



Center for EU
Enlargement Studies

CENTRAL
EUROPEAN
UNIVERSITY

BOOK LAUNCH

"A EUROPEAN UNION WITH 36 MEMBERS? PERSPECTIVES AND RISKS"

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Speakers:

- Péter BALÁZS, Centre for EU Enlargement Studies, Central European University, Budapest
- Mihailo CRNOBRNJA, Faculty of Economics, Finance and Administration (FEFA), Belgrade
- Frédéric ESPOSITO, Senior lecturer at the Global Studies Institute of the University of Geneva, Geneva
- Ahmet EVIN, Istanbul Policy Centre at Sabanci University, Istanbul
- Oleg LEVITIN, European Bank for Reconstruction and Development (EBRD), London
- Dusan SIDJANSKI, Honorary Chairman of the European Cultural Centre and Special Adviser to the President of the European Commission, Geneva

ABOUT THE BOOK

A European Union (EU) with 36 members is a pure working hypothesis today. Extending future territorial contours is in full harmony with one of the main political objectives of the organisation as the European Communities (EC) offered the possibility of membership to “all European states” from the first day of their existence. Those well-known enlargement perspectives have accompanied the evolution of European integration since the very beginning, starting with the original Article 237 of the Treaty of Rome, across various re-numberings of the basically unchanged provisions, up to the current version of Article 49 of the Lisbon Treaty. The objective of an “ever closer Union” is an explicit provision of the Treaty about deepening integration, whereas targeting “all European states” is an implicit political intention of achieving an “ever larger Union”. As it has been repeatedly suggested in connection with the interpretation of the Treaty provisions about enlargement, the concept of “Europe” has never been clearly specified: no generally accepted and justified connection between the geographical, cultural and political understandings of Europe was defined in the context of the EC/EU basic treaties.

A starting point for analysing the potential next size of the expanding EU was the Enlargement Report issued regularly by the European Commission. This document not only assesses the progress of negotiations with the individual candidates but gives the list of those applicants which are considered by the EU as future members. EU Enlargement Reports inspired our research and the series of international conferences held in 2012 and 2013 trying to analyse the various aspects of the hypothetical EU36 model. This book is the summary of the most important findings. The whole project was initiated by the Centre for EU Enlargement Studies (CENS) of the Central European University and carried out together with an international network of the core partner institutions. We organised a number of problem-oriented workshops on the major thematic topics, which revealed further challenges and formulated cogent questions based on the project goals.

ABOUT THE PROJECT

The whole project was initiated by the Centre for EU Enlargement Studies (CENS) of the Central European University, which coordinated and outlined the project activities during the implementation period. The project gathered an international network of the core partner institutions, which grew in size and prominence with time, and the following circle constituted the key project team: the Centre for EU Enlargement Studies, CENS (Budapest, Hungary); the Centre for European Legal Studies, CEJE (Geneva, Switzerland); the European Bank for Reconstruction and Development, EBRD (London, UK); the European Cultural Centre (Geneva, Switzerland); the Faculty of Economics, Finance and Administration, FEFA (Belgrade, Serbia); the German Institute for International and Security Affairs, SWP (Berlin, Germany); the Global Studies Institute (Geneva, Switzerland); the Istanbul Policy Centre at Sabanci University (Istanbul, Turkey); and the Research Centre of the Slovak Foreign Policy Association, RC SFPA (Bratislava, Slovakia). Finally, we organized eight problem-oriented workshops on the major thematic topics, which revealed further challenges and formulated cogent questions based on the project goals. The areas we covered are listed below in the chronological order of the workshops held:

- “Extending the Single Market from 27 to 36,” Belgrade, Serbia, 20 April 2012;
- “Extending the Trans-European Networks,” London, UK, 27 June 2012;
- “Budget and Common Policies,” Budapest, Hungary, 20 September 2012;
- “The Prospects of Enlargement: Institutions and the Political Dimension,” Berlin, Germany, 7 December 2012;
- “Political consequences of further enlargements,” Istanbul, Turkey, 15 March 2013;
- “Democracy, Institutions and Identity,” Geneva, Switzerland, 26 April 2013;
- “Regional Cooperation and Neighborly Relations,” Bratislava, Slovakia, 30 May 2013;
- “Eurozone,” Hungary, 13 September 2013.

