



XV Economic Forum

European Challenges: The Model and Boundaries of Europe

*Krynica Zdrój, Poland
7-10 September 2005*

Publisher / Organizer of the Economic Forum:
Foundation Institute for Eastern Studies
ul. Solec 85, 00-382 Warszawa
tel.: (+48 22) 583-11-00, fax: (+48 22) 583-11-50
e-mail: forum@isw.org.pl
www.forum-ekonomiczne.pl

Editor / General Concept:
Artur Podgórný Negri

Translation into English:
PTS-Professional Translation Services, Piotr Wilk

English Adviser: Michael Harrold

Graphic Design:
 VESLA DESIGN

Photos:
Archives of the Foundation Institute for Eastern Studies

ISBN: 83-60172-25-0

©Foundation Institute for Eastern Studies
Copying is allowed provided that the source is quoted

The quotations contained in this publication are a record of unauthorized speeches made during the Economic Forum.

Warsaw 2005

Table of contents

| | | |
|-----|---|--|
| 4 | Mission of the Economic Forum | |
| 5 | Preface Zygmunt Berdychowski | |
| 7 | Between Tradition and Modern Times | |
| 17 | Model and Boundaries of Europe | |
| 31 | New Europe. Report on Transformation Dariusz Rosati | |
| 45 | European Challenges | |
| 46 | The EU and Its Neighbours Artur Podgórný Negri | |
| 54 | Regions Sławomir Pyciński | |
| 65 | International Policy and Security Andrzej Zybala | |
| 79 | Macroeconomics Patrycja Graca | |
| 93 | Business and Management Artur Niewrzedowski | |
| 102 | New Economy Aleksander Żołnierski | |
| 109 | Fuels and Energy Piotr Maszczyk | |
| 122 | Society Michał Wolszczak | |
| 130 | Education and Culture Grzegorz Pastuszka | |
| 141 | Media | |
| 151 | Awards of the Economic Forum | |
| 163 | Programme Council | |
| 165 | Partners | |
| 167 | Organizer | |
| 169 | Congress Centre | |
| 173 | Programme of accompanying and recreational events | |
| 181 | Chronicle | |
| 191 | Advertisements | |

Mission of the Economic Forum

Building a friendly climate for the development of political and economic cooperation among the member states of the European Union and their neighbours.

Creating a platform for the free exchange of opinions and experiences on political, economic and social issues.

The Forum is independent and impartial in fulfilling its mission.

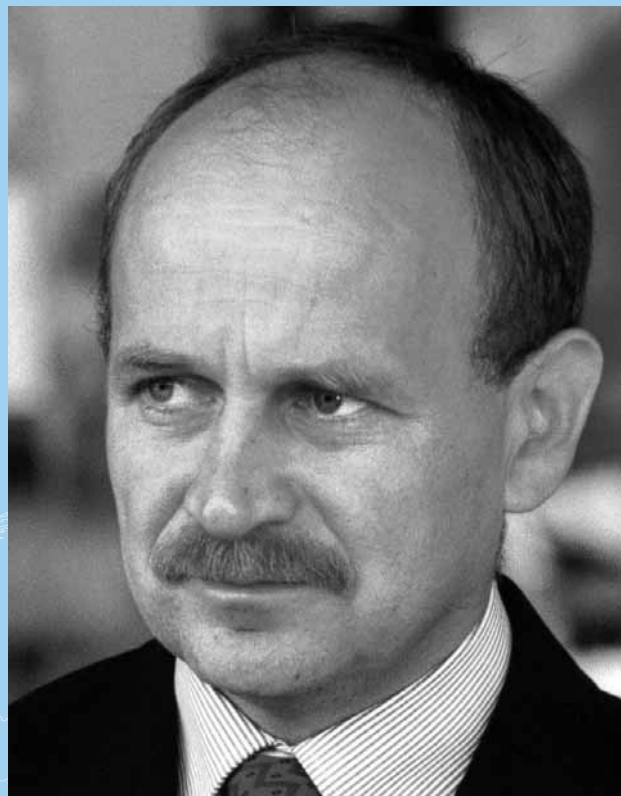
Preface

The Economic Forum in Krynica, a mountain resort in the south of Poland close to the historic city of Krakow, has now been held for fifteen successive years. This year, nearly a hundred discussion panels were attended by roughly 1600 participants from 40 countries. The presidents of Lithuania and Poland, and the prime ministers of Slovakia and Poland were among the guests. Present were also ministers, members of parliament, the heads of central institutions, stock exchanges and banks, company CEOs, and artists. The debates of the biggest forum in Central and Eastern Europe were reported by journalists from more than 80 media organizations.

XV Economic Forum was held in the year of the silver jubilee of Solidarity. Twenty-five years ago, shipyard workers in Gdansk, led by Lech Wałęsa, fought for liberty and solidarity. The Solidarity uprising in Poland eventually brought about the collapse of the Berlin Wall and the velvet revolutions in the countries of people's democracies, the Rose Revolution in Georgia, and the Orange Revolution in Ukraine, leading to the demise of the post-Yalta order in Europe.

Europe – in the name of solidarity – needs stable and organized development. A Europe that is more than just a common market; a Europe that is open to diversity and uniqueness, has been and certainly will be for a long time to come the pride of all the residents of the continent. This is true, even if Europe in recent years has become more an area of economic well-being than solidarity, especially from the eastern European perspective.

Today, when the world economy is under pressure from globalization, a question of fundamental significance is raised for Europeans: Can such a Europe compete effectively with the world's economic giants? The answer is simple: The European Union has no choice today. We can be either competitive, or we will no longer be an important player in the world's politics



Zygmunt Berdychowski
Chairman of the Programme Council of the Economic Forum

and economy. This, in turn, raises another very important problem, related to the further enlargement of the European Union: Will subsequent enlargements decrease or increase the opportunities for the EU in global competition? Especially from the perspective of the new EU member states, the answer to this question must be positive. To convince the states of the old EU that the enlargement process should be continued, especially with Ukraine, is perhaps the most important task faced by the states that became EU members a year ago.

Today, the European Union is confronted with the most difficult challenges it has faced for many years, including both global competition and an internal crisis. I hope that in our debates during the Economic Forum in Krynica, we have managed to point out directions that should be followed by the common Europe.

Zygmunt Berdychowski

