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CONTENT

Summer Message of the Scientific Director 2

PAPERS**E-Commerce in Albania**

Pellumb Qosej 3

**The state and prospects for the development of
 electronic commerce in Russia in the light of global
 trends and covid-19 pandemic impact**

Andrei Generalov and Olga Generalova-Kutuzova 8

**Open letter to the European Union: Use Europe's
 Strength**

Gilbert Fayl, Erich Hoedl, David Prince and Ulrich Fayl
 von Hentaller 16

The European Union between hope and anxiety

Emil Constantinescu 24

Report: What future for the EU?

Mirjana Radović-Marković 43

Robert Schuman on Democracy

David Price 47

INSTITUTIONAL PROFILE

- European Small Business Alliance - David Caro 51
- The Global Round Table 52
- How Covid-19 is Affecting companies around the word 53

NEWS

- 30th anniversary of the Visegrad Group 54
- Message from International Council for Small Business
 at the 2021 UN MSMEs Day 57

BOOKS

Entrepreneurship and work in the Gig Economy by Mirjana
 Radović-Marković, Borislav Đukanović, Dušan Marković
 and Arsen Dragojević 59



ERENET SUMMER MESSAGE

Distinguished Readers and Friends,

The Special EB500 “Future of Europe” (FoE) was conducted between 22 October and the 20 November 2020 in the 27 EU Member States, as a Joint survey by the European Commission and the European Parliament. The European Commission initiated debate on the Future of Europe (FoE) 2006. The Conference on the Future of Europe is aimed at creating a public forum for open, comprehensive and transparent debate with European citizens on the issues that affect our daily lives. This issue of the ERENET Profile highlights the views of the Global Round Table and selected ERENET Members, who participated in this debate.

While there are countless similarities between the histories of European countries, there are three major historic differences:

- (i) Some European countries have in the past exported “Western culture” to other parts of the World; they have thereby been colonial powers and became wealthy. In these countries the multiculturalism becomes an accepted custom;
- (ii) In the 20th Century some European countries experienced dictatorships of fascism and/or communism, and have thereby also been exploited. These countries are on the base of national interest.
- (iii) A large proportion of some European nation’s populations unwillingly live in more than one country.

The cornerstones of the single market are often said to be the “four freedoms” – the free movement of people, goods, services and capital. These freedoms are embedded in the European Union's treaties and form the basis of the Single Market legislative framework.

We are witness of double standards of value concerning migration, sexuality, liberalism between the Western European EU countries as the Central and Eastern-European ones. Those national state with are free from colonial past, rejecting distribution of refugees among the countries and refuse the LMBTQ propaganda. Márton Békés, historian and Scientific Director of the House of Terrors Museum defines that multiculturalism is the neoliberal theory built on multicultural enterprises. He believes that the normal operation of any society should based on the system of national cooperation.

We are on the edge of new revolution. Nations should be strong and foreign forces should not influence and shake any nations. We do not need ever close Europe, however we need better understanding between the nations and peaceful acceptance of national set of values

Dr. Antal Szabó

Scientific Director of ERENET

PAPERS

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E-COMMERCE IN ALBANIA

ABSTRACT

The gains are likely to be concentrated in developed countries in the short run but, developing countries will have more to benefit in the long run. The volume of international trade will increase via e-commerce.

What remains problematic in Albania is the informality that often characterizes this market. More efforts and time is needed to enter to the global "flow", meanwhile currently is "enjoying" the benefits of the moment.

The purpose of this paper is to examine the impact that E-commerce has on the Albanian market and companies as well as the correlation with international trade. Also, this paper aims to provide a set of recommendations on how this new method of purchasing can be widely implemented in Albania. By doing so the aim is to describe the current situation of this industry, explore the obstacles and benefits faced from the companies when starting the process of implementation.

KEYWORDS: E-Commerce, legal aspect of E-commerce, Albania E-commerce overview

JEL Classification: C44, C45, L26, L81

INTRODUCTION

The convenience, safety, and user experience of E-commerce has improved exponentially since its inception in the 1970's.

When the National Science Foundation lifted its restrictions on commercial use of the NET in 1991, the Internet and online shopping saw remarkable growth.

In 2004, the Payment Card Industry Security Standards Council (PCI) was formed to ensure businesses were meeting compliance with various security requirements.

The three biggest distance selling markets are the US, China and Japan. The global distance selling market is expected to see annual growth of 10.7% till 2020.

In the short run, the gains are likely to be concentrated in developed countries but, in the long run, developing countries have more to benefit.

The electronic commerce in the B2B sector is part of the export infrastructure to promote national goods and services in foreign markets. On Electronic Trading Platforms (ETP), suppliers and buyers find each other.

WHAT IS E-COMMERCE?

Electronic commerce, also known as EC, e-commerce or ecommerce, consists primarily in distributing, buying, selling, marketing and servicing of products or services over electronic systems such as the Internet and other computer networks.

Electronic commerce may be categorized by the types of entities participating in the transactions or business processes; Business-to-Consumer (B2C), Business-to Business (B2B), Consumer-to-Consumer (C2C) and Business-to-Government (B2G).

The electronic commerce in the B2B sector is part of the export infrastructure to promote national goods and services in foreign markets. On Electronic Trading Platforms (ETP), suppliers and buyers find each other. In Albania, the Albanian Investment Development Agency (AIDA), in order to increase the competitiveness of the Albanian economy in the region and beyond, in cooperation with FIAA and RISI Albania, has taken the initiative to create an online B2B platform, introducing free "B2B online" service

E-COMMERCE: AN OVERVIEW

E-commerce has come to take on two important roles; first as a more effective and efficient conduit and aggregator of information, and second, as a potential mechanism for the replacement of many economic activities once performed within a business enterprise by those that can be done by outside suppliers that compete with each other to execute these activities.

The internet and e-commerce alter the roles and relationships of various parties, fostering new supply networks, services and business models. The end results are efficiency improvements, better asset utilization, faster time to market, reduction in total order fulfillment times, and enhanced customer service.

The influence of e-commerce stretches farther. It is used more as a trading system in which buyers, and sellers could establish a genuine market price.

E-COMMERCE IN THE WORLD

The global e-commerce market is expected to grow at a compound annual growth rate of 14.7% from 2020 to 2027 to reach USD 27,147.9 billion by 2027.

Sales in Asia and the Pacific dominated the e-commerce market with a 55.3% share in 2019 and are expected to see the fastest growth from 2020 to 2027. This is attributed to a growing preference among businesses to conduct B2B businesses e- trading platform.

The B2C UNCTAD E- commerce Index - As per UNCTAD assessment Index, which be updated annually, Europe continues to dominate global e-commerce ranking European nations hold eight of the top 10 spots on UNCTAD's Business-to-Consumer (B2C).

In light of the recent Coronavirus (COVID19) pandemic, B2C e-commerce platforms experienced a steep demand for essential goods products such as groceries, personal care products, and bathroom essentials.

E-COMMERCE IN ALBANIA: THE LEGISLATIVE FRAMEWORK

In Albania, electronic commerce appears to have entered a "golden" phase. It is seen as a response to the economic crisis to obtain products and services cost-free.

Goods of a personal nature (non-commercial), which purchased via the Internet, or sent to a person by a person resident outside the Republic of Albania, do not pay customs duties if their value (including the value of transportation costs) is less than the value equivalent to the amount in ALL of 150 Euro for each consignment.

THE ECEMPTION DOES NOT APPLY TO THE FOLLOWING GOODS

- Alcoholic products
- Perfumes and Toilet Waters
- Tobacco or Tobacco Products
- Since July 1, 2016 has entered into force a new fiscal package accordingly any purchases via the Internet worth over 22 euro will be charged. The government has reduced by 6times the monetary limit untaxed online purchases.
- In an effort to boost the e-commerce market, Albanian authorities plan to increase the duty-free shipment value threshold from Euro 22 to a higher amount.
- This draft-bill can be important to micro, small, and medium-sized (MSME) businesses that want to expand their customer base, create added value.

ALBANIA E-COMMERCE OVERVIEW

As of December 2019, there were 2.9 million people in Albania out of who 2.07 million were internet users, making the penetration rate 71.3 %.

As mobile network infrastructure improves, consumers continue to prefer this platform for voice and data services, and as a result the mobile sector will be the focus for future growth in the overall market.

Cross-border internet shopping is in its early stages, and it's still not disseminated, especially due to the low use of credit cards, low purchasing power and the high cost of shipping. Additionally, many online merchants do not ship to Albania.

In 2016, the government reduced the duty free amount from EUR 150 to 22, which significantly reduced cross-border online shopping.

Albania's telecommunications infrastructure is perceived as an obstacle to expansion of the e-commerce market. According to the World Bank, a significant number of Albanian companies have reported that inadequate and costly telecommunications services hamper business.

E-COMMERCE REVENUE

Revenue in the ecommerce market is forecasted to reach USD 113m.

Consumers in Albania pay attention to the price, which determines purchasing choices to the greatest extent.

Payment methods in Albania: Only 8% of the population has credit cards. Mobile payments and prepaid payments are the most popular. The lowest popularity has payments via e-wallets.

Social media in Albania - There are about 1.40 million users of social media in Albania.

Albanians prefer Android devices – almost 70% of web traffic is generated via such appliances. And the number of fans is still increasing.

SMALL ENTERPRICES ENGAGEMENT IN E-COMMERCE

Between 2014 and 2019, global retail sales for e-commerce nearly tripled - reaching US\$ 3.5trillion by 2019. The COVID-19 crisis has further accelerated growth of the sector.

In the second quarter of 2020, ecommerce sales in the US, by some estimates, increased to above 16 percent of all retail sales.

- MSME face various barriers to the adoption of e-commerce, such as lack of skills in identifying their e-commerce needs and potential the adoption of e-commerce, potential expanding for them to gain an online presence.

SUCCESS STORY

- **Agro-trade** is a digital platform (e-commerce) created in Albania by the consulting company, Creative Business Solutions.
- This platform is the best ways to help and created a long-term solution for the export of Albanian products.
- Aims is to facilitate the Way Of Doing Business.- Agro trade enable agribusinesses to use the power of digital technology to find new foreign markets.
- **During the COVID-19 pandemic, e-commerce has also emerged as an important pillar in the fight against the virus.** First, it reduces the risk of new infections by limiting the need for in-person transactions.
- Second, it preserves jobs despite social distancing requirements, allowing businesses to sell to their customers without meeting physically.
- Third, e-commerce increases the acceptance of prolonged physical distancing measures among the population.

CONCLUSIONS

Aspects in which Albanian businesses can profit from e-commerce application; EU directive for ecommerce and taxation of this business form is not valid for the countries outside.

During these two years, the data from Business Registration Centre (QKR) indicates that the number of foreign companies that creates businesses in Albania is increased; in this manner, the foreigners in Albania can profit not only from Albanian market but also from European market through e-commerce realization.

Reduce the investment in intangible assets and businesses will not have in their financial statements non-cash sales because in ecommerce sales are only cash.

SOME RECOMMENDATIONS HOW TO BE SUCCESSFUL IN E-COMMERCE MARKET

- **Products** – The list of products needs to be diversified and focused in households' needs.
- **Prices** – The average prices of products will make any online platform competitive and visited.
- **Delivery** – The faster the delivery is done the more competitive the online store will be.
- **Payment method** – Since the majority of Albanians have doubts about financial transactions in the country, if a certain company wants to enter in the market of electronic commerce it should also offer, a part of the credit and debit card method, also the cash payment as an alternative method when the delivery is done.
- **Logistics and customs:** postal services and other logistics companies need to develop tailored solutions to support e-commerce companies.
- **Digital connectivity:** public and private sector solutions are needed to expand access to high-speed broadband connectivity.
- **Online payments:** On the one hand, broadening access to electronic means of payments among customers is key.
- **Private sector capabilities and skills:** online markets need a well-developed e-commerce private sector capabilities pyramid.
- **E-commerce regulatory framework:** online transactions need to be underpinned by a strong regulatory framework.

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Rose Garden Budapest, Pecz Samu Street

Photo © by Dr. Antal Szabó

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**THE STATE AND PROSPECTS FOR THE DEVELOPMENT OF ELECTRONIC
COMMERCE IN RUSSIA IN THE LIGHT OF GLOBAL TRENDS AND COVID-19
PANDEMIC IMPACT****ABSTRACT**

The article is devoted to the development of electronic commerce in Russia. Current trends in the development of the global economy and the impact on its development in the light of restrictions on economic activity are discussed in connection with the introduction of restrictive measures related to the COVID-19 pandemic. The directions of development of e-commerce in Russia are shown as one of the mechanisms for overcoming the decline in trade and economic activity in order to demonstrate the importance and effectiveness of e-commerce as an instrument of economic and social changes. The authors used and analyzed data from United Nations sources such as UNCTAD and WTO, Russian research organizations, as well as their own practical and economic experience in the field of electronic commerce. Further, conclusions were drawn about the need and prospects for the development of e-commerce with the involvement of the maximum number of players in this process, both from the point of view of manufacturers and from the point of view of consumers as a promising direction in the near future. The article will be useful for researchers and entrepreneurs who determine the future direction of development after the COVID period.

Keywords: e-commerce, United Nations, Russia, economic development, COVID-19, trends.

JEL Classification: O3**1 INTRODUCTION**

The digital revolution that began in the world at the end of the 20th century is associated with the widespread introduction of information and communication technologies. It has left its mark on all spheres of human life, including the development of world economy and trade.

Fast digitalization of goods exchange processes has made possible to multiply the speed and volume of goods turnover around the world, optimizing the registration procedures and, in many cases, eliminating the human factor in the implementation of goods exchange operations.

In relation to the concept of "electronic commerce" are now used various terms, such as "Internet commerce", "electronic trade" or "digital commerce". The latter concept is used in the meaning of "digital transactions with goods and services that can be represented both in digital and in physical form" by the OECD in its report "Digital Commerce and Market Openness" published at the end of 2018.

This article will use the term "e-commerce", which is broadly similar to "e-trade" and has the meaning of "a complex of implementation of civil obligations made through electronic communication, using electronic payment methods and document flow." At the same time, a basic, broad interpretation of the term "trade" is applied, as given in Article 1 of the UNCITRAL Model Law "On Electronic Commerce", which covers wide spectrum of issues arising from all commercial relations, both contractual and non-contractual.¹

2 GLOBAL ECONOMIC DEVELOPMENT DURING THE COVID-19 PANDEMIC AND THE SPREAD OF E-COMMERCE

The active growth of global e-commerce was spurred by the COVID-19 pandemic that erupted at the end of 2019, continued throughout 2020 and entered 2021. The social and economic shocks caused by it are affecting all countries in their efforts to improve living standards and achieve the Sustainable Development Goals (SDGs). Early measures to contain the spread of the pandemic negatively impacted all transport operations, resulting in severe disruptions to supply chains and trade flows around the world.

Due to the coronavirus outbreak, global foreign direct investment (FDI) in 2020 fell 42% from \$ 1.5 trillion in 2019 to about \$ 859 billion. Such a low level was last seen in the 1990s and is more than 30% below the investment trough that followed the 2008-2009 global financial crisis. Investment flows are projected to decline by another 5-10% in 2021 and some recovery will not begin until 2022².

The WTO Secretariat had prepared a study on the impact of the COVID-19 pandemic on e-commerce in 2020: experts note the growth in the scale of e-commerce, as consumers are forced to adapt to quarantine and social distancing measures, and are considering a number of related challenges, such as, for example, the need to bridge the digital divide both within countries and between them. The document also sets out a vision of how the WTO Trade Facilitation Agreement could be a tool to address some of the challenges posed by the COVID-19 pandemic and its economic implications³.

Experiences and lessons learned from the COVID-19 crisis can further stimulate global cooperation in e-commerce, which can significantly ease the rules for cross-border movement of goods and services, reduce the digital divide and create a more comfortable environment for small businesses.

¹ https://uncitral.un.org/sites/uncitral.un.org/files/media-documents/uncitral/ru/v1504119_ebook.pdf

² <https://unctad.org/news/global-foreign-direct-investment-fell-42-2020-outlook-remains-weak>

³ https://www.wto.org/english/tratop_e/covid19_e/ecommerce_report_e.pdf

Analysts at the Russian “Roscongress” Foundation conducted a market research in 2020 and showed how the COVID-19 pandemic has led to a change in consumer behavior patterns, having a significant impact on consumption patterns.

Government and local administrations’ imposition of restrictive measures, social distancing, foodservice closures, restriction of entertainment and other measures in response to the COVID-19 pandemic have resulted in consumers making more online purchases, using social media, the Internet telephony and teleconferencing; and video and movie streaming⁴.

The restrictive measures have caused a surge in sales to consumers (B2C) and an increase in e-commerce between businesses (B2B).

