

#### **V4EUROPE PROJECT**

# A pro-European vision for the European Union – the perspective of the Visegrad countries

Summary discussion paper of the V4Europe Project

### **Table of Contents**

Why V4Europe?	3
How do we want to coexist in the European Union?	4
Crisis of representative democracy as an underlying factor in terisis	
Renationalisation and national sovereignty	6
The emergence of the illiberal state in the European Union	8
Economic nationalism and corruption corrode European econocohesion	
Populism in foreign policy and challenges to security	11
How to turn the tide? Proposals for pro-European politics in C	
and Eastern Europe  Contributors to the project	
References	

#### Why V4Europe?

Europe has changed dramatically in the last few years. A multitude of economic, political and geopolitical problems have surfaced, and these have laid bare still deeper and more serious crises at the core of the European project, along with the citizens' distrust of the European Union. Together, these are increasingly turning the people against Europe. Today, significant political forces question the raison d'être of the European Union and the system of liberal democratic values that undergird it.

The new political wave started in Central and Eastern Europe, and it was mainly set off by the leaders of Hungary and Poland. The underlying conceptual framework was designed by the governments that lead the countries of the Visegrad cooperation (the Czech Republic, Hungary, Poland and Slovakia). At this stage, populist-authoritarian politics appeal to political forces across Europe. As for the institutions of the European Union, these were ill-prepared for such a challenge, while the pro-European political parties within the Visegrad countries also proved incapable of offering appropriate responses.

The V4Europe project was organised to facilitate professional discussions among think-tankers and politicians in the region. During four workshops organized by the Hungarian Europe Society, we identified key challenges facing the European Union that emanate specifically form the CEE countries. Furthermore, we also sought to formulate specific political proposals for pro-European political forces that could help them rethink their mission to build a better functioning European Union. In a series of workshops, thinkers and decision-makers discussed the different features of populism, illiberalism and authoritarianism that erode the basic cultural-political mindset of the European Union.

The present discussion paper compiles the main problems we identified and the key ideas we proposed during the V4Europe workshops. It calls for a discussion in a wider European context and with the inclusion of a greater variety of European partners. We are convinced that the diverse discourse that is currently being conducted on several channels in parallel and is aimed at reconceptualising the EU's future can only be successful if it is built on a deeper understanding of the ongoing socio-economic transformation and on self-reflection. The European elections in 2019 will be a great opportunity for pro-European parties to formulate a clear political vision in the face of the euro-sceptic challenge. We wish to contribute to this mission.

#### How do we want to coexist in the European Union?

According to the Eurobarometer, the Central and Eastern European countries consistently display high levels of support for the EU. The question today is not whether we want to be in the EU but about what *kind* of European Union we want to live in?

Rosa Balfour<sup>1</sup> states that there are three core cleavages in the relationship between the European Union and its member states. First, the economic and social contracts that bind member states together are failing. An underlying problem is that the euro has failed to bring about real economic convergence between and within countries, and this failure casts doubt on the success of the entire European project. Second, the question of security is not perceived similarly by all member states. Are the various geopolitical risks (Russia, China, the Mediterranean), terrorism or migration perceived as the main security risks in Europe? The lack of agreement on what constitutes the most important risk(s) is not only a major stumbling block in terms of making any progress in turning the EU into a global player, but it is even an impediment in its ability to effectively manage crises and neighbourhood relations. Third, the relationship between sovereignty and democracy is also perceived very differently across member states. All the three cleavages are crucial for the countries of Central Europe.

In the interest of the EU's sustainable future, these three cleavages should be addressed accordingly. However, neither of the current concepts on the future of the European Union, i.e. the federalist (Juncker) or the multi-speed (Macron) approach offers satisfactory responses to the aforementioned divisions in the EU. The resulting intellectual and political void provides the space for euro-sceptic Central and Eastern European governments to proffer ideas designed to reflect their particularistic interests under the guise of a common European vision that would effectively serve to weaken or disintegrate the EU.

In the course of the V4Europe workshops, we identified a number of critical issues where the Central and Eastern European experiences offer a distinct perspective on the future of the European Union.

#### Crisis of representative democracy as an underlying factor in the EU crisis

In the context of the emergence of populism in Europe, one important development that can be observed in every national context is the crisis of representative democracy. All over Europe political parties are failing in their role as intermediaries between those who exercise political power and citizens. Institutions of representative democracy have begun to appear outdated in light of their failure to reflect and adapt to technological and social changes, and ever-increasing mobility in all walks of life. Moreover, as more policy competencies are delegated to the European Union, the relationship between citizens and decision-making has grown even more distant. Also, we have not accompanied Europeanisation and globalisation with greater empowerment at the local level – local government has been deprived of the resources needed to discharge those functions that are essential for citizens' welfare.

In Central and Eastern Europe, pluralist party politics has always been 'elitist'. In the absence of a conscious culture of civic participation, parties never acquired the capacity to build robust membership organisations since 1990. For most people, political participation is limited to the elections held every four years. For a few years after regime

transitions, buoyed by the enthusiasm of this early democratic period, political parties could easily operate with a few thousand members, a paid administration and a class of professional politicians. However, parties that came out of nowhere and often ended up failing were not able to develop strong structures and an intense social outreach. As a result, very quickly after regime transition they emerged as the least trusted political institutions.

Another important aspect of the prevailing democratic deficit is that very early on the political elite lost sight of a significant segment of the population. In Central and Eastern Europe, the big wave of globalization hit the economy and society at the same time as the impact of post-communist transition. The combined impact of the two was a massive socio-economic shock for large parts of Hungarian society. There were too many people who did not benefit from either the change of regime or the competitive environment engendered by globalisation and experienced backsliding instead. They perceived themselves as losers of the transition to democracy. It was thus no surprise that post-communist parties were quickly able to successfully return to the political arena in the region.

The Central and Eastern European political elites underestimated this problem for a long time. Managing the transition crisis, the accommodation to a market economy and to the requirements of EU membership rendered these governments incapable of fully appreciating the seriousness of the globalisation challenge. These developments planted the seeds of populism and economic nationalism, which became increasingly salient and continues to shape the contours of the pervasive anti-globalisation debate these days.

