

**REGIONAL ECONOMIES IN CENTRAL AND EASTERN EUROPE
UNDER THE CONDITIONS OF EU ENLARGEMENT:
TRANSFORMATIONS, SPECIALIZATION, INNOVATIONS
AND IDEA OF HYPER-CLUSTERS**

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Abstract. This paper analyses the long-term trends of economic transition in Central and Eastern Europe under the conditions of EU enlargement and the processes of globalization. The general and specific trends after EU enlargement as well as in the future are described and compared. Some new non-traditional ideas and models of possible economic development in the future are discussed. The processes of development of integral European economic, social and cultural space are analysed.

The following features of economic transition in Central and Eastern Europe in the period of EU enlargement and further globalization in the future deserve particular attention: intensive diversification of traditional economic structures, profound changes in all sectors of the national economic systems, creation of new forms of interregional cooperation in the new integral economic space; very uneven economic growth in the various countries, regions and sectors, increasing differences and disparities in economic and social development as well as between various groups in the society; intensive innovation processes taking various forms, and the realization of new models of innovation activities; controversial industrial development, very uneven technological progress, multiplication of high-technologies and new forms of industrial activity influencing the new quality life as well as new social and economic difficulties and problems.

There are many possibilities to implement new the non-traditional ideas of intensive economic development, which could be very successful in Central and Eastern Europe in the future. The following ideas are emphasized: (1) the idea of rational specialization of every national or regional economic system (the structure and priorities of every national or regional economic system must be oriented towards the most dynamic increase of added value created by the national or regional economy); (2) the idea of “oases” (the essence of this idea is as follows: after certain priorities are set on a national, sectoral or regional scale, particularly favourable conditions for social and economic development, innovation activities and technological progress are created); (3) the idea of complex clusterization (the regional, interregional and international networks of sectoral and multisectoral clusters, including systems of science and technology parks, innovation centers, business incubators and regional industrial hubs are created and developed). The implementation of the above-listed ideas could be emphasized as very important in influencing positive transitions in Central and Eastern Europe in the future.

Keywords: globalization, Central and Eastern Europe, cluster, European Union, regional economy, transformations.

Jel classification: F20, F50, O10, O30, O32.

1. Introduction

The last few decades could be described as the period of increasingly developing transformations in the whole world, especially – in the European Union, and in the all spheres of life. Transformations embody the most important attribute of the modern époque; therefore, all relevant political, social, economic, technological, ecological and other issues should be conceived and approached as issues of transformations.

Analysing and identifying transformations, as well as subsequently influencing their course may be understood as a very important area of the modern science. Within this area of the science a number of directions can be identified, each of which may carry specific orientations towards transformations of certain origin or character.

A very promising direction for research is one dedicated to the transformations in the Central and Eastern Europe over the last 10-15 years, including the present moment and both near and more distant future. The transformations of this kind reflect on creation of integral cultural and economic space of a new type in the entire Europe; where the priority feature for these transformations is development and enlargement of the European Union, determining key quantitative and qualitative changes in the life of societies of all European countries and regions.

The goal of the research, dedicated to the transformations in the Central and Eastern Europe, is to reveal core typicalities in the political, social and economic development in these countries and, based on this, create preconditions for further modernization and rapid progress of the countries of the Central and Eastern Europe, with respect to new challenges, determined by common processes of globalization and development of the European Union. In the course of the research numerous complex tasks are to be completed:

- assess main trends of transformations in the countries of the Central and Eastern Europe prior to their integration to the European Union;
- assess main transformations that now manifest and may do so in the future in the entire European Union, with respect to the impact of both common processes of globalization and consequences of the development of the European Union;
- assess the idea of the creation of the integral cultural space in Europe and distinguish new issues that will inevitably arise and will have to be resolved;
- identify priorities for the development of national and regional economic systems in the situation of the development of the European Union.

The tasks and ways to complete them are being described below.

