## O1 2018 Review CENTRAL UROPE

COVER STORIES Michał Kobosko, Herfried Münkler, Jiří Pehe, Brendan Simms, Constance Simms POLITICS Liz Corbin ECONOMY Zdeněk Kudrna CULTURE Patrycja Pustkowiak INTERVIEW Adam Hochschild

## Freedom for Nations 1918

The Right of Self-Determination and its Present-Day Repercussions

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# Review Freedom for Nations



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ASPEN.REVIEW

FOREWORD

## **One Hundred Years After**

### Dear Readers,

In January 1918 the US President Woodrow Wilson delivered a landmark speech to the Congress. In his speech—that became known as Fourteen Points—he defined war goals and peace terms that created a framework for ceasefire in November 1918 and 1919 Paris peace agreements. He employed a concept of self-determination of nations and thus paved a way for creation of independent states on the ruins of Austro-Hungarian Empire. It applied most prominently to new republics of Poland and Czechoslovakia. A century later, is it not only for historians to judge the merits of Wilsonian idealism. How do we read a heritage of Wilsonian policy in current circumstances where the US has moved from Wilson to Trump and instead of Masaryk's Czechoslovakia we have Zeman's Czechia?

Woodrow Wilson was right in analyzing that it was economic protectionism and secret diplomatic deals which led to horrors of the Great War. As it happens to idealists, he was better in analysis than in finding a remedy. He envisaged a postwar international order based on free trade and transparent multilateral agreements which brought to life a League of Nations—a precursor of United Nations. The League proved to be toothless to prevent an outbreak of yet another war of global dimensions. What kind of practical lessons can we draw today from successes and failures of Wilson's policies? In June we plan a conference dedicated to challenges of self-determination and free trade in current European context. Already in this issue of Aspen Review you can find a several reflections of Wilson's heritage.

Constance and Brendan Simms explain how international system based on Fourteen Points was rolled back by Hitler. After 1945 and 1989 we failed to create a system of shared values in Europe that would embed Germany and contain Russia.

Herfried Münkler examines a concept of self-determination from the historical context to current repercussions (Catalonia, South Tyrol, etc). Michał Kobosko draws an interesting parallel related to port of Gdansk: a century ago it was in focus as the main access to sea for Poland, today it means access point to energy via LNG terminal.

On a more general note, Jiří Pehe asks whether the current rise of nationalist politicians and resistance to economic globalization is a long-term trend or just a temporary backlash. Finally, I would like to bring your attention to the dialogue of Liz Corbin and Konrad Niklewicz about now notoriously debated issue of "fake news."

I wish you a good read!

JIŘÍ SCHNEIDER Executive Director

#### **ASPEN.REVIEW**

**EDITORIAL** 



Matěj Hořava is supposedly 37 years old and lives in Georgia. What we know for certain is that his debut collection of short stories *Palinka*, released a few years ago, received the Magnesia Litera Award in the Discovery of the Year category. A well-known Czech critic said that for many years there had been no such debut in domestic literature.

The book consists of 40 small chunks of prose. The reader quickly succumbs to the temptation to treat them like pieces of a puzzle; to reconstruct the biography of Hořava (it is a pen name) and in a sense replace the author or at least make friends with him. When you do that, reminiscences from childhood and youth, fragmentary but extremely suggestive, often marked by tragic death of friends, loss of loved ones, form a surprisingly coherent story.





The protagonist of *Palinka* is a thirty-something, lonely man. He was born in the last decade of communism in one of those cities in the north of Czechia where a presence of an old German woman, a music teacher, requires a comment from the author that she was an "un-expelled" German, "a Sudetenland German, who for some reason was not expelled". The narrator apparently thinks that if he did not justify (twice!) the presence of a would-be victim of expulsions in his family home, the thread of understanding binding him with the reader—the autobiographical thread founded on the credibility of the events described—could break.

And he is probably right. The post-war expulsion of three million Germans from Bohemia and Moravia is as obvious as the Czech ending of the surname of this "lady full of interwar charm" (Böhmová). Although in the interwar period she had been certainly called Böhm (Böhme–Czech). No one seems to remember that Bohemianising German names and often simply changing them into Czech ones was a stage of a nationalist-Bolshevik erasing of all traces of Germanness (and Jewishness) in Czech lands (in such circumstances, in the early 1950s, the sports journalist Otto Popper became Ota Pavel).

Since the name of the protagonist is never mentioned in the book, it is easier to believe that it was Matěj Hořava himself who as a 10-year-old moved with his parents and sister to Brno, to live with his blind grandmother. Like in many books of contemporary authors from Central and Eastern Europe, also in *Palinka* the grandmother is a "noble savage" of the Internet and memes era; she personifies the good old times from before communism (and post-communism).

But in the Czech context, grandmother means even more; the Czech reader makes a knowing nod at the very sound of the word *babička*, for he or she realizes that the author decided to use the strongest weapon from the arsenal of native culture—the "grandma" topos. In her novel from 1855, the great Božena Němcová created the myth of a happy childhood land, the myth of bucolic and angelic Czech countryside. Němcová escaped there—in her dreams—in the most difficult moment of her life, when her son was dying. Today, thousands of Czechs every weekend find respite from urban life in their "concentration gardens" consisting of post-German cottages and dachas. Genuine countryside is elsewhere.

The narrator's grandmother spent a holiday in Marmarash (which was then within the borders of Czechoslovakia) when she was young. Her grandson is also pulled in this direction, towards the east. The boy hates Brno, "this accursed city in the south of Moravia," where we only "drank in the evenings after training, in a deserted park close to the gym; grim and dumb: a bottle of vodka and back home to sleep; the next day the same thing all over again..." He first goes with his girlfriend to Germany, to a small town on the Danube; there his beloved dumps him for another (and eventually ends up with an American husband in the US). But this is not important, we do not even learn her name. The narrator does not want to remember about her; *Palinka* is a testimony to forgetting a failed love, a history of escaping from puberty—there is not a single sex scene in the entire book. It is a diary of escape into the land of childhood. Under the grandmother's apron.

And at the same time it is a travel journal. It is a strange journey; the author does not struggle with collective inhibitions, he is neither for nor against East European stereotypes. A Romanian is a Romanian, a gypsy is a gypsy (usually a neighbor). There is no ideology here, no cheap punditry, no Facebook wisdom. There is a moving record of everyday life in the Czech village of Gârnic in the Romanian Banat, where the narrator finds a job as a teacher.

Gârnic (Czech Gerník) is a real village on the Danube, inhabited by descendants of Czechs who 200 years ago got downriver by rafts ("enthusiasts tasked with colonizing the military border of the Empire"). Under the author's pen it resembles a stage in a journey to the sources of time (perhaps for this reason he uses exclusively the old German name Waitzenried). "I realize," writes Hořava, "that this is how my grandmother lived, that when a couple of years ago I got into my car and drove a mere couple of hundred kilometers along the Danube, I suddenly found myself in her childhood: in a different, older, quieter, more fragrant time..."

In this Czech village near the border of Romania and Serbia, the author discovers an idyllic native past, which is impossible to find in his asphalted homeland. He sips "weak palinka" with his neighbors, he prays with them in a church, and he teaches their children at school, he portrays the children in his notes, but above all he remembers the dead. Two sisters, struck by lightning. The dumb Lojzik, told by the boys that he will get a folding bicycle if he swims across the Danube. A junkie friend from Brno, whom he may have met in the Albanian Korçë.

He got there in his jalopy with Romanian registration plates, and next to an Orthodox cathedral he noticed a stolen city bus "with a still glittering digital inscription Königswiesen, a Bavarian bus, a bus from my former place of residence." Because everywhere, from Brno to Banat, from Lake Ohrid to the Bay of Douarnenez, the narrator meets specters of his youth. He meets them until he realizes that his youth has passed.

> ALEKSANDER KACZOROWSKI Editor in Chief Aspen Review Central Europe Photo: Jacek Herok

## ASPEN.REVIEW

CONSTANCE SIMMS BRENDAN SIMMS

COVER STORY HISTORY WILSON FOURTEEN POINTS EUROPE



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# Wilson's Fourteen Points and Their Consequences for Europe

Today the European system still wrestles with the very problems the 14 points were trying to address; how to embed Germany, contain Russia, and create a system of shared values.

In 1917, after three years of bloody world war, Germany strained every nerve to force the issue. She resumed unrestricted submarine warfare in February in order to starve Britain out. The Foreign Minister, Arthur Zimmerman, promised Mexico the return of Texas, Arizona, and New Mexico if she sided with Berlin in the event of outbreak of war between the Reich and the USA.

Washington's subsequent discovery of this bribe outraged American public opinion. Coupled with news of the first sinkings of US ships, many Americans became convinced that developments in Europe, particularly the perceived German bid for predominance, had profound implications for their

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## On Wilson's reading, Imperial Germany was not just a menace to the European balance, it also represented a profound ideological challenge to American political values.

security in the western hemisphere. They had the potential to threaten not only the commerce of the United States, but their very territorial integrity. The danger could only be contained through direct American intervention in the European state system. To stand aside, President Wilson warned, would be to risk a map in which the "[German] black stretched all the way from Hamburg to Baghdad—the bulk of German power inserted into the heart of the world." At the time, German armies stood deep inside France and the Russian Empire.

## An Ideological Challenge to American Political Values

On Wilson's reading, Imperial Germany was not just a menace to the European balance, it also represented a profound ideological challenge to American political values. "We are glad," he told Congress in his speech in April 1917 declaring war on Germany, "to fight thus for...the liberation of peoples, the German peoples included; for the rights of nations great and small and the privilege of men everywhere to choose their way of life and of obedience. The world must be made safe for democracy." "German rulers," he explained on another occasion, "have been able to upset the peace of the world only because the German people… were allowed to have no opinion of their own." It was the belief of the American government, in other words, that the defense of US democracy at home required its defense abroad. Wilson's aim, in short, was not so much his professed intention make the "world safe for democracy," but to make America safer in the world through the promotion of democracy.

## Wilson's aim, in short, was not so much his professed intention make the "world safe for democracy," but to make America safer in the world through the promotion of democracy.

This is why in January 1918, 100 years ago, Wilson announced his famous "14 Points." These were designed to prevent the emergence of a German-dominated bloc in Europe, and establish a new order based on democracy and self-determination for all people, including the Germans, qualified by geopolitics. Point six demanded the "evacuation of all Russian territory;" point eight called for the evacuation of all French territory by Germany, and the return of Alsace-Lorraine; point nine requested that the Italian borders be "readjusted" on national lines. Point ten spoke for the "autonomous development" of the peoples of Austria-Hungary; it left open, however, whether the empire should not remain united for external purposes to act as a counterweight to Germany. According to point eleven, Romania, Montenegro, and Serbia-then under Austro-German occupation-were all to be restored. Point thirteen called for the establishment of an "independent Polish state," with access to the sea guaranteed by the great powers, containing "indisputably Polish populations." Finally, the fourteenth point called for a "general association of nations" to safeguard world peace and the territorial integrity of states. The driving force behind these demands was not any abstract principle, but a concern to reduce German power in Europe to manageable proportions. They set the agenda for the years to come and in many ways still shape our world today.

## Unlike the punitively-minded French, Wilson believed that the best way of dealing with Germany was by changing her behavior rather than her capabilities.

## Changing the Behavior vs. Changing the Capabilities

American intervention proved militarily decisive by the autumn of 1918. In early October 1918, the liberal Prince Max von Baden was made German chancellor as a concession to President Wilson's democratic agenda. The new German government, hopeful that it would be able to negotiate a settlement based on Wilson's Fourteen Points, put out peace feelers to the allies. At the end of October as the sailors at Kiel mutinied and Germany erupted in revolution, the kaiser abdicated and on 11 November the Germans signed an Armistice which amounted in effect to a surrender. Now one would see how much of Wilson's vision would be realized.

Unlike the punitively-minded French, Wilson believed that the best way of dealing with Germany was by changing her behavior rather than her capabilities. There was, however, an ambivalence in President Wilson's strategic conception of democracy which was later to have far-reaching COVER STORY HISTORY consequences. The president was shy of imposing democracy where it was not welcome or had no local roots. "I am not fighting for democracy except for peoples that want democracy," he had remarked in mid-February 1918, "if they don't want it, that is none of my business." The trouble was, of course, that those who needed democracy the most were either the last to realize it or the least able to ask for it. They were the peoples for whom intervention was required not merely for their sake, but for the security of their neighbors.

## President Wilson did not want the League, as he put it, to become merely a "Holy Alliance" directed against Germany.

### The Neutralization of the Center of Europe

The Treaty of Versailles, which settled the future of Western and Central Europe in late June 1919, reflected much of the Fourteen Points. It was designed to guard against a revival of German expansionism. Germany gave up all of her colonies and certain European territories including Alsace-Lorraine and Danzig. In all, the Reich lost about thirteen percent of its territory and about ten percent of its population. Germany was also subjected to a regime of disarmament, occupation, and reparation payments with the occupation of the Rhineland and Palatinate for up to 10 years, rendering Germany militarily defenseless. Despite the severity of the Treaty's effects on Germany, it paled in comparison with the fate of its ally, the Austro-Hungarian Empire, which was effectively dismantled. The center of Europe was in effect neutralized, and monitored by the victorious coalition.

## The principal objections to the peace treaty and the League was not that it was presumptuous to legislate for the stability for the world, but that it was wrong to do so on false principles.

Underpinning this new territorial dispensation in Europe was the new international order of the League of Nations, which for the first time provided an institutionalized forum for all states to confer on matters relating to international peace and stability. The first twenty-six articles of the Versailles Treaty contained the League of Nations Covenant, and thus the machinery for its enforcement. Its primary purpose was the containment of Germany through the guarantee of the territorial settlement at Versailles and its disarmament clauses; she was not admitted to the league. However, if at one level the post-war settlement flowed directly from the principles set out in the Fourteen Points, it was in other respects a betrayal of them, because it denied self-determination to the Germans torn from the Reich.