The increase in consumer sales is particularly noticeable in the segments of medical products, household goods, basic necessities and food products. Internet and mobile data services are experiencing a period of increased demand, which has led to the need for urgent technical and regulatory adaptation.

However, a certain segment of online shopping experienced a sharp decline in demand: for obvious reasons, the platforms for booking accommodation and airline tickets recorded a record decrease in traffic.

Electronic commerce in goods and services was negatively impacted by the same factors that led to disruptions in demand and supply in general - logistic delays or cancellations of orders. Other concerns include unnecessary price increases, product quality and safety issues, cybersecurity and fraud issues, etc.

In times of crisis, efficient and affordable information and communication technology (ICT) services such as telecommunications, computing and other IT services are becoming a critical driver of economic development.

The pandemic has highlighted the importance of digital technologies in general and highlighted a number of vulnerabilities in the structure of the global economy. In this context, it is important to facilitate the cross-border movement of goods and services, reduce the digital divide and level the playing field for micro, small and medium-sized enterprises (MSMEs). One of the tools for responding to crisis could be the implementation of WTO Agreement on Trade Facilitation, adopted in 2017.⁵

As a result of analysis of the economic crisis states have realized the need to ensure uninterrupted access to modern communication channels for the population, thus governments and the private sector took measures to ensure the smooth functioning of electronic commerce: specialized structures of various countries worked on to increase the network bandwidth, provide advanced data transmission services at a minimum price as well as reducing transaction costs for online payments and transfers.

The global nature of the pandemic and its impact on global trade (including an increase in the share of e-commerce) can help strengthen international cooperation and further develop uniform regulations for purchases and deliveries over the Internet.

⁴ <https://roscongress.org/materials/elektronnaya-kommertsiya-torgovlya-i-pandemiya-covid-19/>

⁵ <http://docs.cntd.ru/document/542600777>

The realities of the current crisis have shown that e-commerce can be an effective tool for consumers, and can also become an economic engine of both domestic economic growth and the entire international trade.⁶

3 THE MAIN CHALLENGES AND OPPORTUNITIES FOR THE DEVELOPMENT OF E-COMMERCE IN RUSSIA

The development of electronic commerce in Russia is currently taking place at a fairly rapid pace.

According to the results of an e-commerce market research in Russia, conducted by the Russian Association of Internet-Commerce Companies (AKIT), and statistics of the first half of 2020, the following indicators were published.

The Russian e-commerce market has shown stable growth over the past decade from 2010 to 2020. The growth of the domestic market increased from 240 billion rubles in 2010 to 1.446 billion rubles in 2019. (1USD is approximately 70 RUR)

According to the results of the 1st half of 2020 it had reached 1.386 billion rubles. (84% of the total volume of the e-commerce market).

During the COVID19 pandemic, the market showed an almost two-fold increase in sales in the domestic market from 142 billion rubles in January 2020 to 261 billion rubles in March; 309 billion rubles in April and 275 billion rubles in May 2020, and slightly decreased in June to 241 billion rubles.

The share of e-commerce in the total volume of the retail sales market in Russia amounted to 10.9% in the first half of 2020 (for comparison, over the same period in the USA it was 13.9%, in China - 29.9%).

Parcels with goods during this period were delivered mainly by the Russian Post, the share of express carriers has slightly increased only since 2018. The distribution of products by main commodity items (in monetary terms) was as follows: clothing and footwear - 30.2%, digital and household appliances - 29.5%, furniture and household goods - 3.6%, food and catering - 14.1%, beauty and health - 4.5%.

The growth of e-commerce was influenced by the growth in the number of active Internet users in the country and the growth of their experience (and hence their use of various Internet services, among which there are online sales).⁷

The restrictions associated with the COVID-19 pandemic have played a driver role in this segment of the economy. However, in Russia there is a certain disparity between market actors in the implementation of electronic commerce, depending on the jurisdiction of the business. There is an unequal operating environment between Russian and foreign online stores. This inequality depends on the chosen model of online business by entrepreneurs who import or sell imported and Russian goods in the Russian Federation.⁸

⁶ <https://roscongress.org/materials/elektronnaya-kommertsiya-torgovlya-i-pandemiya-covid-19/>

⁷ <https://akit.ru/wp-content/uploads/2020/10/Аналитика-АКИТ-1Н2020-сжатый.pdf>

⁸ <https://akit.ru/crossborder-regulation/>

In the field of Internet commerce in Russia, there are 2 main business models: the classic model, which requires a legal entity registered in the territory of the Russian Federation, and a cross-border model, which is carried out without registering a legal entity in the territory of the Russian Federation.

When doing business using the classic model, both Russian-made and imported goods can be sold in online stores. In this case, imported goods are imported in the classical way and undergo full customs clearance at the border of the Russian Federation in accordance with the rules of customs clearance, the store must comply with Russian legislation in the field of trade and, in particular, distance selling, consumer protection, tax, as well as supranational and national legislation in the field of customs clearance and technical regulation.

The cross-border e-commerce model does not require registration of a legal entity on the territory of the Russian Federation. The import of goods is carried out directly in the name of individuals in international mail. Such goods are declared as goods for personal use and their import is governed by the Agreement of the customs union "On the procedure for movement of goods for personal use by individuals across the customs border of the customs union and the performance of customs operations related to their release" dated 18.06.2010.⁹

At the same time, the online store, situated in another jurisdiction, is not obliged to comply with Russian law on technical regulation.. As a rule, such stores use an intermediary online platform to sell goods, the most popular of which are Aliexpress, eBay and Amazon.

3.1 Key differences between classic and cross-border trading models

The rate of duty-free import of goods for personal use through international mail into the territory of the Russian Federation from January 1, 2020 is 200 euros or 31 kg of weight per month per person (the limit of purchases per month is currently technically not administered, since more than 50% of international mail are unregistered and there is no information about their value, content, sender and recipient).

In addition, the above-mentioned regulatory differences provide a number of advantages to the cross-border trading model and make it more attractive for doing business. The lack of proper regulation in this area led to the fact that Russian entrepreneurs began to withdraw their business activity abroad: to China, Latvia and other countries outside the EAEU. The largest online retailers have opened cross-border sales channels and have optimized (or completely eliminated) their costs of taxes, fees, duties, certification, labeling, warranty service, etc.

When carrying out business activities using the classical model, Russian online stores that import goods, in comparison to foreign businesses, are required to comply with the following requirements:

- 1) pay taxes and fees required by Russian legislation (including import VAT - 20% and customs duties - on average 8%);

⁹ http://www.consultant.ru/document/cons_doc_LAW_102086

- 2) ensure the availability of an official importer who is obliged to accept claims from consumers (for imported goods);
- 3) ensure the provision of consumers with all the necessary information about the product, manufacturer, importer in Russian language, label the goods;
- 4) ensure the compliance of produced (imported, sold) goods with the mandatory requirements of the legislation on technical regulation (passing the certification or declaration procedure);
- 5) ensure the possibility of maintenance and repair of goods during the warranty period, service life, production period (availability of service centers, supply of spare parts);
- 6) ensure compliance with the requirements of the legislation on the protection of consumer rights within the time limits established by law;
- 7) fiscalize all non-cash transactions on the Internet using electronic means of payment.

The fulfillment of the entire set of the above requirements is mandatory by virtue of the current legislation of the Russian Federation.

The existing mechanism allows the state to ensure the right of consumers to receive reliable information about a product, to guarantee the quality and safety of goods purchased by citizens, and creates an opportunity to restore violated rights and receive compensation. The established uniform requirements also contribute to the formation of equal competitive conditions for all companies engaged in the production and sale of goods.

Also it should be noted that, according to the current legislation of the Russian Federation, the manufacturer, importer, seller and service center are subjects equally obligated and responsible to consumers. In a market economy, this provides maximum protection for the buyer. Bankruptcy or withdrawal from the market of one of the links does not relieve other subjects of responsibility to the consumer and the state. In addition, each participant in the manufacturer-consumer chain provides jobs and is a taxpayer to the RF budget.

In addition to all of the above, compliance with all the requirements of the law, of course, entails significant costs for bona fide Russian companies and affects the cost of production. And, on the contrary, if a company does not provide goods with information in Russian, does not provide the possibility of maintenance and repair, does not comply with the legislation on technical regulation, does not pay taxes and fees, then such a company may offer a more attractive price for the goods.

4 PERSPECTIVES FOR THE DEVELOPMENT OF E-COMMERCE IN RUSSIA

The prospects for the development of e-commerce are currently influenced by the following trends:

- Decrease in the number of trading companies on the market, mergers and acquisitions.

The period of chaotic opening and closing of online stores is passing.

The main players have consolidated their positions, and the market is entering a stage of stable development.

The price of the “entrance ticket” to the market has increased significantly. Now, for a successful start of a new project, traders need to immediately make an offer equal in scale to the one with which the market leaders are

already working. At the same time, the economic crisis and the amount of necessary investments have significantly increased the risks of entrepreneurs.

- Logistics for e-commerce is actively developing.

Active leaders have already been identified in this market. These companies are now growing steadily, becoming even larger. Many small players, on the contrary, are determined to sell their business to large companies, since they are no longer able to provide quality services of a level that would allow them to compete with the leading market players. New startups that could have a significant impact on this industry will, most likely, no longer appear.

- Increased interest in cheap goods

The need for savings has led to a noticeable transition of shoppers from traditional retail to online. Consumers are coming to e-commerce for a wide range of products, great prices, and inexpensive shipping. The positive experience of the first purchases makes them regular customers of online stores.

- New industries, which were previously slightly represented, go online

Online trading in the C2C segment is developing. The possibility of delivery at such sites as "Youla", "Avito", etc. provoked an increase in interest in domestic trade among individuals. The Yandex.Market business is expanding and new marketplaces are launched, for example, "Goods" and "Sbermarket". Large offline players compete with traditional e-commerce. So, back in 2017, Internet sales were opened by Leroy Merlin and IKEA. With these giants online, shoppers have access to a wide range of inexpensive products. This could hit smaller players and regional vendors hard.

Growing competition is gradually leading to improved service quality as companies move from an extensive growth strategy to strengthening by improving service quality. The expansion of the network of branches will lead to the fact that prices will become lower, and inexpensive and convenient delivery will become more accessible to a larger number of buyers in Russia, which will also contribute to the growth of purchases in the network. The stabilization of the situation in the economy and the growth of incomes of the population after 2022 may become additional impulses.

The Russian company Data Insight made a forecast for the development of e-commerce in Russia for the next 5 years, taking into account the impact of the crisis on the growth of online sales, including positive (for growth) and negative factors.

Average e-commerce growth from 2019 to 2024 is expected at 33.2%. Over the years, the market for sales of tangible goods via the Internet will grow from 1.7 to 7.2 trillion rubles.¹⁰

Despite a good level of E-commerce development in Russia and favorable conditions for its raise in general, for many buyers, especially in the regions, traditional retail remains more common than online trade, including customers from the older generation. They are still wary of online shopping, although this consumer sector is also changing. Therefore, the potential for new buyers in Russia and, accordingly, the growth of e-commerce is quite large.

¹⁰ https://datainsight.ru/DI_eCommerce2020_2024

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ABSTRACT

This paper is an open letter tot he European Union prepared by 21 high level policymakers and acadidemics of the Global Round Table A.I.S.B.L. including four ERENET Members.

Keywords: vision on the future of Europe, Conference on the Future of Europe, lessions from the European history,

JEL Clasification: E66

**OPEN LETTER TO THE EUROPEAN UNION:
USE EUROPE’S STRENGH ¹¹**

Civil Society Recommendations to the European Union Initiative
“The Conference on the Future of Europe”
11th of June 2021

“To safeguard democracy the people must have a keen
sense of independence, self-respect and their oneness.”

Mahatma Gandhi (1947)

Historical facts cannot be eliminated or nullified through politics or manipulation.

The following recommendations of The Global Round Table for the European Union are selective and based on the historical, moral and spiritual strength of Europe:

1. Recommendation relating to Europe’s Historical Strength:

The ongoing effort to renovate and rejuvenate the EU structures and policies must build on historical facts and lessons learned from history. There must be clear and unbroken continuity in the development of European civilisation.

2. Recommendation relating to Europe’s Moral Strength:

¹¹ Draft - 6

A mandatory “Oath of Allegiance to Europe” should be introduced for new settlers in the EU – be they migrants or refugees – once these are accepted into the European Union. Recognised newcomers must have the opportunity to peacefully adapt to the conditions in the Union.

3. Recommendation relating to Europe’s Spiritual Strength:

Tangible EU effort is needed to help preserving humanity’s heritage and achievements for posterity. This should include a determined EU voice against any form of cultural genocide wherever it takes place.

On 10 March 2021, the European Parliament President, David Sassoli, Prime Minister of Portugal António Costa, on behalf of the Presidency of the Council, and Commission President Ursula von der Leyen have signed the Joint Declaration on the Conference on the Future of Europe. President Sassoli said: “Today marks a new start for the European Union and for all European citizens. **The Conference on the Future of Europe** will be a unique opportunity for all European citizens and our civil society to shape Europe's future, a common project for a functioning European democracy. We call on all of you to come forward to participate with your voice to building what will be tomorrow's Europe, what will be YOUR Europe.”¹²

Regarding practical advice for improvements of performance and enhancing the efficacy of the EU system, we refer to the relevant civil society contributions to **”The Conference on the Future of Europe”** A broader set of recommendations of The Global Round Table see below of this document.

*

The recommendations have been elaborated in a virtual Global Round Table by a group of senior European individuals of various ages and with various backgrounds. However, the sole responsibility for the content rests with The Global Round Table.

Jointly, the group has long experience inside Europe and beyond in: higher education, medicine, media, industry, active politics, scientific research, social work and other aspects of civil society. The group also represents a historic memory: some have personal experience of being refugees, displaced persons and living under dictatorships in the 20th Century.

The members of the group believe in the usefulness of Pan-European co-operation, and are committed to help the EU’s radical re think initiative succeed.

*

Democratic deficit, idealistic blindness, political naivety, and external events threaten to deconstruct the European Union.

Global developments, be it the Covid-19 pandemic or political tensions between major power blocs, present numerous challenges including for the EU’s role and policies. All these necessitate unified EU actions and best policies.

”The Conference on the Future of Europe” is a long-awaited and necessary step to address the democratic deficit and other shortcomings of the EU system.

¹² https://ec.europa.eu/commission/presscorner/detail/en/ip_21_1065

This is a historic opportunity to clarify what really matters to European citizens and to set up a vision that can be translated into tangible perspectives.

*

This document is forwarded to:

- *the Secretariat of the Executive Board of the Conference on the Future of Europe;*
- *the Unit in charge of the Citizens' Dialogue in DG Communication in the European Commission; With copy to:*
- *Mr David Sassoli, President of the European Parliament;*
- *Mr Charles Michel, President of the European Council;*
- *Ms Ursula von der Leyen, President of the European Commission.*

In memory of

**Prof. Antoni Kuklinski, distinguished Polish scholar,
Mr. Jean Gabolde, Honorary Director-General, European Commission, and
Dr. Tomasz Kosmider, President & Founder, Technology Partners,
outstanding promoters of international S&T cooperation.**

*

JOINT STATEMENT BY

Prof. Ivo Josipović, Prof. Vaira Vīķe-Freiberga and Prof. Emil Constantinescu

Former President of Croatia, Former President of Latvia and Former President of Romania and
composer



The “Conference on the Future of Europe” is long overdue.

It is a monumental endeavour.

In the current context of a worldwide pandemic, the political leaders of the European Union must listen to the voice of the European population more carefully than ever before.

In turn, the European population must express its desire on how to combine Solidarity and Sovereignty in a careful and creative balance. Pitting the two against each other will not lead to viable alternatives.

We must learn the lessons of History. History can guide us to the future.

In the European Union we share the same essential values. They have made this an unparalleled success: A peaceful Union of citizens.

Now we must stand together and win our fight against the pandemic – even if we may not return to pre-pandemic conditions.

Therefore, we strongly believe that a wisely guided development based on lessons from history and historic facts, with the involvement of social partners and the population at large, particularly including the young generation, will lead to a new renaissance in Europe – and can serve as an example for others.

We wish every success to the EU for a fruitful conclusion of the “Conference on the Future of Europe”.

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RECOMMENDATIONS

The recommendations of The Global Round Table are selective and based on the historical-, moral- and spiritual strength of Europe.

1. RECOMMENDATION RELATING TO EUROPE’S HISTORICAL STRENGTH:

The ongoing effort to renovate and rejuvenate the EU structures and policies must build on historical facts and lessons learned from history. There must be clear and unbroken continuity in the development of European civilisation. One cannot be visionary about the future without knowing the past. History is a guide for the future.