The main project finding is that the EU36 model has a realistic possibility of coming into being and it must be included in the long-term strategic planning of the EU. This project and the book entitled “A European Union with 36 Members? Perspectives and Risks” is a contribution of the entire project team to the development of the EU36 theoretical model and of future prospects of European enlargement of the candidate and potential candidate countries mentioned in the European Commission’s Progress Reports. This exercise also brings to the fore some of the problems that do not regularly come up during a typical “fulfillment of conditions” style of investigation.

MAIN MESSAGES

“EU36: The Impact of EU Enlargements on Institutions” by Péter Balázs

- 1) The EU has grown out two size categories – the ‘family table’ (with 6-9 seats) and the ‘executive board’ with 12-15 members – but the institutional structures and working methods have hardly changed. The direct presence of the member states in main EU institutions, and their formal equality – in many respects – in the decision-making process of the Council are at the origin of several dysfunctions of the organisation. The next potential enlargements would not add any new sources of institutional problems to the existing ones; they would just broaden the ongoing crisis of EU institutions;
- 2) Comparing the political cost-benefit balance of the national and EU level policy cycles, we admit that national inputs into EU governance are disproportionately high. The vertical connections between the national and EU levels are too intensive in the government section, but not sufficient in the parliamentary segment. Whereas the Council is based on the regular shuttling of national government representatives to Brussels and other meeting places, MEPs are physically and politically dislocated from the citizens. This ‘representation gap’ is

closely connected to the 'democratic deficit' and has a strong impact on the weak acceptance and popularity of the EU in the member states;

- 3) The growing number of member countries has deepened the 'stability gap' between national and EU level governance. During the five year mandate of the European Parliament and the Commission at least 35 government changes take place in the EU28 and 945 new bilateral relations have to be established between and among member states. Shorter office times would approximate the two governance levels and contribute to increasing the transparency and accountability of EU institutions.

"Extending the Single Market – Investment and Trade" by Mihajlo Babin and Miloš Erić
(presented by Mihailo Crnobrnja)

- 1) Acceding states attract significantly more FDI as they approach membership, but not at the expense of the current members;
- 2) EU enlargement constantly increases the rate of intra-EU trade;
- 3) Trade among acceding states in the Balkans contribute to the political stability in the region.

"The Referendum Experience and the EU36 perspective" by Frédéric Esposito

- 1) Since 1972, European citizens have voted on 31 European matters ; the EU36 perspective should increase the potentiality of new referendums and impact European governance as such;
- 2) The EU is playing a catalytic role on the development of national referendum procedures even though some countries have no referendum experience (Czech Republic, Malta, Spain, Portugal, Sweden...). Thus, EU is promoting a European Referendum Subculture;
- 3) But European votes raise a fundamental problem, because they demonstrate the inability of the EU to propose a single institutional solution in the case of negative votes like for the European Constitution;
- 4) The perspective of the EU36 could potentially increase this 'risk' of referendum, and even more that all candidates have legal provisions to initiate a vote on European issues. The counter-strategy could be to Europeanise the problem by promoting the idea of a European consultation.

"Convergence or Divergence: EU and Turkish Foreign Policy over the Last Decade" by Ahmet O. Evin and Emre Hatipoglu

- 1) Convergence and divergence between the EU and Turkish foreign policies;
- 2) Turkey's role in the Middle East: partner or loner?

- 3) Russian challenge tests transatlantic commitments of Turkey and the EU.

“The Eurozone and the Future of the EU” by Dusan Sidjanski

- 1) The Euro cannot survive without a political Union;
- 2) The Eurozone needs to reverse the perspective and adopt a political approach and global vision;
- 3) It has to adopt the community method laid down by the Lisbon Treaty;
- 4) There is an urgent need for a European Federation of 18;
- 5) Concerning EU36, the Ukrainian crisis is proof that without Russia, no enlargement or association will be possible.