## The League of Nations Guaranteed Minority Treaties

President Wilson did not want the League, as he put it, to become merely a "Holy Alliance" directed against Germany. He always intended that Berlin should be admitted to full membership once it had demonstrated democratic credentials, not least in order to contain the Russians. Wilson therefore sought to embed the central European settlement in a broader transformation of international behavior, attempting to change not only relations *between* states, but also behavior *within* states through the establishment of a Commission for Refugees, a Health organization, a slavery commission, a Committee for the Study of the Legal Status of Women, and various other

## The Republican criticism, in other words, was not that the League of Nations embroiled Americans too much in the outside world, but that it failed to so comprehensively and effectively enough.

transnational bodies. Most importantly of all, the League guaranteed a series of bilateral "Minority Treaties" by which the contractants undertook to protect the basic religious, civil, and cultural rights of all inhabitants. In part these provisions reflected a free-standing progressive agenda pursued for its own sake, but the real motivation was to reduce domestic tensions which might lead to international tension and even war.

The president soon ran into serious trouble at home. He lost control of both the House of Representatives and the Senate in the mid-term Congressional elections. This put a question mark over US participation in the peace treaty and the projected League of Nations Covenant, both of which could be signed by the president but required ratification by the Senate with a two-thirds majority. "Dare we reject it," Wilson asked, "and break the heart of the world." Praising article ten of the covenant, which committed signatories to the defense of the territorial integrity of all members, as "the very backbone of the whole covenant," Wilson called upon the United States to assume "the leadership of the world." If many Americans were COVER STORY HISTORY deeply skeptical of the president's vision only a minority were rigidly isolationist. The principal objections to the peace treaty and the League was not that it was presumptuous to legislate for the stability for the world, but that it was wrong to do so on false principles. Irish Americans, for example, could not forgive Wilson for speaking of self-determination, yet failing to insist on Irish independence at Versailles, while Italian Americans felt that Italy had been territorially short-changed.

## Hitler Rolled Back Wilson's Fourteen Points

The most serious resistance to the League, however, came from the Republican Party, the traditional standard-bearer for American internationalism. Critics such as the former Senator and Secretary of War Elihu Root were concerned that the rhetorical flourish of Wilsonianism masked a weak and ineffective treaty. They proposed amendments by which member states undertook to submit all disputes, including those involving vital national interests, to binding international arbitration; the draft and final Covenant failed to require this. The former Republican President William Howard Taft vigorously supported article ten, but only if it entailed an absolute obligation to go to war in its defense, rather than the vague "moral obligations... binding in conscience only, not in law" that Wilson had in mind. In particular, the Republicans demanded

## Today the European system still wrestles with the very problems the 14 points were trying to address; how to embed Germany, contain Russia, and create a system of shared values.

concrete security guarantees for France against Germany, which Wilson was very reluctant to give. The Republican criticism, in other words, was not that the League of Nations embroiled Americans too much in the outside world, but that it failed to so comprehensively and effectively enough.

Wilson, however, refused to countenance any change to his beloved charter and the battle lines were drawn. The League treaty not only went down to defeat in the Senate, where it failed to secure a two-thirds majority, but the Democrats were worsted in the 1920 presidential election thanks not least to the votes of hyphenated Americans—mainly Irish, German, and Italian—outraged by Versailles. The United States became neither a member of the League of Nations, nor a signatory and thus a guarantor of the Versailles settlement. The League failed through the 1920s and 40s due to the onset of a different German expansionist threat—Nazism. Hitler rolled back the Fourteen Points, one by one, an eventually plunged the continent into an even more disastrous war. After 1945, the missing enforcement mechanism, which had doomed the Fourteen Points and the League, was supplied by the United States through NATO. Today the European system still wrestles with the very problems the 14 points were trying to address; how to embed Germany, contain Russia, and create a system of shared values. Perhaps Emmanuel Macron, who is trying to recast Europe today, will have more success than Woodrow Wilson did 100 years ago.

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#### ASPEN.REVIEW MICHAŁ KOBOSKO

COVER STORY HISTORY WILSON TRUMP TSI

# A Storm Front over the Atlantic

January 1918. President Woodrow Wilson appears in Congress and announces his list of Fourteen Points, fourteen goals the achievement of which was to guarantee decades of peace for Europe and the world. January 2018. The first year of Donald Trump's presidency passes. The world is not threatened by a Great War, the economy is thriving, stock markets are growing. But can we say that on both sides of the Atlantic we feel much better and safer than one hundred years ago? Historians argue about the role and meaning of Wilson. In the domestic history of the United States he is not remembered as a particularly successful president. However, he governed for two terms and had a gift of winning the voters over. He was the first to organize press conferences and he

## Twelve months after the inauguration, we still have a huge problem with assessing what kind of President Donald Trump wants to be and how he wants to be remembered.

skillfully used the press and media to maintain his popularity. But in Europe, Wilson has been regarded as the main author of the peace ending the bloody World War I. In the newly emerging independent countries, such as Poland, he is hailed as an idol and in the interwar Poland he was an object of a personality cult, noticeable even today. Out of the fourteen causes listed by him in the American Congress, point 13 was crucial for Polish people, since it offered an opportunity and a genuine foundation for recreating a strong, independent Poland with access to the sea. Wilson's declaration also contained many other important elements, such as the postulate of lifting trade barriers and ensuring free navigation on the global seas.

Today, one hundred years later, we find ourselves at a completely different juncture. Wilson's actions and establishing the League of Nations did not prevent the outbreak of World War II; Nazism and communism ravaged Europe, borders were redrawn on the map with large amounts of blood being spilt. Eventually, a time of relative peace came, and the existence of the European Union and NATO diminished the turmoil in our part of the world. And this is the moment when a new president appears in the US. He has one thing in common with Wilson: the ability to play the media, to use their unprecedented role and meaning to keep up and enhance the interest in his own person. Howerer, everything else puts the two presidents apart. Among many controversial causes on his banners, Trump placed something going in the opposite direction to Wilson's efforts: the demand for major restrictions on world trade, creating barriers, building walls.

#### What Kind of President Donald Trump Wants to Be?

Trump began his presidency by withdrawing the US from the talks on creating the Pacific free trade zone TPP—a zone which was meant to save a dozen Asian countries from Chinese dominance. He announced first the abolishing <u>COVER STORY</u> <u>HISTORY</u> and then renegotiation of the NAFTA agreement with Canada and Mexico. And finally, he practically buried any remaining chances for signing the TTIP treaty on free trade with Europe—although, admittedly, these chances had been meagre anyway because of the distrust on both sides. The first businessman-cum-showman in the role of US president used his power to build walls and restrictions for free trade under the motto of helping American economy.

How should we treat these and other behaviors and decisions of Trump as president? How should we interpret today's state of relations between the United States and Europe and their influence on the fate of the world in the 21<sup>st</sup> century?

We need to start with the fact that, twelve months after the inauguration, we still have a huge problem with assessing what kind of President Donald Trump wants to be and how he wants to be remembered. If he were to be judged only according to his actions, Trump does not come out quite so badly. Besides questions regarding trade agreements, the announcement of withdrawing the US from the Paris Climate Agreement and restricting America's contribution to the functioning of global aid organizations, Trump has not committed any major blunders.

#### The Proverbial Dog Whose Bark Is Worse Than Its Bite?

During the campaign, he announced things, he threatened and proclaimed quite a lot. But then, already as president, he did not make any real changes in important areas. He had threatened to diminish the American activity in NATO—and then he went back on it, claiming that under the pressure of his words the Alliance started reforming itself from the inside in the right

## This president of the United States is too unpredictable for anyone to vouchsafe that he will not harm the functioning of the transatlantic community.

direction. Crucial for Central Europe was the fact that without a word of protest Trump fulfilled the obligations inherited from his predecessor and deployed American soldiers and equipment in Eastern Europe—for the first time since the end of the Cold War.

During the campaign he spoke warmly about Russia and Putin, but when push came to shove, it turned out that the fears about a new great agreement between the US and Russia had been much exaggerated. True, Trump is burdened with the investigation concerning the "brotherly help" that he might have indirectly received from Russia during the 2016 campaign. He cannot do anything that would deepen the suspicions that he wants to be too nice to Russia. Whatever the real reasons, until today, Trump has made no real moves to curb or lift the sanctions imposed on Russia for the aggression against Ukraine. What is more, he accepted and signed—without enthusiasm, but also without resistance—the expansion of sanctions passed by the Congress.

So are there reasons for a sigh of relief? Has Trump turned out to be the proverbial dog whose bark is worse than its bite? Not in the least. This president of the United States is too unpredictable for anyone to vouchsafe that he will not harm the functioning of the transatlantic community.

### A Large Section of the US Public Still Appreciates His Actions

This is because he differs from all the previous presidents (even Reagan) in that the form is crucial for him, while content remains secondary. The show, the performance, and making an impression on the viewers are what counts. The public must be made to react with applause, plaudits, euphoria. As frequently and as aggressively as possible. Love me, such as I am, says Trump. For plainly I am just like you, I love fast food, I have a natural "masculine" attitude to women, from time to time I like to swear and bang on the table.

## Europe has a big problem with that. It does not know if Trump can be regarded—for now and for the future—as a rational, stable, fully trustworthy partner.

So Trump invariably writes his Tweets, attacks and offends those who do not think like him, and sometimes he simply lies and fabricates fake news. He calls himself a "very stable genius." And despite his poor showing in the polls, a large section of the US public still buys him, still appreciates his actions. Because after all, it was during his presidency that the so-called Islamic State was wiped off the Earth. It was his words which discouraged the head of North Korea from constant shaking his sabre and conducting rocket tests every fortnight (although Trump definitely has not stopped the Korean nuclear program). It was Trump who introduced great tax cuts for American companies—exactly as he had promised. And it was Trump who successfulCOVER STORY HISTORY ly encouraged, as he had promised, such giants as Apple to transfer billions of dollars from foreign lands to the US. So he really is making America great again, as he had promised.

## Values Fundamental to the Europeans Do Not Mean Anything to the President

However, Europe has a big problem with that. It does not know if Trump can be regarded—for now and for the future—as a rational, stable, fully trustworthy partner. And whether his presidency is just a slip-up, a onetime failure of the system—or it suggests a great, unpleasant, and permanent change. A change meaning that the US will for years turn its back on its overseas neighbors, pare down American-European relations which in the 20<sup>th</sup> century built the world after two disastrous world wars and dozens of local conflicts. Europe does not know whether it means a divorce after years of sometimes warped but nevertheless effective and constructive cooperation.

After one year of this presidency, we still do not know the answers to the most important questions. We do see, however, that some values and symbols that are fundamental to us, Europeans, do not mean anything to the US leader. That he holds nothing sacred or unquestionable. Each of the previous US presidents regarded it as a dogma that America would defend peace, democracy, human, and civil rights. The issues of the rule of law, division of power, and self-constraint of the rulers were of major importance, at least in the sphere of declarations and announcements. It could be different in practice, because America had and still has a multitude of interests scattered all over the globe. But authoritarian regimes, all kinds of warlords and tyrants, had to reckon with the risk of American intervention any day. All this is now history. For Trump is really interested only in "deals," spectacular transactions to be shown to the nation as yet another personal, undeniable, intergalactic success of his own. Trump deliberately says nothing about democracy, about defending the world order, about counteracting lawlessness. He says nothing about freedom of speech and expression, about the necessity to support free media-on the contrary. He is absolutely obsessed with the media, he treats them and the journalists as his deadly enemies. You think differently than I think, so you are lying, you confuse people, you are Fake News Media.

## America Seems Completely Uninterested in the Fate of Its Closest Partner

The US president is completely uninterested in these very traditional aspects of democracy. While in Europe a discussion is going on about the cohesion and the future shape of the European Union, the US president does not take part in it. And even if he does decide to speak out, he pats the British on the back for the Brexit and loudly reflects on who should follow suit in the EU... He provides extra fuel to all those in the West and East of Europe who would be happy to see the Union break up, its "dictate" to end, the discussions about the vision of United States of Europe to be closed.

Today's America seems to be completely uninterested in the fate of its traditionally closest partner. We have never experienced it before. And this is why Europe treats its seemingly unbreakable ties with America with a growing distance and suspicion. Anti-American or at least anti-Trump sentiments are growing in Germany or France. Trump's extreme America-centrism, threatening Germany with a trade war, or verbally undermining the Union generates anger and disappointment. At the same time, there is a growing feeling and awareness—perhaps very desirable—that Europe today must rely on itself, it has to think about its future, stability, and security with a greater responsibility and commitment than before.

## The key question from the Central European perspective is if Trump notices us at all and distinguishes us from the rest of Europe in any way. There are reasons to believe that he does.

The effects of this new thinking are already to be seen. Europe had long talked about the necessity to reflect on its security and defense. But these were just words. Defense budgets were coming down and pacifist sentiments were becoming more entrenched in European societies. Young Europeans did not intend to die for their countries, they spurned the idea of taking up arms to defend freedom. The situation started to change when a new and very real threat from the direction of Putin's Russia emerged.

### Europe Is Waking up from Lethargy

Trump has probably proved to be even more convincing than Putin. When he defiantly announced cuts in expenditure for NATO (and America provides much more than half of the Alliance's budget), the Europeans felt that the situ-

#### <u>COVER STORY</u> <u>HISTORY</u>

ation was becoming really serious. And they launched EU projects such as PE-SCO, which will eventually ensure a higher level of security for Europe and resilience to new threats—such as hybrid wars and cyber-attacks. The road from the European Defense Fund, an organization for cooperation of arms industries in Europe, to creating a European army is long and uncertain. Still, it is very important that first decisions have been taken, that Europe is waking up from lethargy. Perhaps we should even be grateful to Trump for that?

