘pooled sovereignty’, although the ‘Brixit’ (British exit) issue (on Britain’s European catharsis, see, e.g., Guérot 2013) has shown that further integration as ‘ politicization’ has been unacceptable for some Eurosceptic member states. Paradoxically, during the period of global crisis management, economic nationalism and divergence have increased. The core–periphery divide has grown, thanks to the basically successful but variable and controversial crisis management that has also resulted in growing domestic dissatisfaction in all member states: ‘On both sides, an increasing national focus and a rise in populism as well as anti-EU sentiment are evident in all parts of society. The EU is more and more perceived as a problem. The weakest hold that the EU, and especially core countries in the euro zone, are imposing too much on them and asking too much from them’ (Emmanouilidis 2011: 13).
The new challenge of overcoming this fragmented Europe can be described in the classical terms of deepening and widening. Clearly, this turn in European politics from Old Europe to New Europe has also created new cleavages and new opportunities, both internally and externally. Due in part to the global crisis – and, paradoxically, to the crisis management in particular – the EU as a mega-region has reproduced its internal and external cleavages at a higher level. This process must be seen through the concept of the systemic crisis, in terms of the increasing tension between the global competitiveness of the EU as an emerging polity and that of its competing member states. The new internal reorganization of the EU member states must be combined with the intensive regionalization of the organization’s neighbourhood, since ‘foreign policy begins with the neighbours’; thus, ‘coming to terms with the neighbourhood’ entails revitalizing ‘neighbourhood policies addressed to the south and to the east’ (Tsoukalis et al. 2010: 6–7). Consequently, ‘globalization cum regionalization’ will have to be the primary ‘homework’ for the EU in this decade.8

The crisis management system has focused thus far on the competitive core of the EU; however, in the coming launching period it will have to concentrate more on the cohesive EU, since the EU as a whole cannot remain competitive ‘externally’ in the long term without being sufficiently cohesive and inclusive ‘internally’. As is well known, the Lisbon Treaty stipulates that a cohesive Europe must be built on the Holy Trinity of economic, social and territorial cohesion; thus far, all three have suffered.

The ‘Convergence Machine’ of the EU, as a World Bank analysis called it (see Gill and Raiser 2011), was based on the model of Social Europe that worked rather well in the EU until the outbreak of the global crisis. But in 2009–12 the crucial stress test failed; under the pressure of the global crisis, what emerged was more of a breakdown in Social Europe than a breakthrough to cohesive Europe.9

Thus, the introductory ‘crisis studies’ return us to the key question concerning the principal internal and external characteristics of the developing system of New Europe. This tension between competitive core Europe and cohesive Europe is now tilting slowly but definitely in favour of the new system. After five years of global crisis management, the EU is turning step by step towards the construction of a new European architecture. The Great Transformation will be complete only when Economic Europe embraces Social Europe (see Meyer 2013).

Two stages of European politics: turning towards a global multilateral policy

European politics have changed, both in theory and practice, between the two stages of Old Europe and New Europe. In Old Europe, European foreign policy was still conceived of as the various foreign policies of the member states in accordance with their traditional concerns and national interests. Radical change has come only slowly during the advanced stage of globalization that has forced a holistic view on European foreign policy. In the emerging New Europe, the EU has begun to behave like an organized global actor embedded in global processes: ‘Traditional foreign policy based on “national interest” is being replaced by a more multilateral global governance approach. The EU member states are working closely together to establish multilateral structures in order to meet the challenges of an increasingly globalised world.’ In this way, advanced globalization has led to ‘the rise of post-sovereign European politics’ (Magone 2011: 581, 591).