Historical facts and lessons learned from history, even if they are given diverse interpretations, provide a core set of evidence that must be taken into account. They cannot be eliminated or nullified through politics or manipulation.

The origin of the EU is based on historical facts and lessons recognised by visionary politicians.

Currently, these historical qualities are not taken sufficiently into account in EU policymaking – indeed; they are most often ignored.

LESSONS FROM HUMAN HISTORY

Historic evidence demonstrates that:

- i. Civilisations and World Powers rise and fall. No one has yet outlasted time;
- ii. Neither economic- nor military strength have prevented Civilisations and World Powers from vanishing. They crumbled because they overlooked or underestimated warning signals;
- iii. The more civilized and interconnected humanity has become (building cities, trade routes, and waging wars) the more likely epidemics and pandemics have become. The same is the case for the current process of civilisation.

History has demonstrated that things unimaginable today may become reality tomorrow.

LESSONS FROM EUROPEAN HISTORY

In addition to the countless similarities between the histories of European countries, there are three major historical differences:

- i. Some European countries have in the past engaged in the export of “Western culture” to other parts of the World; some of these exercised “genocide”. They became colonial powers and wealthy. Some have since tried to embrace multiculturalism with various degrees of success, depending on the divergence of the underlying values;
- ii. In the 20th Century some European countries have experienced dictatorships of fascism and/or communism, and have thereby also been exploited. Hence they may not have engaged in experiments of questioning fundamental European societal values;
- iii. A large proportion of some European nation’s populations unwittingly and unwillingly live in more than one country. ***These historic differences are ignored in today’s EU political discourse.***

LESSONS FROM THE EUROPEAN WAY OF LIFE

In many respects the “European way of life” is unique. It is encapsulated in the European cultural- and legal traditions that find their origins in ancient Greece and were further developed by the Romans. Later, Celtic and Slavic cultures and, subsequently, Islamic influences were introduced (even if Europe has never been a continent of Islam). Christianity and Judaism contributed the basic moral principles that have been renewed and rationalised by the Renaissance, Reformation and Enlightenment.

Current political trends have integrated many of these moral principles, while new ones are emerging in the context of globalisation. The European Union’s social market economy is a reflection of these often contradictory philosophical trends.

The cornerstones of the European cultural- and legal traditions can be summarized as follows:

- i. The primacy of human life,
- ii. Rule of law with equal treatment (including gender equality) and due process for all citizens; and
- iii. Autonomy of the Church and autonomy of the State.

The unique European way of life has resulted from a long historic development.

2. RECOMMENDATION RELATING TO EUROPE’S MORAL STRENGTH:

A mandatory “Oath of Allegiance to Europe” should be introduced for new settlers in the EU – be they migrants or refugees – once these are accepted into the European Union. Recognised newcomers must have the opportunity to peacefully adapt to the conditions in the Union.

Such a mandatory initiative will help the EU to develop to a ‘*Multi-Ethnic Grandeur*’ based on the European way. This is a responsibility towards our successors.

3. RECOMMENDATION RELATING TO EUROPE’S SPIRITUAL STRENGTH:

Tangible EU effort is needed to help preserving humanity’s heritage and achievements for posterity. This should include a determined EU voice against any form of cultural genocide wherever it takes place.

The EU must be champion of preserving history: Only then can we give future generations the means to understand the moral and ethical issues and scientific- and technological challenges that we were confronted by. This is the only viable approach to ensure that our history and achievements are neither falsified nor misused.

A broader set of recommendations see later of this document.

A visionary paper by Prof. Emil Constantinescu - former President of Romania - that places the EU between hope and anxiety is attached to this document.

Recommendations regarding more practical matters – such as issues relating to strengths and weaknesses of the EU structure; formulation, orientation and execution of the EU policies; as well as efficiency, usefulness and value-added of EU initiatives – we refer to the relevant civil society contributions to ”The Conference on the Future of Europe”

*

The following set of recommendations with relevance to the current EU initiative has been forwarded to the EU leaders.

FOR INSPIRATION ADDRESSED TO THE LEADERS OF THE EUROPEAN UNION:

- H.E. Ursula von der Leyen, President of the European Commission;
- H.E. David Sassoli, President of the European Parliament;
- H.E. Charles Michel, President of the European Council;
- Presidents of the Civil Society Consultative Committees.

*

This document points to five topics that must be addressed in view of renovating the European Union. The document is offered to the Presidents of the European Union as inspiration for the necessary renovation of the Union. It is based on inputs from senior members of civil society, who have for many years followed the development from inside, as well as outside, the EU institutions. Their independence from lobbies and political parties is the guarantee of the document’s objectivity.

The European Union is in crisis, a severe democratic crisis. The United Kingdom is firing a red distress signal into the night skies indicating Europe’s Ship of State is foundering. The UK Government presents Brexit as heralding ’the start of a new chapter in the history of our country, in which we come together and move forward united, unleashing the enormous potential of the British people. We will mobilize the full breadth of our new freedoms – from encouraging technology and innovation, to signing new free trade deals around the world.’

Have the EU institutions failed to provide such freedoms? Or is Brexit a distinct case linked to historical and socio-political features of the British society?

*

We wish to remind leaders of the **Community Declaration** (Declaration of Interdependence) signed by all representatives of the founding Member States in 1951. Robert Schuman called this the **Charter of the Community**, reflecting the Magna Carta of British democracy signed in 1215. The Community Declaration states simply and portentously that to distinguish between false democracies like the DDR and the Soviet bloc 'People's Democracies':

*'This Europe is open to all European countries that are **able to choose freely** for themselves.'*

It is now high time that the leaders draw lessons from the past and address the following topics:

- European peoples have, in recent times, not been able to choose for themselves. Examples: British people affirmed their wish to adhere to the three European Communities by a two-thirds majority in 1975. Since then, they were not able to articulate their wishes on any further treaties. France and The Netherlands in 2005 heralded the end of the European Constitution. For the Leaders the solution was easy – simply transforming the Constitution into the Lisbon Treaty, Ireland approved the Treaty only in a second vote in 2009. Do these reflect the tide of Euroscepticism?
- On this 75th Anniversary of the end of WW2, how has Europe now achieved the longest period of peace in all its more than 2000 years of history? Do leaders know? And the population?
- In 1950 before France proposed the European Community (EC), every agency was predicting further wars. The EC's declared aim was *'to make war not only unthinkable but materially impossible'* How did the EC accomplish ending Cartel Wars, Trade Wars, avoiding Nuclear Wars? How can this peace method be applied elsewhere?
- All the early treaties had to be debated in the Council of Europe before agreement by States. Why have subsequent treaties not been properly assessed for Human Rights and Fundamental Freedoms? What about Fundamental European Values?
- The early Communities were open to all European States - including Russia, then controlled by Communists. It and other States did not have free people who could agree. What plans should Europeans now have to apply the innovative peace-enhancing Schuman Method to other areas such as Energy (Russia), the Near East and Space & Telecoms?
- Europe can only succeed and be strong if it is based on the democratic assent of its peoples: Individuals, civil society and Parliaments, via an Honest Broker under the Rule of Law.

The way forward:

- 1) Overall appreciation of how Europe got its **peace dividend**;
- 2) Critical analysis of Europe's **democratic shortcomings**; and
- 3) Improve **civil society** input through democratic processes.

VIRTUAL GLOBAL ROUND TABLE
CONTRIBUTORS IN PERSONAL CAPACITY

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THE EUROPEAN UNION BETWEEN HOPE AND ANXIETY**ABSTRACT**

The paper presents the vision of the former President of Romania, Emila Constantinescu on the future vision. The world around us changes quickly. The European Union stands before the third Millennium and faces intellectual challenge. The dilemma is in which direction to go: whether we should create a United State of Europe or we should follow the pattern of the Schuman philosophy to create a strong entity based on the four key principles: the free movement of goods, services, capital and labour. The “four freedoms” were enshrined in the 1957 Treaty of Rome.

The Author believes that because the development of the current political, economic and military project will not be able to continue for too long in the absence of a solid, coherent and – in particular – broadly-accepted cultural model. The latest global economic crisis, the migration and, more recently, the COVID-19 pandemic have also brought to light a much deeper reality.

The author believes that we need to go beyond the transition from a “clash of civilisations” to a “dialogue of civilisations”. We require a “culture of recognition”, which means much more than a mere dialogue between cultures.

The European Union is the most important historical project of the 20th century, a project unique in the history of humanity. The European Union has a full range of economic, legal, diplomatic and military instruments at its disposal that allow it to operate efficiently at a global level. Is this, however, sufficient to enable us to say that the European Union is a key player in international issues, ranging from global warming to the conflicts in the Middle East.

We need to begin rethinking the foundation of the global economy and of the global world in a broader sense. What I mean by this is that internationality, in the sense of interrelationships, mutual exchanges and global diversity, must prevail over globalisation, in the sense of uniformity and the domination of one model over all others, coupled with a dearth of ideas. Europe has a multitude of languages, traditions and cultures, the essence of which it cannot afford to deny, erasing all this wealth in the name of a so-called globalised civilisation.

The Author strongly supports multiculturalism. He believes that multiculturalism should be beneficial to neither the group nor the minority, but rather the individual, the citizen who can articulate with dignity the identity of the community they belong to, with its national values, and with the universal values that bring us together.

Today a new generation must take up and enhance European values, bringing them level to their aspirations. This new generation may well build a new destiny, not only for our countries and for Europe, but for the entire world.

Keywords : European Union, European Union’s foreign policy, political boarder of the EU, multiculturalism, vision on Europe’s citizens

JEL Classification : E61, F02, N13

EUROPE OF THE FUTURE: A POLITICAL, ECONOMIC, OR SPIRITUAL UNION?

It seems that the challenges of these times are so urgent and important, that they often require us to formulate an answer before facing the signs of a future mostly defined by uncertainty. Meanwhile, however, the world around us changes quickly. To speak about how the European Union can stand before the third millennium is, above all, an intellectual challenge. The pretension that a truly new view is being presented may seem daring. In a globalised world claiming that it would build a society of knowledge, however, we can only picture a present which is subordinated to the future. Even in a Europe relying on two millennia of equally uplifting and painful history, the very present reveals itself to us as a memory of the future.

While preparing for this debate, where I am happy to again meet a number of notable figures for which the European Union was equally an ideal, an academic goal and a political mission, I took the opportunity presented by the isolation imposed by the pandemic and revisited a number of books that defined my path as an intellectual.

As I was re-reading Faust, I came to understand that, beyond the drama of the scholar who, in his old age, sells his soul to the devil in exchange for youth, the book also holds within its pages a startling forecast on contemporary Europe. At a time where the dawn of the industrial revolution was merely a glimpse, Goethe anticipated the very challenges that Europe is facing now. The final chapter of the tragedy, which Goethe dedicated over six decades of his life to, shows us Faust ready to build a grandiose city and a canal. To be able to build, however, he would need to demolish as well. The quaint house of a family of elders stands in his way, so he sends Mephisto to convince them to move such that they wouldn't be in the way of his great urban vision. Mephisto uses the opportunity and kills the elders. Faust finds the news bothersome, but not too bothersome, as he accepts that sacrifice, too, is necessary. While Faust was absorbed with his project, four dark-hearted shadows show up: *Dearth*, *Debt*, *Need*, and *Worry*. As they advanced upon Faust's home, *Dearth*, *Debt*, *Need* and *Worry* pause: "We cannot enter the house of a rich man"; yet *Worry*, who "can enter anywhere", asks Faust whether he has ever known that feeling. With the arrogance of a man focused on his actions, Faust answers that he has never felt worried. Thus, *Worry* renders him blind, because it is only those who are blind that do not worry for what might happen in the future. The blind Faust then hurries to complete his work. He is happy to hear the noise of the picks digging to build the canal, but the workers were not digging for the canal - they were digging for his own grave. As he declares to Mephisto that he is happy, his soul, as per the contract concluded, comes to belong to the devil. However, despite all the evil deeds he had done together with Mephisto, he is saved by God, who had watched his last Deed dedicated not to any personal interest, but rather to a better future for humanity. The message that Goethe conveys suggests that he who commits his life to a grandiose purpose deserves to be remembered by posterity. What is decisive, however, is the intervention of Margaret, the unfortunate victim of his guilty passion, who implored Mary, the Mother of God, to save his soul. Building is good, using our creative energies is very good, as Goethe tells us, but we must never forget that, in the end, it is only true love that can save our soul.

Why did I recall a work that was written 247 years ago? Because it is my belief that, in this time of crisis, Europe is in need of a vision that, in a swiftly changing world, will allow us to imagine even that which today seems unthinkable. It is only with such a vision that we can create development strategies and the related public policies to cover an entire electoral cycle. I also believe that, beyond the *acquis communautaire* and its economic, administrative, social and military projects, Europe must also rediscover its European *ethos*, which it seems to have lost.

A coherent answer to the question, *What will the future of the European Union be?* is counted among the great intellectual challenges of the 21st century, because the development of the current political, economic and

military project will not be able to continue for too long in the absence of a solid, coherent and – in particular – broadly--accepted cultural model.

With the swift development of the European Union as a prevailingly political and economic project, the split between Euroenthusiasts and Eurosceptics is often formal and generated by political, economic, social or emotional considerations.

The European Union today is faced with a range of issues that not only threaten its current administrative structure, but also set up for challenges to its future, and a debate on these issues can neither be avoided, nor postponed. I find several of these to be of the utmost priority. The most recent, Brexit, has created a precedent for Eurosceptics aiming to leave the European Union, and it should drive reforms of the political and administrative framework, focusing at the very least on minimising red tape. It is necessary to work to swiftly complete the integration of all Western Balkan states, which sacrificed so much to resolve their domestic and foreign conflicts, in order to strengthen the cooperation between them. Now is the time to set some limits to the eastward expansion of the European Union, inasmuch as the legal framework allows, or otherwise change the legal framework or identify credible forms of association to eliminate the existing ambiguities. Migration from the Middle East and Northern Africa has tested the capacity of the European Union to accept and integrate a large, diverse population, with different beliefs and life choices. This test is still ongoing, with attempts to adapt to time and space requirements, in an effort to protect and assist those who undertake considerable risks to keep themselves away from war, oppression and poverty. For them, Europe can be seen as a safe haven where they can find protection and assistance to start a new life; however, their integration proved to be an issue not easily overcome, in the absence of any cultural affinity with the new environment they chose to live in, within the context of mutual respect.

We should not forget that the European Union was and continues to be an exceptional project, continuously refined through new treaties, institutions, and experiences. It is a unique creation formed by the coming together of a number of states, by their own will, to incorporate a series of shared values that are continuously developing and adapting to a changing reality. Thus, the European Union represents a constant process of learning democracy, rights, freedoms and solidarity – concepts that were built within the European space, but which can also be found in faraway places on the globe, where the European civilisational model was adopted.

Besides highlighting the inherent economic and social hardships, the latest global economic crisis and, more recently, the COVID-19 pandemic have also brought to light a much deeper reality: the fracture between the current globalised political and economic system on one hand and the cultural models that defined the beginnings of the European Union on the other.

Without an awareness of the cultural foundations of the European Union project, any analysis of the civilisation becomes subject to unwanted fracturing. The ongoing economic, political and, more recently, health crises remind us of Robert Schuman's warning, issued in 1963: "Before it becomes a military or an economic alliance, Europe must be a cultural identity, in the fullest meaning of the word."

Time tends to speed up into the new century. However, this does not mean that we need to rush without thinking. Our past shapes our future, whether we accept that or not. And, just to capture a positive aspect of the lockdown imposed by the Covid-19 pandemic – we could imagine the feeling of a driver who, in their hurry to get to their destination, has to stop for a red light. Their first feeling is displeasure. Then they realise that, in the midst of thundering traffic, this stop is more than welcome. It affords them enough time to see the cars behind them in the mirror, look at the cars next to them and, after wiping their windscreen, see the boulevard the crossroads, the roundabouts and even some of the bumps in the road in front of them. They have time to listen to the engine's trepidations and adjust their fuel consumption. And, because the voice of

the GPS has stopped, they are even able to examine the historical and cultural monuments around and remember how they got to be on the streets of that city.

What I mean by this allegory is that, beyond the public policy projects that each country must submit to the European Commission, beyond the strategies for 2030 and 2050, we are still in need of something more.

The 21st century is in need of a new cultural model that will not only respond to the economic and social shocks of globalisation, but also create a hope-giving vision towards a future defined by chaotic developments and uncertainty. A historical opportunity now presents itself for such a project. To begin with, the two political projects that have driven global progress through democracy and the market economy – the United States and the European Union – must now be reviewed with a critical eye, in order to ascertain how they can continue in a world that has seen considerable change in the interim. The two political constructions, although operation on shared values and principles, have distinct identities stemming from the different historical contexts within which they came into being.