The key question from the Central European perspective is if Trump notices us at all and distinguishes us from the rest of Europe in any way. There are reasons to believe that he does. Not because we are so important and meaningful in transatlantic relations but rather because working with us, Trump has something to show to others: to Russia that it does not enjoy impunity and complete freedom of movement in its immediate surroundings, and to the Old Europe that it is not the only important party in American international relations. That besides Brussels, Berlin, and Paris also Warsaw, Bucharest, or Riga exist, with their own interests and principles. A characteristic event for the first year of Trump's presidency was his July visit in Warsaw and his speech at the Krasiński Square.

## Trump Strongly Supported the Three Seas Initiative

The Law and Justice government exploited the visit for propaganda purposes, hailing it as its great success and an expression of America appreciating the role played by Poland in the region. In fact, the visit was "invented" by Trump's spin doctors as a counterbalance to Hamburg, where the US president was awaited by protests of the anarchists in the streets and unfriendly looks of the G-20 leaders. Images of crowds applauding in Warsaw were very precious merchandise for the president, who is very much afraid to visit even Great Britain, traditionally so close to America. Leaving form aside, the content of the Warsaw visit was important. Of course, Trump did not appeal to the Polish government to uphold the rule of law, he mentioned it only in passing, probably feeling obliged to do it. He did not speak about the assault on the Constitutional Tribunal and the judiciary, about freedom of the media, etc. Instead, he praised the heroic history of Poland, which in our country always evokes applause. In the realpolitik sphere he strongly supported the Three Seas Initiative, the project of a far-reaching deepening of economic cooperation between the countries from the Baltic, Black Sea, and Adriatic regions.

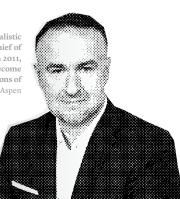
## A Watershed Moment

From the very start, this Initiative has been controversial and in the West of Europe it is perceived as an unhealthy competition to the EU or even an attempt to break it up. Trump's support for Poland and the remaining eleven members of the initiative was crucial and probably a watershed moment. Thanks to this support, convertible into the promised American investments in the region, chances that the project will be successfully launched are now more than nil. And Trump was not making empty promises: even before the Warsaw meeting the first ship with American liquefied gas arrived in Świnoujście.

Świnoujście is today one of the main Polish gateways to the world. Woodrow Wilson insisted that Poland should have access to the sea, but when it came to specific negotiations in Versailles, he did not want to die for Gdańsk being incorporated into Poland. He preferred to agree to the creation of the bizarre and, as it later turned out, most conflict-breeding construct called the Free City of Gdańsk. For Wilson, as a consummate political player, politics was an area of compromises. Compromises which in his view ultimately led to world-historical changes-such as putting Poland and other Central and Eastern European countries on the map of the world. It is to be feared, based on the recent experiences, that Donald Trump thinks in completely different categories. He has to destroy his opponent and if a compromise is to be struck, then the only possible one is that which could be later sold as his epoch-making and crushing victory. And therefore, although we do not live today with a sense of a great global danger, we must be aware that the situation could suddenly and very unexpectedly change. It seems that we will not soon experience such transatlantic cooperation as we know it from the past. Something broke, something got stuck here.

#### **MICHAŁ KOBOSKO**

is the head of Poland Office at the Atlantic Council of United States. He gained his journalistic experience in the early 1990s while working for *Gazeta Wyborcza*, later acting as editor-in-chief of the newly introduced Polish edition of *Forbes* as well as editor-in-chief of *Newsweek Polska*. In 2011, he was responsible for the launch of *Bloomberg Businessweek Polska*, from where he moved to become the editor of the weekly news magazine *WPROST*. Since 2013, he has headed the Polish operations of Atlantic Council. He has also been an editor of Polish version of the Project Syndicate. | Photo: Aspen Review Archive



#### ASPEN.REVIEW HERFRIED MÜNKLER

COVER STORY HISTORY WILSON FOURTEEN POINTS EMPIRES INDEPENDENCE

## The Proclamation of the Right of Peoples to Self-Determination and Its Present-Day Repercussions

Woodrow Wilson must have assumed that in a world that would gradually become more and more interconnected thanks to the free market, the right of peoples to self-determination would play a key role only for a limited period.

While the twenty-eighth president of the United States of America could be regarded as a political idealist, other figures in his administration, such as Secretary of State Robert Lancing or Finance Secretary William Gibbs McAdoo, were anything but idealists. The power-motivated policy they championed left its mark on Wilson's Fourteen Points, specifically on the right of peoples to self-determination. To this day this remains the most sensitive legacy of Wilson's proposal for a new world order. The most recent illustration of this is provided by the separatist movement in Catalonia, to which Madrid's response has been to deem the very fact of holding an independence referendum an illegal act, since the country's constitution is based on the *indissoluble unity of the Spanish nation*. The conflict between the Spaniards and Catalans has thus highlighted the Achilles heel of the concept of the peoples' right to self-determination—a question that is as vague politically as it is irresolvable in academic terms, namely: what constitutes a nation and what kind of ethnic unit may be agreed on below the level defined by the concept of nation.

The right of peoples to self-determination played a major role in the disintegration of the Soviet Union in the 1990s as well as during the wars that brought about the end of Yugoslavia. It was not so much the vague definition of the term "nation" that mattered as the problem of areas in southeast Europe and the Caucasus with ethnically heterogeneous populations. Further problem areas included the defining of borders and the emergence of new minorities, which found themselves no longer in a multinational political system but as parts of a single titular nation within which they had to assert their minority rights. In a way, the granting of minority rights involves the exercise of the right of peoples to self-determination, albeit reduced to second- or third-class rights and that, in turn, opens up opportunities for permanent conflict.

## A Stick to Beat Multinational Empires With

A case in point is the order the United States and the European Union imposed in the Balkans following the end of the wars accompanying the disintegration of the former Yugoslavia. The primary goal of this settlement was to end ethnic cleansing (the expulsion of people belonging to an ethnic group other than the dominant one), which was part and parcel of the wars in former Yugoslavia and represents the dark underbelly of the right of peoples to self-determination. Just as this right is directed against the existence of large multinational, multilingual, and typically also multi-religious empires,

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the practice of ethnic cleansing that occurs during their disintegration has the aim of bringing about a situation where allegiance to a particular ethnic group is aligned with the state's territoriality. COVER STORY HISTORY The process of establishing nation states originates in Western Europe. By contrast, in the regions which until 1917-18 comprised multinational, multi-religious, and multilingual empires, the right to self-determination following the demise of the old order left a legacy of problems that still plague this part of the world. From the western Balkans to the Caucasus, stretching from the Black Sea and Ukraine in the north to Turkey in the south, it has proved impossible to this day to put into place a coherent process of establishing a nation state. We are dealing with territories characterized by ethnic and religious fragmentation which, in conjunction with the right to self-determination and outbreaks of political hostility, can quickly turn into war zones where identities play a far greater role than interests. Although the right to

## In the regions which until 1917-18 comprised multinational, multi-religious, and multilingual empires, the right to self-determination following the demise of the old order left a legacy of problems.

self-determination is not solely to blame for the notorious proclivity to wars that is typical for regions where empires have collapsed, it has nevertheless played an ideological and political role. These problems are even more complex in the Middle East, where after 1918 the right of peoples to self-determination was used as a façade to legitimize British and French conquests and justify breaking up the Ottoman Empire in a place where local social structures had yet to evolve something akin to a sense of national allegiance.

## **Inspired by Immanuel Kant**

Nevertheless, none of this could have been predicted on January 8, 1918, when Wilson outlined his Fourteen Points in a speech to the two houses of the United States Congress. What would later be presented as a proposal for a new state order had originally been conceived as a program to motivate the American public, which had not shown great appetite for fighting, to support the government's decision to enter the war and, at the same time, to help promote American interests in the world. A devotee of Immanuel Kant who liked to draw on the German philosopher, Wilson underpinned his argument by more or less explicit reference to Kant's essay on "Perpetual Peace." It is unclear whether the inspiration by Kant served solely as a propagandistic guise for America's political and economic ambitions or whether it indeed played a decisive role in conceiving a liberal system of international relations directed against the old European order, as well as against the projects of Lenin and Trotsky.

## A devotee of Immanuel Kant who liked to draw on the German philosopher, Wilson underpinned his argument by more or less explicit reference to Kant's essay on "Perpetual Peace."

If we look at the circumstances in which the Fourteen Points came to be written, we will understand why this question has to remain unanswered: the Allied Powers—the Franco-British Alliance, which Woodrow Wilson joined against the Central Powers (Germany and Austria-Hungary)—were opposed to the proclamation of the right to self-determination as long as multinational Russia formed a part of their alliance and while the British and French were attempting to reach a separate peace deal with Austria-Hungary. Had they succeeded in extricating the Habsburg monarchy from its alliance with Germany, the latter would have been outnumbered by its enemies and could not have defended itself. However, the right of peoples to self-determination militated against Vienna breaking away from Berlin since granting these rights would have spelled the end of the multinational empire.

## The Impact of Wilson's Speech on the Allied Powers

Following the death of Emperor Franz Joseph there was a real prospect of forging such a separate deal. Only after this opportunity vanished and Russia left the Alliance in the wake of the Bolshevik takeover, did a path to proclaiming the right to self-determination open up—on the condition that the existence of the British and French colonial empires remained unquestioned. That is why it was clear from the start that rather than being a universally applicable principle of a new world order the right of peoples to self-determina-

## It was clear from the start that rather than being a universally applicable principle of a new world order the right of peoples to self-determination was an instrument for breaking up the enemy coalition.

tion was an instrument for breaking up the enemy coalition. Wilson's project has never managed to rid itself of this congenital defect.

The fact is that in the autumn of 1917, after Russia left the Allied Powers, their prospects looked far from rosy: the Franco-British offensive against Germany on the Western Front had not enjoyed much success and following a <u>COVER STORY</u> <u>HISTORY</u> number of insurrections among the ranks of the French divisions, the French army could be deployed only defensively. Russia's withdrawal from the war enabled the Germans to redeploy powerful military forces to the West while Italy was left on the verge of collapse after the Battle of Caporetto in the autumn of 1917. However, Lenin dealt the greatest blow to the Allied Powers by deciding to publish its secret documents, thus depriving them of a chance to present themselves as credible fighters for the ideals of freedom and democracy.

## Self-Determination of Peoples as a Propaganda Instrument

The Germans set out to form a number of nation states, from Finland through the Balkans, Poland, and Ukraine right up to the Caucasus, out of what was left of the former Russian Empire. The thinking in Berlin was that these states could supply supporting troops that might yet help Germany win the war. And although the newly established nations were vassal states dependent on the German Empire, by creating them the Germans made a greater contribution to realizing their political independence than did the Allied Powers.

This is why Wilson's proclamation of peoples' right to self-determination initially served mainly to score a propaganda victory. The need to bring hitherto neutral states onside eventually also persuaded the Brits and the French not to oppose this point in Wilson's program. At the same time, because of their relative military weakness, they were unable to prevent the demand for the right to self-determination also being raised within their own colonial empires.

To proclaim peoples' right to self-determination was one thing but its actual realization was quite another. A case in point is South Tyrol, which for military and strategic reasons was annexed to Italy, although any referendum would have resulted in the region remaining a part of Austria. Another example was Austria's post-war attempts to merge with Germany, rejected on the grounds that this would make Germany stronger than it had been before the war. A further illustration is provided by the dispute between Japan and China over areas of East Asia and, in particular, the fact that the victorious Allied Powers did nothing to overcome Kemal Atatürk's opposition and secure independence for the Kurds, as agreed in the Treaty of Versailles. Most importantly, the ethnic fragmentation in Central and Southeast Europe led to a number of armed conflicts between the two World Wars, resulting in repeated expulsions of minority nations who were able to appeal to their right to self-determination. And last but not least, Adolf Hitler was able to use it as an argument for carving Sudetenland off from Czechoslovakia.

The Germans set out to form a number of nation states, from Finland through the Balkans, Poland, and Ukraine right up to the Caucasus, out of what was left of the former Russian Empire.

## Independence for Every Ethnic Group?

These negative examples are countered by the fact that the right to self-determination spelled the beginning of the end of European colonialism, from which European powers were no longer able to backtrack. Although this process did not begin until after World War II, the right proclaimed by Wilson could nevertheless be asserted by means of numerous cruel wars. However, the greatest problem that remains to this day is the fact that a number of these new states is made up of many different ethnic groups which could also, potentially, strive for independence.

Although on January 8, 1918, Wilson proclaimed that nations have a natural right to exist, he overlooked the fact that a nation's de facto situation depended on the degree of its economic development and cultural context. He must have assumed that in a world that would become more and more interconnected thanks to the idea of the free market, the right of people to self-determination would play a key role only for a limited period.

In focusing on bringing about a peaceful world order he failed to take into account the disruptive potential of the right of peoples to self-determination. However, he released into the world an idea that has become a beacon for liberation like none before it.

#### **HERFRIED MÜNKLER**

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#### ASPEN.REVIEW

COVER STORY HISTORY WILSON FOURTEEN POINTS LEAGUE OF NATIONS LIBERAL DEMOCRACY

## Is Wilsonianism Coming to an End?

The 100<sup>th</sup> anniversary of the speech known as The Fourteen Points, which US President Woodrow Wilson delivered on January 8, 1918, in the US Congress, confronts us with the question of whether the world order based on free trade and liberal interventionism, whose foundations Wilson helped to shape, can survive in the face of new developments.