NOTES ON CONTRIBUTORS



Mihajlo BABIN, MSc. is a Teaching Assistant at the Faculty of Economics, Finance and Administration (FEFA). He graduated from the University of Novi Sad, Law Faculty in 2005 and obtained a masters degree in Economics at FEFA in 2008, having completed a masters thesis on “The Impact of Fiscal Policy on the Maintenance of Macroeconomic Stability.” As a student, he was elected to the position of Student Vice-Rector of the University of Novi Sad (2002-2004) and a member of the Student Union of the Serbia Executive Board (2005). He has worked as a consultant for the World Bank on pre-university education financing since 2009. He has been actively involved in the process of higher education reform in Serbia, participating in numerous Tempus projects and in the national Higher Education Reform Experts Team between 2008 and 2010. He is one of the co-authors of the Serbian Strategy of Education Development until 2020 and continues to be involved in education policy research. He also works as a consultant for GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit) on energy efficiency financing models since 2011.



Péter BALÁZS, PhD. is Jean Monnet Ad Personam Chair at the International Relations and European Studies department of the Central European University. His research activities are centred on the foreign policy of the European Union and problems of the modernisation and integration of the Eastern part of the continent. He also analyses questions of European governance including the future of European institutions. Balázs heads the Centre for EU Enlargement Studies (CENS) at the CEU, combining his experience as a trained diplomat with academic research.



Miloš ERIĆ, MSc. researches European economic integration, economic development and energy efficiency at the Faculty of Economics, Finance and Administration (FEFA) in Belgrade. He also takes interest in corporate social

responsibility, public management, e-commerce and information and communication technologies. Erić has worked as a consultant for the World Bank and the German International Cooperation (GIZ) on projects related to education financing and financial model development for energy efficient retrofitting. He was also a guest lecturer at the Institute of Gender Equality of Vojvodina, and gave a masters course in public health at the School of Medicine, University of Belgrade.



Frédéric ESPOSITO, PhD. is a senior lecturer at the Global Studies Institute of the University of Geneva. He completed his academic education at the University of Geneva, the Graduate Institute of International Studies and the European University Institute in Florence. His research interests include direct democracy, European governance and fight against terrorism. In parallel with research activities, he has formulated proposals to empower citizens' participation in Europe for the European Parliament Constitutional Affairs Committee and he has managed projects such as "Cities against terrorism" for the European Forum for

Urban Safety and the European Commission.



Ahmet O. EVIN, PhD. is Jean Monnet Professor of European Policy Studies at Sabanci University, where he was the founding dean of the Faculty of Arts and Social Sciences, and is also a senior scholar at Istanbul Policy Centre. He has taught at New York University, Harvard, Hacettepe University (Ankara), University of Pennsylvania (where he also served as director of the Middle East Centre), University of Hamburg, Bilkent University (Ankara, where he headed the Department of Political Science), and Northwestern. He has also served as director of education for the Aga Khan Trust for Culture (Paris and Geneva).



Andrew F. FIELDSEND, PhD. has been based in Hungary since 2003. For several years he worked for the University of Debrecen and is now based at the Research Institute of Agricultural Economics (AKI) in Budapest. He has extensive experience in participating in rural economic development projects in the UK, Hungary, Romania and Albania, and was Scientific Coordinator of the EU Framework 7 project "RuralJobs" which carried out research on new sources of employment in rural areas, and on rural-urban functional linkages. He is Editor-in-Chief of the peer-reviewed academic journal *Studies in Agricultural Economics* and has worked in a consultative capacity for several international

organisations including the EC, FAO and UNIDO.



Klára FÓTI, PhD. is Research Manager at the Living Conditions and Quality of Life unit in Eurofound (European Foundation for the Improvement of Living and Working Conditions, based in Dublin). Currently, she focuses mainly on intra-EU mobility, leading a project on the social dimension of intra-EU mobility and its impact on public services. Her work in Eurofound also includes analysing data of the 3rd European Quality of Life Survey, managing the secondary analytical report on quality of society and public services. Previously, she worked as Senior Research Fellow for the Institute for World

Economics of the Hungarian Academy of Sciences in Budapest. Her research focused primarily on the employment situation in European countries.



Emre HATIPOGLU, PhD. is currently Assistant Professor of Political Science at Sabanci University, Istanbul. He obtained his PhD from Pennsylvania State University. Hatipoglu's research interests lie at the intersection of domestic politics and international relations. His publications have recently appeared in journals such as *International Studies Perspectives*, *Foreign Policy Analysis* and *Cambridge Review of International Affairs*.