The American political project has operated as a “melting pot”, where immigrants leaving the absolutist European empires adopted one language (English), a new religious doctrine (neo- Protestantism), an economic doctrine (the capitalist market doctrine) and a different political system (representative democracy), all joined together under the pride of a single model, the American model, touted as valid for the entire world. This cohesion generated force and appeal for the rest of the world; however, should this unity and solidarity weaken, as one can argue is occurring at present, then the United States, while remaining powerful at a global level, would become vulnerable ‘at home’.

Conversely, the political project of the European Union took shape at the end of a great historical tragedy that bloodied the entire world – the Second World War – and appeared to offer a new chance for peace, for both Europe and the world.

Less than one year after Nazi Germany’s capitulation, Konrad Adenauer, after being elected president of the Christian-Democratic Union, publicly stated his beliefs in a speech delivered in March of 1946 at Köln University, which was then within the British military occupation area: “I am, and I remain, German; but, equally, I was always European and I felt like a European”¹³. The keyword in this speech is „*I felt*”. In a Europe that had lost dozens of millions of human lives, the issue was no longer about money; it was about deep-rooted feelings of guilt and hope. In the collective consciousness, Peace meant Life. In an area under “British occupation”, it was about “freedom”. In a Germany just emerging out of a dictatorship, it was about “democracy”. In the Declaration of 9 May 1950, five years after the end of World War Two, Robert Schuman stated that “Europe’s integration represents an immense and difficult work”, “requiring a diametrical change in the relationships between European states”, a work that “we do together, based on absolute parity, in mutual respect and trust, after a time when our generation has known the greatest extent of suffering and hatred”.¹⁴ When Jean Monnet’s proposals gave rise to the European Coal Community in 1951 and the European Steel Community in 1957, in an economically-ruined Europe, it was about an escape from famine; it was about survival. The European project was then born, out of a “pedagogy of suffering” rather than as a result of profit- maximizing calculations.

The eastward expansion of the European Union project up to its current size occurred at the end of another immense historical trauma – the Cold War, and the fall of Communist dictatorships – as an opportunity for the countries and peoples of Central and Eastern Europe to integrate into a space of freedom

¹³ Hans Peter Schwarz (ed.), „*Konrad Adenauer, Rede 1917-1967 Eine Auswahl.*” Stuttgart, Deutsche Verlags-Anstalt, 1975.

¹⁴ Robert Schuman, „*Pour l’Europe*”, Nagel Publishing House, Paris, 1963, p 106.

and democracy and overcome frozen historical conflicts, left unresolved during years of Communist dictatorship.

In 1995, Wilfried Martens, the president of the European People's Party and of the Christian-Democratic European Union between 1990-2013, invited me to attend the launch of his book *"One Europe and the Other"*, a collection of his political speeches. In the foreword to that book, Helmut Köhl, the architect of Germany's reunification, emphasised: "it goes without saying that the European Union is not all of Europe".¹⁵

We now find nations within the European Union which, a century and a half ago, through the 1848 Revolution, fought to liberate themselves from under Imperial Habsburg, Ottoman and Tsarist domination and forge their national states; nations capable of modernising their people and joining the prosperous states of the European West. After the fall of the Communism, the European Union managed to generate a powerful attraction towards Europe for states coming from under the USSR's former area of influence, states that would have otherwise fallen prey to regional and domestic conflicts that had been frozen under Communist dictatorships. The peoples of Central and South-Eastern Europe proved to have an unexpected capacity for understanding and sacrifice, as well as demonstrating enviable solidarity. Do we have the capacity to learn anything from the lessons of the past? If so, then the experience of South-Eastern Europe must be capitalised upon, by taking its best and most favourable elements, and using them to craft the European identity of our continent.

The European Union, towards which the energies of these nations have turned with such zeal, cannot be reduced to the mere sum of the states and nations that compose it. The European Union is not a more comprehensive nation; it is a vast, ongoing experience, the experience of differences brought together in solidarity, the experience of equality in diversity. It remains a political project with a very distinct identity which, starting from the conflict-generating diversity intrinsic to the age of the nation-state, has not only accepted but also promoted the development of national, linguistic, religious and cultural identities.

In my experience as a geologist researching broad natural petrographic areas, I learned that a system under strong, punctual pressure (stress) will fare better if it is elastic, rather than rigid. At the same time, we cannot forget that the success of any project is tied to the availability of resources. Designed as a form of unity in diversity, the European Union project was – and still is – an expensive undertaking. It could not have been achieved without the financial and military support of the United States. In the current global crisis, such a harmonious system can be adopted, once more, through an extended EU-US partnership. Europe can provide opportunities for a transfer of pressures, as in the case of the Dollar-Euro binomial, or otherwise the possibility of alternative approaches in times of regional or global political crisis.

Such constructions can be sufficient to address the crisis in the short run, but they will not be efficient in the long run unless Europe and the US are able to find the intellectual resources required to design a new cultural model for the world of the future. Building future strategies based on current policies, and consequently building a vision of the future starting from these long-term strategies, irrespective of how durable they are, would only mean progressing towards the future while looking backwards.¹⁶ If, on the contrary, we begin from an inspired vision of the future and walk towards the present, then we can advance facing the future and notice the obstacles and the dangers ahead of time.

¹⁵ Wilfried Martens, *„O Europă și cealaltă"*, Metropol Publishing House, Bucharest, 1995.

¹⁶ A severe criticism on the difficulties that the current Romanian society is facing in harmonising with European policies and standing up to the challenges of globalism, while lacking its own vision, can be found in *"România în Europa actuală"*, Creator Publishing House, Braşov, 2019.

I believe we need to go beyond the transition from a “clash of civilisations” to a “dialogue of civilisations”. We require a “culture of recognition”, which means much more than a mere dialogue between cultures – it means an inner dialogue and a form of spiritual therapy through recognising the value of the other as well as one’s own limits.

In 1993, Cees Nooteboom acknowledged that, “If I am European – and I hope that, after almost sixty years of hard work, I finally reached a point where I am – this undoubtedly means that the multicultural European identity deeply influences my Dutch identity”¹⁷. This is an idea that I subscribe to, because Romanian identity, to which I belong, is equally affected by European diversity and the European identity.¹⁸ However, while Dutch identity was never under question as a European identity, the Romanian identity was; and this, for at least three reasons that have to do with history. First, it is about Romanians’s appurtenance to the Eastern European space in general, and to the space of Eastern Orthodoxy, in particular. Secondly, it is about the Romanian principalities’ historical political subordination to the Ottoman Empire, which is viewed as a full subordination to the power of Greater Turkey – a false assumption which ignores Romanians’ cultural and religious independence from the Sublime Porte. Thirdly, Romania’s subordination to the Soviet Empire after the Second World War further strengthened its imaginary alienation from Europe, which had become the “Paradise Lost” of all subjugated nations. These are the reasons why I feel committed to contribute to the clarification of Romanians’ European identity.

The carefully crafted European identity relies on the memory of the past on which Europe was built. I also feel European because I am shaped by a modernity carved by Kafka, the Czech; Joyce, the Irishman; Proust, the Frenchman, but also by Romanians Brancusi, Ionesco and Tristan Tzara. If, as Ortega y Gasset proposed, we were to take stock today of our mental content – opinions, standards, desires, hypotheses –, we would notice that most of it “does not come from France for the French, from Germany for the Germans, from Britain for the British, nor does it come from Spain for the Spaniards, but rather, it comes from our shared European background”.¹⁹

As for us, Romanians, it can be said that we strongly influenced the European cultural identity in the mid-20th century both through the work of Brancusi, Ionesco, Tristan Tzara, but also through that of Eliade, Cioran, Lupasco or Enescu. This is not because any of them ostensibly promoted the specificity of being Romanian in the West, a specificity which was otherwise deeply engrained in their personality, but because they greatly contributed to ushering modernism into European and world literature, philosophy, art and music at a time when European culture appeared calcified. The lesson they left us is that only by being deeply European and universal can one truly promote our national identity.

At a time of economic and political crisis, when masses of citizens who have repeatedly proven their democratic maturity and openness find in their past the fear of another Party, a fear which they project onto the present, the time has come to thoroughly ponder on the dialectics of identity and difference, if we wish to protect and develop the very concept of Europe.

¹⁷ Cees Nooteboom, „*De ontvoering van Europa*”/„*Răpirea Europei*” (*The Rapture of Europe*), Atlas Publishing House, Amsterdam, 1993.

¹⁸ For a synthesis of the influences of the Latin West and the Byzantine East on Romanian identity, see Ioan Aurel Pop, *Romanians and Romania: A Brief History*, New York, 1999.

¹⁹ Ortega y Gasset, „*Revolta maselor*”, Bucharest, Humanitas Publishing House, 1994, 2002, 2007.

European integration will no longer evolve, unless it takes into account the inevitable tension between the identities that compose it – not in order to dilute them, but in order to learn from the past and find a way to safeguard them and direct their energies towards the future.

If we refer to the European Union member states that joined after 2000, we might ask ourselves what the “added value” that they brought in is, and what the “added value” that they receive from the EU is. If we were to use the consecrated terminology of contemporary debate, we can also ask ourselves how the “country brand” changes for each member of the European Union, and what could a “European brand” look like in a globalised world. We most often tend to adopt the “compliant language” of European bureaucracy - a “technical”, “politically correct” language that masks the difficult realities, without, however, solving the real issues. This approach cannot help us manage the serious challenges of the world of tomorrow, not with our societies traumatised under the obsession of the risks that European integration and continuing globalisation entail. In this regard, it is those societies whose leaders are neither capable of explaining the mission of historical projects, nor can they clarify the value that will be obtained for the costs, that will be traumatised most.

Citizens’ capacity to support significant projects must not be underestimated. Although the European Union is the most important historical project of the 20th century, a project unique in the history of humanity, it has not always known how to give citizens the place they hoped for. Many people, especially the younger generations, doubt Europe; they do not know how it was created and what the pace of its development is. The desire to reconcile aspirations, even preconceptions, with this immense European project should aim to confront them with concrete aspects, in equal measure intellectual and practical, since preconceived ideas are often an indication of actual questions and ongoing problems waiting to be answered by current and future decision-makers. We can hope to overcome the past without forgetting it, to broaden our linguistic and cultural horizon without abandoning our own language, and to transcend geopolitical spaces without losing our curiosity or our legitimate pride.

THE FUTURE OF THE EUROPEAN UNION’S FOREIGN POLICY

Foreign policy is a sophisticated field, equally connected to grand politics and to the minute interests of the EU member states.

Despite all ambiguities of the past two decades, new concepts, new institutions, new opportunities are about to come through and shape a truly new, European, identity. A new vision on European and international security can open the way to a common European foreign policy. But first, we should perhaps tackle the very concept of a common European foreign policy. Is it necessary? Is it good? Is it possible to imagine that centuries of different views, even of diverging opinions regarding the foreign stakes of, say, Germany and France, or Italy and Sweden, not to mention Poland and Austria, or Hungary and Romania, can and should be replaced by a single voice and a single set of decisions?

In principle, my answer is yes. The European Union is a single political body, which can provide a single political response to the inevitable reality of an indivisible European security. It was never merely a coalition of nation states, but neither will it be – at least not in a foreseeable future – a stand-alone superstate.

The end of the Cold War brought about the illusion that the security of Western Europe was no longer challenged by any threat. Even if never spelled out – or perhaps, particularly because it was never spelled out – this false, reassuring idea is what many decisions and attitudes, both European and American, were based on. In the ‘90s, the Western Balkan crisis dramatically questioned this hypothesis and proved the opposite – namely that, after the fall of the Berlin Wall, the entirety of Europe is threatened whenever any one of its countries is facing any risk. The Common Foreign and Security Policy (CFSP) had positive results within the European Union in solving the Cyprus issue in 1995, settling the conflict between Great Britain and Spain

in their dispute over Gibraltar, improving the relationship between Northern Ireland and the Republic of Ireland in 1998 and, externally, through the Eastern Partnership and the Union for the Mediterranean. All this, however, is too little.

The emergence of a new post-Communist world order and the rise of international terrorism determined the countries of the European Union to intensify their efforts to speak in unison about global issues and proved that, if we continue to act separately, as independent nations, when the Treaty of Lisbon gives us the means not to do so, we will fail.

As a constitutional body with a complex structure, the European Union is a unique construction in today's world, and a novel concept in the entirety of world history. Consequently, its way of conducting politics must be novel as well. Its diplomacy must be novel as well. In a world dominated by blocs, the European Union's opportunity lies in its imaginative capacity to be different, but no less functional.

Regarding its geopolitical and strategic vision, should we expect to see the development of several complementary strategies, or rather, an explosive free-for-all of contradicting conceptions? Will the strategy be limited and Western-centric, or all-encompassing?

The collapse of Communist Europe was also a victory of the concept of transatlantic security. 30 years later, we can ask ourselves whether it has only generated new types of solidarity or rather has it also promoted, in an almost irrational manner, the first true rupture between the American continent and Europe? During George Bush Jr.'s term in office, the United States of America have, for the first time after the Second World War, developed a fully autonomous security concept. This was negated, at least in theory, by the Obama administration, and has again found a more powerful expression during Trump's mandate. In American politics, this tendency did not evaporate overnight and, although it will likely fade, it is equally likely to not disappear entirely during Biden's mandate either, because it is indeed not normal for European security to be prevailingly supported by the US. Does this mean that the security of our continent will continue to be transatlantic, or should we envision a European Defence Identity that is very different from what we have now?

The European Union has a full range of economic, legal, diplomatic and military instruments at its disposal that allow it to operate efficiently at a global level. Is this, however, sufficient to enable us to say – as one Brussels document states – that the European Union is a key player in international issues, ranging from global warming to the conflicts in the Middle East? On the EU web portal, the Union's common foreign policy is claimed to be *Decisive diplomacy*. Dictionaries explain that *decisive* means having the power to drive a result or be conclusive; antonyms of this word include 'inconclusive' and 'undetermined'. Apparently, the European Union's foreign policy has acquired a significant capacity for response> it has the means, but, for the moment, lacks the vision of a specific, European international role.

In a way, that is only natural. The European Union is not merely a common market; it is a high- risk innovation and a political experiment and, as such, a modality for it to reinvent itself step by step. Centuries of competition between nations must be overcome by a radically opposite reality of cordial cooperation and sincere mutual trust. This is not an easy task, as it entails not only slow evolution, but also a change of paradigm, in at least three broad directions. Firstly, the European Union must abandon the rule of the zero-sum game and, in all respects, adopt the very different behaviour of a win-win proposition. Secondly, it needs to adopt a new strategic concept, one more attuned to the geostrategic realities of today. And thirdly, it needs to shift from bureaucratic decisions to a truly democratic mechanism in drafting its foreign and security policies. The current crisis is not only an economic and financial black hole – it is also an opportunity to radically shift paradigms. Europe cannot meet its own future without such a paradigm shift occurring both within the Union and in the EU's relationships with the broader globe.

In order to shape its own vision on international policy, it needs to understand the thought processes of two of the large players on the contemporary stage - the United States and China.

With regard to American geopolitical strategy at the end of the 20th century, one source of inspiration seems to have been the game of chess. In March 1998, during a visit to Washington, Zbigniew Brzezinski gave me his book, “The Grand Chessboard – American Primacy and its Geostrategic Imperatives”, with a note that encouraged me in my efforts to integrate of Romania into the European Union and NATO. The book by Jimmy Carter’s former presidential national security adviser (1977–1980), a professor at John Hopkins University of Washington, puts forward a daring geostrategic vision on the future of the US as a superpower in the 21st century. Brzezinski attempts to answer the question: why is the US (or was, in 1997) not only the first true global superpower, but also the *last* superpower – and what are the implications for the US’ superpower “heritage”? In the chapter on “The Eurasian Chessboard”, Brzezinski argues that Eurasia is the chessboard on which the fight for global supremacy will play out. Although the management of geopolitical interests can be compared to chess, and Eurasia does appear to resemble a chessboard, this game is not only played by two players but by several, each with different shares of power. On this chessboard, the key players are located in the West, Centre and South, while the Western and Eastern outskirts are represented by densely populated areas, organised in relatively congested spaces with several powerful states. Acknowledging that the next six states with significant economies, the next six military powers after the US, and the two states with most numerous populations are also located in Eurasia, Brzezinski notes that, luckily for the US, Eurasia is too big to be a unitary political region. At the same time, the author notes that the United States are much too democratic at home to be autocratic elsewhere, which limits the use of their capacity for military intimidation; the nuclear arsenal has reduced the usefulness of war as a political instrument, while the increase of economic interdependence has rendered economic blackmail no longer efficient. Given these factors, the goal of American politics should, in his view, be benign and visionary at the same time: to build a truly global, cooperative community, in line with the fundamental interests of humanity, while at the same time ensuring that no emerging challenger comes to dominate Eurasia. The formulation of a comprehensive, integrated Eurasian geostrategy is, in fact, the message of his book, which is dedicated to his students that it may help them better shape the world of tomorrow. As far as China is concerned, Brzezinski believes that to view it as a threat is akin to beginning to talk about a self-fulfilling prophecy. ²⁰

If this is how Brzezinski saw the prospects of the US’ game on the Eurasian chessboard in 1997, how then do the Chinese see their geopolitical strategy in the globalised world, almost two decades later?