2. Transformations in the Central and Eastern Europe and enlargement of the European Union: main typicalities and economic liberalization

Modern science understands transformations generally as changes, testifying a certain object or system to have acquired a new shape or a new state. This approach is rather universal and can find a great deal of evidence in many scientific studies.

(Benz 2009; Altvater, Mahnkopf 1996; Boldrin, Canova 2001; Currie 2000; Dickenson 1998; Ghose 2004; Hunt 2000; Perraton 2001; Rosenzweig 2001; Garret, Mitchell 2001).

Incidentally, this concept is akin to the studies examining economic transformations, especially those showing transition from the close plan economy towards the open and liberal market economy (Steger 2010; Hayo, Seifert 2003; Hofbauer 2003; Melnikas 1999, 2002).

Transformations can be quite multi-faceted, and this lets us classify them according various features. One of the possible ways to classify transformations is the following:

- a) transformations can be classified based upon their character:
 - specific transformations, including political, social, economic ones, etc.,
 - complex transformations, embracing various features of transformations;
- b) transformations can be understood as:
 - quantitative, where changes do not contain new features and where previous features are being added by new quantitative features,
 - qualitative, where changes acquire new features, and as a consequence of the changes qualitative features of a new type arise;
- c) transformations can be classified by their hierarchy, understanding their role in the entirety of various transformations:
 - transformations of global or more of general character,
 - transformations of local or specific character (randomly, the expression of local transformation may include transformations of regional character, manifesting in the geographically confined area, as well as transformations within a certain time span).

Transformations in the Central and Eastern Europe, as well as processes of the development of the European Union, have been analysed at a very broad and detailed extent. A very broad panorama of changes in the entire, especially in the Central and Eastern, Europe, has been given in scientific publications, dedicated to the transformations. (Hofbauer 2003; Hayo, Seifert 2003; Melnikas 2002, 2011). It is also worthwhile mentioning that within the most majority of scientific writings on transformations in the Central and Eastern Europe a certain one-sided emphasis can be observed. Unfortunately, transformations in the Central and Eastern Europe are frequently perceived as an exclusive transfer of the Western expertise (especially, the expertise of the Western Europe) to the Central and Eastern Europe: in these cases transformations are understood as promotion and implementation of the Western lifestyles in the East, and plain adaptation of these standards, applying local specificity of the Central and Eastern European countries. Importantly, in many cases the following factor is ignored – transformations in Central and Eastern Europe, and the development of the European Union make great influence on the entire European Union, and is a crucial factor for the changes both in Western Europe and the whole world (Melnikas, Reichelt 2004).

Transformations in the Central and Eastern Europe should be perceived a part of a complex process, involving transformations in the entire Europe and the entire world. Main elements of this complex process are the following:

- transformations, marking the “exit” of the Central and Eastern European countries from the close non-democratic system of the plan economy; these transformations that occurred over the last 10-15 years, showed readiness of the Central and Eastern European countries to join the Western world and “take over” the expertise of the Western world,

- transformations, marking the “entrance” of the Central and Eastern European countries to the European Union, their adaptation to the further development in the integral space of the European Union, as well as adaptation of the entire European Union to the new environment; these currently undergoing transformations, show common changes within the increased space of the European Union.

This approach lets us conclude that development of the integral cultural, as well as political, economic, informational and other space in Europe embraces several key stages, including:

- transformations in the countries of Central and Eastern Europe, prior to the integration of these countries to the European Union,

- transformations in the entire European Union, especially in the Central and Eastern European countries that have newly entered the Union (these transformations are intensely happening there).

Main typicalities have developed over the recent decades in the integral economic and social space of the entire European Union. Among those the following could be identified: general typicalities characteristic to the development of all large economic and social spaces that make known not only in the situation of the development of the European Union, but also appear in the evolution of all civilisations and cultures; specific typicalities characteristic to the development of the European Union in particular, manifesting as historically unique phenomena of the development of civilisations and cultures.