#### Populism is the result of a lack of democracy

While the overwhelming majority of Central Europeans think that the EU is a beneficial institution when it comes to democracy, it is easy to turn anti-establishment populism and economic nationalism against the European Union. Populist and autocratic Central European governments can turn popular dissatisfaction against the European Union, they can scapegoat the EU to hide their own lack of success. They call for 'national sovereignty' and non-interference by European institutions into 'national affairs'.

Erin Jenne<sup>2</sup> argues that nationalism never really vanished in Central Europe and it persistence gives the new populist resurgence a distinct character. Euro-scepticism was the first manifestation of populism and nationalism in Central Europe. The guiding principle of populism is to undermine the public trust in existing institutions and structures. Populist leaders take advantage of the failures of economic and political institutions at the national and European level; they tell people that these political parties, media and universities cannot be trusted anymore. They offer the promise of a new beginning and cast themselves as the "champions of the people". By their very nature, populist movements are very confrontational and proactive.

In Europe and in the Western world the sense of triumphalism that accompanied the end of the Cold War led to a lack of attention to the quality of democracy. What we are witnessing now are the unanticipated consequences of a major technological revolution, and this will have a lasting impact on our societies. Many people do not feel that they are represented by the established democratic parties. Populist governments replace real social participation with manipulative and non-transparent 'public consultations'.

#### Euro-scepticism is crucial in populism

The perception of the European Union as the saviour changed very quickly after the Visegrad countries joined the EU. First, Central Europeans felt they had to wait too long in the ante-room of the European Union, and that even after joining the expected land of plenty still failed to materialise right away. In addition, just as they became members and began to exercise the opportunities and responsibilities of full membership, Europe was hit by the 2008 economic crisis, an external factor for which it bore no responsibility.

Since at the time of regime transition any delays in the accession of the Central and Eastern Europe countries to NATO and the EU were perceived as existential threats, anti-European politics were considered completely illegitimate. After joining the European Union however, renationalisation has surfaced as an accepted issue of conversation in mainstream politics.

#### Renationalisation and national sovereignty

In the discussion about the future of Europe, the question of national sovereignty is of vital importance. We cannot draw any general conclusions about the current situation in this area at this time, since the debate is very different in Central Europe than in, say, Spain or the United Kingdom.

It was a surprise in 2015 how the previously dormant Visegrad cooperation became revitalised – predominantly by Viktor Orbán and Jarosław Kaczyński – as a political framework for common action. The joint political platform that served as the basis of this cooperation was the (different level) of resistance against the mandatory refugee quota system, which the European Council sought to implement during the migration crisis. The issue of migration, however, was more than a simple policy question in European politics. It emerged as a symbolic instrument in the hands of the Visegrad countries' governments in their efforts to reinsert the concept of national interest and sovereignty into the EU debates. As these political players have been reclaiming a vague concept of national interest, what we observed was a more assertive, at times even aggressive representation of governmental interests. Magdalena Gora<sup>3</sup> argued that harking back to the concept of sovereignty became a highly attractive position for political actors to take as they were able to draw in their communication on a concept that is deeply anchored in the popular imagination and correspondingly resonates with the public. Through opposition to migration, these countries can assert their free will within the European Union about how do they want to live in their countries. The understanding of national sovereignty is manifested through the concepts of 'renationalisation' and 'de-Europeanisation'.

Magdalena Gora argues that in Poland the significant change in the European Union-related discourse began already in 2003, when the country became a full member of the EU. She refers to Jarosław Kaczyński's speech in the Sejm in 2003, in which he stated: "During the first few years of the Third Polish Republic, the main task – even though it is rarely phrased this way – was the adaptation of our country to the structures of the West. It was a necessity, and without achieving this all else would have been impossible. Today, this process has reached its end point. Our accession to the European Union marks the completion of this process." There is indeed no question that ever since regime transition Western integration had been an uncontroversial political aim in Poland. Nevertheless, many saw it as a necessary constraint that they had to put up with

rather than the reflection of a genuine desire to internalise a system of liberal Western values and the matching mindset.

#### European crises and the revival of the concept of national interest

Even if an adaptation to the West was a genuine objective for the political elite and the people in the first 15 years of the new democracies, the taxing competitiveness of the new economic regime, its perceived inequality, coupled with the successive crises of globalization and the resultant social dissatisfaction have effected a massive shift in public sentiment. The early commitment of the regime transition period to Western convergence has faded and has given way to the emerging momentum of populist ethnonationalist politics. Since 2015, a renationalisation in regional politics has significantly transformed how the Visegrad countries relate to Europe. But isn't national interest a justified concept in Europe in general? For example, German politics reflects the interests of its industries, Ireland is concerned about tax autonomy and each of the countries in the EU pursue some particularistic interests. Why should Central and Eastern Europe be different?

András Radnóti quotes Peter Trubowitz who argues that the use of national interest is problematic in pluralist societies: there can only be national interests in the plural, along with debates about their definition. In democratic societies there is a continuous debate over the substance of foreign policy goals. In the CEE however, there are different understandings of national interests. For example, in Kaczynki's interpretation national sovereignty is "the actual dimension of independence", the capacity of the state to define and realise its national interest. This approach is the same as that of Viktor Orbán, who in his speech of 15 March 2018 quoted the Hungarian hero of 1848, Lajos Kossuth, saying that "we are a nation, we have the right and the power to follow our own goals rather than becoming the instruments of the goals pursued by foreigners". For Kaczynski and Orbán, sovereignty is a 19th century concept based on freedom of action. The concept of sovereign freedom of action has emerged as the basis of the illiberal state and thus in the 2010s it has become a source of conflict within the European Union, the political basis of which is undisputedly a liberal democratic arrangement.

The sovereignty-centred concept of the European Union propagated by a number of CEE members states of the EU is not merely aimed at enhancing the scope of their free action without being sanctioned by European institutions. This politics aims to sever the inherent link between the European Union and pluralist democracy, rule of law and human rights.