In my opinion, in order to understand that, we need to understand the game of Go ²¹. The game of Go is a combinatorial strategy game, over 2500 years old, originating in China; the Chinese call it weiqi 圍棋 and the Japanese call it igo 囲碁, which means ‘to surrender’. ^{22 10} In Ancient China, it was deemed to be one of the four essential arts (alongside painting, music and calligraphy) for the culture of Chinese emperors and sages. The game uses an unlimited supply of pieces (stones), where the goal is to use one’s own stones to secure as many points as possible. The stones are laid at the intersection of grid lines, and the surrounding intersections are called ‘liberties’. Essentially, Go is a game about freedom of movement. If a group of stones loses all its liberties, it becomes captured. Any move that results in the annihilation of all liberty of a group of

²⁰ Zbigniew Brzezinski “*The Grand Chessboard – American Primacy and its Geostrategic Imperatives*”, Basic Books, advision of Harper Collins Publishers, Inc., New York, 1997.

²¹ Noguci M (2005) *Jeu de go. Le langage des pierres. Regles et fondamentaux. Praxeo*, 2005 (ISBN 2-9520472-1-9).

²² Boorman S. (1969), *The Protracted Game: A Wei Ch’i Interpretation of Maoist Revolutionary Strategy*. Oxford University Press, New York.

one's own stones is deemed to be a suicide, and is forbidden.

If both players pass their turn, the game is ended. A player admits defeat when they have lost a large group of stones surrounded by the opponent. In terms of the theory of combinatorial games, Go is a zero-sum game, which requires perfect information and a deterministic strategy. It illustrates the role of balance at multiple levels, as well as the role of internal tensions. What I found particularly interesting about Go is its handicap system, which compensates for skill difference between players with various levels of expertise, thus creating the premises for them to meet – premises that are almost non-existent in official chess competitions.

In Go, the lower-skilled player receives a larger number of stones (pieces), proportional to the difference between his own skill level and that of his opponent, and he can moreover occupy advantageous positions on the game board first. He also has the right to open the game and, thus, can better implement his desired strategy. Of course, we would expect this strategy to be inferior to that developed by his better-ranked opponent, but the advantages offered by the handicap system allow for a balanced confrontation and the actual verification of the two theoretical approaches. In this manner, the weaker player learns through direct contact with clearly superior game philosophies. On the other hand, the stronger player also has the opportunity to improve his game, as he comes into contact with fresh tactics and ideas which he would not have the opportunity to study otherwise, and also avoids the routine of repetitive games.

As William Pinkard noticed, while the game of chess, with its rows of soldiers marching ahead to capture enemy soldiers, represents the conflict of “HUMAN – against – HUMAN”, the game of Go can be seen as a challenging form of self-improvement, a game of “HUMAN – against – HIMSELF”.^{23, 24}

In May 2015, at the Shanghai Institute of International Studies, I had the opportunity to meet the president of the Institute, Chen Dongxiao. At the end of our talks, I received a book, “*China and G20*”, published in collaboration with the Friedrich Ebert Foundation in Germany, as well as a magazine of the Institute,²⁵ which tackled the main lines of China's foreign policy strategy. In one paper in this magazine, daringly titled, “Is China trying to push the United States out of West Asia?”, Wang Dong, a professor at the Beijing University and head of the China – US Institute²⁶, counters the claims of some Western commentators about China's intentions to act towards pushing the US out of East Asia by using the very principles of the “Monroe Doctrine”, once used by Americans to justify their hegemony over their area of influence. His argument is that, for a future development of East Asia, the two protagonists – the United States as an accredited power, and China as a growing power – will have to accommodate one another, negotiate and renegotiate the limits of their relative power, as well as their role in the future regional order, where Beijing and Washington will learn to share responsibilities and leadership.

If we look not only at the “goban” of Eurasia, but also at the global “goban”, we can also notice how the Chinese behave in the human conglomerates that they create in other countries of the world. Despite migrating and settling down in countries governed by different beliefs, ideologies and cultures, the Chinese have nevertheless preserved their identity over more than one century of immigration, and did not allow themselves to be assimilated; they built compact communities similar to colonies of bees or termites, with a strict organisation around internal hierarchies. By preserving their freedom of movement, however, they did

²³ Pinkard W. (2001), *Go and the Three Games*, Kiseido Publications Corporation, Singapore.

²⁴ Yasuda Y. (2003), *Le go, un outil de communication*, Ed. Chiron, Paris.

²⁵ Shanghai Institutes for International Studies, Annual Report, 2014.

²⁶ Dong Wang (2015), *Is China Trying to Push the US out of East Asia? China Quarterly of International Strategic Studies*, World Century Publishing Corporation, Singapore.

not attempt to change the status quo and de-structure their host countries, thus preserving a balance that has proven convenient for all.²⁷

One can also notice that, in its expansion in the globalised world,²⁸ China does not intend to propagate Communism or the planned economy that it practises internally, nor Confucianism, the Buddhist religions or the Chinese language. Moreover, at least until now, it prefers an interstatal economic integration that proves as profitable as possible²⁹ since, as Deng Xiaoping once stated years ago, “it does not matter whether a cat is black or white; what matters is that it catches mice”.³⁰

Above all, we need to view classical security issues only as particular cases, in relation to the “non-Euclidean” security prospects initiated by the beginning of the era of humanity’s struggle against terrorism. Such unorthodox strategies require new evaluation methods and a new type of human resource involved in this process. Commissioners or prosecutors are superior to generals in this respect, while police forces and methods may be more useful than military strategists. The Wikileaks saga has proven that hackers can be either an “asset” or a “plague”. It is my belief that we need to imagine a new division of labour in these new fields of non-traditional risks, both between military personnel and civilians, and between the United States and their European allies. Instead of re-duplicating military models on a different scale for each country, it might prove useful to think of the complementary component of integration. It was achieved in terms of information. Why shouldn’t it be the case in other fields, in order to initiate a comprehensive security concept? In any event, this new non-Euclidean geometry of European security must ensure better control of the gates to Europe, which implies the need to strengthen both the Northern and the Southern flank of the entire system.

I am not trying to sell a new utopia. As a person dedicated to scientific research, I am used to healthy criticism. As a former head of state, I was often confronted with tensions that had the potential for conflict, either as a secondary effect or – worse – as a perverted effect of the integration process. We can control such perverted effects, but we cannot control a defeat of the European Union’s foreign policy process as a whole. An expanded European Union, deeply anchored in its transatlantic alliance, may be a long-term solution for the security of Europe and beyond. It can generate major progress in the economy and civilisation. Both through its rich material resources, knowledge and techniques, and through its extraordinary richness of highly educated human resources, this Europe of the near future has an enormous potential for growth.

This also means that we need to begin rethinking the foundation of the global economy and of the global world in a broader sense. What I mean by this is that internationality, in the sense of interrelationships, mutual exchanges and global diversity, must prevail over globalisation, in the sense of uniformity and the domination of one model over all others, coupled with a dearth of ideas. Europe has a multitude of languages, traditions and cultures, the essence of which it cannot afford to deny, erasing all this wealth in the name of a so-called globalised civilisation. Even in the immense melting pot of the United States, the traditions originating from cultural diversity nowadays justify their own specificity. Europe is not a melting pot, and it would be absurd for it to mimic one now. On the contrary, Europe can succeed in turning the road to the

²⁷ Daojiong Zha (2015), *China’s Economic Diplomacy: Focusing on the Asia-Pacific Region*, China Quarterly of International Strategic Studies World Century Publishing Corporation, Singapore.

²⁸ Kejin, Zhao Gao Xin (2015), *Pursuing the Chinese Dream: Institutional Changes in China’s International Strategy under Xi Jinping*, China Quarterly of International Strategic Studies World Century Publishing Corporation, Singapore.

²⁹ China-Central and Eastern European Countries Investment Cooperation Seminar, Project Handbook, Ningbo, 2015.

³⁰ For details, see „Jocurile minții” in Emil Constantinescu, Nicolae Anastasiu, „Resurse minerale ale României. Vol. I. Minerale industriale și roci utile”, Editura Academiei Române, Bucharest, 2015.

future into a road towards creativity and culture. Culture – not as an opposite of civilisation, but as a deeper, inner dimension of a modern, truly democratic shared civilisation.

The basis of the European Union’s common foreign and security policy remains *soft* power: using diplomacy (supported, where necessary, by trade, aid and peacekeeping) to solve conflicts and bring about international reement. Cultural diplomacy, oft touted in the European Union’s official statements, was not supported by a thorough analysis of the particular mentalities of national and ethnic communities. One of the recent consequences of this fact was that the Union failed to anticipate the *Arab Spring* and its consequences; for, after 1990, it chose to only superficially address the history of anti-Communist revolutions in the former Soviet-dominated space and the characteristics of the transition to democracy in the Balkans, the Caucasus and, later, Iraq. That is the consequence of decision-makers focusing on political and military topics, neglecting to understand the difficult processes inherent in changing mentalities rooted in an old cultural history. Cultural diplomacy can no longer be seen as an exclusive instrument for promoting foreign policy interests, but rather as a basis for promoting international cooperation and partnership, through a joint venture that brings together diverse and independent non-state actors. Therefore, cultural diplomacy implies dual-purpose action, meant not only to establish a cultural presence but also to safeguard the way in which the Other (person or nation) recognises and accepts this presence, in order to foster a form of understanding that transcends stereotypical images.

THE POLITICAL AND CULTURAL BORDERS OF EUROPE

At a time when discussions regarding the European Union tend to slide towards derision, it is the duty of the academic milieu to continuously analyse the evolution of a United Europe’s civilisational structure, on the basis of interconnected territorial models (Mediterranean, Pontic, Baltic, Continental), of confessional structures (Catholic, Protestant, Orthodox), and of linguistic spaces (Latin, Anglo-Saxon, Slavic). Their syntheses point not only to differences, but also to stunning affinities.³¹

Without attempting to stir vanity or patronise other cultures, Europe needs to identify its shared roots, just as the great Eastern civilisations do in their own cultural space. The Greeks invented politics and democracy; the Romans systematised laws and state institutions, which were ultimately crystallised in the Byzantium through the Code of Justinian, while Judeo-Christianity created an ideological and cultural solidarity that has lasted for millennia. It is on these foundations that the European identity that we know today, as well as a significant part of the global culture and civilisation, was built. A recalibration of interest towards the Levant – the cradle of science, cultural diversity and European beliefs –, a move facilitated by the Balkans’ and Eastern Europe’s EU integration, can reinforce the identity-based cultural foundation in our 21st century world and reshape and balance the contemporary man in a new stage of globalisation-dominated history.³²

³¹ In Prolegomena to „*Uniunea Europeană în contextul unei lumi în schimbare. Fundamente istorice, valori, instituții, politici?*” (“The European Union in the Context of a Changing World. Historical Grounds, Values, Institutions, Politics), Nicolae Păun (coordinator) mentions the need to differentiate between the ancient transnational civilisations, such as the Hellenic or the Roman civilisation; the national civilisations of global impact (French, Spanish, British, Portuguese); the national civilisations with low international impact (German, Dutch, Russian); regional “junction” civilisations (Scandinavian, South-East-European, Baltic, Austrian/Central-European) deriving from the very geography of the continent and the opinion that the inhabitants of those had over time.

³² Emil Constantinescu, “*Rediscovering the Levant: An Opportunity for 21st Century Western Civilization. The motive and mission of an Institute for Levantine Studies in Romania*” in „*The International Journal of Levant Studies*, vol. 1/2019”, Bucharest University Publishing House, Bucharest, 2020.

Speaking about the beginnings of the project of European economic, political and military unification, the German philosopher Husserl wrote more than 50 years ago: “We see that this is the starting point of a new type of community, one which transcends nations. Naturally, I am thinking of this spiritual entity that we call Europe. This is not just about a juxtaposition of different nations merely influencing each other by lineage, trade, or on the battlefield. This is about a new spirit, born out of the philosophy and the sciences that draw upon a freely-critical spirit which places all things on an infinite scale, reigns over humanity, and creates new, infinite ideals”. Far from being a *laudator temporis acti*, Husserl formulates the visionary corollary of his thesis: “Europe’s existential crisis has only two variants: Europe either disappears by becoming more and more alienated from its own rational purpose, which is its vital calling, and descends into a spirit of hatred and barbarism, or it resurges through the spirit of philosophy, thanks to the heroism of reason”³³

Man feeds his sense of identity from objective facts, such as his family or craft, but also from subjective facts, such as his values and ideologies. This identity is what differentiates him from all others. The identity/otherness binomial is both temporally and spatially circumscribed. We are defined by a plurality of territories, marked by our practical and leisure activities within which our daily itinerary is laid as if on a map. We are also defined by our social space, where our relationships are woven and our networks of exchange, partnership, trade or politics are created. Ultimately, we are also defined by a space created by memories and hopes, a space of imagination and dreams. To the extent to which these territories and their historical moments coincide, they are also defined in relation with alterity, with the Other, and with vicinity.

It is therefore evident that identity emerges through a constant interplay of similarity and difference, a process of dynamic evolution which is endless, incomplete, open and unfinished. Through a range of operative identifications, each actor within society participates in construction that which we understand by “us” and by “togetherness”. If we accept the definition of identity as being an open-ended opus, we can better understand its deeper meaning. The motto of the European Union, *United in diversity*, is predicated on the paradigm of unity. Nevertheless, throughout European history, the nation-state has remained the expression of the model of unity, while Europe itself has traditionally embraced diversity as its identity. The envisaged unity of the Union often seems to collide with the diversity of those that comprise it.

In a text too often overlooked, titled *A view from afar*³⁴, Claude Levi-Strauss wrote: “Cultures have the right to protect themselves from others; their admixture can often times lead to the disappearance of them all... For we cannot both share in the joys of the Other, identifying with them and continue to be different. In its complete success, a full communication with the Other condemns, for longer or shorter periods, the originality of ‘his’ creation as opposed to ‘mine’”.

Overcoming these contradictions has required much time. There is a historical moment of cultural and civilisational synthesis, which Goethe did not deem as propitious in his age. To return to the tragedy I recalled at the beginning, let us remember that the son born from the union of Faust – a symbol originating from the medieval mythology of North-European Christianity – and Helena – the symbol of beauty in the ancient mythology of Mediterranean Greece, the child Euphorion, falls into the void and dies when audaciously attempting to climb heights he was not prepared for.

Yet for a “European identity” there is not only a “too soon”, but also a “too late”. This is a question we must ask ourselves, prior to taking on a “global identity” without first reinforcing our European identity.

³³ Edmund Husserl, *The Vienna Lecture Philosophy and The Crisis of European Humanity in the Crisis of European Sciences and Transcendental Phenomenology*, Nord-Western University Press, 1970.

³⁴ Claude Levi-Strauss, „*Le regard éloigné*”, Plon Publishing House, Paris, 1983.

Where do the limits of the European cultural identity, seen as a whole in relation to other cultural identities, lie in our contemporary globalised world? How far does a ‘Spiritual Europe’ range? These limits do not coincide with those of a political Europe, economic Europe or military Europe, each of which are predicated on different principles and interests and which, in my opinion, will not coincide either in the near future, nor even in the distant future.

Analyzing the political expansion projects of Peter the Great and of Lenin respectively, we notice that in order to push his political and military borders towards the West, Peter the Great moved the borders of Western civilisation towards the east, upon Russian territory, thus generating a powerful cultural effervescence. In turn, in order to drive his political and military borders deep into the heart of Central Europe and perhaps the entire world, Lenin likewise moved Western-European Marxism eastwards, thereby making Soviet Russia its ideological centre.

Three centuries on from the project of Peter the Great and almost one hundred years after Lenin’s own project, we can say that political and military borders have proven to be more fragile than cultural borders. From this unexpected relation, the European project itself retained a dilemma that it avoids tackling head-on: on one hand, the impossibility to achieve Russia’s political integration, as that would mean that the political identity of the European Union would be lost; and on the other, the impossibility to separate the Russian cultural space from its European counterpart, as that would affect the very cultural identity of Europe. We may be terrified at the prospect of European literature bereft of Tolstoy, Dostoevsky, Chekhov, Pasternak, Bulgakov or Solzhenitsyn; at the sound of music without Glinka, Tchaikovsky, Rachmaninov, Shostakovich or Prokofiev; at the image of art without Repin, Aivazovsky, Kandinsky, Chagall – all fundamental pillars of European cultural identity.