There can be enumerated a great number of general typicalities characteristic to the integral cultural, economic and social space of the entire European Union. Among those these can be considered as the leading ones:

1. Typicality of the priorities of the quantitative growth and qualitative advancement manifests the fact that the development of the economic and social space in the entire European Union is characterised by the two main priorities: quantitative growth (territory; population numbers; accumulated capital; trade and consumer growth) and qualitative advancement (formation of new life styles and new multicultural spaces; creation and implementation of modern technologies and organizational patterns in all spheres of life; dissemination of new values and living standards; and rise of new opportunities of further growth). This typicality demonstrates that in the situation of the development of the integral economic and social space of the European Union there forms an integral European civilisation of a new

type, completely harmonized with the overall system of the Western civilisation, and actively participating in multifaceted co-operation with all modern civilisations and cultures;

2. Typicality of the priorities of democratic attitudes, humanism, human rights and common human values proves that striving to implement the ideals of democracy and humanism is the most intrinsic value towards which the development of the European Union is oriented;

3. Typicality of the increasing complexity of the structure of multicultural spaces indicates that in the situation of the development and enlargement of the European Union not only the diversity of the cultures, that appear in the space of the European Union, increases but also processes of the increasing complexity of those cultural systems and structures occur: new characteristics and dimensions of multicultural spaces develop, that testify the increase of the variety of ethnic, confessional, regional, demographic, social, economic, political, ideological, mental and other factors. This trend allows us to state that in the situation of the development and enlargement of the European Union not only the variety of cultural and multicultural spaces inevitably augments, but also qualitatively new problems influenced by this variety arise;

4. Typicality of the balance in general and local factors demonstrates that in the situation of the development and enlargement of the European Union an integral European civilisation of a new type is forming that possess twofold characteristics: first, general characteristics, typical to all spheres of life within the whole space of the European Union; and second, local characteristics, expressing typicalities of different countries, regions and societal layers. Combinations of general and local characteristics make possible to define adaptability of any local space in the common space of the European Union, at the same time indicating the level of the inner harmony within the multicultural spaces;

5. Typicality of predominant norms and standards implies that in the situation of the development and enlargement of the European Union the uniform norms and standards have been steadily prevailing in the integral economic, social and cultural spaces. This typicality embraces all spheres of societal life – the sphere of economics, business and public administration, social behaviour, political and societal life, as well as people's everyday life and even their private lives. The uniform norms and standards comprise both formal and informal rules for behaviour and acts in various life situations, development and dissemination of values and technologies of interpersonal communication. Origination and increasing dominance of uniform norms and standards is a key precondition for gradual development of the integral and undivided European civilisation and culture, where general characteristics have already been prevailing, if compared to national, regional or local characteristics of other kind;

6. Typicality of non-synchronical development suggests that in the situation of the development and enlargement of the European Union more and more uneven

changes emerge. As it is known, societal development and headway, and processes occurring in the society may evolve in the way of various discrepancies. These discrepancies can be very diverse, including discrepancies between the pace of the development: they vary from country to country, region to region; they appear to differ in different sectors of economic and social life and different societal layers. Discrepancies in changes can cause conflicts and issues of different kind;

7. Typicality of cyclical development based on the “wave” principle refers to the fact that all processes of the development of the European Union are undergoing cycles: each cycle includes a certain stage of development, that can be outlined by both quantitative and qualitative changes. This means that the transition of these stages can be compared to certain “waves”: where each wave witnesses the stepping stone of the potential of the European Union, as an integral economic and social space;

8. Typicality of increasing differentiation and differentiation variety exhibits that in the situation of the expansion of the European Union, within the integral economic and social space new manifestations of differentiation occur, and the range of differentiation expands. It is especially notable for the reason that in the actual routine of the development and expansion of the European Union rather substantial contradiction appears: on one hand, following political declarations, it is sought to align regional structures, which by the level of their development are rather unequal; economic sectors or societal layers; on the other hand, a real “alignment” is of limited scale and applies only to particular spheres of social and economic life. It is quite probable that actual differentiation is generally increasing: various discrepancies between different regions, economic sectors and societal layers deepen, within actual opportunities for improvement and modernisation, as well as actual well-being and social security. This factor is essential, estimating perspectives for stability and internal security in the space of the European Union;