The attitude of sovereignty-centred governments can be expected to remain cooperative with respect to following: the four freedoms; cohesion policies that favour the CEE countries; fiscal discipline at the national level; and the reinforcement of the European Union's defence capacities. On the other hand, they will hinder or even block every effort that would push them to join the eurozone, strengthen fiscal policy cohesion (taxation), formulate common asylum and migration policies, rule of law and democratic requirements, as well as common social policies. No initiative that would transfer further elements of sovereignty to Brussels will enjoy their support.

The sovereignty-centred policy represents a threat within the EU as it undoubtedly undermines trust among member states as they pursue very divergent political aims. This situation pushes countries to group into stronger – this is to say conflicting – coalitions that fight with one another over basic issues. Deeper cleavages among member states make the European Union weaker, less capable of joining forces in crisis situations and

more vulnerable when facing other global actors. The future, by contrast, requires more cohesion and unity in decision-making and conflict management.

#### The emergence of the illiberal state in the European Union

In the Visegrad countries, it is mostly Hungary and Poland that are seen to have engaged in systematic breaches of the rule of law and which have taken various steps towards building illiberal, semi-authoritarian regimes over the last 5-8 years. Although elections in 2017 resulted in the solid political victories of democratic ideas in the Netherlands, France and Germany, in other countries, such as Italy, Austria, the Czech Republic and Hungary populist, euro-sceptic and authoritarian parties have triumphed since then. Over the last eight years, detailed illiberal playbooks have been drawn up and exported within the European Union. These are aimed at centralising political power at the level of the national government while at the same time delegitimising and crippling political and civic opposition. Despite some efforts on their part, the institutions of the European Union ultimately proved unable to effectively safeguard the rule of law and democracy in the member states. Dimitry Kochenov<sup>6</sup> warned that autocratic leaders are evidently learning from each other, and thus the risk of reacting too late to the political developments in the region is growing. A reversal of ongoing negative processes has become much more difficult.<sup>7</sup>

#### The relevance of the rule of law

The rule of law guarantees fundamental rights and values, allows for the application of EU law, and supports an investment-friendly business environment. It is one of the core values upon which the EU is based. According to Renáta Uitz,<sup>8</sup> the great "contribution" of Hungary and Poland is that these two countries have shown a lowering commitment towards these values, and that there is surprisingly little willingness within the European Union to try to reinforce these common values and fundamental rights.<sup>9</sup> As a result of this phenomenon, Hungary and Poland have triggered a constitutional dialogue within the European Union, along with a discussion on the future of the rule of law mechanism.

Dimitry Kochenov argues that the three main principles (democracy, rule of law and protection of human rights) found in Article 2 of the EU Treaty are binding legal norms and have been core elements of the common European project since the very beginning. According to Laurent Pech,<sup>10</sup> there are three core elements that make up the rule of law.<sup>11</sup> These are a set of common values underlying both the EU overall and the operation of its member states; a set of benchmarks for candidate countries; and a prior review of bills as to their compliance with the EU's acquis communautaire.

If a member state does not meet these requirements, the notion of invoking Article 7, also known as the nuclear option, may come up. Article 7 provides the basis for sanctions against member states that undermine fundamental EU principles. But before implementing the radical nuclear option, alternative political and legal instruments may be used.

#### Failures of the European institutions to react to rule of law problems

A draft report of the European Parliament <sup>12</sup> published in April 2018 outlines systemic threats to the rule of law in Hungary. The report summarises numerous problematic issues (including, among others, problems affecting the independence of the judiciary, the functioning of the constitutional system, corruption, freedom of expression and academic freedom, religious freedom and the freedom of association, as well as the lists of concerns in the Sargentini report concerning media closures, disconcerting trends in women's rights, raging intolerance against Roma and other minorities, problems surrounding the treatment of migrant children, and the chilling effects of laws like the latest "Stop Soros" bill, which targets critical civil society groups) and concludes that even though they are citizens of the EU, Hungarians cannot rely on the same basic rights as the citizens of other member states.

Since illiberal regimes inside the European Union constitute a threat to the existence and moral foundations of the European Union as a community based on shared values and legally binding principles, in both cases (i.e. Poland and Hungary) the political will of the democratic forces should be strong enough to introduce necessary measures against the two governments, including a triggering of Article 7 of the European Treaty for the first time in the history of the European Union.

The problem is that the political willingness of both, the European governments in the Council and the various political party groups in the EP have thus far not proven strong enough to stop any significant breaches of European law. The lack of a political will is undoubtedly a symptom of the weakening position of mainstream moderate parties in Europe. The mainstream parties that dominate the party groups in the European Parliament continuously make concessions with regard to their positions on democratic values. The decline of pluralist democracy is a trend in Europe. No party or party family can stop it alone.

### **Economic nationalism and corruption corrode European economic cohesion**

Economic nationalism is strongly intertwined with the populist understanding of national sovereignty. Just as in the case of its political counterpart, economic nationalism also serves to conceal the failure of the twin promises of regime transition: freedom and prosperity. Despite extraordinary economic development in the 1990s, the CEE countries failed to catch up to the living standard in the West. The difference between the GDP of the EU15 and of the CEE countries has not been reduced but has increased since 1990. The competitiveness of the CEE countries lags far behind the EU average, despite the inflow of significant FDI and EU cohesion funds, along with the transfer of technological know-how that tends to accompany foreign investments.

Loosening financial discipline worldwide in the aftermath of the 2008 financial crisis enabled Viktor Orbán and the governor of the Hungarian National Bank, György Matolcsy, to come up with the concept of 'unorthodox economic policies', introducing a series of imprudent and anti-liberal measures. <sup>13</sup> During the years of Orbán's unorthodox economic policies, neither large financial and business groups nor the European institutions were able to halt the Hungarian government's unusual actions.

Miroslaw Beblavy <sup>14</sup> points out that in the long run economic nationalism is counterproductive for the domestic economy because government subsidies dissuade local companies from implementing the necessary technological and managerial innovations that would increase their competitiveness. In addition, government subsidies and benefits open the door wide to corruption.