Julius HORVÁTH, PhD. is former Head of the Department of International Relations and of the Department of Economics of the Central European University. He is also a member of the Slovak and the Czech Accreditation Boards. His main research interests are the policy aspects of international economic and monetary relations, as well as the history of economic thought.



Oleg LEVITIN, PhD. is Senior Political Counsellor at the European Bank for Reconstruction and Development (EBRD), covering Central and South Eastern Europe. He has more than 25 years of experience at the international level focusing on the Balkans, which includes senior diplomatic postings, direct participation in the Dayton Peace Talks and other major multilateral negotiations on the Yugoslav crisis throughout the 1990s, as well as research on inter-ethnic issues, conflict resolution and peacebuilding. He holds an MA and PhD in International Relations and Balkan Studies. He is an accomplished linguist and speaks, among others, all Western Balkans languages.



Nicolas LEVRAT, PhD. holds a doctoral degree in international law. In the early 1990s he was in charge of the Council of Europe for developing local and regional democracy in all the former communist countries of Europe. He is Professor of European Law at the Free University of Brussels and since 2001 he is Professor at the University of Geneva. In 2007 he was elected director of the European Institute of the University of Geneva that in 2012 he transformed into the new Global Studies Institute of the University of Geneva, now comprising of 56 full professors and about 1,200 students. His research interests focus on the status of non-sovereign territories in international law, federalism, and the interactions between the issues of legitimacy and structure of European Law.



András MÁLNÁSSY, M.A. is currently a security and defence policy expert in the Ministry of Interior of Hungary. Málnássy received his BA from Budapest Business School and his MA from "Zrínyi Miklós" National Defence University. He has authored or co-authored four articles and a book. His areas

of research include the foreign relations of the European Union, specifically the Common Foreign and Security Policy (CFSP) and the Common Security and Defence Policy (CSDP), as well as global trends and the Middle East.



Tamás NOVÁK, PhD. is a visiting fellow at the Johns Hopkins University School of Advanced International Studies (SAIS) in Washington, D.C. Previously he was Deputy Director at the Institute for World Economics, Hungarian Academy of Sciences and associate professor at the Budapest Business School. He focuses on transformation experiences and on the impact of the economic crisis on the countries of Central and Eastern Europe. His research is based on the combination of analysing economic and political interests in economic and governance issues. He holds an MA in Economics from the Budapest University of Economics and a PhD in International Relations from the same institution.



Endre ORBÁN, Dr. jur. graduated summa cum laude at the Pázmány Péter Catholic University, Budapest, in 2011, where he is currently enrolled in the PhD School. Besides this, he studied aesthetics and communication. He spent a school year in Paris and in Dundee (Scotland). Currently, he takes part in the Erasmus Mundus program of European Master of Law and Economics (EMLE) at the University of Hamburg and at the Indira Gandhi Institute of Development Research, Mumbai. He is also the managing editor of the *Ars Boni* online law review. His main fields of research are subsidiarity, regionalism and EU law.



François SAINT-OUEN, PhD. is currently Secretary General of the European Cultural Centre and Lecturer at the Global Studies Institute of the University of Geneva. As a political scientist with a focus on political philosophy, he specialised in multi-level governance, bottom-up federalism, local democracy, local networks, sustainable development at local and regional levels, and cultural processes in Europe. Since 1990, he has also been an expert, on behalf of the Swiss cooperation, for the promotion of local democracy and local autonomy, first in Central Europe, then in South-East Europe. His last book is *L'Avenir fédéraliste de l'Europe: du traité de Maastricht à celui de Lisbonne* [The Federal Future of Europe: from Maastricht to Lisbon], Brussels, 2011.



Christoph SCHNELLBACH, PhD. holds a doctoral degree in political science. He is Junior Visiting Research Fellow at the Andrassy University Budapest – “University of National Excellence.” His main research includes EU enlargement and foreign policy, minority policy in Central and Eastern Europe and democratisation.