**Jiří Pehe** Before answering this question, let us briefly remind ourselves of the main points in Wilson's speech as well as of the main tenets of the ideology known as Wilsonianism. Some of the points made in Wilson's famous speech were quite specific, setting the rules for the post-war developments in Europe. Several, however, addressed broad international concerns, forming the backbone of the international order for decades to come.

> The most important of those general points was the very first of Wilson's Fourteen Points, which stated that after the end of the World War "there shall be no private international understandings of any kind but diplomacy shall proceed always frankly and in the public view."

## The League of Nations

The most important concrete outcome of this new philosophy of international affairs was the eventual creation of the League of Nations, whose establishment Wilson envisaged in point 14, in which he said: "A general association of nations must be formed under specific covenants for the purpose of affording mutual guarantees of political independence and territorial integrity to great and small states alike." Although The League of Nations in the end failed in preventing another war, Wilson's idea did not die with it. It reemerged after World War II in the form of the United Nations, an organization that stands in the center of the world order even today. Together with Wilson's emphasis on open diplomacy, it has contributed to the rise of the body of international law that governs relations among the states today.

The most important legacy of the Fourteen Points, however, is that it further helped to form a new US ideology of "liberal interventionism." Together with Wilson's key views, which were known from his other important speeches and scholarly works (Wilson had been an important scholar and university president before going into politics), the main points of this ideology, often referred to as Wilsonianism, are advocacy of the spread of democracy, advocacy of the spread of capitalism, and opposition to isolationism and non-interventionism.

Wilsonianism later played an important role in shaping the order in Europe after World War I (and also after World War II), and—with its emphasis on the self-determination of nations—it also undermined the concept of colonialism. The successful transformation of Japan and Germany into democracies with the help of liberal interventionism can be traced back to Wilson.

### **One of the Most Influential Ideologies**

Wilson has influenced quite a few US neo-conservatives. The fact that their policies, when pursued by some American presidents at the end of the 20<sup>th</sup> century, were not as successful in democratizing other countries as were the American policies immediately after World War I and World War II has recently given Wilsonianism a bad name.

## The most important legacy of the Fourteen Points, however, is that it further helped to form a new US ideology of "liberal interventionism."

However, Wilsonianism remains one of the most influential ideologies of the 20<sup>th</sup> century. We could argue that it is co-responsible for the spread of global market economy. And it is still with us in the form of liberal world order. In that sense it won in competition with other major ideologies that were prominent in the 20<sup>th</sup> century, such as communism or Nazism. COVER STORY HISTORY Today, however, we can hear arguments that the world liberal order is coming to an end. Globalization, propelled by free trade, is, it seems, in trouble. US President Donald Trump is the most prominent representative of the breed of politicians in Western democracies that promote economic nationalism and claim that the world liberal order—based on many multilateral treaties and organizations—needs to be revised in favor of more nationalist policies.

# Wilsonianism later played an important role in shaping the order in Europe after World War I (and also after World War II), and—with its emphasis on the self-determination of nations—it also undermined the concept of colonialism.

In order to determine whether the world liberal order and globalization—both, to some extent, political legacies of Wilsonianism—are indeed coming to an end, we need to answer the following question: Is the current rise of nationalist politicians and resistance to economic globalization a longterm trend or just a temporary backlash?

The answer is connected to another question: Was Wilsonianism just a set of political ideas formulated in a political vacuum, with little regard for the underlying forces that were driving the development of the market economy and international relations at the time, or was it a clairvoyant political reflection of such underlying forces? In other words: Was Wilson with his emphasis on liberal interventionism and free trade, which politically paved the way for globalized politics and market, imposing as the leader of the emerging world superpower on the rest of the world ideas that had no real rooting in the development of science, technology, and a marker economy, or was he just reflecting the obvious trend, giving it a political expression?

#### A More Interconnected World

It can be argued that Wilson as a scholar and thinker, who became a politician, was able to see earlier than some other politicians that the technological and scientific developments are driving the world toward more interconnectedness and unity, rather than the opposite. And he was, therefore, looking for a political answer to such developments. Nothing has changed in the way modern technologies and science work since then. The only change is that the speed of technological and scientific progress that makes it easier for the market economy to globalize, and for individual people as well as nations to be interconnected, has accelerated - perhaps to the point that the speed of change has created new ghosts and fears, which are politically misused by nationalist politicians.

But can they really stop or reverse this process with political measures? Donald Trump and some other nationalist politicians in democratic countries seem to think so, while authoritarian China, which has become the world largest economy, has paradoxically become the most fervent proponent of globalization, from which it has hugely benefited.

The answer to the question of whether global free trade and the world liberal order are in danger therefore depends, it seems, on whether politics can in the end have—on the national level—the upper hand over the powerful and globalized technological, scientific and economic trends, or whether it is, in fact, driven by such trends. If the latter is true, the current rise in nationalism and populism is just a temporary political backlash, which cannot succeed, although it can do a lot of damage.

However, even if we assume that we are faced only with a temporary backlash, there is still another troubling question related to the legacy of Wilsonianism: Is liberal democracy still the best answer to the newly emerging world? Are other forms of effective governance more appropriate for the world increasingly dominated by smart machines and communication? The answer is that we still do not know—despite the fact that obituaries for liberal democracy are now being written every day.

#### JIŘÍ PEHE

is a Czech political analyst and writer, and since 1999, he has been the Director of New York University's academic center in Prague. He was the director of the Political Cabinet in the office of Czech President Václav Havel and continued serving as Havel's external political advisor until the end of Havel's term in 2003. Pehe has written numerous essays and papers and has also published several books, including three novels. | Photo: Aspen Review Archive



ASPEN.REVIEW ADÉLA AL SHARUA

<u>HISTORY</u> <u>EUROPE</u> <u>MIGRATION</u>



# Let Us Build Bridges Instead of Walls

We need young, capable people to pump new energy into our ageing Mother Europe.

#### 1911-1923

My name is Franjo, I am 18 years old and I used to live in a small village in Croatia, which was then part of the Austro-Hungarian Empire. My father left us in 1910. I stayed home with my younger sister, who was eleven at the time. Our mother died while giving birth to her. My father kept telling us he would find work and accommodation across the Atlantic and then we would all move to America. We had no news of him. The aunt we were living with was getting more and more anxious as the days went by. She was running out of money and patience. So I decided to leave for America to find my father, so that we could bring my little sister Marija over to join us. I was a qualified smith and was convinced I would find work.

So I set off. My friend Rok and I reached the city of Trieste. We bought tickets for a huge ship with the splendid name "Martha Washington." That was the beginning of our "great" adventure. After a transatlantic voyage full of hardship, we finally arrived at Ellis Island. I cannot put into words how it feels to plant your feet on firm ground again. A human anthill - that is probably the only way to describe the structure of the island. People of every nationality, from all walks of life, of all ages. The place had a certain charm, but it was a bit frightening at the same time. This place was the alpha and the omega. Rok did not pass the test. He had no qualifications. No work experience. He simply had nothing to offer this country and he was deported back to Europe. After answering 29 tricky questions I was asked to leave the room.

# We bought tickets for a huge ship with the splendid name "Martha Washington." That was the beginning of our "great" adventure.

I waited for the answer. I saw what was happening around me and wondered what I was doing there. All alone. I had no idea where to start looking for my dad. After a five-hour wait I was summoned back to the room where I had been questioned. I passed. And so I set out into the unknown. A few days later, after sleeping rough, I met Djuro.

#### 1923-1974

Djuro helped me learn the language. To tell good people apart from those who were just out to take advantage. And the most important thing: not to be scared. To have sharp elbows and fight for my place under the sun. I looked for my dad in vain. I wrote letters home but never received a reply. Europe went through many changes. Many people emigrated during the war and after it ended. The economic situation was unstable. The Austro-Hungarian Empire fell apart. In 1923 I got a job in a newly opened factory making tools. The work conditions were acceptable. I enjoyed my work. Finally there was some stability in my tempestuous life.

But I was missing something. My home. The sense of security I used to have in my village. My family. My dad, who had never given up. He swore he would not drown his grief in drink, as some of his friends had done. He gritted his teeth and looked after us so that we would not be so affected by the loss of our mother. When I was young I did not understand why he sometimes wept at night. I only understood later. He was a strong man with a huge heart. Marija. Her sincere childish laughter. I have a good life here. I am not complaining. I had expected too much. I believed everything would be easy. I would find a job. I would earn loads of money. I would find my dad. We would bring Marija over and would start a wonderful new life together. I was wrong.

I just did not fit into this society. I have never found my father. I never got married. I succumbed to the demon of alcohol. I was foolish. I never went back home. I did not want to admit that I had failed. My ego was too strong. To admit failure was just unacceptable to me. I regretted my whole life. <u>HISTORY</u> <u>EUROPE</u>

#### Epilogue

Franjo M. died in 1974. His sister Marija lived in Koprivnica. She married and raised four daughters. A few times she heard about her brother, mainly from people who returned to their homeland from Ohio, where he lived. She never received any news of her father. She never found out what really happened to him. Marija died in 2004.

#### Winter 2015/2016-Syria

My name is Mouayad. I am 18 years old. I used to live in Damascus, in the Barzeh neighborhood. We had a wonderful life there. In 2011 the Arab Spring began, sparking a revolution in Syria. I have two older brothers and two younger sisters. My parents and sisters have stayed in Syria. One of my brothers lives in Lebanon and the other made it to Germany.

# Djuro helped me learn the language. To tell good people apart from those who were just out to take advantage. And the most important thing: not to be scared. To have sharp elbows.

In 2016, on a winter evening, I walked home after meeting friends. We were happy. We were pleased that we could keep on meeting. The war had not affected us that much.

When I finally got home I went to take a shower straight away. I was tired. I was looking forward to the dinner my mother had prepared. I looked forward to going to bed. After I sat down at the dining room table, my parents came to speak to me. They said I should pack my things after dinner. They wanted to take me somewhere. I did not know what their plan was, I assumed it was some kind of prank. My dad carried my suitcase. A taxi was waiting outside our house. I asked where we were going. But I did not get a reply. I saw tears in my mother's eyes. She was not looking at me. She was staring out of the window but she did not seem to notice what was happening around us. I knew this was no prank.

# I was scared. I wondered why my mother was breaking down and my dad was as white as a sheet. The taxi driver locked the doors. There was

**no way back.** We arrived at a place where another taxi was waiting. My dad moved the suitcase. They asked me to get into the car. I still had no idea what was happening. I was scared. I wondered why my mother was breaking down and

my dad was as white as a sheet. The taxi driver locked the doors. There was no way back. I rolled down the side window. My parents told me that the taxi driver had my air ticket to Lebanon. I was to stay with my brother for a few days. My brother would find a trafficker who would take me to Turkey. After

# I was hurtling into the unknown again. On my own. Why? The trafficker took me as far as Behram in Turkey. From Behram I had to make my own way. The place was full of Syrians.

that it would be a doddle. Someone would come and get me soon. I do not know who they had in mind. I did not want to leave. I insisted that I wanted to stay with my parents and sisters, come what may. My protests were useless. My eyes filled with tears of helplessness and fear. The taxi driver started the engine. My mother was on her knees, weeping. My father was standing, also weeping. My whole body was aching. My heart was aching. How could they have done this to me?

#### Lebanon/Turkey/Lesbos

My brother met me at Beirut airport. I was happy to see him, but felt deceived by my nearest and dearest. A few days later my brother said he had arranged everything. I was to get ready, the trafficker was waiting for me. I packed a few basic things. My documents, two t-shirts, some underwear, one pair of trousers, a sweatshirt, a phone charger, headphones, and the phone. I was ready. We said goodbye. I was hurtling into the unknown again. On my own. Why? The trafficker took me as far as Behram in Turkey. From Behram I had to make my own way. The place was full of Syrians. After a few unsuccessful attempts I finally found a group of around 50 people who let me join them on their way to Greece.

We found a trafficker who sold us a boat. A boat? It was a rubber raft. The kind used for whitewater rafting in Europe. Meant for eight people. Around 50 of us crammed onto it. Men, women, old people, children, pregnant women. The trafficker picked one of us. He gave him a ten-minute lesson in how to steer the raft. It was as if someone put you behind the wheel of a bus and after five minutes told you: "OK, now you know what to do. You've got 50 passengers on board. Drive them from A to B." He gave each of us a "life" jacket. I am not going to describe the journey, it was a nightmare. A crossing that takes 15 minutes in a fast boat lasted four and a half hours on our wreck without GPS. We left Behram early in the morning.

#### <u>HISTORY</u> EUROPE

Dry land. An island. Dawn was coming. The salty seawater was eating away at my skin. I was dreadfully thirsty. But women, children, and the old were a priority. I shivered with cold. Some people were crying. There is noth-

# Yes, it is definitely true. Europe has closed its borders. What will happen to us? New people who have not yet heard the news keep arriving. We are held captive in the fields. Nobody is willing to believe the news. Our dreams have been shattered. The flame of hope is going out.

ing better than the feeling of firm ground under your feet. On the beach we were met by volunteers who looked after us. A bus arrived. We were taken to Mytilene and got registered. After a few hours in a transit camp, off we went to the ferry. The ferry took us to the port of Kavala where buses were waiting. We were driven to Idomeni. From there it was supposed to be a doddle. I would soon be reunited with my brother in Germany. It is March 7, 2016. Not many people come to Macedonia.