This is why I believe that the Europe of the future will evolve as a complex system, with a variable geometry, in which a political, economic and spiritual union can all reinforce one another, without overlapping in form or content.

THE CHALLENGES OF MULTICULTURALISM INSIDE AND OUTSIDE THE EUROPEAN UNION

Multiculturalism may well represent a final shelter against globalisation’s inerrant deviation towards standardisation and cultural assimilation. Especially through mass media, audio-visual productions, but also through the more treacherous modality of electronic information networks, mankind created and is developing a system of inducing preferences and behaviours which ultimately leads to a standardisation of behaviours down to the most intimate level of private life.

The world today appears to be dominated by mass culture on a planetary scale, which tends to consolidate the supremacy of audio-visual communication up to the very elimination of the written word. This form of globalisation is the very reason why a new type of engagement must emerge. Otherwise, we are at risk of eventually coming to believe that we all have to speak the same language, wear the same clothes, contend that the mankind’s cultural heritage is of no use to any of us any longer, that the only things that truly matter are action and money. And moreover, that we should definitely not waste our time thinking or meditating any longer. This tendency to ignore values both traditional and modern, as well as the promotion of counter-models will form human beings in the same image, but at the very real risk of devaluing the human being itself.

The return to tradition, the continuous rediscovery of the profound essence of ancient peoples like the old Europeans and, on the other hand, the recognition and affirmation of the autonomy of the individual constitute key points for our future evolution. In fact, the issue of this double condition is the very key by which multiculturalism can succeed at all. Thus, reconnecting Europe to its cultural traditions will prove that

the past can be successfully capitalised upon, and that tradition and modernity can work together in a positive relationship.

The most remarkable proof of the positive capabilities of multiculturalism, when properly managed politically, is the European construction process itself, which sought to capitalise on the positive lessons of history and learn from the drama and suffering of Europe during the Second World War – a drama driven, to a large extent, by the violent assertion of racial and ethnic preeminence. Since then, Europeans have learned that they need to provide nations with new unifying markers, as well as and a different dimension that allows people to act as true citizens who deeply believe in the political ideal of human rights and democratic freedoms that are guaranteed by law.

The Union's multiculturalism is not a mechanism by which national identities are to be annihilated or subsumed; rather, it is humanity's last-resort shield against globalisation's pull towards standardisation and cultural assimilation. In a society based on consumption and competition, we need to highlight the value of our cultural traditions, so that, as stated above, tradition and modernity can work together in a positive relationship. The true beneficiary of the European project is not the group of member states, but the individual himself, who is the ultimate and most valuable recipient of European policies.

In a Europe devoid of centre and periphery, a novel approach to European heritage should seek to build a knowledge and defence system that no longer takes into account power hierarchies and traditional preferences. In this, we might be able to discover not only the heritage of some smaller countries, which we could now call, culturally speaking, a 'second Europe', but also unearth great local cultural values, some of which may be lesser-known even in the country in question – thereby uncovering 'third Europe'.

I am deeply convinced that the cultural dimension or, more precisely, multicultural models, will provide the true foundations that will be able to secure a leading position for Europe in tackling the challenges of the future. As a matter of fact, the European Union's success in the political contest of the third millennium will greatly depend on its capacity to restructure and expand by including several distinct cultures and experiences whose historical subject are the nations of Central and South- Eastern Europe. I have in mind not only the deep cultural traditions of this region, the Central-European and the Slavic-Byzantine tradition, but also the recent experiences of resistance against totalitarianism and the spiritual aspirations of populations forced to live in closed societies, alienated from the rest of the world and almost forgotten by them.

Nonetheless, multiculturalism is not without its own set of hazards, dangers which, as a matter of fact, fall into a similar logic – although in opposite terms – to the logic that underpins the pull of globalisation. The first and most pressing of these dangers is to exclusively anchored oneself in the life and on the values of one community in particular, while overlooking other communities and ignoring the role of a rule of law designed to ensure society's consistency and unity. There is but one step from this arrogant, defiant self-isolation to the brutal and aggressive assertion of the autonomous rights of minority groups. Extremely dangerous, especially if we also consider the risk of perpetuating conflicts from one generation to the next.

Multiculturalism can and must be experienced in terms of a deep respect for diversity, as a way of accepting pluralism into identity-based traditions, as a form of solidarity governed by continuous respect for national and European laws concerning human rights and the freedom of individuals.

I hold a strong belief that, eventually, the true subject for whom this multiculturalism should be beneficial is neither the group nor the minority, but rather the individual, the citizen who can articulate with dignity the identity of the community they belong to, with its national values, and with the universal values that bring us together.

TOWARDS A EUROPE OF CITIZENS

No model can today claim to provide the sole solution to a problem. As a European intellectual, it is far from me to consider the European Union as such a unique model; I find it rather to be a source of inspiration, and I believe that viewing the European project through a critical lens is always a necessity.

The Treaty of Amsterdam ³⁵ was underpinned by a generous idea – “we unify persons, not states”. This is a governing principle that has proven to be difficult to translate into reality. May we now, 24 years later, ask ourselves why? One answer appears to come from the latest economic, political and, now, health crisis, which highlighted a rift between the current, globalised political and economic system and the cultural model that defined it at its inception. The rift between the real economy and the speculative economy on the one hand and between bureaucratised administration and citizens on the other has damaged an element that essential for both democracy and the market economy: *citizens’ trust*. Can the European Union build a model not only for itself, but one capable to inspire societies in other parts of the globe, as it has done in centuries past? Far beyond merely resuming social dialogue, what is needed to regain citizens’ trust is a new cultural model, for no new political model can be successful if not preceded by and founded upon a cultural model that relies on moral values, the only ones that can foster real solidarity between the positive energies within society.

Both ancient and modern democracies were, or still are, inclined to rush into decisions and substitute invectives for a careful judgement. This is why democracy needs citizens who can think for themselves, rather than individuals who merely submit to authority. Scientific education produces sophisticated scientists and technicians, but only the human sciences – although apparently unproductive – are able to maintain the democratic spirit alive. Citizens who nurture knowledge will see themselves not merely as citizens of regions or local communities, but also as people connected to all other human beings, through mutual recognition and interests.

The idea of being a citizen of the world, *kosmopolites*, has two convergent points of origin – that of the Stoic philosophy of the ancient Graeco-Roman world, and that of universal religions, beginning with Christianity. This concept had a formative influence on the greatest European minds, in the established tradition of philosophical Enlightenment, and on America’s founding fathers alike. In today’s multicultural and multinational world, many of our most urgent problems demand dialogue. The basic precondition for such dialogue would be that, without denying our national, ethnic, religious or professional loyalties, we should be able to recognise the value of human life wherever we find it.

In consecrating the triumph of the individual, modernity was too often understood as a dissolution of the organic bonds within the community. However, I am of the belief that, while we must internalize the undeniable positive aspects associated with the process of modernisation, we will also have and know not to ignore the natural desire of the human being to live and develop within the community to which he belongs. I also believe that we will be able to overcome the effects of a society increasingly based on excessive consumption and wild competition, and thereby understand that we will only move into post-modernity with *that which we are*, rather than *that which we have*.

My generation tends to speak of European values with reference to democracy, freedom and the equality of citizens, often using these words without thinking of their substantive essence. What does it mean

³⁵ Treaty of Amsterdam amending the Treaty on European Union, the Treaties establishing the European Communities and certain related acts, Official Journal C 340, 10/11/1997, P. 0001 – 0144, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A11997D>

to turn Europe into a participative democracy in the era of global communication? Is it to support the practice of frequent public consultations, to include electronic referenda into existing institutional mechanisms, to design an administration that is not only local or national, but European as well, one which could eventually re-organise into a form of governance in keeping with the new channels of communication?

What is the future of technical innovations, in the absence of properly developed scientific foundations? Could the transfer of technology occur in the absence of a transfer of skills necessary to make effective use of these technologies and, moreover, of a transfer of a value system capable of ensuring the proper use of such technology? Technological development puts pressure on human resources. Discovering precocious talents and managing their evolution is becoming a science, requiring the creation of new playgrounds and new players in the fields of education and research. But what would European citizenship be without European culture, including the great culture of the past, perceived as a culture of enrichment, as opposed to a culture of consumption?

What are we to do with history? The role of history in outlining European specificity would be to examine the shared traits of the various national cultures, create fundamental European events, and suggest shared memorial places in Europe. For two centuries, the cornerstone of Europe has been the nation and national identity; integrating them as part of a broader European history is no easy task. Moreover, even were we to succeed, we risk sliding into eurocentrist thinking, often denounced as at best a bias and even as an instrument of influence and domination.

We take pride, for instance, in talking about a shared European identity, based on shared values. What, then, are these values that define European identity? How can specific character and even national boundaries be overcome, yet not forgotten, on our path towards a shared identity?

The answer to these questions lies at the very heart of European projects – and of the European anxieties as well. Should we continue to elaborate projects without taking into account the inevitable anxieties that any political construction of half a billion people entails, there is little chance for us to develop a strong, democratic Europe. This is why I believe that the long road towards European solidarity must start from within each and every nation, local community and even family, where not only can we often find many of the contradictions that we describe as typical of the discrepancies between the global North and South, East and West, but also identify the identarian bonds of a shared ethos. That is how we can gain a better understanding of the world we live in.

At the end of 2020, the European Parliament commissioned a survey of European citizens which showed a 10% increase in the number of citizens who expressed a positive opinion about the EU, with the protection of human rights and solidarity between member states ranking foremost among respondents' concerns. We cannot overlook the fact that this increase from 40% to 50% merely engages half of our citizens' trust, but also that citizens' confidence in the European Union is greater than in their own national governments. Commenting on these answers, in February 2021 David Sassoli – the president of the European Parliament – declared: “The message of this survey is clear: European citizens support the European Union and perceive the EU as the right framework to look for solutions to the crisis. However, the Union’s reform is definitely something that citizens wish to see, and for this reason we must launch the Conference on the Future of Europe as soon as possible.”³⁶

³⁶ <https://www.europarl.europa.eu/news/ro/press-room/20210208IPR97326/ue-este-cadrul-potrivit-pentru-a-face-fata-pandemiei-dar-este-nevoie-de-reforma>

In this context, I believe it is time for the academic milieu and scientists to decidedly engage in a debate on the future of the European Union. The Institute for Advanced Studies in Levant Culture and Civilisation is prepared to host such a debate on its platform, “*The present as an anticipation of the future*”, encouraging a comprehensive analysis capable of tackling the interlinked issues of economics, society, culture, education and morals and of developing a strategy that can capitalise on scientific and technological progress within an ethical and moral framework.

A direct involvement in politics is not on my mind. The 1989-1990 moment, when the intellectual elites of Eastern Europe mobilised millions of people who put an end to dictatorial regimes and to the Cold War, remains a unique juncture in history. In my opinion, the phenomenon of freed peoples who chose to elect university rectors, writers, philosophers and scientists to be their first democratic heads of state and government cannot be repeated in the 21st century. And, although they can no longer take part as players, the top representatives of the contemporary academic milieu are nevertheless called upon to be the coaches and arbiters of the political game.

There can indeed be a fruitful concert between the academic and political spheres. In order to respond to the challenges of a time of swift change, politics can take inspiration from science and organise itself around respect for a set of shared values: authentic, balanced dialogue that favours the exchange of ideas; respect for truth, and so on. The academic milieu can be viewed as a precursor and a model of cooperation bereft of ostracism and disparagement. Intellectual solidarity can serve as a foundation for building a new political architecture of the European Union.

Is there anything that the academic environment can learn from politics? Most certainly. The successes, and especially the failures, of the political environment can teach the academic milieu prudence in elaborating political, economic and social projects that are not backed by solid impact studies and whose implementation is delegated to others outside of its sphere. The experience of statesmen can teach scholars and scientists alike what it means to be liable for decisions that concern the life and freedom of millions of people.

This is a debate I am very much interested in, given that as an educator, civic advocate and, later, statesman I internalised many of the answers to questions the citizens of Europe are asking themselves right now. I truly believe in the future of Europe, and I trust the capacity of the European youth to design and build the Europe of tomorrow.

The concept of *Weltanschauung*, by which German philosophers understood that each era had its own way of seeing and understanding the world, remains useful to this day – especially if we view it as a *Gestalt der Weltanschauung*, where the whole is more than the sum of its parts. This concept best corresponds to what politics should be in the society of knowledge and in the globalised world of the future: a complex view of the future, predicated on a novel dialogue about human values.

My generation enlarged the Europe that our parents had founded, bringing about the fall of the Berlin Wall. Now is the hour in which a new generation must take up and enhance European values, bringing them level to their aspirations. This new generation may well build a new destiny, not only for our countries and for Europe, but for the entire world.

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REPORT: WHAT FUTURE FOR THE EU?

ABSTRACT

Many European countries have identified globalization as a major contributor to inequality among countries. The growth of gap between the rich minority and poor majority creates resistance against the globalization. The coronavirus puts global economic relations at risk. The EU should set up a mechanism that protects the losers of the globalization.

It is a special threat to the countries of Western Balkan which are not members of the EU. The future of the Western Balkan lies with the European Union. The future of these countries must be discussed and predicted by the EU.

Respecting multiculturalism and the right to all forms of equality with the domicile population, to enable each Member State to preserve its national, cultural and religious identity and to take care of it .

Keywords : The future of the EU, Western Balkan, globalization

JEL Classification : E66, F60, O10, O30

1. The European institutions have become major promoters of globalization. However, among EU countries globalization is one of the most widely debated issues of the present age. The debate involves those who are supporters of globalization or 'globophiles'. Many have identified globalization as a major contributor to inequality among countries, and seen as particularly responsible are multinational corporations, which are in constant search for cheap labor and high profits. The growth of gap between the rich minority and poor majority, at the global level, but also within the economies of a great number of countries, creates a resistance to globalization. However, globalization by itself is not the cause of the gap, but the concentration of power in hands of a rich minority which globalization uses for the increase of wealth. Not a single normal man opposes globalization, i.e., international integration that is based on respecting human rights. On the one hand, there are 'globophiles' who believe that globalization connects the world and brings many economic benefits to countries that are well integrated into international business flows. For them, globalization is a continuation of modernization and a driver of progress, increased wealth, freedom, democracy, and happiness. Further, it encourages more trade and increased capital inflows among nations.

The truth is, globalization is not a process that only expands prosperity. It also has its own costs and risks, for big and small countries. Globalization leads to the spread of noncompliance, to an increase in ecological costs, to rising energy prices, to rising food prices, to economic migration, and the like. However,

for most of these tendencies, globalization itself should not be blamed. What we verify as negative consequences of globalization is most often the consequences of inefficient management of resources, processes, and institutions in the conditions of globalization.

The economic crisis of 2008 showed a close link between the crisis and the decline in the level of economic globalization in the world. Accordingly, the question arises whether the new economic crisis of 2020 caused by the coronavirus will again slow down the processes of economic globalization or even lead to the end of globalization, as some predictions have emerged.

Such statements are corroborated by the fact that when the world is faced with a pandemic and the threat of financial collapse in 2020, each country of EU for itself has been forced to seek a solution to closing their national borders. Further, as it moves around the world, the coronavirus threatens the circular system of globalization, dramatically reducing the international flow of money, goods and people. This puts global economic relations at risk. In addition, as a result of the impact of the coronavirus, there is an increasing demand from EU countries to reduce dependence on third-world suppliers. In line with these requirements and given that global economic integration has slowed over the last decade, culminating in the emergence of the that there has to come about a gradual deglobalization.

Although it is difficult when the pandemic continues to give accurate predictions of what the consequences of this crisis will be, what is certain is the fact that the EU community will have to strike a new balance between national and global development priorities. In addition, the European Union should set up a mechanism that protects the losers of globalization. Especially, EU institutions should pay attention to the change of inherited social standards and traditional habits of small countries. In order to take advantage of the globalization of the economy and to recover faster and stronger from the COVID-19 crisis, they must have a very flexible policy of cooperation with the environment, a policy of adapting the conditions of business and managing their own development. Freedom of movement of goods, labor, capital, and ideas allows individual countries to solve easier a number of structural disorders. For example, by joining the European Union (EU), former socialist countries have reduced unemployment by economic migration, improved the structure of consumer goods, discovered their competitive advantages in certain production, and thus attracted investors, which accelerated their economic development. In the conditions of aspiration of large countries to global domination, the geostrategic and geopolitical position of small countries is gaining momentum in the modern phase of globalization.