9. Typicality of balance of centripetal and centrifugal forces in the situation of the development and expansion of the European Union is seen in the simultaneous manifestation of two opposite tendencies: on one hand, it is a tendency of striving to enter the common system, expressing the priority of obedience to the system; and on the other hand, a tendency of striving to strengthen the sovereignty and autonomy in the common system, expressing the priority of the self-assurance of personal wellbeing at the expense of the system. Those two tendencies are advantageous for the wellbeing of the European Union, provided they are mutually well balanced; such balance in its turn, can have different manifestations, including rational combination of basics of centralisation, decentralisation and self-government in the systems of managing and administering processes of expansion and development. (It is noteworthy mentioning that in cases, when the balance among centripetal and centrifugal forces fails, more threats for the performance of the entire system emerge: disproportionate prevalence of the centripetal forces may lead to inefficient management and determine loss of adaptability skills in the ever-changing environment, whereas dis-

proportionate prevalence of centrifugal forces impels fragmentation and self-destruction of the system itself. This means that vulnerability of the balance mentioned above is a very dangerous and undesirable matter);

10. Typicality of predominance of traditional leaders proposes that in the situation of the development and expansion of the European Union the priority interests to be implemented are those developing in greater countries of the Western Europe, such as, first Germany and France (these countries have historically formed as traditional leaders of the European Union). Despite the fact that in the situation of the development and enlargement of the European Union one can observe a great variety of concerns of different countries, regions and layers of the society (moreover, this variety causes internal disagreements within the European Union), prevalence of traditional leaders and their concerns is long-lasting and steady. By the way, the concerns of the traditional leaders play as a key factor for the development of norms and standards, typical to the space of all the European Union;

11. Typicality of the expansion potential expresses the idea that the European Union as an integral system has been increasingly operating within global economic, social, cultural, informational and political spaces. With this regard, the increasing expansion of the European Union, as an integral system, towards the spheres of the world economies and the process of the entire political, social and economic development;

12. Typicality of the adaptability in the consistently changing external and internal environment suggests that in the situation of the development and enlargement of the European Union multifaceted processes of adaptation arise: the new member states of the European Union need to adapt in the new to them space of the European Union, whereas the “old” members of the European Union have to adapt to the “enlarged” European Union and “accept” new members as equal partners; besides, all European Union as an integral system needs to adapt to the consistently changing external environment. All this allows us to admit that adaptability is a crucial precondition for the further development of the European Union as an integral system.

The typicalities described above, characteristic to the development and enlargement of the European Union as an integral system, within the group of typicalities of this kind could be considered as of the most importance. At the same time, among very important and critical several specific typicalities exist.

Specific typicalities characteristic to the development and enlargement of the European Union as an integral system, are multifaceted. Some of these typicalities reflect on the specificity of a particular époque, whereas the others express specificity of particular regions, spheres of social and economic development or certain layers of the society.

Among specific typicalities expressing current era these are the most notable:

1. Typicality of regulated and controlled liberalisation that reveals rather contradictory processes typical to the current development of the European Union. A

key feature of these processes is the following: on one hand, traditions of liberal democracy have been increasingly implemented in the society and there are apparent signs of economic liberalisation; on the other hand, both in economic and social life the “masked autocracy” has been observed which is executed by various forms of increased bureaucracy, growing regulation and limitation of the activities in different spheres, along with the increasing austere rule.