#### March 9, 2016–May 27, 2016

I wake up. There is noise everywhere. Panic and crying. What is going on? I hear people shout: "The borders have been closed. Europe has closed its borders." I cannot believe it. Hope is the last to die. After trying to talk to UNHCR, Médecins sans Frontières, Save the Children I am none the wiser. Nobody knows anything. Who else should know if not they? The word goes around. Yes, it is definitely true. Europe has closed its borders. What will happen to us? New people who have not yet heard the news keep arriving. We are held captive in the fields. Nobody is willing to believe the news. Our dreams have been shattered. The flame of hope is going out. Surely Europe cannot abandon us here, the Europe that defends human rights, that is open, peaceful, educated?

It has abandoned us. Indifferent Mother Europe has never even asked what would happen to us. Three months full of hope and disappointment, joy and fear, of new firm friendships and betrayals, laughter and bitter tears, human kindness and riffraff. Three months of horrible smells and dirt. Nobody knew the answer to the question "How long are we going to stay here?" Many volunteers told us that the borders would reopen. That the road would be free again. I believed them and so did another 16,000 people. They would come every day. They were Europeans. Surely they must know. They handed out food, clothes, tents, blankets. Everything that was needed. In fact, we have not been as totally forgotten as we thought.

I do not know the exact date, it must have been sometime in early May 2016. On that day, Europe was supposed to reopen its borders. All of us had packed our things. We were happy. At last. But among that thousand-strong crowd I came across a girl. She was talking to some boys in broken Arabic. She was telling them that the borders were not going to be reopened, it was just a false rumor. What was all that nonsense? A tall bald guy was standing next to her. Who are these people? What do they want here? Why are they telling us these things? Where did she learn to speak Arabic? These questions whirled through my mind. She warned us that the police would most likely use tear gas and rubber bullets. That things were getting ugly closer to the Macedonian border. Then she disappeared. Someone told me that she had a Syrian father and a Czech mother. I forgot about her.



### Epilogue

The area around Idomeni was evacuated in late May 2016. The refugees were transferred to camps across Greece. Conditions in the camps were alarming. Gradually the situation stabilized. Many of those who were stuck in Greece after the closure of what was known as the Balkans route were relocated to other EU countries, some were reunited with their families.

HISTORY EUROPE Mouayad was relocated to Germany in the summer of 2017. He now lives near Dortmund. His parents and sisters remain in Syria. The journey from Syria to Behram cost him some 3,000 EUR. He paid another 1,500 EUR to a trafficker for the passage from Behram to the island of Lesbos. The price depended on the weather. In good weather the traffickers would raise the price from 1,000 up to 4,500 EUR. In bad weather the price would drop to as low as 700 EUR per person. The ferry that brought him to Kavala charged each refugee 80 EUR at that time. I paid only 45 EUR. Their price included a lunch (a sandwich 5 cm long and half a liter of water). On the day I met Mouayad in the thousand-strong crowd, the Macedonian border guards really did use tear gas and rubber bullets.

#### Conclusion

Migration has always existed and always will. It is part and parcel of the human community and not only that. It is a natural phenomenon. Empathy, humility, modesty, kindness, understanding, trust, honesty, listening, the enjoyment of small things, solidarity, and respect are disappearing from our society. The first step should be for us to learn to have respect for ourselves. Once we can respect our own person, we can begin to respect small cultural differences. And from the absolute basic ones, like knocking on doors, or picking one's nose in public, we will slowly reach the point when each of us will try to understand that people can be different. We can learn from one another. We will acquire new knowledge, friends, and an open mind.

Migration has always existed and always will. It is part and parcel of the human community and not only that. It is a natural phenomenon. Empathy, humility, modesty, kindness, understanding, trust, honesty, listening, the enjoyment of small things, solidarity, and respect are disappearing from our society. The first step should be for us to learn to have respect for ourselves.

Migration is OK. It is a cycle. It just has to be accepted. And not feared. If Europe cannot cope now with this relative trickle, I would rather not raise the question of how we will respond to migration caused by famine or lack of drinking water. And this will happen soon. We should legalize the route to Europe. It will save state budgets millions. It will be easier to control illegal migration, not to mention the corruption that has been rampant among the authorities, businesses, catering companies, travel agencies, non-profits, and volunteers.

We need young, capable people to pump new energy into our ageing Mother Europe. Let us build bridges instead of walls. People are like a river. They cannot be stopped. More walls mean more injured people. Instead of producing new fundamentalists in camps, we should welcome people and give them a helping hand.



Lead. What does this mean? Every one of us has roots. We want to belong somewhere. To have a sense of security. To identify with something. Some of us are quite aware of our roots, others have only a vague inkling, others are trying to find the place they belong. Some are proud of their roots while others are ashamed of them and try to identify with another (sub)culture.



We invite the alumni of Aspen Young Leader Programe to present their projects, thoughts and inspiration in Aspen Review. <u>Aspn.me/AYLP</u>

#### **ADÉLA AL SHARUA**

is a Czech-Syrian, based in Serbia at the moment. She has been working with refugees and displaced people since September 2015. In March 2016, together with her soulmate, she created a FreeShop. Place where dignified distribution of clothes and hygiene items could be provided. They upgraded the idea of permanent FreeShop to the TruckShop, a mobile version. There have been two running FreeShops (one in a transit camp and one for locals in the town where we have been living), The Weśeraj ("The Laundry" - to be ECO friendly, we have been recycling clothes, blankets, shoes), and Warehouse in Serbia from September 2017. ] Photo: Aspen Review Archive



ASPEN.REVIEW JAKUB MAJMUREK

INTERVIEW HISTORY SLAVERY ABOLITIONIST MOVEMENT CAPITALISM USA

# We Can Learn from the Abolitionists

Sometimes you can hear the argument that the Civil War was not about slavery but about the right of the Southern states to self-determination. The problem is, when the Southerners were talking about self-determination, they always meant white men only–says Adam Hochschild in an interview with Jakub Majmurek.

JAKUB MAJMUREK: Your book Bury the **Chains portrays a history of British** abolitionist movement. When that movement was starting to form at the end of the 18th century, it seemed impossible that it may eventually achieve its goals. Slave trade and slave labor were crucial for the economy of the UK, the money of people profiting from slaves held significant influence over the politics of the day. ADAM HOCHSCHILD: The fact that at the beginning it looked impossible is what drew me to the story in the first place. If you'd stood at the street corner in London in the year 1786 and you'd said that slavery should be abolished, 9 of 10 people would have laughed at you. They'd say, "that's a crazy idea," "there has been slavery since the ancient times, at Romans and Greeks." And

the 10<sup>th</sup> person would probably say: "Well, that's a pretty good idea, but I can't see how is it going to happen."

So what had happened that the abolitionists were eventually able to win? In that time we didn't have the opinion polls, so we can't possibly say how many British people supported slavery in, let's say, 1787. But the good indication of what were the topics of public interest were the subjects discussed at the debating societies. These were associations whose members were paying a small fee to listen to the debates about the most pressing issues of the day. For decades only very seldom the topic of slavery was debated. Suddenly, in one month-February 1788—one half of the debates were about the subject of slavery or the slave trade. So you can see that the idea of the abolition took on very rapidly. The first meeting of British abolitionists was held in May 1787.

Why did the abolitionist ideas take fire? For a couple of reasons. It was a moment between American War of Independence and French Revolution. Many ideas about liberty were in the air at that time. British opinion was pretty divided when it came to the idea of American independence. Many people thought: "If the colonists want to have their own state, they probably should." Also, the ideas which led to the French revolution in the 1789 were already pretty well known in Britain at that time. Even though British slavery was located in the colonies in the West Indies, there was in Britain something like the slavery itself: the institution called naval impressment. The only way Royal Navy could secure enough numbers of sailors was by kidnapping young men from the streets of British cities. If you were a strong-looking young man, walking along the street of a port city, you could be essentially kidnapped by a Royal Navy and impressed, forced to serve five years as a sailor at sea in horrible conditions. There was enormous amount of protest against this practice. In the 18th century, the protests against naval impressment turned into street riots more than 500 times.

Did the protests against naval impressment succeed? Not really. The protests were always defeated, because the government was

reasoning: if we can't do that, we won't have a big navy. And everybody back then agreed that Britain has to be a naval superpower. But the issue created enormous agitation. Many people were passionately speaking against it on the street corners. And the agitators often used the analogy to the slavery. "This is no better than slavery, and these are our fine, British young men, who're turned into slaves by British opinion was pretty divided when it came to the idea of American independence. Many people thought: "If the colonists want to have their own state, they probably should." the Royal Navy." It put into the air the idea that there's something suspicious about slavery. When people got outraged by the fact that their countrymen were in fact turned into slaves, it was a small step to get them outraged by the fact that somebody of different skin color is enslaved.

Was it really that moral outrage which finally led to the abolition of slavery? What about the economic reasons? Slave rebellions made slave-keeping economies less and less profitable. It was both things. Moral outrage was extremely important, it animated the broad social movement for the abolition. Thousands of people demonstrated against slavery on the streets. The abolitionist movement was able to make the issue of slavery one of the most important topics of

the parliamentary campaign of 1832-1833. But you're also right about the slave rebellions in the West Indies. In America itself, in most places white people outnumbered slaves. On every island of West Indies, slaves outnumbered white people, even 20 to 1. In Barbados, which used to have the largest population of Europeans, the ratio was still 5 to 1. The slaves were reasoning: "There're so many of us, and so few of them, we may actually succeed with the rebellion." Also, the example of the successful slave rebellion in what is today Haiti was a great inspiration for the slaves. So there were many slave rebellions in the West Indies in the early 1800s, one in Barbados, one in British Guyana, and the most important the big rebellion in Jamaica in 1831-1832. It lasted few weeks, hundreds of people were killed, the plantations were set on fire. Moral outrage was extremely important, it animated the broad social movement for the abolition. Thousands of people demonstrated against slavery on the streets.

> It was one year before the English Parliament finally passed the abolition bill, ending the slavery in British colonies? Yes, after the Jamaican rebellion the parliament held special hearings to determine what has happened there. And the plantation officials, army officers who served in

the West Indies were saying: "This is going to happen again and again." And that was the other reason for the end of slavery. We shouldn't forget that the slave-owners were very generously compensated by the parliament for their freed slaves. We could even say that the emancipation of British slaves was the largest slave sale in history. The state bough the slaves from their owners, and set them free.

What were the tools that the abolitionist movement used to mobilize public opinion against slavery? It's striking how modern they were. As a student I was active in the Civil Rights Movement, many of my friends campaigned against the war in Vietnam. It's fascinating how many things we took for granted as the tools of civic protest were actually invented by the abolitionists in the 18<sup>th</sup> century. For example, it was an abolitionist who put the consumer boycott for political purposes-boycotting sugar, produced with the help of slave labor. They came with the idea that it's useful to establish a nation-wide organization based in the capital of the country to pressure the politicians, that it can be useful to give that organization a recognizable logo. They were campaigning using political posters. Anti-slavery organizations were keeping very detailed accounts of their meetings. Reading them you can see how they were trying different techniques and checking if they're working or not.

# And what kind of arguments were working the best?

The abolitionist learned very quickly that it's easier to convince people not by arguing with references to the Bible, but rather by showing the public the sufferings the slaves were afflicted with. So they were giving voice to the witnesses of the horrors of slavery, putting their accounts into the pamphlets. People wanted to buy the pamphlets with the testimonies of the witnesses, not with abstract arguments. I guess, one may even say that in some way, abolitionist campaigns invented the human rights journalism.

So you don't think that the religious arguments against slavery were crucial for the abolition? Well, they were definitely important. In that time everybody in England was in some way religious-with very small exceptions. But the only religious group which from the beginning took the principled position against slavery were the Quakers. It came from their own experience of religious persecution. You could not be a Quaker and hold slaves-you'd be kicked out of the church if you did. Quakers were trying for years to agitate people about slavery-but for a long time no one paid attention to them, because they were Quakers. They looked different, they wore funny hats, they had certain manner of speaking. So they realized that they can't achieve anything if they don't

ally with the Anglicans. And that alliance was really crucial. In the end of the 18th century you could not enter the parliament if you weren't Anglican. Of course, most Anglicans weren't opposed to the slavery. But the movement was blessed with the few who were. The most important were two: Thomas Clarkson and William Wilberforce. In that alliance, the Ouakers became the main manpower of the movement-even though in the end of the 18th century there were only about 20 thousand of them in Britain. But it was the Anglicans who became the face of the movement. It's fascinating how many things we took for granted as the tools of civic protest were actually invented by the abolitionists in the 18<sup>th</sup> century.

That kind of anti-slavery movement was something unique to Britain. Why did not a similar movement succeed in the US? You need a civil war to make an end to slavery. In the US the slave economy was part of the United States itself-in Britain, slaves were 3 thousand miles away in the West Indies. The American slave owners were very successful in convincing white people who didn't hold the slaves that they would be threatened if the slaves were set free. "If the slaves were set free, they would compete for your jobs, so we have to keep them enslaved," ran the argument. The American abolitionists

The abolitionist learned very quickly that it's easier to convince people not by arguing with references to the Bible, but rather by showing the public the sufferings the slaves were afflicted with.

> were almost exclusively focused in the North, and they had no means to influence the politics of the slave states, controlled almost completely by the slave owners.

The emancipation of American slaves was soon followed by Jim Crows laws, a different form of forced segregation and discrimination. How did the situation of British slaves in the West Indies look like after their liberation? Was it similar? There certainly were many similarities. The most important was the fact that both in the US and the British colonies, when the freedom came, the economic conditions of the former slaves did not change radically. They still worked on the plantations as it usually was the only job accessible in the area they lived in, being paid very small amount of money for their labor. They had to pay their former owners a rent for the miserable hut they were inhabiting. But there was one significant difference between the Southern US and the West Indies. In the West Indies people thought in three racial categories: black, colored (which means part white, part not), and black. And unlike in the United States,

those in the middle category in the era of slavery were usually free. If a white master had some children with his slave, they were in most cases set free. After the abolition of slavery-to this day-white people controlled the biggest part of the economy of Caribbean Islands, but those of mixed race occupied a place in the middle of the social structure. There was no similar group of colored people in the US.