Old Europe entailed the dominance of the big three (Germany, France and the UK) in EU foreign policy, which was influenced by their specific national styles and constrained by the narrow traditional definition of conventional foreign policy (concentrating on security and defence
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issues). The Europeanization of national foreign policies has been the main task from the very beginning in the EU (Gross 2011), but the member states have been resistant to these developments in the field of ‘high politics’. Nonetheless, between the old Europe and the new Europe there has been both continuity and change in European politics. First, in earlier decades the actual foreign policy of the EU had already embraced the enormous extent of the EU’s ‘external relations’ as the leading world trade superpower (Smith 2010). Second, although the big states’ interests still prevailed in the 2000s, after Maastricht a common, convergent foreign policy line emerged in the EU in the form of the Common Foreign and Security Policy (CFSP), which went well beyond the traditionally narrow security concerns (Copsey and Haughton 2012). Both of these trends have gained strength in New Europe, and European politics has taken a decisive turn towards the development of a more integrated foreign policy. The Europeanization of national foreign policies has only taken place through the painful realization of common global interests in recent years; for example, the EU’s global multilateral policy was elaborated for the G7/8 and G20 global negotiations.10

The collective European actors in foreign policy at the EU level and below had already appeared globally and regionally before the global crisis (see Jopp and Schlotter 2007); however, in old Europe they still remained hostage to competing national interests in many ways. There is no doubt that the pan-European character of European foreign policy has intensified in the transition from the global crisis to the transformation crisis. This has also been a transition from ‘external-financial’ crisis management (in order to save the euro) to ‘internal-federative’ crisis management (in order to secure the long-term sustainability of the EU by means of a ‘genuine’ EMU moving closer towards Political Union). The most important issue nowadays is whether the EU can maintain the sustainability of its dynamism throughout the transformation crisis. This dynamism is significant across all five main fields of European integration, most of all in economic governance. However, the principal lesson of the Great Transformation thus far has been that the sustainability of Eurozone governance can only be achieved by the ‘ politicization’ of EU institutions (Liddle et al. 2012); that is, by the synergy of all EU policies under the ‘metagovernance’ of Political Union. Metagovernance is ‘the governing of governing’; that is, establishing principles and norms that shape and steer the entire governing process.

These changes towards a global multilateral policy were taken into consideration when the European Council on Foreign Relations (ECFR) initiated its ‘Reinventing the EU’ project, which focuses on how Europe can rethink its medium- to long-term future once the immediate crisis recedes. The latest ECFR Report (Scorecard 2013) has determined that there was a re-nationalization of European foreign policy during the global crisis management, based on the preeminent role of the Big Three; however, this trend was reversed in 2012, and therefore European politics performed better than in previous years. In this regard, they found, 2012 was ‘a surprisingly good year’. The future performance of the EU will depend on whether Europeans can further improve their coordination and coherence in foreign policy (ECFR 2013: 9–10, 12, 17), namely by making progress towards the integrated institutions of Political Europe.

This new kind of integrated European politics was prepared in the 2000s by radical changes in fundamental structures of society that greatly influenced the workings of European politics. Old Europe still meant the dominance of states in European politics, with only slight advances in sub-state public diplomacy. However, step by step, the states have lost their monopoly over foreign policy as networks of social actors (NGOs) have gained influence. These processes in the ‘transnational European Union’ (Kaiser and Starie 2005) have indicated and predicted the actual changes in paradigms, generating developments ‘towards a common political space’ from different sides of social and cultural life. A coordinated pan-European approach across all walks of life was increasingly necessary due to the changes in transnational socialization and the
transnational networks (together forming a pan-European ‘informal governance’). In some ways, Political Union had emerged already in the 2000s through a bottom-up Europeanization process creating a shared European identity within the societies of the member states.

Overall, this new form of European politics has been based on profound, comprehensive European social integration, no matter how much this process has been disturbed and overburdened with issues concerning migrants and minorities. This EU socialization has also included ‘culturalization’ by means of an EU multilevel identity formation with a common sense of a European identity, although this is still controversial and is influenced by many national prejudices. European foreign policy has always been closely connected to the EU’s international image and collective identity. With the increasing global role of the EU, this collective identity has become much more relevant in New Europe than ever before. All in all, as of the early twenty-first century, the EU ‘has created a regional form of international society’. Thus, ‘[t]he idea of “civilian power” has been central’ in the process of Europeanization (Hill and Smith 2011: 467, 469).11

Research agenda for the future

The primary task now is to elaborate a new, future-oriented definition of the EU. An analysis of the birth pangs of New Europe or the ‘European renewal’ in the early twenty-first century indicates that the ongoing definition of European politics must take place in three dimensions:

- European architecture must focus on further institution-building for Economic and Political Union;
- European policy-making (through the EU 2020 Strategy) will face major challenges in the attempt to preserve sustainability in policy coherence/coordination and synergy;
- the European way of life must be analysed in terms of well-being (see WEF 2012a, 2012b).