In modern world in many spheres of life one can observe a substantial decline of norms and ideals of liberalism, despite the “formal” promotion or declaration of liberalism. We may admit that in the modern European Union the new kind of society has been increasingly developing, with both liberalism and social awareness, where, however, liberalism will be regulated and controlled with the increasing power: every subject of any activity in all spheres of life will have opportunities of liberal choice and self-determination with increasing boundaries and decreasing “degree” of freedom. (It is a paradox that in the modern European Union, in the situation of promotion of liberal values, bureaucratic and clerical arguments of the societal development have been strongly increasing, and new trends of centralised management emerge, that manifest in many spheres of political, social and economic life);

2. Typicality of promotion and predominance of the concerns of large economic subjects demonstrates that both in overall situation of globalisation and in the specific economic and social space of the European Union processes of concentration of economic activities have steadily happening. The actual situation in both economic space of the European Union and global markets has been increasingly influenced by activities and opportunities of large economic subjects (here we consider large economic subjects those large enterprises that operated in international markets, networks and organisations of small and medium enterprises, and various international corporations and international economic organisations). In the situation of the development and enlargement of the European Union more and more obvious becomes promotion and predominance of the concerns of large economic subjects: on one hand, this situation reinforces competitive abilities of economic subjects representing economic spaces of the European Union; on the other hand, opportunities to develop free competition and initiative are violated (the violations of this kind have been increasingly growing, although public policy in economies of the European Union proclaims provisions for free competition and initiative support).

3. Typicality of the declining role of the state as a structure for the organization of the society indicates that in the situation of the development and enlargement of the European Union in national countries the state as a key organisational structure for any society of any country has increasingly losing its previous importance and a number of opportunities to immediately influence situation in the country. In the environment of the development and enlargement of the European Union the situation in its member states has been steadily influenced by overall

processes of development and enlargement of the European Union as a system on one hand; and potential, development and growth of the non-governmental, non-state and private sectors. The declining role of states has been determined by such processes as development of common economic and social space in the European Union, where the principles of liberal labour force mobility, capital mobility and product and services mobility are implemented; moreover, the increasing enhancement of globalisation, and international economic, cultural and informational relations has been also influencing the overall decline of the significance of particular states;

4. Typicality of manifestation of threats and issues of a new kind allows us to conceive that each stage of the development and enlargement of the European Union reveals new threats and cause new issues that are determined by various factors of moral, ideological, cultural, political, social, economic, ecological, military and informational character. Ability to immediately understand these threats and issues, as well as develop and implement effective means for prevention in the modern situation in principle expresses the typicality of the development and enlargement of the European Union.

The progress of the economy and technologies is greatly influenced by opportunities for liberalisation (Calori, Atamer, Nunes 1999; Gerber 1999; Huseman, Godman 1999; Krugman, Obstfeld 1997). For this reason liberalisation should be considered as a key priority of the development of various economic systems. Modern economic and social development in countries of Central and Eastern Europe can be defined by several features. One of the most significant among them is inclination towards real liberalization, which can be observed in the steadily decreasing role of the states in economic regulation: the pace and trends of economic growth in Central and Eastern Europe gradually becomes determined by the initiatives, aptness and trends in the international market conjuncture of the local and foreign economic subjects rather than political decisions and activities of the Central and Eastern European states.

What is more, liberalization in the countries of Central and Eastern European countries is unique by reason of certain circumstances that had not had historic comparisons in the global practice.

The first factor among them is specific image of the state importance, which has developed historically in the Central and Eastern Europe, portraying outcomes of the previous social and economic growth. The market relations in the countries of Central and Eastern Europe had been started to set up quite recently, besides, the circumstances and historical background for these relations are completely different from those of modern Western countries. In the West, market relations were undergoing their evolution under the gradual development of the industrial and post-industrial society, considering that in the Central and Eastern Europe novel market relations developed very rapidly and unevenly. In fact, market economy in the countries of the Central and Eastern Europe started developing just 12-15 years