How is the heritage of slavery shaping American politics today? Some time ago we could see the riots in Charlottesville, Virginia, where white nationalists were protesting against the removal of a statue of Confederate commander, Robert E. Lee. The white nationalists in Charlottesville would never say that they want to bring back the slavery. They'd probably argue that they were just defending the historical monument from tearing it down.

Yes, but in the debate following that events we could actually hear that the slavery wasn't that bad, that we should put that into the context of the times, and so on. Sometimes you can hear that argument. More often you'd however hear that the civil war was not about slavery, but about the right of the Southern states to self-determination. There's something noble about the right of every state to determine its fate. The problem is that when the Southerners were talking about self-determination, they always meant white men only. And in that kind of notion of self-determination I find nothing noble at all. In the US we have elected a madman, a racist president. And he's appealing in a subtle-and sometimes not even that subtle-ways to a deep racist prejudice, which is still strong in the US. The Civil War has ended, the slavery has ended, the economic and political positions of African Americans have improved greatly, but there's still enormous amount of discrimifeelings, lurking beneath the surface.

The issue of slavery is still far from resolved, it's still a problem even in such apparently developed countries as Brazil. Yes, and unfortunately we don't pay enough attention to it. There're some organizations who work on that issue. One of them is the London-based Anti-Slavery International. It's a direct descendant of the old, British anti-slavery society. And when I was doing my research for this book and I wanted to find certain documents and pamphlets from the late 1700s I went to their library. And there's one section of that library devoted to the things from the 18<sup>th</sup> century, but there's also another, filled with materials from the 20<sup>th</sup> or even 21st century. You can find there DVD and video cassettes documenting slave labor in Bangladesh, Sudan, and other countries.

What in your opinion is the greatest obstacle to fighting slavery today? I think that, paradoxically, what makes the work on the issue of slavery so complicated now is the fact that it's officially illegal virtually everywhere. I think that no country would be allowed into the United Nations if it would make slavery legal. So slavery's officially against the law everywhere, but it's nonetheless practiced in many places. And I've seen it myself. I went as a journalist to Congo-7 or 8 years ago. The eastern part of the country suffered terrible wars in nation and economic differences and racist In the US the slave economy was part of the United States itself—in Britain, slaves were 3 thousand miles away in the West Indies.

the last decades. One of the most horrific things that happened during that war was the fact that people were kidnapped and made slaves, belonging to different military forces. I've talked with such people. With men, who were used to carry the loads for the troops, with the women, who were turned into sex-slaves, etc.

What in your opinion is the relationship between slavery and capitalism? On the one hand, capitalism is supposed to be based on free labor, on the other, we could see how the plantations based on slave labor were capitalist enterprises, and the relatively cheap sugar they were producing facilitated the industrial revolution in England of the 18th century.

Well, I think that the slavery can be found in every type of society that we know historically. Some of the Native American societies practiced different forms of slavery. In pre-capitalist Africa, most of the societies we know held slaves. And that's why European captains sailing along the coast of West Africa could so easily find the slaves to buy. When I was in South Africa few years ago, I found a logbook of Dutch captain, who found it so peculiar that the tribe he met didn't hold slaves, that he feel obliged to write it down. By the way, that tribe used to live around the area where Nelson Mandela came from. So I think that slavery can exist in any form of society.

The white nationalists in Charlottesville would never say that they want to bring back the slavery. They'd probably argue that they were just defending the historical monument from tearing it down.

> Some time ago, I've seen the Oscar-nominated documentary 13th, investigating American prison system. The movie was essentially arguing that the American prisons are capitalist institutions based on unfree labor and that they're predominantly filled with African Americans—the descendants of the former slaves. That is all unfortunately true. The America has one of the highest per capita rates of

incarceration, higher even than China, or Putin's Russia. I was actually studying that case two years ago, and back then only one place had higher incarceration rate-the Seychelles Islands. And it was only because there was some kind of coup there, after which they locked a lot of people up. It's also striking how the US prisons are working in comparison with the EU. Some time ago I had a book tour in Finland. The publisher asked what I'd like to see, so I've said: find me a prison to visit. He managed to arrange me a visit. In American prisons, the prisoners are working all day, receiving some tiny wages for their travail. In Finland, you mainly have different classes all day. And when the prisoner leaves, the social worker goes with him and checks if he has a place to stay and a job-to make sure he won't return behind the bars. And it works-they have incarceration rate 10 times lower than the US.

Do you think that any American politician would be able to convince American taxpayers to pay for a similar system in the US? Well, honestly, I don't think so. (laughter) But on the other hand, there's been a lot of talk about our prison system recently. People from both left and right start to agree that it can't go on like this. People from the right, like the notorious Koch brothers, are seeing how much does it cost, what part of budget it's eating up. But it's going to take a lot of time before America changes its attitude towards crime and criminal offenders.
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fighting against climate change. There was even a review of the book—like seven years ago—in the academic journal for the climate scientists. And it was written by a climate scientist, who said: "You wonder why I'm reviewing a book about 18<sup>th</sup> century anti-slavery movement? Because I think it's relevant for what we have to do

The abolition of slavery in Britain was a great story of success of the grassroots social movement. What contemporary social movement can draw from that example? Is there any social struggle you would compare to the abolitionist campaign? I had very interesting experience with Bury the Chains. You can learn who's reading your book by looking at who's inviting you to speak about it. When it was published back in 2005, all the invitations I had were from black history groups, classes on slavery and race relations, etc. The last four or five invitations to speak about that book have all come from organizations

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I think it's relevant for what we have to do today, which is to convince people that something they take for granted—that we
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can forever pump oil and put the greenhouse gasses into the atmosphere—can no longer be treated that way, if we don't want to bring about an ecological disaster." And I agree. Climate change is the biggest collective challenge the world is facing—provided that Donald Trump does not start a nuclear war. And we have to use every organizing technique to face that challenge. Doing so we can learn a lot from the abolitionists of the 1780s.

#### **ADAM HOCHSCHILD**

is an American author, journalist, and a longtime lecturer at the Graduate School of Journalism at the University of California, Berkeley. He has also been a Fulbright Lecturer in India, Regents' Lecturer at the University of California, Santa Cruz, and Writer-in-Residence at the Department of History, University of Massachusetts at Amherst. Hochschild has also written for *The New Yorker, Harper's Magazine, The Atlantic, Granta*, the *Times Literary Supplement*, the *New York Review of Books*, the *New York Times Magazine, The Nation*, and other publications. He was also a commentator on National Public Radio's All Things Considered. His best-known works include *King Leopold's Ghost* (1998), *Bury the Chains* (2005), *The Mirror at Midnight* (1990), and most recently *Spain in Our Hearts: Americans in the Spanish Civil War*, 1936-1939. [Photo: Barbi Reed ASPEN.REVIEW ADAM BALCER

POLITICS EU CENTRAL EUROPE NATIONALISM POPULISM

# Euroskeptic Central Europe

Some leaders in Central Europe present it as the center of the European Union. In fact, it is the most Euroskeptic part of the EU, which with the exception of Slovakia will long remain beyond the mainstream of European integration.

In early January 2018, Prime Minister Viktor Orbán, during a visit of the new Polish Prime Minister Mateusz Morawiecki in Budapest, gave an interview to Polish public television, where he stated that "in recent years it has turned out that Central Europe is a significant actor in the European arena. [...] Previously, European politics was dominated by German-French tandem. Now there is a second axis, Visegrad. The West must get used to it. [...] The future is in Central Europe [...] The core of Europe is shifting to the East."

This optimistic vision of a powerful Central Europe had been promoted also by Jarosław Kaczyński. It is worth asking the question how a region where the three most important countries (Czechia, Poland, and Hungary) are not in the eurozone and actually do not want to join it, can be the center of Europe. After Brexit, there will be an overlapping of the EU with the eurozone, for the EU economies outside it produce only about 15 percent of the EU GDP (what is more, some of these countries may adopt the common currency in the medium term). Another important challenge for the European ambitions of Central Europe are harmful political changes occurring in Poland and Hungary (building an illiberal democracy and dismantling

# In fact, Central European societies themselves seem to be the most serious challenge for tying the region with the EU mainstream. Various Euroskeptic elements appear in this region on a large scale.

the rule of law), which remove it from the EU mainstream in terms of values and the legal and political system. The scenario of bringing down the rule of law may also appear, in a more moderate version, in Czechia. Paradoxically, the authors of these changes, Viktor Orbán and Jarosław Kaczyński, are the strongest supporters of the claim about the unique power of Central Europe. Both politicians emphasize high support of Central European societies for EU membership. This support, however, is often self-contradictory and based mostly on mercantile calculations (the EU as a source of money).

In fact, Central European societies themselves seem to be the most serious challenge for tying the region with the EU mainstream. Various Euroskeptic elements appear in this region on a large scale (to the least extent in Slovakia). Undoubtedly, the most important common identity feature of the region, distinguishing it from the rest of the EU, is a strong attachment to ethnic nationalism, which contradicts the idea, foundational for the EU, of the civic nation, which prevails in most member states. These differences in defining a nation are much more important than the alleged struggle of Central European "patriots" against cosmopolitan federal utopias from Brussels.

## **Ethnic Nationalism and Populism**

If you had to find one long-term factor which poses the greatest challenge for the integration of Central Europe with the EU mainstream, it would be the "closed" ethnic nationalism (identification with an imaginary monolithic national community, glued together with language and allegedly homogeneous culture or religion, which should coincide with the state) dominating in the region's societies. Fidesz and Law and Justice (PiS) made it the crucial foundation for their political legitimacy. POLITICS EU Support for ethnic nationalism in Central Europe has grown significantly in recent years. Its rise has a specific nature in every country, but the key common catalyst for its strengthening has been the refugee crisis, presented in the region as a mortal threat. On the other hand, we should remember that the complex cultural-historical context makes the nations of Central Europe more susceptible to ethnic nationalism. The best example of this phenomenon is Hungary, which for close to 100 years has been cultivating the complex of the Trianon Treaty (the Hungarian counterpart of the Versailles Treaty signed in 1920), seeing itself as a victim of an unjust "dictate" (a term regularly used by Hungarian politicians). The current Hungary is just a rump state and the Hungarian ethnic nation divided between the neighbors constitute the main point of reference.

# Ethnic nationalism in the V4 countries is strongly tied to populism, that is, presenting themselves as representatives of the alleged genuine will of the people by some of the political forces.

A comprehensive public opinion survey conducted in the spring of 2017 by Pew Research Centre showed that societies of the V4 countries (the study did not cover Slovakia) prefer a model of a monolithic state (one nation, one religion, one culture) rather than ethnic, religious, and cultural pluralism. The strongest advocates of homogeneity are the Czechs, with two thirds of their society supporting it, and less than 30 percent choosing the pluralist model. In Poland and Hungary, more than 55 percent selected the first option, while about 35 percent went for multiculturalism. The Czechs also stood out in terms of their hostility to accepting Muslims and the Roma as fellow citizens. In the context of the Muslims, only 25 percent of the Czechs did not have any objections, and for the Roma the figure was 35 percent.

The strength of ethnic nationalism in the V4 countries was also demonstrated by our very powerful social opposition to the EU program of relocating refugees combined with a huge increase of Islamophobia. Ethnic nationalism in the V4 countries is strongly tied to populism, that is, presenting themselves as representatives of the alleged genuine will of the people by some of the political forces. Many Central European politicians, instead of calming the xenophobic sentiments, reinforce them through playing the nationalist card and through policy of fear in order to garner social support. The scale of the fears allows us to say that moral panic has gained a permanent presence in Central European societies. Such societies are easy to manipulate, especially through the Internet (social media).

### **Conservative Counterrevolution**

In Poland and in Hungary, nationalism goes hand in hand with promoting by the ruling elites of an often purely declarative conservatism and traditionalism presented in opposition to the Western Europe allegedly posing a threat for their national identities. Fidesz and PiS present their countries as the true West based on conservative, Christian, and national values as opposed to the secular, liberal, and multicultural Western Europe. In the autumn of 2016, Kaczyński and Orbán announced that their countries had started a cultural counterrevolution within Europe, because they are islands of freedom. Therefore, they are entrusted with a historical mission (Messianism) of convincing the West to return to European roots (re-Christianization).

However, the vision of a conservative community of Poles and Hungarians is not based on strong foundations, as there are crucial differences of worldviews between the Poles and the Hungarians. The former are significantly more conservative. What is more, public opinion surveys show an increase of Polish conservatism in recent years and its weakening in Hungary. Regardless of the Constitution emphasizing the Christian roots of the state, practicing religion and identifying with it is markedly less pronounced in Hungary than in Poland. Hungary has a liberal abortion law and the per capita number of abortions belongs to one of the highest in Europe. Registered same-sex partnerships are legal. According to the

# Fidesz and PiS present their countries as the true West based on conservative, Christian, and national values as opposed to the secular, liberal, and multicultural Western Europe.

equality index of the LGBTI communities prepared by Rainbow Europe and sponsored by the European Commission, Hungary is the second—after Croatia—Central European country offering the most favorable legal conditions for these communities. Hungary achieved 45 points (zero means full discrimination, 100 means equality). For comparison, Germany scored 54 points, Italy 27 points, while Poland got 18 points. POLITICS EU

#### The EU as a Threat to Security

In the propaganda of Central European nationalists, the "deracinated" decadent West has merged with Islam. Orbán and Kaczyński claim that Western Europe tries to impose Muslim refugees on Poland and Hungary with the aim of destroying the homogeneity of both societies and hence make them easier to control. It is no accident that George Soros, as a symbol of liberalism and allegedly pursuing a secret plan to change the ethnic composition of Europe, has become public enemy number one in the propaganda of both countries.