Dusan SIDJANSKI, PhD. is a founder of the Department of Political Science at the University of Geneva and Professor emeritus at the Faculty of Economic and Social Sciences and at the European Institute in Geneva. From 1956, he worked in close collaboration with Denis de Rougemont at the European Cultural Centre (ECC). He is Honorary Chairman of the European Cultural Centre and special adviser to the President of the European Commission. He is the author of works on federalism and European integration, such as *L'Avenir fédéraliste de l'Europe. La Communauté européenne des origines au traité de Maastricht*, Paris, PUF, Coll. IUEE, 1992, 1993, and the revised English translation, *The Federal Future of Europe*, University of Michigan Press, Ann Arbor, 2000.



Tomáš STRÁŽAY, PhD. works as a senior research fellow at the Research Centre of the Slovak Foreign Policy Association (RC SFPA), where he heads the Central and South-Eastern Europe program. He is also an editor of the *International Issues & Slovak Foreign Policy Affairs* quarterly. He received his PhD from the Institute of Political Studies of the Polish Academy of Sciences in Warsaw, Poland.

NOTES ON INSTITUTIONS

The Andrassy University Budapest, AUB (Budapest, Hungary) is a Hungarian and international university. AUB holds the title of “University of National Excellence” in Hungary. The main teaching areas are history, law and politics of the Eastern and Central European states. The focus of all disciplines at AUB lies on interdisciplinary research relating to Central Europe and European integration. These research activities are coordinated by the Danube Institute for Interdisciplinary Research.

The Centre for EU Enlargement Studies, CENS (Budapest, Hungary) is an independent Centre of the Central European University (CEU), founded in 2005 as an institution of advanced research into the EU enlargement process. The goal of CENS is to promote a dialogue between EU member states and partners in Eastern and Southern Europe, academics and decision makers in the EU and in national governments so that they may have a more informed understanding of factors that influence Europe’s common future. Research carried out encompasses not only the enlargement process, but also a wider range of political, economic and social effects of European integration.

The Centre for European Legal Studies, CEJE (Geneva, Switzerland) of the University of Geneva is one of the first Swiss research Centres in the field of European integration. Founded in 1963, CEJE has become a reference in the field of teaching and research on issues related to EU law and its impact on Swiss law. Directed by Prof. Christine Kaddous, Jean Monnet Chair ad personam, CEJE pursues many teaching, research and publication activities, organizes numerous conferences and holds a European Documentation Centre. It is also very active in disseminating information on EU law and EU policies.

The European Bank for Reconstruction and Development, EBRD (London, UK) was established to help build a new, post-Cold War era in Central and Eastern Europe. It has since played a historic role and gained unique expertise in fostering change in the region and beyond. It is currently active in more than 30 countries from Central Europe to Central Asia and the Southern and Eastern Mediterranean. The EBRD is committed to furthering progress towards, in the words of its founding articles, "market-oriented economies and the promotion of private and entrepreneurial initiative." Uniquely for a development bank, the EBRD has a political mandate in that it assists only those countries "committed to and applying the principles of multi-party democracy and pluralism." The EBRD is owned by its shareholders - 64 countries plus the European Union and the European Investment Bank.

The European Cultural Centre (Geneva, Switzerland) was founded in 1950 by the philosopher Denis de Rougemont (1906-1985) in accordance with the cultural resolution of the Hague Congress (May 1948). Its main objectives are to work for peace and solidarity in Europe through the promotion of an active citizenship and through the idea that all Europeans share a common cultural heritage. The Centre organises talks and workshops, publishes collective works, and is active as a think-tank on federalism and the creation of a European Federation, as well as on the role of towns and regions in the process of building a more united Europe.

The European Foundation for the Improvement of Living and Working Conditions, Eurofound (Dublin, Ireland) is a tripartite EU agency whose role is to provide knowledge in the area of social and work-related policies. Its focus is on living and working conditions, industrial relations and managing change in Europe. Eurofound provides information, advice and expertise on these topics for key actors in the field of EU social policy on the basis of comparative information, research and analysis.