ago, in the end of the last century, when the industrial and post-industrial society had been already created, and enormous economic and especially industrial potential had been accumulated; by the way, this potential reached rather high technological level for that époque and held orientations towards the influence of science-driven production and modern industries and technologies. This economic potential developed based on centralized plan system, consequently, in the countries of the Central and Eastern Europe the tradition of the absolute role of the state in the economic development was formed: historically nobody else but the state played the most important role in the economic growth. Importance and absolutism of the centralized plan system and the state role in economic development was embodied in the Central and Eastern Europe in the long-lasting and deep-rooted tradition, therefore, this tradition inevitably influenced economic growth of the country and afterwards, when the outdated plan system collapsed quite unexpectedly. This means that when market relations started developing 12–15 years ago in the Central and Eastern Europe, this system inherited certain relics of the old system: it can be conceived as symbiosis of the economic system of the Central and Eastern Europe both in specific “Western” elements of market economy, and certain state absolutism tradition.

The second factor, illustrating specificity of liberalization in the countries of Central and Eastern Europe is the fact that in these countries today there is a serious lack of resources and opportunities to more rapidly achieve at least the minimal level of the standards of development and well-being, existing in modern Western countries. This means that Central and Eastern Europe will inevitably have to implement substantially different, if compared to Western countries, patterns ensuring economic growth and rise of well-being: implementation of these patterns should guarantee focus of resources and development on critical to each country priorities that should be associated both to maximization of the pace of the growth and to the endeavors to ensure possibly more intensive increase of the value added. It is clear that under these circumstances an adequate action of the state as an active subject of economic development should emanate. This action should address the purposeful establishment of the priorities for the economic development and implementation of the main priorities.

The third factor, picturing specificity of liberalization in the countries of Central and Eastern Europe is that among social layers in many of these countries mentality of “standards of double moral” still prevails. This mentality, which developed over a long period of the reign of the totalitarian system (in fact, by the end of the last century), expresses very popular in society incompatibility of the individual or group interests to the norms of social accountability. There is probability of the incompatibility of this kind in any, even very progressive society, including the Western ones, and this incompatibility is especially distinct in Central and Eastern Europe. This incompatibility sometimes turns into very threatening shapes: it can be seen in rising social and economic differentiation inside societies of the Central

and Eastern Europe, evident lack of social accountability among political and economic elite, or dominating clan interests, when working on live problems of the society and its well-being. In this regard it is important to note that manifestations of mentality of “standards of double moral” are quite important as a factor that can ambiguously influence the process of liberalization and sometimes bring negative subsequences to the society.

3. Specialization of the national and regional economic systems, innovations, “oases” and hyper-clusters: new priorities of economic development in the Central and Eastern Europe

Contemporary economic principles and practices confirm that in efficiently operating economic systems their surplus value is created at greater extent. This statement works in all cases where ways to increase efficiency and compatibility on the scale of both particular economic subjects and large national and regional economic systems (Boldrin, Canova 2001; Bond, Syropoulos, Winters 2001; Chortares, Pelagidis 2001; Dutta 1999; Guy 2001; Redding, Venables 2004; Sangmon 2002; Melnikas 2011). The main precondition to ensure high efficiency and compatibility of any economic system is to achieve that any economic system should be properly specialised (Hummels, Ishii, Kei-Mu Yi 2001; Huseman, Godman 1999; Olsen, Osmundsen 2003).

Under the proper specialisation we understand the situation where the range of products produced within the economic system guarantees magnification of the surplus value within this system: the economic system should be exceptionally oriented towards the series of products, services and activities, whose structure allows to achieve potentially greater surplus value or higher velocity of the increase of this value.

For the sake of the rationalisation of the national or regional economic system various means may be implemented. These means should create a solid complex, and have to be long-term and consecutive. The idea of the means should ensure that the entire economic system of particular region or country is developed as a large macro-cluster or hyper-cluster. These large macro-or-hyper-clusters may be multi-profiled and oriented towards creation of different and diverse final products, and it is very important to create final products that are compatible in global markets.

It is obvious that large macro – or hyper-clusters in particular countries or regions should meet the following requirements:

- large clusters of this kind function as open systems, maintaining both internal and external economic and technological relations in international and global markets,

- inside of the large clusters of this kind various specialised clusters can be created within incorporated diverse institutions of science, research and education,

enterprises of production and services, business incubators, parks of science and technology, centres for innovation, and industrial, trade, transportation and communication companies.