Identifying the West, because of the Muslim communities (with their allegedly very high crime rates, terrorism, and sexual assaults) inhabiting it, with a serious threat to the security of Poland and Hungary is something unprecedented in the recent history of both countries. Moreover, the vision of both states as enclaves of peace is particularly unconvincing in the case of Hungary. The homicide rate in Hungary belongs to the highest in the EU. The probability of getting killed in Poland is two and a half times higher and in Hungary four and a half times higher than in Austria, where the proportion of Muslims in the population is among the highest in Western Europe. We would get similar results if we compared Poland and Hungary to Holland and Spain. And Muslim communities in the EU are often better integrated with the mainstream society than the Roma community in Hungary.

Identifying security predominantly with terrorism means evading the debate on important threats to the life of Polish and Hungarian citizens. In both countries the number of people dying in car accidents belongs to the highest in the EU, in per capita terms. And the probability

# Identifying security predominantly with terrorism means evading the debate on important threats to the life of Polish and Hungarian citizens.

of dying in a terrorist attack is incomparably smaller than the probability of dying in a traffic accident. For example, the Swedish roads are three times safer than Polish ones in this context. The situation in Hungary is only slightly better than in Poland. What is more, Hungary and to a lesser extent Poland belong to those EU states where fatal accidents in the workplace occur most often. Also their suicide and drowning rates in Hungary belong to the highest in the EU.

# Dismantling the Rule of Law in the Name of National Democracy

Identity politics invoking ethnic nationalism also has a significant impact on systemic changes, which pose another challenge to the relations of the region with the EU. Since Fidesz and PiS have taken power, they have been reconstructing the political system, moving away from liberal democracy based on the rule of law and guaranteeing minority and individual rights (human rights) towards a system of populist majority democracy, where democratic institutions gradually adopt features of soft authoritarianism. This model of

# The central role of the ethnic nation in the ideology of Fidesz and PiS and the historical political traditions allow us to define this kind of political system as "national democracy."

an increasingly hybrid democracy invokes the idea of majority rule closely associated with an ethnically defined national community.

Starting from such a definition of the nation, Kaczyński and Orbán assume that the will of the nation/sovereign expressed in the elections should play the dominant role in the political system ("democratization" of all institutions). And that means that the power of the parliamentary majority should not be significantly constrained by the judiciary, the non-governmental organizations, and the media. The central role of the ethnic nation in the ideology of Fidesz and PiS and the historical political traditions allow us to define this kind of political system as "national democracy." Moreover, this term is used by researchers sympathizing with Fidesz as a name for the political system functioning in Hungary.

As a result of constructing a national democracy since Orbán's rise to power, Hungary each year slips down in the "Freedom House" ranking assessing political systems (three groups: free, partial free, not free) across the world and becomes a less and less free country. In the most recent report published in 2018, Hungary was regarded as a still free country, but situated on the edge of relegation to the category of partly free countries. No other EU member state scored such a bad result. Given Orbán's domestic policy in 2017 and his plans for 2018, it is very likely that in 2019 Hungary will be downgraded by Freedom House to the category of partly free countries. It would be the first such an example in the history of the EU. This scenario is all the more likely as the Hungarian media dropped down to the category of partly POLITICS EU free soon after Orbán had come to power and their freedom is systematically curtailed. Currently they are the least free media in the EU.

Ever since he assumed power in Hungary, Orbán's policy was treated by Kaczyński as the main source of inspiration. In the opinion of Freedom House, since 2015 Poland has been rapidly "catching up" to Hungary. Polish media have already been relegated to the partly free category. Consequently, Hungary and Poland are now member states not fulfilling the Copenhagen criteria necessary for EU accession.

Dismantling the rule of law caused a remarkable conflict between Poland and the European Commission, European Parliament, and the most important member states. In late 2017, the European Commission for the first time in history launched Article 7 of the European Treaty against Poland, which may lead to the suspension of the right to vote by the EU Council.

In 2018, the European Parliament will vote on the motion to trigger Article 7 against Hungary. The scenario of dismantling the rule of law may occur—in a softer version—in Czechia, where closely working together are President Miloš Zeman, an admirer of Russia and China playing nationalist, anti-immigrant, and Islamophobic cards, and Andrej Babiš, a Czech Trump and candidate of the largest party for the office of prime minister, the second richest person in the country, a man controlling a major part of the media and accused of defrauding significant EU funds. Babiš claims he is innocent.

# The scenario of dismantling the rule of law may occur—in a softer version—in Czechia, where closely working together are President Miloš Zeman, an admirer of Russia and China playing nationalist, anti-immigrant, and Islamophobic cards, and Andrej Babiš, a Czech Trump.

There is a serious fear he will put pressure on the justice system in order to defend himself against legal proceedings. He will gain the support of President Zeman. It is worth recalling that in March 2016 Zeman defended the Law and Justice government, saying: "I expressed the view that the Polish government, which was created as a result of free elections, has every right to carry out activities for which it received a mandate in these elections. It should not be subject to moralizing or criticism from the European Union." The rise of populism is favored in Czechia by a radical decomposition of the traditional political scene, which for more than a decade was dominated by social democrats and the Civic Democratic Party (ODS), a conservative and moderately Euroskeptic grouping. In 2006, both parties jointly achieved more than two thirds of the vote. By 2010 their combined support was down to just over 40 percent, and in the last elections in 2017 it fell below 20 percent. The main beneficiaries of this crisis of the traditional elite were Andrej Babiš's populist party ANO, but also the radical nationalists from the Freedom and Direct Democracy (SPD) party. In the 2017 elections ANO got close to 30 percent of the vote (today the polls show a 35 percent support) and has to form a government or parliamentary coalition; possible allies are the anti-European authoritarian communists and also the SPD.

## The prospect of a clear progress of the integration of the eurozone is of crucial importance for the position of Central Europe in the EU.

#### **Euroskepticism of Central European Societies**

The prospect of a clear progress of the integration of the eurozone is of crucial importance for the position of Central Europe in the EU. The progress of integration will at some point lead to identifying the single market with the eurozone within a common legal space. As a result, the latter will become the true Union. EU member states outside the eurozone may consequently be reduced to the status of only association with the single market.

Slovakian membership in the eurozone means that it decouples with the rest of Central Europe, of which its ruling political elite is aware. In fact, the Slovaks belong to the European nations most supportive of the common European currency. In a Eurobarometer poll conducted in the autumn of 2017, 80 percent of the Slovaks supported the euro with just over 10 percent holding the opposite view. The average support for the euro in the EU was 60 percent. Slovakian membership in the eurozone is one of the most important breaks against ethnic nationalism and populism, for it significantly constrains the room for maneuvers for the political elites. The Czechs are on the opposite pole, their support for the common currency is the lowest in the EU. In a Eurobarometer poll, almost 75 percent of the Czechs declared a negative attitude to the euro, while only slightly over 20 percent expressed a positive attitude. The hostility of the Czechs to the euro explains why they exhibit POLITICS EU the most critical approach to EU membership itself among the V4 countries. In a CVVM poll conducted in the summer of 2017, more than 55 percent of the Czechs supported their country's EU membership, but almost 40 percent were against it. When Great Britain leaves the EU, no European country will be more Euroskeptic than Czechia. It is worth recalling that President Zeman supports Czech membership in the EU, but he also advocates a referendum on this matter.

# Public opinion surveys show that Poland belongs to the most Euro-enthusiastic European nations.

Public opinion surveys show that Poland belongs to the most Euro-enthusiastic European nations (more than 85 percent supporting their country's EU membership). Among the V4 countries, the Poles are the most willing to see their country belonging to the group of EU states most closely working with each other (almost 60 percent of them expressed such a view in a CBOS poll from August 2017). But at the same time, a clear majority of the Poles is against Polish accession to the eurozone, that is just such a group of countries closely working with each other. In the Eurobarometer poll from 2017 we already cited, almost 60 percent of the Poles were opposed to the euro, while 35 percent were for adopting the common currency. Moreover, in other domestic surveys the opposition to the common currency is just slightly lower than in Czechia.

## But at the same time, a clear majority of the Poles is against Polish accession to the eurozone.

Another element of Polish Euroskepticism is the growing hostility of Polish society to the European Commission because of the conflict around dismantling the rule of law. In an IPSOS poll from January 2018, almost 55 percent of the Poles said that the European Commission should back off from interfering in internal Polish affairs, while less than 45 percent supported the Commission's pressure on Poland, including less than 20 percent who were for imposing sanctions. Polish Euro-enthusiasm is also undermined by the fact that the Polish people increasingly associate the European Union with a threat. In the spring of 2017 the polling center IBRIS asked the Poles a hypothetical question: what should Poland do if a condition for its EU membership were accepting more than 6,000 refugees within the relocation program. More than half of the respondents declared that Poland should leave the EU, while less than 40 percent supported taking the refugees in.

In contrast to Poles and Czechs, Hungarians support the common European currency. According to a Eurobarometer poll, more than 55 percent of Hungarians are for their country's membership in the eurozone and just over 35 percent are opposed to it. A crucial self-contradiction is the support of the Hungarians for the ruling Fidesz, which is only slightly lower than the support for the eurozone accession. It means that Hungarians overwhelmingly support Fidesz, although its domestic policy—dismantling the rule of law and a marked rise of corruption—makes accession of Hungary to the eurozone impossible, because the issue of an independent justice system became a fundamental condition for accession to the area of common European currency after the crisis of the eurozone in 2009.

In contrast to Poles and Czechs, Hungarians support the common European currency. According to a Eurobarometer poll, more than 55 percent of Hungarians are for their country's membership in the eurozone.

In summary, everything indicates that political elites and societies of Poland, Czechia, and Hungary will remain at the EU periphery for a long time. The prospect of a significant reduction—for various reasons—of the EU funds and the access to the single market may only strengthen Euroskeptic sentiments in these states.



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<u>POLITICS</u> <u>HUNGARY</u> <u>ELECTION</u> <u>ORBAN</u> <u>FIDESZ</u>



The stakes in the elections which will take place in Hungary on April 8 are much higher than it would potentially seem. Victory of the Fidesz-KNDP (Christian Democratic People's Party) is certain, but the size of the majority in the National Assembly with 199 deputies remains the crucial question.

Fidesz twice acquired a constitutional majority, first in 2010, under the old electoral system, and then in 2014. It achieved 133 seats - exactly the amount necessary for a constitutional majority. This majority is necessary not only to pass a new constitution but also to pass some laws regarding various areas of the state. These are the so-called "cardinal laws" [*sarkalatos törvény*]. They were introduced by the Round Table agreement providing for the transition from the communist to democratic system. Now there are 31 of them, and this number significantly increased after 2010. Should Fidesz lose an election in the future, in order for the current system to be changed, another political party would have to either achieve a constitutional majority or form a coalition resulting in such a majority. Otherwise, the "Fidesz system" will last despite this party losing.

When in 2015 Prime Minister Viktor Orbán said in an interview that Fidesz did not need a constitutional majority any longer, for it had changed everything it wanted to change, he seemed to underestimate the importance of this majority. The interview was published shortly before by-elections in which opposition candidates won: Social Democrats from MSZP and

# Without a constitutional majority the government coalition will be unable to implement its vision of the state in a stable and effective way.

nationalists from Jobbik. Fidesz lost its majority then. From that moment on it lost only two votes: in November 2016, on the seventh act changing the constitution, and in the spring of 2017, when it pursued changes regarding the transparency of party financing. These changes were contained in a law on parties requiring a constitutional majority to be passed. The two-thirds majority is also needed when nominating the Constitutional Court judges (the absence of the majority resulted in months-long vacancies, until an agreement with the party Politics Could Be Different [LMP] was reached).

# Fidesz Does Not Want to Lose the Control over Several Important Offices

There is something else, and it is extremely important: the next parliament (2018-2022) will see the end of the term for heads of several offices which are important for Fidesz, such as the chairman of the National Judicial Office [Országos Bírósági Hivatal, OBH], judges of the Constitutional Court, chairman of the National Media and Infocommunications Authority [Nemzeti Média- és Hírközlési Hatóság, NMHN]. Without a constitutional majority the government coalition will be unable to implement its vision of the state in a stable and effective way. This vision is realized under the National Cooperation System [Nemzeti Együttműködés Rendszere, NER], which assumed the form of a new social contract legitimizing the victorious political camp. It was supposed to mean a complete abandonment of previous politics. The document was passed first as a parliamentary act, and then as a decree right after the election, in June 2010. The absence of a two-thirds majority will force Fidesz to search for one-time allies, and that will mean the necessity of far-reaching concessions to potential partners or an ongoing institutional paralysis of the state.

### A Separate Legislation for the Newly-Emergent Nationalities?

Another issue which will come to the fore during the next parliamentary term is the ethnic policy of Hungary in the context of the 2021 census. Under the 2011 legislation, 13 nationalities are regarded as ethnic minorities. People are asked to define their ethnic origin in the census. Besides them, there POLITICS HUNGARY is also, of course, the Hungarian nationality, and four others are not listed in the law: Arab, Chinese, Russian, and Vietnamese. There is also a category called "other." Comparing the data from the 2001 and 2011 censuses, we notice that the size of the four minorities not included in the Act on Nationalities is growing. This concerns mainly the Chinese and Russians as there are about 6200 of them, which is more than some nationalities accounted for in the law, i.e. Bulgarians, Poles, and Slovenians. In the previous decade the number of people declaring themselves as members of these nationalities rose threefold, while the number of Slovenians fell by one third. In the future, it will be like that with the Arabs.