The president of the World Bank, Jim Yong Kim has asserted that ‘Europeans enjoy the highest quality of life’: with 10 per cent of the world’s population and 30 per cent of its GDP, Europe accounts for 60 per cent of global social protection spending (Kim 2013). It is high time to prove in global competition that New Europe’s high level of human and social investment creates a competitive advantage.

Conclusions: alternative European futures

In recent years, it has become common in the EU to elaborate potential scenarios in strategic papers. The deep divides within the EU have been evident in the direct form of official documents, as well as in the hidden agendas of the member states, including those of the new member states (NMS). The current Great Transformation in the EU will have to overcome the primary divisions in the EU28, which are (1) good-performer MS versus laggard MS (North–South), (2) pro-integration MS versus Eurosceptic MS, (3) big MS versus small MS and (4) ‘new-new’ virtual MS versus EU28 MS. The Alternative European futures in the 2010s described in ‘The New Political Geography of Europe’ (Walton and Zielonka 2013) can be outlined based on these profound divisions:

- the ‘Nordic’ scenario (Europe: the world’s Scandinavia);
- the ‘Western’ scenario (Franco-German engine);
- the ‘British’ scenario (weak EU reduced to the Common Market);
- the ‘Turkish’ scenario (featuring quasi-disintegration).
The ‘Nordic’ (or ‘headstart’) scenario, following the model of the Nordic states, and the ‘Turkish’ (or ‘doomsday’) scenario, involving the accession of Turkey in the near future, are unlikely, but they provide good orientation points. The two more realistic scenarios can be described as (competitive) core Europe (in a bumpy road leading towards political Union) and fragmented Europe (maintaining the status quo on an even rockier road). In the first case, the convergences dominate; in the second case, the divergences dominate. For NMS, these scenarios must be evaluated in terms of integrative balancing in the workings of the ‘Convergence Machine’; that is, as worsening or improving core–periphery relations in the EU (see Magone 2013).12

The policy network’s ‘EU “Fit for Purpose” in the Global Age’ project (in partnership with the London School of Economics) represents a good opportunity for final conclusions. Clearly, before the global crisis ‘policy integration continued at a slow pace. Only modest progress was made in strengthening eurozone governance. . . . Partly as a result, “Social Europe” remained largely a rhetorical construct’ (Tsoukalis et al. 2010: 12). In the late 2000s, the EU’s stability was shaken by the global crisis and fragmented by economic nationalism; however, following its early scattered responses to the crisis, the EU has begun to move ‘towards a new political economy’ in the post-Lisbon policy framework. Overall, ‘The EU needs to redefine its role in a rapidly changing world. . . . European integration is clearly at a crossroads’ (Tsoukalis et al. 2010: 16, 23). To conclude on an optimistic note, as the European Policy Centre’s (EPC) Chief Executive Hans Martens asserts: ‘With a number of tough years behind us in Europe, we can finally detect some light at the end of the tunnel. . . . [I]t is perhaps time to go back to the 2020 plan to provide Europe with a smart, sustainable and inclusive pattern of growth’ (Martens 2013: 1).

Nowadays, the odds look good for the continuation of the Great Transformation. The final word on the emerging New Europe is therefore that, ‘despite the recent difficulties, the European project has been a tremendous historical success’.13

Notes

1 This chapter relies to a great extent on a former paper of mine (Ágh 2013a). I have developed the idea presented in an earlier edited volume (Ágh 2011a) that the global crisis would be followed by a transformation crisis. There is not enough space in this paper to include an overview of the recent debates; I have only been able to refer to the most characteristic views of the leading policy institutions, and I have focused on the mainstream literature concerning European politics over the past two decades.

2 The sustainability as the new paradigm has been reinforced by the switch from GDP to ‘well-being’ in the international ranking institutions. This change of paradigms was prepared and initiated by the OECD and World Bank discussions, and continued, for example, by the EPC reports (Martens 2010), see also Happy Planet (2012), Heinrich Böll Foundation (2012) and WEF (2012b). The new paradigm has also reached the big member states as the decision in the UK ‘making well-being the new GDP’ (see, e.g., Stratton 2010) has been followed by Germany (see Deutscher Bundestag 2013).