The accession process remains slow and the remaining aspirants in the Western Balkans to enter the EU. Western Balkans implies countries in the Balkan Peninsula that have not yet become members of the Union. It is a region of 208 thousand km² (roughly like Belarus), with about 18 million inhabitants (less than in Romania), and generates less than 1% of the EU's total GDP (0.55% in 2016). GDP per capita is around 4,500 euros, which is only about one-third of the average GDP per capita in the EU. This is one of the poorest regions in Europe that is characterized by high unemployment, a low level of foreign direct investment, a large degree of economic migration, especially of young people, depopulation and average aging of the population, nontransparent public money spending, a weak rule of law, a high degree of corruption, and a gray economy.

Although poor, the Western Balkans is in the center of the interests of the most powerful powers of the world. It is the evidence that small countries in the process of globalization can be of great significance, despite low economic power. The development of events shows that this is not a very happy circumstance for the Western Balkans. Although it is a strategically important region to the most powerful forces of the world,

the Western Balkans is poor, underdeveloped, and unstable. Why is the Western Balkans so important? There are two main reasons for the interest of the great powers of the Western Balkans:

1 The EU, the United States, and Russia regard the Western Balkans as an important factor in their security and the protection of wider interests.

2. China and Turkey in the Western Balkans see a strategic region to bring them closer to the EU market. the EU. They are located in an environment of EU member states with whom they share historical and cultural heritage and with which they realize significant economic cooperation. True, relations with neighbors are not the virtues of this region, but European integrations are a good way to change that and become a factor of regional development. Also, the EU is committed to the European perspective of the Western Balkans because it is in the political, security, and economic interests of the Union. In addition, the most important foreign trade partner to all the countries of the Western Balkans are EU member states. So, the Western Balkans future lies with the Union. Namely, the countries of the Western Balkans measure success in the transition and the effects of globalization by the degree of closeness to the EU. However, the future of this region must also be discussed and predicted with the Union. The member states often delaying in predictable ways. Therefore, these predictions should start from what is realistically predictable in the Western Balkans by 2025 (potential year of accession), such as:

- population decline;
- weak economic and scientific ties with the diaspora.
- outdated and deficient education system.
- globalization trends with a focus on resilience - The crisis caused by COVID-19 has been a test for economic resilience, and how this crisis will affect business activities will be determined by their competitiveness. Only firms that have succeeded in reorienting and quickly adapting to the emerging crisis have continued without interruption in their operations, thus demonstrating their flexibility and high level of resilience.

If we consider that the first countries of the Western Balkans should be accessed in 2025, the question is what will the Western Balkans look like then? This question involves a number of other sub-issues such as:

- Will political tensions in the region be reduced by 2025?
- How fast will the integration processes go?
- Will there be political will on both sides by then?
- Will Montenegro and Serbia be ready to join the EU by then?
- Will other countries in the region accelerate integration after that, following the example of Montenegro and Serbia?

In my opinion all issues should be considered in order to estimate the European Union future with new members coming from the Western Balkans.

There are no adequate strategies to support discriminated persons (Roma people ,migrants, etc).

Employment is essential not only for achieving individual economic security but also for his physical and mental health, personal well-being and sense of identity.

The debate on social exclusion in the European context has led to the development of the concept in two ways:

- a) focus on the factors that lead to poverty and
- b) the multidimensional concept that cannot be directly associated with income The effect of social exclusion is as follow:
 - Poverty (Roma people and especially women face anti-Gypsyism, extreme poverty, exclusion and discrimination, which reinforce their disadvantages).
 - Political exclusion and discrimination.
 - Limited approach to educational possibilities.
 - Identity issues.
 - Negative stereotypes.

For marginalized and the young who abandoned schooling, lack of literacy and basic life and professional skills reduce their chances of getting hired and better socialized. Also, digital competencies are becoming a significant resource and precondition for employment, and it is essential to promote digital entrepreneurial skills, introducing them into education programs through different forms of education. New forms of work, new technologies and new requirements set before employees have led to a gradual redefinition of education and to directing individuals and educational institutions in that direction. Training for human resources for certain tasks is conducted primarily by expanding the knowledge and competencies of workers for the best possible response to work tasks (Radović Marković,2018).

These groups are often more accessible to the informal form of education than the formal, organized by non-governmental organizations. In advance, it is necessary to define quality standards for informal training programs and to supervise them in terms of satisfying these standards.

In order to achieve this, it is necessary support migrants and marginalized groups through various funding mechanisms. This will facilitate the better integration of these groups in the EU and global labour market. It will, in the long run, contribute to reducing inequality and the impact of international migration on inclusive growth.

According to my opinion a large influx of migrants to EU countries should be stopped. They should be directed to rich countries, which are in their neighborhood and where the cultural differences are smaller. So far, there has been too much pressure on EU members in economic, social and political terms. For those migrants who have already found themselves on the territory of the EU, they should be enabled to integrate into society as soon as possible.

Respecting multiculturalism and the right to all forms of equality with the domicile population, to enable each Member State to preserve its national, cultural and religious identity and to take care of it .

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ROBERT SCHUMAN ON DEMOCRACY

ABSTRACT

The Author defines the meaning of the term DEMOCRACY. It is bound to Christianity. The first democratic constitution, that of the United States bonds between Christianity and democracy. We have to distinguish what belongs to Caesar and what belongs to God.

A *theocracy* does not recognise the principle of separation of the two powers. It imposes on religious thought responsibilities which do not belong to it. Under such a regime the political differences risk degenerating into religious fanaticism.

The colonising nations have not always understood fully and from the start the role which has devolved to them. The colonist and the missionary have not always had the same generous and noble inspiration. *Economic capitalism* gave itself too easily to selfish methods of exploitation and neglected a sense of human responsibility.

The Author draws attention to Bergson's saying that "democracy is essentially evangelical as it has love as its motor.". *Democracy will be Christian or it won't exist.* An unchristian democracy is a caricature which sinks into tyranny or anarchy.

In a real democracy there is only one limit to freedom: the foundation of the State and society must be protected from violence and destructive assaults.

Keywords: Democracy, democratic constitution, economic capitalism, Christian sense of the word

JEL Classification: B25, H1, F50, K10

EUROPE IS THE EMBODIMENT OF A GENERALISED DEMOCRACY IN THE CHRISTIAN SENSE OF THE WORD (from his book: *Pour l'Europe*).

There was a time - not very long ago - when the French were in bitter discussion amongst themselves about their political regime. Democracy had its fierce opponents. Nowadays without there being unanimity on the subject - unanimity is rare in this world - emotions have cooled. The subject can be raised calmly and frankly. That is unquestionably a great stride forward.

We should first understand what we mean by the term 'DEMOCRACY'. *What characterises a democratic state are the OBJECTIVES that it sets and the MEANS it deploys to attain them.* DEMOCRACY IS AT THE SERVICE OF PEOPLE AND WORKS IN AGREEMENT WITH IT. I can find no definition simpler and less technical. It fits in with that of President Abraham Lincoln: '*government of the people, by the people and for the people*'. You can notice that it does not concern itself with the form of government. Modern democracy in the sense that I have just expressed it can be just as well a constitutional monarchy as a republic.

Often the term democracy is applied to *republican states* and not *monarchies*. I maintain that this is wrong: some monarchies such as Great Britain, Belgium and Holland, if we only refer to our nearest neighbours, are more clearly and traditionally attached to democratic principles than some republics where the people have only little direct influence on the direction and political decisions of the country. This statement makes it unnecessary for me to discuss the choice a democracy can make among various forms of government. All we

need to do is to *exclude what is antidemocratic* in the sense that I will now elaborate.

This is where the Christian doctrine comes in. *Democracy owes its existence to Christianity*. It was born the day that man was called to realise in this temporary life, the dignity of each human person, in his individual liberty in the respect of the rights of each and by the practice of brotherly love to all. Never before Christ were such ideas formulated. *Democracy is therefore bound to Christianity, doctrinally and chronologically*. It took shape with it by stages and with periods of stumbling, sometimes at the price of errors and falling back into barbarism.

Jacques Maritain, our great Christian philosopher that we French made the mistake of sending to a far-off university instead of ourselves profiting from his seminal teaching, has remarked on this parallelism of development between the Christian idea and democracy. Christianity teaches equality of the nature of all men, children of the same God, redeemed by the same Christ, without distinction of race, colour, class or profession. It identified the dignity of work and the duty of us all to comply with it. It recognised the primacy of spiritual values, which are the sole to ennoble man. The *universal law of love and charity made each man our neighbour* and on this is built social relations in the Christian world. All this teaching and the practical consequences which devolve from it have *changed the world*. This revolution took place under the progressive inspiration of the Gospel which fashioned the generations slowly and sometimes accompanied with painful struggles. In fact the progress of civilisation has neither been automatic nor in one direction only: recollections of the past and base instincts of a repugnant nature have weighed on this development and continue to oppose it. If that is true for those of us who are privileged, and who have been Christians for generations, how much is it applicable to those who have just had their first contacts with Christianity.

In the long and dramatic development of Christian civilisation, it was not and moreover is not always the most convinced believers who made the most decisive progress for democracy. Christian ideas survived and acted in people's subconscious, long after they ceased to practice a dogmatic religion but they continue to be inspired by its great principles. These became and remain the characteristics of contemporary civilisations. Thus for example, the rationalists of the eighteenth century proclaimed and popularised the *rights of man* and the citizen which are essentially Christian.

These principles became part of the *first democratic constitution, that of the United States* where the bond between Christianity and democracy is deeply felt and manifest in everyday political life. Prayers are said publicly and together even at banquets, congresses, electoral meetings, without this practice, led by ministers from different churches, provoking the least irony or protest. Nobody considers that the official separation of the churches and the state is opposed to great religious traditions. Such behaviour goes beyond what we would call tolerance or respect for traditions. The *religious idea is a factor officially recognised in American public life*; it has inspired certain initiatives and appreciations which can sometimes surprise us and antagonise us, as for example, anticolonialism. This is a reflex which is more sentimental than reasoned and recalls the time when Americans had something to complain about in European colonialism.

If we find strong clues relating to Christian ideas in contemporary political life, Christianity should not be identified to a particular political regime, or with some form of government of democratic hue. On this point as on others, it is necessary to distinguish between what belongs to *Caesar* and what belongs to *God*.

The two powers have each their own responsibilities. The church should be concerned with natural law and revealed truths; her role, on the other hand is not to pass judgement on concrete choices which should be made according to practical perspectives of opportunity and according to the possibilities of fact, which arise from psychological and historical development. The task of the responsible politician consists of reconciling, sometimes in a delicate but necessary synthesis, the two orders of consideration, the spiritual and the profane. The politician's life is often thrown into the dark by the labyrinthine of problems and options to take and by passionate arguments. But there are no unsolvable conflicts between the two imperatives, that of unchangeable doctrine about principles and that of wise application of changing contingencies for which one must take

account in the life of peoples as with that of individuals.

A **theocracy** does not recognise the principle of separation of the two powers. It imposes on religious thought responsibilities which do not belong to it. Under such a regime the political differences risk degenerating into religious fanaticism; ***holy war is the most frightening expression of a bloody exploitation of religious feeling.***

Since the beginning, Christ was opposed to fanaticism because he accepted to be its most awe-inspiring victim. His kingdom was not of this world. That signifies that Christian civilisation should not be a product of violent and immediate revolution but of a progressive transformation and of patient education under the action of great principles of charity, of sacrifice and humility which is at the base of the new society. Only after long centuries of internal struggles and successive purification can such a civilisation evolve towards the great ideal proposed, extricate itself from the dross of pagan humanity at the price of painful convulsions and multiple quests.

Today Christianity, rich in this experience lived out through the course of its own history, must help less developed peoples adopt to the same way of human regeneration. The colonising nations have not always understood fully and from the start the role which has devolved to them. The colonist and the missionary have not always had the same generous and noble inspiration. ***Economic capitalism*** gave itself too easily to selfish methods of exploitation and neglected a sense of human responsibility which came to be formulated in the preamble of the French Constitution of 1946: '*France intends to lead the people of which she has taken charge to freedom of self administration and to manage democratically their own affairs.*'

Such a programme implies not only the emancipation of the native populations, but supposes in advance their individual, family and group training, that is their capacity to take on political and social responsibilities that France would transfer to them when it freed them from its former trusteeship. We took notice of this aspect of the problem too late. We were too exclusively preoccupied with preparing the transfer of political and administrative functions: we did not understand sufficiently the needs and aspirations of human development and cultural enrichment. The concern for technical progress led us to neglect the need for a balance between two factors of all real progress: ***material knowledge and moral self-discipline.*** For this our undeniably ***great task in Africa***, our missionaries, badly understood and supported, but understanding spiritual needs, strove to provide the supplement of the soul by the examples of their devotion and sacrifice. The ***spiritual needs are immense*** for such populations still left behind by a modern world with which they suddenly made contact, without preparation and without sufficient transition.

Democracy is above all not something made quickly, Europe has taken more than a thousand years of Christianity to fashion it. In Africa we were forced to burn our bridges. Not only did we give the vote to an often illiterate population but what is worse, we turned power over to men who often had no training and who were exposed defenceless to all temptations of capriciousness and injustice. We tried to slacken the rhythm, to bring in controls; these were only frail preventive measures against the thrust of nationalism. I would like to be able to quote on this subject what Jacques Maritain, following Bergson, wrote more than twenty years ago, at the time when a more generous and Christian policy on our overseas territories was being elaborated. I will just keep to a few pertinent phrases:

'We must realise that the part that instinct and irrationality plays is much larger role in the animation of a group than an individual. At a time when one people enters history claiming their political and social adulthood, large sections of mankind remain in a state of immaturity or suffering from an unhealthy reactions accumulated during the course of time and are still only sketching out or preparing themselves culturally to be called a people. Let us understand that to enjoy one's privileges as an adult person without the risk of bankruptcy, a people must be capable of behaving as adults...

'Nothing is easier for political fraudsters to exploit good principles for an illusion, nor is anything more

disastrous than good principles badly applied...'

I conclude with Bergson that 'democracy is essentially evangelical as it has love as its motor.'

Democracy will be Christian or it won't exist. An unchristian democracy is a caricature which sinks into tyranny or anarchy.

The position of democracy can be defined thus: it is impossible for it to accept that the State systematically ignore religious concerns, that opposes them with a bias bordering on hostility or disdain. The state cannot ignore without injustice or damage to itself the extraordinary reality of religious inspiration in the practice of civic virtues, in the very necessary safeguard against forces of social disruption which are present everywhere. We are not thinking of reducing the church to the role of policemen or gendarme; the ideas of the Empire or the Restoration are definitively behind us. But we need to recognise the immense moral authority which is spontaneously accepted by a large number of citizens and the high value of its teaching that no other philosophical system has been able to attain up to the present. On the international level, the same sort of claim can be made: (1) the solidarity of believers of all countries; (2) the Vatican by its independence, by its disinterested impartiality and by its policies that are so humane and sensitive to all distress and all dangers which threaten the peoples, whatever their beliefs, has become the most listened to and the best informed adviser.

In France where believers and unbelievers live side by side, where the cooperation of all citizens of good will is more than ever a necessity, we accept the neutrality of the State in public schools as in all official institutions. The State as such can no more be partial in religious or philosophical doctrine. But it must assure that everyone has the means to act and grow within the limits of public order for which the State has responsibility. Modern democracies -- the real ones which have more than just the name, falsely applied -- give us the example of a fair understanding of spiritual and religious values. We hope that after the fortunate pacifying of long time disputes and the dissipation of distrust, the moment will come when the relationships between the ***churches and the democratic State will be founded on a new basis*** which will respect ***freedom and the responsibilities*** of each other.

Democracy must thus define its relations with the church. The way that it does it is the result -- as we have shown -- of a historic development which is not altogether free of contradictions and struggles. Conflicts break out between the profane power of the church; they originate mostly in a disagreement about the borderlines which separate or distinguish their fields of action.

To define the mission of the Christianity simply as church services and good works is to bizarrely underestimate and confine it. Christianity, on the contrary, is a doctrine that intends to define ***moral duty*** in all areas, at least in general principles. Without pretending to have an infallible recipe for all practical problems -- where the choice must come from the circumstances -- the church is involved in seeing that the great interests of the human person are safeguarded: his ***liberty, dignity, and development***. It is opposed to all things that might impede them.

It also objects to all totalitarian regimes, be they of the right or of the left. By resounding encyclicals, Pius XI condemned successively ***Hitler, Mussolini and Stalin***, when they were at the summit of their power and were seizing from the democratic governments unjust concessions and putting peace in peril.

The Latran agreements of 1929 and the German concordat of 1934 were an attempt on the part of the dictators to disguise their real designs, to cajole the church by giving it advantages that it could legitimately claim itself. These arrangements were moreover maintained by the subsequent democratic governments. They did not prevent the pope from disavowing with a vehement courage all the dangers to liberty that the dictatorship committed afterwards, in Germany as in Italy.