#### Corruption and the European structural funds

Corruption has been present in Central and Eastern Europe even since regime transition. The misappropriation of public funds has been a persistent political/cultural challenge in a region where democratic institutions and the accountability of politicians are still weak. Capitalism, after all, was established in countries, where there were no capitalists when Communism collapsed.

Since the EU accession, however, the influx of EU Cohesion Funds has created a massive moral hazard and has profoundly changed the dynamics of corruption. In Hungary, the Orbán government developed a highly sophisticated toolkit for abusing EU funds. The government even presented a political justification for this. Viktor Orbán explained that building a national business elite – so-called 'national entrepreneurs' – with exclusive state support is in the national interest to reduce the influence of foreign investors. The paradox is that the party that boosts anti-elite and Eurosceptic sentiments is at the same building a new national economic elite on European structural Funds. This is one example of inconsistent populist communication and also the incapability of the European Union to control its funding systems.

The nationalist and anti-liberal political justification became the basis for using public funds to build up a small band of oligarchs. A comparative study of the Budapest Institute states that the "EU cohesion policy not only ended up yielding less social welfare than expected, but even did harm" because the resources were transferred without any accountability on the part of the decision-makers.<sup>15</sup>

In Hungary, government-led corruption, which is predominantly based on the misappropriation of EU structural funds, has significantly retarded the country's economic performance. According to Balázs Váradi, <sup>16</sup> despite their anti-European rhetoric populists are very effective in using the EU funds as the latter offer generous possibilities to channel the money to politically committed oligarchs. In the most cynical cases in Hungary, European Union structural funds were used for anti-European government propaganda, against refugees and the philanthropist George Soros.

Problems of state-capture, crony capitalism and corruption even raised the possibility that the allocation of development transfers from the cohesion funds might be centralised to block the oligarchical nature of spending in Hungary.

#### Economic growth and economic downturn

The Central and Eastern European region is deeply integrated in the economic chain of the European Union and the world economy. Although these countries make a significant effort to build economic relationships with other regions such as Russia, Middle Asia and China, the European Union nevertheless remains the dominant player in their economic relationships.

The slowing of economic growth in Western Europe in the 2000s and the institutional weaknesses of the Central and Eastern European countries (corruption, inefficient legal systems, heavy bureaucracy) have stopped the region from properly exploiting the benefits of European Union membership in the same way Spain and Portugal did 30 years earlier. The European Union should be able to use its funding tools and position to improve the integration of these countries into its macro-economic and financial system. An economically more cohesive European Union can strengthen the European Union's ability to withstand global shocks and would make it more competitive in the global economy. A serious problem in this context is how the growing concern on the part of member states for their own narrow national interests can prepare the European Union for coping with transnational challenges.

#### Populism in foreign policy and challenges to security <sup>17</sup>

#### While party interests triumph, normativity disappears

The increasing power of populists in the V4 has also impacted these countries' foreign and security policies. As András Radnóti<sup>18</sup> points out, in the context of their decision-making in these policy areas, populist governments have prioritised domestic considerations over international ones and party interests over national ones. However, by failing to pay due attention to the international and globalised nature of foreign and security challenges, Botond Feledy<sup>19</sup> argues, the resulting sovereignty-centred approach to foreign and security policy fails to address the reality of the 21<sup>st</sup> century, in which problems easily spill across national borders. Such problems require international, often long-term solutions, but these are hampered by the myopia and inward-looking focus of the populists.

An example is the Visegrad countries' approach to the refugee and migration crisis, where the policy responses driven by domestic considerations impeded the possibility of coming up with joint international solutions. Furthermore, in line with party interests, these responses built directly on the securitisation of migration and, as Dániel Bartha<sup>20</sup> elaborated, on its reinterpretation in which the expansion of the security threat morphed into an existential threat. And by its very nature an existential threat commands the state's immediate and inevitable response. Such extreme interpretations do not only alter and potentially misguide citizens' threat perceptions but also put a strain on the legal and constitutional limits of the state, which can now operate in an ongoing state of emergency based on the myth it has propagated itself.

The supremacy of national considerations in the foreign policies of populists is combined with the deliberate disregard for normative values in their external relations and security policy thinking. Even though after their EU accession the Visegrad countries sought to cultivate an image as democracy promoters – building on the success of their own transition –, this value-centred mission is slipping off the agenda. Lucia Najslova<sup>21</sup> underlined that a similar trend has surfaced at the European level, too, which is readily apparent in the latest rendition of the EU's neighbourhood policy, for example, in which stability trumps democratization and normativity is replaced by sheer self-interest.

#### Visegrad countries pose challenges to European security and external action

With sovereignty-centred understandings gaining ground in the V4 and normativity also taking a backseat in the EU's foreign relations and security policy, populist and illiberal leaders' sympathies for and engagement with external illiberal actors, such as Russia or China, are facing ever fewer obstacles. The threat perceptions of the Central European countries and other members of the EU often differ, and this make the European Union more vulnerable.

While their approach to migration has pulled the Visegrad countries closer together, their policies toward and perceptions of Russia famously divide them, with Poland and Hungary at the opposite ends of the spectrum. The majority of the Polish political elite view Russia as a military threat to Poland and the EU as a whole, whereas the Hungarian leadership has been seeking to intensify political and economic ties with Moscow, provoking suspicion, security and intelligence concerns among its allies, including the US.<sup>22</sup> The Visegrad countries have reacted with varied intensity to the hybrid threats originating from Russia, with the Czech Republic taking the lead by establishing its Center against Terrorism and Hybrid Threats in February 2017. The others are visibly lagging behind, however, despite the fact that experts have long argued that it is necessary to counter Russian propaganda with the proper messages disseminated via the proper messengers. Viable approaches are still needed across Central Europe.