3 Barroso has repeatedly emphasised that ‘EU states must sacrifice “sovereignty for influence”’ (Barroso 2013: 1); that is, in the stage of new Europe the key task for the EU and its member states is to exchange formal (national) sovereignty for real (global) influence in order to resolve the ‘systemic crisis’ (Barroso’s term) between a fragmented Europe and the globalized world. On the two stages of globalization and the EU’s adjustment to the advanced stage of globalization, see Cramme (2010), Tsoukalis et al. (2010) and Fabry (2011). On rankings in the new global age, see the KOF Index of Globalization (2012) and the global dynamism index (Thornton 2012).


5 The continued widening has been one of the major factors involved in creating peace on the European continent. As Keukeleire and MacNaughtan indicate (2008: 261), ‘Since the early 2000s, the Balkans has become the site of the EU’s most comprehensive structural foreign policy and has emerged as the
main testing ground of EU leadership’. This paper tries to point out the importance of the Eastern enlargement and the ‘regionalisation’ of the neighbourhood in the European reintegration (see Ágh 2006, 2012). See also Ambrosetti Foundation (2009–11), Emerson et al. (2011) and Havlík et al. (2012).

The title of this series of documents indicated a ‘genuine’ Economic and Monetary Union. In Autumn 2012, there was a heated debate on the political Union (see Berggruen Institute on Governance 2012; Chopin et al. 2012; Cramme and Hobolt 2012; Euractiv 2012; and the summary in Kreilinger 2013). In fact, all of the big policy institutes took part in this debate; policy planning in the EU in the Competitive Europe project was sponsored primarily by Bruegel and Centre for European Policy Studies (CEPS), while the Political Union project was sponsored by Notre Europe (Paris) and the Well-being Project by the EPC. It should be noted that the MAFF decision (European Council 2013) has only half-heartedly continued this deepening approach.

There has been an extensive debate on differentiated integration/membership (see Emmanouelidis 2010; and, more recently, Tekin 2012); some analysts have argued for ‘a positive strategy for differentiated integration’ (Tsoukalis et al. 2010: 21). I have elaborated on this issue in Ágh (2013), principally from the side of the ‘policy’ and ‘regional’ EU memberships.

For widening in the ‘globalization cum regionalization’ project, the key issue is the carrot crisis, i.e. how to find the proper balance between sticks and carrots in the western Balkan region and in the European Neighbourhood Policy (ENP) as a whole, with special regard for the Arab Spring. As a result of the global crisis, the US has turned more towards Asia, and some claim that '[t]his long-term shift in US foreign policy will further increase the pressure on Europe to deal with its own neighbourhood’ (ECFR 2013: 23).

There has been a renewed debate about the German role in the new Europe. The Germans have long demanded ‘a club within the club’ representing the strong core of the EU, and they have recently worked to initiate a ‘competitive core’ Europe. It is high time for Germany to recognize the need for a cohesive Europe, also in terms of cohesive European governance (see Blondel 2013).

In the old Europe period, the conventional foreign policy of the member states still dominated, with a structural foreign policy based on treaties and agreements. Consequently, Hay and Menon (2007: 3–148) have described European politics through an analysis of its larger countries and macro-regions. Accordingly, a new debate has sprung up between the opposing forces of northern and southern Europe (see Economist 2011; Magone 2013).


I have elaborated on these four scenarios in Ágh (2013). For the NMS, the first realistic scenario is a positive scenario (decent Cinderella) featuring intensive Europeanization, while the second scenario is negative (hopeless latecomer), marked by the failure of progressive Europeanization leading to a long-lasting peripheralization. Accordingly, the orientation scenarios for the new member states are the sleeping beauty and the eternal east scenarios.

See Berggruen Institute on Governance (2012: 2). Over the past decade, a new kind of literature has appeared in the publications of the international ranking institutions, such as the Bertelsmann Foundation (2011, 2003–12) and the Economist Intelligence Unit (2011). These comprehensive analyses of democracy, good governance and sustainability have provided a detailed database for monitoring changes in paradigms demonstrating the shift towards New Europe in the MS.

Bibliography


The fall of the Berlin Wall