The Faculty of Economics, Finance and Administration, FEFA (Belgrade, Serbia) was founded in 2003 in Belgrade to provide high quality studies as an attractive alternative for young generations in Serbia. As the European integration curriculum represents one of the core modules that FEFA offers to its prospective graduates, the institution has always sought people who have substantial knowledge in the field, including professional experience. Key teaching staff have all held a high-level government administration post relating directly to European integration, and some have significant NGO expertise. The very same team was responsible for introducing and heading the first EU-related governmental body in Serbia which evolved into the Office for European Integration. FEFA now engages in applied research projects. In 2009 a team of 50 researchers led by FEFA completed an economic impact analysis of Serbia's EU accession, which was supported by both the government and the private sector. In addition to researching EU issues, FEFA specialises in the study of competitiveness, maintaining an affiliate relationship with the Institute for Competitiveness at the Harvard Business School. FEFA also focuses on development and transition economics, corporate governance and finance, and education reform.

The German Institute for International and Security Affairs, SWP (Berlin, Germany) has provided analysis on foreign policy issues not only to the Bundestag and the German Federal Government, but also to economic actors and the general public for more than 50 years. While the

SWP initially dealt primarily with issues of disarmament, today there is a broad spectrum of analysis ranging from classic security policy issues to aspects of climate protection and the political challenges associated with resource scarcity. The SWP not only acts as a service provider through its procurement of up-to-date information and its needs-based advising, but also provides a venue for the execution of thorough analytical work.

The Global Studies Institute (Geneva, Switzerland) is a teaching and research structure of the University of Geneva. It cooperates with the Faculties of Arts and Humanities, Economy and Management, Law, Medicine and Sciences of Society. This Institute provides formations in international relations (most notably a Bachelor in International relations with more than 1,000 registered students), global issues (a Master in Global Health and a Master on the governance of plural societies) and area studies (European studies, Middle East studies, Russia and Central European studies). There are about 80 full-time research assistants, 56 professors and some 1,200 students in the Global Studies Institute. It publishes two internationally recognised academic journals, *Revue Connexe* on the post-communist area, and *EU-topias*.

The Institute of World Economics (Budapest, Hungary) of the Research Centre for Economic and Regional Studies of the Hungarian Academy of Sciences focuses on global economic trends and their effects on Hungary. It is the oldest and most experienced institute in this field in Hungary. As the successor to the Institute for World Economics founded in 1973, the Institute adopted its current name and structure on 1 January 2012. The Institute is committed to conducting economic analysis in a historical context, to understanding and explaining the effects of global economic trends, and to analysing the successful and unsuccessful responses of individual countries to global economic challenges.

The Istanbul Policy Centre at Sabanci University (Istanbul, Turkey) is devoted to promoting applied research capacity on Turkey-EU-US relations, education, climate change, current trends of political and social transformation in Turkey, as well as on the impact of civil society and local governance on this transformation. As an independent think-tank hosted and supported by Sabanci University, the Centre draws on the intellectual resources of the university as well as on its wide network of cooperating institutions in Europe and the US.

The Research Centre of the Slovak Foreign Policy Association, RC SFP (Bratislava, Slovakia) is a non-profit organisation based in Bratislava, Slovakia, specialising in international relations and foreign policy research. In accordance with its status, the RC SFP provides independent expert analyses on crucial issues of international relations and the foreign policy of the Slovak Republic; publishes periodical and non-periodical expert publications to increase awareness in the field of international relations and the foreign policy of the Slovak Republic and as a source of qualified information for both the expert as well as the general public; organises expert events and participates in international scientific cooperation in the field of international relations and security; contributes to fostering expert discourse on international relations and the foreign policy of the Slovak Republic; creates a favourable environment for the growth of the new generation of Slovak experts in the field of international relations; and stimulates the interest of a wider Slovak public in global events as well as a deeper understanding of the significance of foreign policy and its links to domestic policy.

The Research Institute of Agricultural Economics, AKI (Budapest, Hungary) is the most significant centre of agricultural economics research in Hungary. It bridges the gap between decision-makers and farmers, processors, distributors and universities, but also connects Hungary with the rest of the world and theory with practice. The two pillars of AKI are the Directorate of Economic Analysis and the Directorate of Agricultural and Rural Development Policy. In recent years AKI has taken part in research, consultancy, expert assistance and capacity building projects in partnership with the OECD, the World Bank, the EU and FAO, as well as other public and private sector organisations.