China's growing influence on the global stage causes concerns among many of the major EU countries who feel challenged by it. In recent years, Beijing has invested in improving its ties with the Central European EU members and membership candidates in the '16+1' format that supports its 'One Belt, One Road' initiative. This cooperation is viewed with suspicion by Western European countries but is received with interest by the V4, which hopes to reap the potential benefits, e.g. investments in infrastructure. With their soft approach and in line with the disappearance of normativity in political decision-making, concerns about human rights and democracy in China are currently neglected in Central Europe. As the EU is still struggling to delineate common positions in these fields and beyond, the V4 states have not made the task easier. Hungary went so far as to force the watering down of the EU's joint position on the international court ruling concerning China's role in the South China Sea in 2016. And in 2017 the Hungarian government derailed the common EU stance by refusing to sign a joint position on the reported torture of detained lawyers in China. To avoid hurting Chinese sensitivities, the Czech Republic, along with others, exerted its influence in 2017 to dilute the European Council's declaration on a new investment screening mechanism – targeted largely at Beijing – that was favoured by countries like Germany or France.

Over the past years, the sovereignty-centred foreign and security policies of populist and illiberal leaders have skewed the threat perceptions of citizens in Central Europe by portraying migration as the fundamental existential threat to their countries and downplaying or even neglecting external challengers of the EU. Furthermore, they increase the vulnerability of the EU by weakening its unity in the face of challenges and threats originating from China or Russia. Thus, they themselves become liabilities. To address these problems, however, reasoning with illiberal leaders is unlikely to bear fruit. In the Central European context, where foreign and security policies have typically not been a part of public discourse since the regime transition, citizens need to be better educated and they need to receive clear, unbiased information, especially on such issues as the abovementioned one, in order to become more resilient to internal and external propaganda.

## How to turn the tide? Proposals for pro-European politics in Central and Eastern Europe

Contributors to the V4Europe project believe that in the last decades the objectives that the European Union needs to pursue have multiplied. The original raison d'être of the European Union was to secure peace on the continent through trade and economic cooperation. Today, this essential goal has been complemented by other objectives: coping with the 21<sup>st</sup> century transnational challenges that no European country can face alone. Global economic and technological competition, climate change, the geopolitical insecurity in Europe's neighbourhood, migration and demographic decline can only be managed with coordinated policies. We are confident that the democratic way of life that the European Union has cultivated since its origin is the only way the European Union can achieve its core aims, that is to guarantee peace, progress and stability for its people.

In the last ten years several Central and Eastern European countries have experienced a decline of liberal democratic politics, and in the process they have garnered a reputation as 'problem children' that impede European integration. The common European institutions have so far been unable to tackle the challenges to democracy, the rule of law and liberal democratic values, and this failure has led to the weakening of the very foundations of the European Union. The sovereignty-centred and unprecedentedly eurosceptic narratives trumpeted all over the region have also had a strong influence on other regions of Europe, such as South Eastern Europe. Nevertheless, this should not prompt us to think that populist authoritarianism is the only way of thinking that exists in the region. Our proposals are meant to highlight the pro-European face of Central and Eastern European thinkers and doers.

#### > Central European people are pro-European – build on this

As noted previously, the countries' EU membership still enjoys widespread support in the Visegrad region. Even the most euro-sceptic governments are not flirting with the idea of taking their countries outside the European Union. Among the four Visegrad countries, trust in the European Union is the highest in Hungary (49%), followed by Slovakia (48%) and Poland (43%). The Czech Republic is the only country where a majority distrust the EU (56%) and where trust is the lowest (35%). Only a smaller share of people take a negative view of integration (13% in Poland, 15% in Hungary, 17% in Slovakia and 30% in the Czech Republic) <sup>23</sup>. A substantial majority of people believe that their country would be better equipped to handle the future inside the EU, where they feel they belong. These facts provide a solid basis for political forces to build their future political vision on the European Union.

#### > European identity as a resource for public mobilisation

Being European is a reality for many Central Europeans and usually can be combined with national and local identities. Being European is a cultural self-identification. It refers to a relationship of how we live in Europe in free and liberal democracies. In politically turbulent times, which feature massive and divisive events such as the Brexit vote, pro-European attitudes must be demonstrated emphatically. Pro-European political forces and civil society organisations need to find a way to express their commitment to the European project as an existential one for their countries' future. They can share this idea through public events, campaigns and by spreading information about the achievements of the European Union for

their people. Involving citizens into the ongoing debates using social media and new methods of participatory and representative democracy is a necessary condition of any success in such an endeavour.

## > Taking back the agenda from the euro-sceptics by pushing back against populist, anti-liberal, nationalist and euro-sceptic rhetoric, disinformation and fake news

Euro-scepticism is growing and pro-Europeans are on the defensive. Civil and political groups should strive to wrest back control over the public discourse from the populists by openly standing up without moral concessions for their values and views in the public discourse about Europe and the future of liberal democracy. Instead of taking a defensive position, a deliberate presentation of the European cause with rational and emotional arguments is the only way to compete with anti-European political formations. The dirty methods used by euro-sceptic groups and by anti-European foreign forces need to be unmasked and opposed and countered. The main political responsibility however is to develop a new and attractive pro-European vision for Europeans.

#### **▶** Only democratic and pluralist countries can be part of the European Union

At the same time, it is clear that the public's understanding of the European Union is not inextricably linked with the concepts of democracy, rule of law and human rights. Peace in Europe cannot be maintained if the countries of the continent become centralised and authoritarian patronage systems. European society is strong until it is built on democratic pluralism, horizontal national and trans-national alliance networks. Political parties need to be able to demonstrate that pluralism, anti-corruption and democratic competition creates the only conditions for security, well-being and prosperity.

At the same time, the European Union should use its existing tools efficiently to protect and preserve liberal democratic values. To do that, a stronger commitment will be necessary from the political party groups in the European Parliament and the Council even at the potential price of short term political sacrifices. The Commission needs to reinforce democratic expectations in its communication and must emphatically reinforce the link between democracy, security and progress.

### ➤ The campaign for the election to the European Parliament is an opportunity to redefine Europe and call for action

The campaign for the 2019 election to the European Parliament has already been launched by populist-authoritarian forces. According to their narrative, what's at stake in the EP elections is whether Europe remains a safe and Christian continent or whether it will decline further in multiculturalism. In order to make pro-European forces win, there is a strong need for a new and different visionary approach that puts Europe's future security in the focus in relation to personal autonomy, freedom and cooperation. A large number of political parties and civil society actors must represent such a European vision during the campaign in a coordinated manner.