Hitler had the frankness to proclaim his hate for the democratic idea. The so-called '***Peoples' Democracies***' of the East, on the contrary, seek to gain recognition by hypocritical disguise. It is not possible to apply the

term democracy to a regime that refuses to recognise the existence of a people, that is a living community, which holds an original heritage with its own aspirations and its own mission that it intends to pursue openly and freely; a government which repudiates the idea even of ***freedom and personal responsibility***, which stifles critical and divergent opinions by violence under the pretext of criminal deviation. Under such conditions the most servile conformism will not preserve anyone from the worst consequences: obedience to present day leaders will become a heresy tomorrow, because all the masters of the moment claim the same ***infallibility*** and exercise the same ***intolerance***. The sham of rehabilitations of the dead and public confessions cannot take away its character as but a sinister caricature of democracy.

Every reform, every claim can be the subject not only for ***free discussion*** but moreover of individual or collective action towards the government in ***conformity with the law***. There is no place here for a dogmatism which claims only unchanging and absolute truths revealed and sanctioned by God, the only master and judge of consciences.

The limit traced by the law between liberty and licence is likely to vary according to circumstances of time and place. The rigors of the times of war or when the existence of the nation hangs in the balance are not applicable in normal times. There are differences in the appreciation of the margin that is left to liberty according to the habits and needs of each country. Thus in the United States we are sometimes surprised to find what we consider to be an excess of press freedom, while we find on the other hand an anti-trust legislation with such severity that no European legislator has dared to take up here in spite of the notorious abuses.

Finally, democracy is a ***continuous creation***; it knows that it can always be improved. Totalitarianism entertains the illusion of possessing not only the complete but the immediate and definitive truth. It cannot wait nor admit stages, especially when it is personified in a man who know full well his mortality and wants to his completion without delay. Democracy takes into account the development of ideas and the corrective measures that experience, that is the lessons of success and failure, provides under the control of a free discussion and a free appreciation.

The initiation of a vast programme of generalised democracy in the Christian sense of the word finds its fruition in the construction of Europe.

Already the Coal and Steel Community, Euratom and the Common market, with the free circulation of products, capital and people, are institutions which are modifying deeply and definitively the relationships between the associated States; they are becoming in some way the sectors or provinces of the same whole. This ensemble should not and must not remain an economic and technical enterprise: it needs a soul, the conscience of its historical affinities and its responsibilities present and future, a political will in the service of the same human ideal.

<https://eurDemocracy.com>

and

schuman.info

INSTITUTIONAL PROFILE

The European Small Business Alliance (ESBA) is a non-party political group, which cares for small business entrepreneurs and the self-employed and represents them through targeted EU advocacy and profiling activities.

On 15 October 2018, the European Small Business Alliance celebrated its 20th anniversary as a Brussels based pan-European body representing micro and small companies from across the EU. Today, ESBA is one of the largest organisations based on voluntary membership in Europe.



DAVID CARO

President of the European Small Business Alliance since 2011 and Board member of the Flock Association of Europe.

In business, David is Managing Director of Qualplast (1991) Ltd, Birmingham, UK, producing flock coatings for the automotive supply chain.

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The Global Round Table is an independent International Non-profit Organisation with the aim to identify new and emerging ideas of socio-economic importance; improve the level and quality of information available to economic- and political decision makers; and inspire civil society leaders and the young generation. It was founded in 2004.

Its Protector and High Patron is H.E. Boutros Boutros-Ghali, former UN Secretary General.

The intellectual and spiritual inspiration is through its International Board, a group of eminent personalities, including former heads of state, former president of UNESCO General Conference, former senior political leaders, former science academy presidents, former university rector, Nobel Peace Prize laureate, etc.

The four-year worldwide campaign of The Global Round Table “**Nobel Peace Prize for the EU**” led in 2012 to the award of the Nobel Peace Prize to the European Union (letter of recognition by José Manuel Durão Barroso, then President of the European Commission, Ref. Ares(2013) 334462, 14.03.2013).

For its civil society related work, it has been recognised by a Member State with the “**Gold Cross of Merit**”. The Global Round Table keeps distance from lobbying bodies, interest organisations, party politics, etc. It is an honest broker providing discretely advice with long-term perspective for humanity

Working discretely, The Global Round Table doesn't occupy a dedicated Internet position.

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How COVID-19 is Affecting Companies Around the World

(in the period between October 2020 and January 2021, from pre-pandemic levels)



One-fourth of companies saw their sales fall **50%**

On average, sales dropped **27%**

DESPITE THE SHOCK, FIRMS HELD ONTO THEIR WORKERS



About **65%** percent of businesses adjusted payroll by reducing hours, wages or granting leave

Because of these adjustments, only **11%** of companies laid off workers

NOT ENOUGH FIRMS ARE ADOPTING DIGITAL SOLUTIONS, ESPECIALLY IN POORER COUNTRIES AND AMONG SMALLER FIRMS



34% of firms have increased the use of the internet, social media and digital platforms

17% of firms have invested in new equipment, software or digital solutions

POLICY SUPPORT IS WEAK WHERE IT IS NEEDED MOST: IN POORER COUNTRIES AND FOR SMALLER FIRMS



1 in 10 companies in low-income countries received any type of public support

More than **70%** of firms in low-income countries report lack of awareness as the main obstacle to accessing support

1/5 of firms that did not experience any shock due to COVID-19 received public support—suggesting fiscal resources could be targeted more efficiently

NEWS

30TH ANNIVERSARY OF THE VISEGRAD GROUP

After a meeting of V4 leaders in Krakow, Prime Minister Viktor Orbán said that if the Visegrad Group wants to remain successful over the next 30 years, sticking together will be the secret to the group's success.



The prime ministers of the Czech Republic, Hungary, Poland and Slovakia met European Council President Charles Michel on the occasion of the 30th anniversary of the Visegrad Group. PM Orbán said loyalty and solidarity would be the key to the central European group's ability to continue fulfilling its duty in the future.

PM Orbán said he believed Slovakia had a strategic role in the alliance, not just because of its geographical position, but also because it is Hungary's only V4 neighbour. Slovakia is the country that links the northern and southern parts of central Europe, he said.

The prime minister also emphasized the importance of preserving the unity among the four countries. Though the Visegrad Group may be marking 30 years of cooperation, he said, they were looking back hundreds of years to the first form of cooperation between the leaders of the central European countries. PM Orbán said it was this historical perspective that made the Visegrad cooperation as serious as it was.



Photo credit: MTI

Source: <http://abouthungary.hu/news-in-brief/pm-orban-loyalty-and-solidarity-key-to-v4s-success/>

WISEGRAD GROUP JOINT DECLARATION ON MUTUAL COOPERATION IN DIGITAL PROJECTS

Krakow, February 17, 2021

We, the Prime Ministers of the Visegrad Group (V4) countries - the Czech Republic, Hungary, the Republic of Poland, and the Slovak Republic,

- ♣ RECOGNISING the strong ties between our countries and societies,
- ♣ ACKNOWLEDGING the progress in the digital area, made over the recent years due to joint actions taken within the V4 cooperation,
- ♣ RECOGNISING the need to further strengthen the V4 cooperation in the area of digital affairs by creating a new regional leadership framework in order to facilitate sustainable digital transformation of the region by effective use of EU resources available under the Multiannual Financial Framework 2021-2027 and NextGenerationEU,
- ♣ REITERATING the commitments made in the V4 Prime Ministers' Joint Declaration of Intent on Mutual Cooperation in Innovation and Digital Affairs (referred to as the Warsaw Declaration), signed at the CEE Innovators Summit in Warsaw on 28th March 2017,
- ♣ RECALLING the conclusions of the Economic Forum in Krynica held on 4th September 2019, concerning the importance of cybersecurity and digital technologies in ensuring the economic growth in the V4 countries,
- ♣ RECOGNISING the European Council conclusions of 1 October 2020 as the basis for cooperation on shaping Europe's digital future, in particular the recommendation to allocate at least 20% of the funds under RRF will be made available for the digital transition, including for SMEs. RECOGNISING the need for cooperation on developing trustworthy digital projects to identify and overcome social, economic and political aspects of the global COVID-19 pandemic,
- ♣ UNDERLINING the necessity to work on joint positions and statements regarding digital issues, representing the mutual interests of the signatories on EU and other international fora; ♣ ACKNOWLEDGING building the digital infrastructure, in particular 5G networks, is the key element for innovations and functioning digital economy;
- ♣ RECOGNIZING the need to tackle the spread of disinformation disseminated online in order to protect the security of citizens and businesses alike; and
- ♣ ACKNOWLEDGING that close cooperation through cross-border European projects and joint actions are essential to achieve a safe and secure digital environment;

Hereby declare the mutual goodwill to build, enhance and strengthen the bilateral and multilateral cooperation within the V4 group in the following fields:

- 1) Building a joint cooperation framework in digital affairs by, inter alia, establishing a mechanism of consultations on digital affairs to be held on working level and designating an entity/contact point for regional digital cooperation from each of the V4 countries (in order to indicate opportunities for undertaking joint V4 digital projects in various fields (developing new products, business models, investments or research in the field of digital transformation));
- 2) Working together to secure EU funds for digital transformation, in particular for joint V4 digital projects;

- 3) Establishing sustainable R&D&I cooperation between excellent science and research centres in the field of digitalisation (inter alia: computing and data infrastructure, Big Data, Industry 4.0, cloud and edge networks, high performance computing (HPC), quantum computing, artificial intelligence (AI), robotics, machine learning, blockchain, Internet of Things (IoT), cybersecurity, smart and digital skills and competences, telecommunication, etc.) to ensure strong connections between excellent scientific and research centres in order to build strong ties with business and promote technology transfer, creating innovative product range and reinforcing civil society.
- 4) Raising awareness among businesses (especially innovative SMEs and start-ups) of the V4 countries to the effect of creating incentives for establishing cross-border cooperation (including investments and financial opportunities),
- 5) Coordinating actions aimed at improving competitiveness and innovation potential of the V4 countries in digital affairs, as well as reinforcing digital transition and accelerating the adoption of key digital technologies by V4 administration and businesses;
- 6) Building knowledge resources, supporting joint international events' organization by delegating experts and high level representatives (i.e. for UN Internet Governance Forum to be held in 2021 in Poland);
- 7) Exchanging best practices and mutually promoting V4 achievements in the field of digitalisation, including the results of cross-border projects (especially in regard to innovative products and services);
- 8) Cooperation in the preparation of relevant legislation at the EU level, which contributes to the creation and successful functioning of cross-border digital projects.
- 9) Identifying global challenges demanding for urgent actions (i.e. serious pandemic, natural disasters, etc.), where immediate and joint actions of the IT experts and digital businesses in V4 countries may successfully contribute to the timely solutions;
- 10) Undertaking other actions jointly decided upon by the signatories, concerning new and emerging telecommunication and digital IT technologies and their innovative applications for sustainable development, resilient economy and society that meet the goals of above mentioned initiatives.

This declaration does not create any rights or obligations under international law and is not legally enforceable.

For the Czech Republic:

For Hungary:

For the Republic of Poland:

For the Slovak Republic:

Source:

<https://berlin.mfa.gov.hu/assets/27/13/61/65711b3788a530d8ad273941a71eb8d06beaf2f3.pdf>

Message from International Council for Small Business at 2021 UN MSMEs Day

The 2016 61st World Congress at the United Nations, held in New York City, marked an extraordinary event. It was at that event I, on behalf of ICSB, read the following proclamation to voice ICSB's dream for MSMEs: "Seeing the need for broad SMEs support, ICSB calls on the United Nations to establish a dedicated name day for small and medium enterprises." Enthusiastically welcomed by the panellists and conference attendees, the proclamation was met with wide acclaim, and the journey to establish such a name day finally began. In the months that followed, I deployed "shuttle" diplomacy to create a template that would serve as a starting point for discussion with member states in the U.N. General Assembly. Leading the proposal and negotiations was the Permanent Mission of Argentina to the United Nations, alongside all UN country members. As a result, on April 6, 2017, the U.N. General Assembly adopted the resolution announcing June 27 as "**Micro, Small and Medium-sized Enterprises Day**" or "**MSMEs Day.**"

MSMEs continue to be vital to the development of the world and the 2030 U.N. Sustainable Development Goals.

Part of the vision was to bring all stakeholders together on this day to share best practices. This was accomplished by launching the first report called the Global Report on MSMEs in which most stakeholders have supported by submitting key knowledge reports. The ICSB Global Report on MSMEs is now available on the ICSB website and the U.N. MSMEs page. We welcome the additional reports now being published on this day from ITC, OECD, ILO, and others. We hope to see more reports being published in the coming years.

This day is not just about taking stock of what we have done. Yet, it is a day to be seized to talk about the future. As mention in the original proclamation, we stressed, "**One mission and one focus: to promote #MSMEs better.**"

We propose to all stakeholders to come together under this universal goal, "Promoting MSMEs." ICSB has always led this thought process, and we welcome everyone to join us.

ICSB, since 2019 has put forth every January the Top Ten Trends we think will play a critical

role for that year. We are in the trenches with SMEs, researchers, educators, and policymakers. The trends are available on our website. Yet, I want to focus on some key ones we mentioned. They are:

1. WomenPreneurs have a significant role in society, and we need a more comprehensive plan to support them.
2. Digitization of SMEs is not a luxury but a necessity.
3. The Arts World and the Creative Economy are the souls of societies. We need to assist them more than ever. Special mention of the [World Creativity Day of the UN on April 21](https://www.un.org/en/observances/creativity-and-innovation-day?mc_cid=4a07087972&mc_eid=7ad4531369). (See at https://www.un.org/en/observances/creativity-and-innovation-day?mc_cid=4a07087972&mc_eid=7ad4531369)
4. Finally, and equally important, we need a Human-Centered approach to all our work. WE at ICSB present this as Humane Entrepreneurship. It is about humanity at the end.

We want to thank all our partners and the leadership of Argentina for helping create the MSMEs Day.

H.E. Ambassador María del Carmen Squeff, Permanent Representative of Argentina to the United Nations

H.E. Mr. Guillermo Merediz, Secretary, Small and Medium-Sized Enterprises and Entrepreneurs in the Ministry of Productive Development

Thank you,

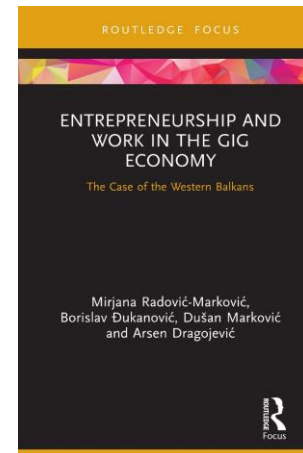
Ayman ElTarabishy, President and CEO, ICSB

Winslow Sargeant, Incoming Chair, ICSB

Ahmed Osman, Chair, ICSB

BOOKS**ENTREPRENEURSHIP AND WORK IN THE
GIG ECONOMY****The Case of the Western Balkans**

Mirjana Radović-Marković,
Borislav Đukanović,
Dušan Marković and
Arsen Dragojević
First Published 2021

**ABSTRACT**

The crisis caused by COVID-19 poses a major challenge for the global economy and business. It has been a test for economic resilience, and how this crisis will affect business activities will be determined by their competitiveness. Only firms that have succeeded in reorienting and quickly adapting to the emerging crisis have continued without interruption in their operations, thus demonstrating their flexibility and high level of resilience.

Research shows that companies driving the gig economy celebrate the benefits: flexibility, additional income, freedom and other various opportunities for workers. They require entrepreneurial digital skills that improve their competitiveness and benefit not only themselves but the economy as well. Therefore, digital competencies are becoming a significant resource and precondition for employment, and it is essential to promote digital entrepreneurial skills, introducing them into education programs through different forms of education. This book stresses and explores the importance of synergy between industry and virtual universities. Considering the importance of these issues, this book draws together literature on globalization and small and medium enterprise development and internationalization from disparate sources into a cohesive body of work, which traces the evolution of entrepreneurship and our understanding of the topic. It investigates the impact of digitalization on creating job opportunities in the labor market.

Covering social, economic and psychological approaches to the most current topics, this book will be a useful framework to new theories and practices that are emerging to challenge conventional wisdom. It will be of interest to scholars, upper-level students, and researchers involved in the field of entrepreneurship.

Source:

<https://www.taylorfrancis.com/books/edit/10.4324/9781003155409/entrepreneurship-work-gig-economy-mirjana-radovi%C4%87-markovi%C4%87-borislav-%C4%91ukanovi%C4%87-du%C5%A1an-markovi%C4%87-arsen-dragojevi%C4%87>



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