Development of large economic systems in a way of clusterisation may be of great variety. A very prospective method to implement this way is creation of regional (territorial) or sectorised “oases”.

In general “oasis” can be explained as an economic system, possessing extremely advantageous political, legal, economic and other conditions for activities and development. These conditions are as a rule exclusive and in their presence the “oasis” as economic system receives various privileges or extremely beneficial environment is created for it. “Oases” can be established on behalf of political will of a state or even a group of states: by the way, the idea of regional “oases” is very viable in the improvement and implementation of regional policy of the European Union, with the intentions of creation of “oases” not only in particular countries, but also regions, comprised of regions of different countries.

Regional “oasis” is one where exceptionally advantageous conditions for economic development are created in a territorially outlined area (region). This area may coincide with systems of administrative territorial division of particular countries or may not.

Sectorial “oasis” is one where exceptionally advantageous conditions are created for particular branch of economy, and particular segments of business or public sector.

Creating and developing “oases” it is very important to consider democratic situation, possibilities to attract, concentrate and efficiently utilise human and financial and other resources, as well as possibilities rapidly expand various innovations. The idea of the “oases” and opportunities to promote this idea in the situation of the development of the European Union has been described quite comprehensively (Melnikas 2002; 2003; 2004).

Summarizing the statements given above, we may confirm that the concepts of proper rationalization of national and regional economic systems, as well as concepts of creation of macro-or-hyper-clusters and “oases” are of great importance, ensuring progress both in the countries of Central and Eastern Europe and in the entire space of the European Union.

4. Conclusions

Research on processes of transformation in the Central and Eastern Europe and development of the European Union, as well as processes of innovative development and specialization of national and regional economic systems demonstrates that investigation of the processes and purposeful influence on them is a very important sphere of further research. The importance and the role of the research is determined by the fact that these processes demonstrate emerging political, social,

economic and other problems of a new type and necessity to adequately conceive and consecutively solve these problems.

Newly emerging problems reflect on the development of the integral cultural space, a society of a new type and its new life styles, along with the economy of a new type in the entire enlarged European Union. These problems can be defined as the problems of the scale of the European transformations, understanding that transformations of the European scale mean complex qualitative and quantitative political, social, economic and technological changes, embracing all European regions and countries, along with all societal layers and all spheres of life.

In the process of resolution of problems of European scale transformations it is necessary to identify the main typicalities of transformations. These typicalities are quite diverse and can be classified by several features.

Main groups of transformations are the following:

- typicalities defining transformations in the Central and Eastern Europe that evolved prior to the integration of the countries of Central and Eastern Europe to the European Union;

- typicalities defining transformations in the entire European Union, expressing quantitative and qualitative changes in the situation of its development;

- typicalities defining transformations in the Central and Eastern Europe upon the integration of the countries of Central and Eastern Europe to the European Union, expressing further adaptation of these countries to the new conditions of political, social, and economic life that manifest nowadays and will do so in the coming future.

Identification of typicalities of transformations allows to consecutively address numerous issues of political, social, and economic development, relevant to the European Union. Among these problems very important are problems of economy efficiency and compatibility increase within various national and regional systems.

To resolve problems of this kind it is sensible to prepare and implement competent means, including:

- creation and promotion of patterns of economic development of a new type, ensuring liberalization of economy in accordance with globalization and conditions of business concentration,

- warranties of proper specialization of national and regional economic systems, seeking to maximize the surplus value in these systems,

- development of any national or regional economic system as properly rationalized macro-or-hyper-cluster, oriented towards progress of science and technologies and compatibility of products in global markets,

- priority for the development of national and regional systems of economies should be creation of multi-profiled and specialized, as well as regional and sectorial "oases" and improvement of their activities.

The means mentioned earlier can be very efficient, developing national and regional economic systems in the entire space of the European Union.

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