#### > Joining the eurozone as a chance

Most CEE countries (Czech Republic, Hungary and Poland) have not joined the eurozone yet. The 2018 Convergence Report of the European Commission shows that all three countries still fall short on some of the Maastricht criteria, <sup>24</sup> yet the shortcomings are not massive. The main reason behind the decision of these countries to forgo the euro for now is that the governments believe that remaining outside the eurozone is more beneficial for their competitiveness and offers them a greater latitude of action.

We regard the euro as an important instrument in securing economic stability and improving the EU's competitiveness, and thus we believe that the CEE countries should join the eurozone as soon as possible. The eurozone countries can incentivise this process by building new instruments around the euro that promise greater security and stability for the eurozone countries. On the other hand, pro-European political forces should be able to explain why joining the euro would make their countries less vulnerable to economic crises and how it holds out the promise of more progress for them. There is political space available to do that.

Currently, the level of positive attitudes towards the euro stands at 22% in the Czech Republic, at 36% in Poland and at 57% in Hungary. Slovakia's experience is very encouraging. Nine years after the country's eurozone accession amidst the economic crisis, support for the single currency currently stands at 80% in the country, thich shows that a high level of satisfaction with the euro prevails among the Slovakian public. Despite all these considerations, public discourse about the euro is at a very low level in the Visegrad countries.

#### > Euro as campaign topic for the EP elections

Accession to the eurozone is a theme that could unite the pro-European forces of the region. The topic is on the EU's agenda, which means pro-European actors can expect both engagement and support from the European Commission in their quest to propagate the idea. It opens doors toward discussions on the development and prosperity of their countries that can serve as a positive starting point in the EP election campaigns.

#### > Using the MFF as tool for strengthening democracy

To strengthen the economic and monetary union in the 2021-2027 budget period, the European Commission is now proposing the introduction of a new Reform Support Program under the new multi-annual financial framework, with a special leg called Convergence Facility aimed at non-euro area member states seeking to adopt the single currency during the upcoming budgetary period. However, according to the current proposal, to profit from the new resources, member states would need to claim the benefits by the end of 2023.<sup>27</sup>

#### ➤ Cohesion Funds as tools to strengthen the perception of being European

We believe that the EU funds that contribute to the economic development of the targeted member state should not only strive to improve the living standards of the population in the given country but also strengthen citizens' self-identification as EU citizens. According to the ECFR's Cohesion Monitor, this is far from the present reality. In Central and Eastern European countries, which are the main beneficiaries of the EU cohesion funds, levels of individual cohesion, that is personal experiences

within the European Union are very low.<sup>28</sup> People in the Visegrad countries have very little personal experience in any European cooperation and more than half of them have never ever visited another European country. Allocating EU funds to raise levels of European democratic self-identity in the European public should be a vital component of future Cohesion Fund spending.

#### > Cohesion Funds to develop competitiveness

The EU cohesion funds have made an incredible contribution to the economic development of the CEE countries, but they have contributed far less to boosting these countries' economic competitiveness. Moreover, the use of cohesion funds has served to stabilise the CEE countries' business model as sub-constructors offering cheap labour to Western companies. In the long run, this model will be devastating for these countries as it leads to masses of well-trained people leaving their countries in search of better-paying jobs. Thus, a new business model needs to be developed for the CEE countries that makes these countries' economic development sustainable in the time of the new technological revolution.

\*\*\*

#### **Contributors to the project**

Special thanks for The German Marshall Fund of the United States for its inspiration, ongoing support and offering core funding to this project.

The V4Europe project was made possible by the generous contribution of the

Institute for European Democracy Friedrich Ebert Stiftung Naumann Stiftung für die Freiheit Open Society Foundations The German Marshall Fund of the United States

The V4Europe project was conceptualized and organized by the team of the Hungarian Europe Society:

Istvan HEGEDŰS, Chairman, Hungarian Europe Society, Budapest András RADNÓTI, Member of the Hungarian Europe Society; PhD Researcher, Central European University, Budapest Zsuzsanna SZELÉNYI, Member of Parliament; Member, Hungarian Europe Society Zsuzsanna VÉGH, Vice-chair, Hungarian Europe Society, Budapest Erik USZKIEWICZ, Vice-chair of the Hungarian Europe Society

Special thanks to László Bruszt, Professor of the Department of Political Science, Central European University.

#### We are greatful to all contributors to the V4Eurpe workshops

Matej AVBELJ, Associate Professor, Graduate School of Government and European Studies, Kranj

Péter BALÁZS, Director, Center for European Neighborhood Studies, Central European University, Budapest

Rosa Balfour, Senior Fellow, German Marshall Fund, Brussels

Cornel BAN, Assistant Professor of International Relations, Frederick S. Pardee School of Global Studies, Boston University

Dániel BARTHA, Executive Director, Center for Euro-Atlantic Integration and Democracy, Budapest

Attila BARTHA, Research Fellow, Center for Social Sciences, Hungarian Academy of Sciences; Corvinus University of Budapest; Member of the Hungarian Europe Society Miroslav BEBLAVÝ, Associate Senior Research Fellow, Center for European Policy Studies, Member of the Slovak Parliament, Bratislava

Malgorzata BONIKOWSKA, President, Centre for International Relations, Warsaw: László BRUSZT, Professor, Department of Political Science, Central European University, Budapest

Bojan BUGARIČ, Full Professor, Faculty of Law, University of Ljubljana

Piotr BURAS, Director, European Council on Foreign Relations Warsaw Office,

László CSABA, Professor, Department of Internationalk Relations, Central European University, Budapest

Marcin DĄBROWSKI, Assistant Professor, Dominic STEAD, Associate Professor Judy DEMPSEY, Non-resident Senior Fellow, Carnegie Europe, Berlin

Sergio FABBRINI, Director, Luiss School of Government; Professor of Political Science and International Relations

Federico FABBRINI, Full Professor of European Law, School of Law & Government, Dublin City University

Botond FELEDY, Rector, Saint Ignatius Jesuit College, Budapest

Dušan FISHER, Research fellow, Research Center of the Slovak Foreign Policy, Bratislava Magdalena GÓRA, Assistant Professor, Institute of European Studies, Faculty of Political and International Studies, Jagiellonian University, Krakow

Dóra GYŐRFFY, Professor, Faculty of Humanities and Social Sciences, Pázmány Péter Catholic University, Budapest

Gábor HALMAI, Professor, Department of Law, European University Institute, Florence Dániel HEGEDŰS, Visiting lecturer, Humboldt University and Member of the Hungarian Europe Society

István HEGEDŰS, Chairman, Hungarian Europe Society, Budapest

Alena HOLKA CHUDŽÍKOVÁ, Senior Research Fellow, CVEK, Bratislava

Bulcsú HUNYADI, Senior Analyst, Political Capital, Budapest

Edit INOTAI, Senior Fellow, Center for Euro-Atlantic Integration and Democracy, Budapest

Wade JACOBY, Mary Lou Fulton Professor of Political Science, Brigham Young University, Provo, Utah

András JAKAB, Professor of Austrian Constitutional and Administrative Law, University of Salzburg

László JANKOVICS, Fiscal Economist, Directorate Genaral Economic and Financial Affairs, Brussels; Member of the Hungarian Europe Society

Erin K. JENNE, Professor, International Relations Department, Central European University, Budapest

Jakub KLEPAL, Executive Director, Forum 2000, Prague

Dimitry KOCHENOV, Professor, Department of European and Economic Law, University of Groningen

Györgyi KOCSIS, Vice-chair, Hungarian Europe Society

Jacek KUCHARCZYK, President of the Executive Board, Institute of Public Affairs, Warsaw

Balázs MAJTÉNYI, Associate Professor, ELTE University, Budapest

Kristin MAKSZIN, Research Fellow, Center for Social Sciences, Hungarian Academy of Sciences

József Péter MARTIN, Executive Director, Transparency International Hungary; Senior Lecturer, Corvinus University of Budapest; Member of the Hungarian Europe Society Bardia MASHHOODI, PhD Candidate, Department of Urbanism, Faculty of Architecture and the Built Environment, Delft University of Technology

Gergő MEDVE-BÁLINT, Research Fellow, Center for Social Sciences, Hungarian Academy of Sciences;

Grigorij MESEZNIKOV, Director, Institute of Public Affairs – IVO, Bratislava

Martin MICHELOT, Deputy Director, EUROPEUM Institute for European Policy, Prague János MOLNÁR, Friedrich-Ebert-Stiftung Budapest

Lucia NAJSLOVA, Lecturer, Charles University, Prague

Milan NIČ, Senior Fellow, German Council on Foreign Affairs, DGAP, Berlin

Bartłomiej E. NOWAK, Foreign Affairs Secretary, Nowoczesna, Warsaw

Dimitris PAPADIMITRIOU, Professor of Politics, University of Manchester

Márta PARDAVI, Co-President, Hungarian Helsinki Committee, Budapest

François PAULI, Member of the Board of the Institute of European Democrats (IED),

Deputy Secretary-General of the ALDE Group, European Parliament, Brussels

Filip PAZDERSKI, Projects Manager - Democracy and Civil Society Programme, Analyst, Institute of Public Affairs, Warsaw

 $Laurent\ PECH,\ Head\ of\ Law\ and\ Politics\ Department,\ Middlesex\ University\ London$ 

Dóra PIROSKA, Associate Professor, Department of Economic Policy, Corvinus

University of Budapest, Member of the Hungarian Europe Society

Andrzej POTOCKI, Vice-President, European Democratic Party (PDE-EDP) and Vice-President, Stronnictwo Demokratyczne, Warsaw

Wojciech PRZYBYLSKI, Editor-in-chief, Visegrad Insight, Warsaw

András RADNÓTI, Member of the Hungarian Europe Society; PhD Researcher, Central European University, Budapest

Gergely ROMSICS, Senior Research Fellow, Research Center for the Humanities, Hungarian Academy of Sciences

Michal ŠIMECKA, Senior researcher, Institute of International Relations, Prague:

Zsuzsanna SZELÉNYI, Member of Parliament; Member, Hungarian Europe Society

Mirjana TOMIC, Free-lance Journalist; Project Manager, Forum Journalismus und Medien Wien

Milada Anna VACHUDOVA, Jean Monnet Chair in EU Studies, Associate Professor of Political Science, University of North Carolina at Chapel Hill

Balázs VÁRADI, Partner, Senior Researcher, Budapest Institute for Policy Analysis Balázs VÁRADI, Senior Researcher, Budapest Institute

Magdalena VASARYOVA, Former Slovak Ambassador to Austria and Poland, Bratislava Zsuzsanna VÉGH, Vice-chair, Hungarian Europe Society, Budapest

Ivan VEJVODA, Permanent Fellow, Institute for Human Sciences, Vienna

Anna VISVIZI, Head of Research, Institute of East-Central Europe, IESW, Lublin

Olga WYSOCKA, Deputy Director, Adam Mickiewicz Institute, Warsaw

Edit ZGUT, Analyst, Political Capital, Budapest

#### **References:**

1

 $http://www.budapestinstitute.eu/BI\_Green\_Cohesion\_201610\_final2.pdf$ 

<sup>&</sup>lt;sup>1</sup> Rosa Balfour, contributor to the 'Sovereignty in the Era of Globalisation V4Europe – Renewal in the European Union from Central European Perspectives' workshop, senior transatlantic fellow at The Germany Marshall Fund of the United States (GMF) and a member of the Steering Committee of Women in International Security–Brussels.

<sup>&</sup>lt;sup>2</sup> Erin Jeanne, contributor to the 'Sovereignty in the Era of Globalisation V4Europe – Renewal in the European Union from Central European Perspectives' workshop, Professor, International Relations Department, Central European University, Budapest.

<sup>&</sup>lt;sup>3</sup> Magdalena Gora, contributor to the 'Sovereignty in the Era of Globalisation V4Europe – Renewal in the European Union from Central European Perspectives' workshop Assistant Professor, Institute of European Studies, Faculty of Political and International Studies, Jagiellonian University, Krakow.

<sup>&</sup>lt;sup>4</sup> Jarosław Kaczyński 22.01.2003

<sup>&</sup>lt;sup>5</sup> Peter Trubowitz: Defining the National Interest: Conflict and Change in American Foreign Policy? University of Chicago Press, 1998, p 12.

<sup>&</sup>lt;sup>6</sup> Dimitry Kochenov, contributor to the 'Reforming the EU - Central European Perspectives' workshop, Chair, EU Constitutional Law, Department of European and Economic Law, University of Groningen.

<sup>&</sup>lt;sup>7</sup> Dimitry Kochenov: Busting the myths nuclear: A commentary on Article 7 TEU. EUI Working Paper LAW 2017/10, 2017, p.12.

<sup>&</sup>lt;sup>8</sup> Renáta Uitz, contributor to the 'Reforming the EU - Central European Perspectives' workshop, Professor of Comparative Constitutional Law, Central European University, Budapest.

<sup>&</sup>lt;sup>9</sup> Renáta Uitz: What is left of the European constitutional project? Presentation delivered at the "Reforming the EU - Central European Perspectives" workshop organized by the Hungarian Europe Society (18 March 2017).

<sup>&</sup>lt;sup>10</sup> Laurent Pech, contributor to the 'Reforming the EU - Central European Perspectives' workshop, Jean Monnet Chair of European Public Law and Head of the Law and Politics Department, Middlesex University, London.

<sup>&</sup>lt;sup>11</sup>Laurent Pech: The Rule of Law as a Constitutional Principle of the European Union. Jean Monnet Working Paper Series No. 4/2009.

<sup>&</sup>lt;sup>12</sup>http://www.europarl.europa.eu/resources/library/media/20180411RES01553/20180411RES01553.pdf

<sup>&</sup>lt;sup>13</sup> I.e., the nationalisation of compulsory private pension funds, sectoral taxes (imposing taxes on the telecom, energy, media and financial sectors), unfair discrimination in retail and other sectors, discrimination against foreign investors.

<sup>&</sup>lt;sup>14</sup> Miroslaw Beblavy, contributor to the 'V4Europe - Pieces of Populism in Europe and How to Overcome the Challenge' workshop, Associate Senior Research Fellow, Center for European Policy Studies, Member of the Slovak Parliament, Bratislava.

<sup>&</sup>lt;sup>15</sup> Anita Győrfi, Tamás Molnár, Petra Edina Reszkető and Balázs Váradi: The Impact of Cohesion Policy on Corruption and Political Favouritism. Study for the Greens/EFA Group – European Parliament August 31 2016. p. 12. et al.

<sup>&</sup>lt;sup>16</sup> Balázs Váradi, contributor to the 'V4Europe - Pieces of Populism in Europe and How To Overcome the Challenge' workshop, Senior Researcher, Budapest Institute.

<sup>&</sup>lt;sup>17</sup> The workshop 'V4 for Europe – Developing positive scenarios for Europe's future' of the V4Europe project organized in May 2017 was specifically dedicated to the topic of populism in foreign policy and how it fits into the European context. The insights in this section are based on the discussions during this workshop. For more information about the event see https://europatarsasag.hu/en/blog/international-politics-european-union-populism.

<sup>&</sup>lt;sup>18</sup> András Radnóti, contributor to the 'V4 for Europe – Developing positive scenarios for Europe's future' workshop, member of the Hungarian Europe Society.

<sup>&</sup>lt;sup>19</sup> Botond Feledy, contributor to the 'V4 for Europe – Developing positive scenarios for Europe's future' workshop, Rector, Saint Ignatius Jesuit College, Budapest.

<a href="https://www.foreign.senate.gov/imo/media/doc/FinalRR.pdf">https://www.foreign.senate.gov/imo/media/doc/FinalRR.pdf</a>. Last accessed on 28 May 2018.
 <a href="https://www.foreign.senate.gov/imo/media/doc/FinalRR.pdf">https://www.foreign.senate.gov/imo/media/doc/FinalRR.pdf</a>.
 <a href="https://www.foreign.senate.gov/imo/media/doc/FinalRR.pdf">

http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/STANDARD/surveyKy/2143. Last accessed: 28 May 2018.

<sup>24</sup> European Commission. Convergence Report. 2018. Available at: <a href="https://ec.europa.eu/info/sites/info/files/economy-finance/ip078">https://ec.europa.eu/info/sites/info/files/economy-finance/ip078</a> en.pdf. Last accessed: 28 May 2018.

<sup>&</sup>lt;sup>20</sup> Dániel Bartha, contributor to the 'V4 for Europe – Developing positive scenarios for Europe's future' workshop, Executive Director, Center for Euro-Atlantic Integration and Democracy, Budapest.

<sup>&</sup>lt;sup>21</sup> Lucia Najslova, contributor to the 'V4 for Europe – Developing positive scenarios for Europe's future' workshop, Lecturer, Charles University, Prague.

<sup>&</sup>lt;sup>22</sup> Putin's Asymmetric Assault on Democracy in Russia and Europe: Implications for U.S. National Security. A minority staff report prepared for the use of the Committee on Foreign Relations, United States Senate. January 10, 2018, pp. 94-97. Available at:

<sup>&</sup>lt;sup>25</sup> European Commission. Standard Eurobarometer 88. *Ibid*.

<sup>&</sup>lt;sup>26</sup> Op. cit.

<sup>&</sup>lt;sup>27</sup> European Commission. EU Budget for the Future. 2018. Available at: <a href="https://ec.europa.eu/commission/sites/beta-political/files/communication-modern-budget-may">https://ec.europa.eu/commission/sites/beta-political/files/communication-modern-budget-may</a> 2018 en.pdf. Last accessed: 28 May 2018.

<sup>&</sup>lt;sup>28</sup> For further information see: EU Cohesion Monitor 2018