The question remains open what the government will do if the 2021 census shows that the size of nationalities not included in the legislation increases significantly and surpasses the size of the 13 nationalities. It will be faced with the following dilemma: extend the group of nationalities or start a discussion on introducing separate legislation for the newly-emergent nationalities. This is all accompanied by a decrease in the number of persons declaring their nationality as Hungarian (a decline by 800,000 within a decade) and by a very bad demographic situation, despite the generous programs of support for families with more than two and more than three children.

The problem of inequalities will not be solved by the program of granting Hungarian nationality to Hungarians living in neighboring countries once belonging to the former Hungarian Kingdom, whose lands were divided by the Trianon Treaty of 1920. In 2014-2018, Hungarian nationality was granted to one million people.

#### **Budapest Must Show a Conciliatory Approach**

Foreign policy is largely determined by the domestic situation. In the near future, the main priority of Budapest, which is solving the question of mi-**Budapest on the one hand still strongly stresses its rejection of the current EU migration policy.** 

gration policy on the European Union level, will remain unchanged. Budapest on the one hand still strongly stresses its rejection of the current EU migration policy (including the now-discussed system of distributing the so-called migrant quotas in the version proposed in the spring of 2016) and also accuses Brussels of attempting to constrain the sovereignty of the member states. On the other hand it announces the possibility of joining a new program of relocating refugees (in a form that is yet to be developed and not based on mandatory allocation of refugees by Brussels), and informs the Hungarian citizens that contrary to the anti-immigration campaign run for almost three years, the government admits refugees, as the deputy foreign

# And also accuses Brussels of attempting to constrain the sovereignty of the member states.

minister recently announced. It regarded exactly 1291 people who were given international aid in 2017. This number is very important, for under the schedule adopted by the EU in 2015 Hungary was obligated to receive 1294 persons, that is just three less than were received last year. However, these are separate things which should not be confused with one another. Admitting refugees outside the schedule does not count, so, formally, Hungarians did not let in a single "quota" refugee. This is a very important reservation, for opposition to the relocation mechanism from 2015 is the foundation of the Hungarian government's message, just to mention the national consultations, poster campaigns, and finally the 2016 referendum.

# Brussels is already fed up with Hungarian anti-immigrant rhetoric, especially the European Commission accuses Hungary of lying.

Brussels is already fed up with Hungarian anti-immigrant rhetoric, especially the European Commission accuses Hungary of lying. Yet Budapest realizes that in order to have a real influence on asylum policy, it must show a conciliatory approach. Communicating the ability to compromise is accompanied by an exacerbation of domestic rhetoric. Its main target is George Soros, a billionaire of Hungarian origin. According to the government, he tries to influence the results of the April parliamentary election. What is more, his tentacles are supposed to have already spread through EU institutions, which implement his plan, mainly through the European Commission. The main idea of this alleged plan is the arrival of another million immigrants to Europe. The current quota system is to distribute them between particular EU countries, and that will destroy the social system based on Christian values.

Counteracting such events takes very specific forms such as the campaign under the slogan "We will not allow Soros to have the last laugh," or national consultations on rejecting the "Soros plan." POLITICS HUNGARY

## The Party Geography in the European Parliament Will Change

In the Hungarian Parliament, a package of bills called "Stop Soros" was introduced and is aimed at organizations supporting illegal immigration. Helping people who have illegally crossed the border is also regarded as supporting illegal immigration. Passing these bills is only a question of time. The proposals include a 25 percent fee (deliberately not called a tax) on government subsidies to be spent on the maintenance of a fence along the southern border of Hungary. But in the general opinion, these acts are aimed mostly at organizations financed by Soros and very critical of the Fidesz-KNDP government, that is the Hungarian Helsinki Committee and the Hungarian Civil Liberties Union (TASZ).

The Hungarian prime minister defines European policy in fiveyear-long cycles coinciding with successive elections to the European Parliament. The new cycle, which will start in 2019, will be preceded by the Brexit. Political scientists also predict that due to the increased importance of populist parties, the party geography in the European Parliament will change. We may prognosticate that the electoral campaign will revolve around issues concerning the migration crisis and the institutional reform of the European Union—whether we will extend the powers of European institutions or transfer some decisions determining the fate of the EU to national parliaments.

# The Hungarian prime minister defines European policy in five-year-long cycles coinciding with successive elections to the European Parliament. The new cycle will be preceded by the Brexit.

And finally, the result of these elections may mean an actual—if not official—breakup of the EU into various integration speeds, with the classical differentiation into the eurozone and the rest, not reflecting the truth of the divisions. Hungary is already trying to adapt to the new opening. Hence the very conciliatory declaration made in early January 2018, on the eve of the negotiations of the new budgetary perspective, that if the remaining partners from Central and Eastern Europe will be willing to increase their contributions to the EU budget in the 2020-2026 perspective, Hungary will raise its share to 1.2 percent of the GDP.

#### Ruling without a Coalition Partner Will Not Be Enough

In addition to the interest in the European Union, Hungary will not give up its ambitions in the East, including the pursuit of the best possible relations with Russia, especially when a growing number of leaders claim that sanctions imposed by Brussels are ineffective. In 2018, the expansion of the nuclear power plant in Paks will begin, financed in full with a loan from the Russian Federation. It is expected that Vladimir Putin will take part in the cornerstone laying ceremony at the start of this investment. And the last 16+1 summit (November 2017) showed that the importance of Budapest for Beijing is rising again, which means that China will take upon itself some part of the investments flowing from Brussels under the still-generous budgetary perspective.

# The challenges that Victor Orbán's government will face in the next term will be among the most serious in years. An ordinary majority and ruling without a coalition partner will not be enough.

The challenges that Victor Orbán's government will face in the next term will be among the most serious in years. An ordinary majority and ruling without a coalition partner will not be enough. If the Fidesz-KNDP system is to function effectively, it will have to recover the constitutional majority. The third victory in a row would mean twelve years of an interrupted Fidesz rule, which puts the Hungarian leader under great stress. And during these four years Orbán will probably think about the inheritors of his work and about deep transformations which would allow Fidesz to extend its rule beyond 2022.

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# **Liz Corbin: Fight Fake** News with Quality Journalism

Making trusted news is very expensive. Creating fake news in your bedroom, with a laptop and a camera, is inexpensive. You should not be able to profit from that in the same way as a genuine and quality news organization–says Liz Corbin, the Head of News at BBC World News, in an interview with Konrad Niklewicz.

KONRAD NIKLEWICZ: How far are we from acknowledging that social platforms like Facebook, YouTube, or Twitter are the dominant sources of information and opinion for an average citizen worldwide? LIZ CORBIN: We have to remember that they are still, to a certain extent, platforms: a place where people find information. Whether they are dominant or not will vary from country to country-but they have become hugely influential in the way news is distributed, and other information is disseminated. Nobody can ignore that; nobody can pretend that social media doesn't exist and nobody can put the genie back in the bottle. Social media platforms have become curators of content in a way that we have

never seen before. They have become a primary source of information for a hugely significant number of people who only access news content via Facebook or Twitter or YouTube. American Pew Research estimates that half of Facebook users get their daily portion of news via Facebook. Many people, especially younger people, no longer have TV sets in their house. They watch all video content online. That is why these platforms have a huge impact.

What we, the journalists, can do is to produce great content which has truth and impartiality at the heart of it, but make it in a way that is going to be shareable, viral video, reaching many people. In the old media environment, now eclipsing, information and opinion were distributed top-down, with journalists and editors playing the role of gatekeepers. For all the inconvenience, it had one significant advantage: more or less, in most cases, it guaranteed that published stories are facts-based and the opinions-reasoned, even if sometimes controversial. Now, the gatekeepers are falling, and any piece of content can go viral, to be seen by millions, regardless how profoundly untrue it is. What might be the long-term consequences of the new media ecosystem? It is a challenge to all of those who work in the traditional news media. We have to create our content in a way which is competitive in this particular environment. There's no point in pretending the problem doesn't exist-it does, and we need to find a way to work within that new ecosystem. The fact that "anything" can go viral poses a huge question about what responsibility the platforms themselves take. What we, the journalists, can do is to produce great content which has truth and impartiality at the heart of it, but make it in a way that is going to be shareable, viral video, reaching many people. We need to be people want us to be there, they simply All news organizations have made big strides towards adapting to this new

paradigm. The significant shift in the last 10-15 years is that media is moving away from being the curators of the content, effectively deciding what people see and what they don't, to a situation where the audience (not any single medium!) decides what it wants to see. They are no longer satisfied to get what they are given from a limited number of news sources, we, the media, need to compete for their attention. Regarding the long-term consequences, one can already see a tectonic shift: the news organizations are moving towards personalized content. Take the macro level: the BBC News website looks different depending on where in the world you are. The front pages vary so they're optimized for the region you're reading it in. The idea that one size fits all is no longer tenable. We all need to make great strides in making content accessible to different audiences-because in this new world we know so much about who is consuming that content. In the past, particularly for the broadcast media, you would put your TV news bulletin out and you would get only some indications of the ratings; you would only roughly know how many people are watching. With the online media content, you know precisely how many people **Even millennials, who you** on Facebook and other platforms because might think would be moving away from traditional media, prefer to receive the news content this way. Still come to us for news. We reach 69% of affluent millennials globally each month.

are accessing your content. I think that is very valuable in terms of making sure that you reach the audience that you haven't Making trusted news is very expensive, it's not something you can do on the cheap. Creating fake news in your bedroom, with trust. That is a question to the platforms: a laptop and a camera, is inexpensive.

traditionally reached. I think that many news organizations are finding that hugely useful information, to make sure that they are creating a range of news content that everybody finds exciting and wants to access. And it's working for us. BBC.com reaches almost 100 million unique browsers each month and our TV channel is growing around the world, with around the same number tuning in every week. Even millennials, who you might think would be moving away from traditional media, still come to us for news. We reach 69% of affluent millennials globally each month.

Don't you find it unfair that in this new, complex eco-system of the new media, news organizations like the **BBC**, putting an effort into making sure that the piece of information is accurate, can lose to mere individuals, handsome men (or women) with good presentation, making people believe in something which is just not right? To an ordinary viewer, a nice guy sitting on a couch and making a

self-video of his own might be more trustworthy than well-established news organizations, because of his/ her appearance, the "one of us" style? That is a major concern for us and for other broadcasters and news organizations, who place a great deal of value on news you can

what is their social responsibility? How can they better suppress the so-called fake news phenomenon and make it easier for people to find news they can trust? We at the BBC, the most trusted international news broadcaster in the world, feel very strongly that there should be some responsibility to prioritize reliable news and not the content generated by this lone guy, disseminating viral fake news from his couch, either for commercial or political purposes. Making trusted news is very expensive, it's not something you can do on the cheap. Creating fake news in your bedroom, with a laptop and a camera, is inexpensive-you can generate attractive content by making everything up. You should not be able to profit from that in the same way as a genuine and quality news organization. So this is a question for 2018: how will the social media platforms start dealing with this. As far as the BBC is concerned, we will just continue to make content that is of the highest standard and to make it in a way that works on these sites-given the size of their audience.

To what extent do digital media, social platforms, and the echo-chambers they create influence politics now?

Just the same way news media needs social networks to reach people, so do politicians. It is inconceivable now that you would have an election where the only campaigning they do would be doing door-to-door, giving away leaflets and running some TV commercials. I can't imagine candidates not using the social media platforms. The real issue with campaigns in social media is that we all too often find it hard to identify what the source of a given video, link, or post is. That is where social media poses a problem. It is the issue of fairness, and the public's ability to understand the essential topics. A leaflet, a TV commercial, would typically carry the logo of the party and the name of the candidate-because it is regulated this way. It is not the same in the social media. Services like the BBC Reality Check are there to tackle this new challenge. What we are especially worried about are the echo chambers. Once people get entrenched in their views, it can be very, very difficult to shift them. The recent announcement by Facebook that it would stop using its "disputed" warning on fake news stories didn't surprise us at all. People dealing with fake news, those who have been doing fact checking for a long time, have discovered that debunking fake news doesn't always

work in the way you expect: many people who are exposed to fake news treat corrections not as fair and balanced, but only as the "opposite view" and become more entrenched in their opinions.

Should we consider to start treating the owners of social media platforms the way we did TV, radio, or printed press? What if we make social media platforms legally responsible for the content they publish? That is something lots of governments and supranational organizations, like the European Union, are looking at at the moment. The European Commission has just started a consultation on the topic. They will be looking at whether regulation is the answer to the problem of fake news. I don't have my own opinion on this topic. I can only guess it is going to be quite concerning if one starts regulating social media. Why? It is so different **People dealing with fake** news, those who have been doing fact checking for a long time. have discovered that debunking fake news doesn't always work in the way you expect.

from the broadcast media, so different from the print media. Social media is not linear. And there is the issue of the free speech: where would you draw the line? Self-regulation is another option. We should see whether it would bring better results than top-down regulation. Social media is so different I believe we need smart ideas to think about how to improve the experience and the public service element.

Social media is so differ-<br/>ent I believe we need smart<br/>ideas to think about how to<br/>improve the experience and<br/>the public service element.it got swayed by the "Leave" campaign<br/>and the newspapers that supported it.<br/>Second, the UK has a long history of<br/>partisan news reporting. Certainly, there is<br/>a general code of conduct for newspapers,

Education is also key. We at the BBC have launched a program supporting young people to distinguish between real news stories and fake or false information. This particular project is targeted at secondary schools across the United Kingdom. Up to 1000 schools will be offered mentoring from our best BBC journalists.

Should we consider redefining the responsibility of journalists and media in general? In the wake of the Brexit referendum, many commentators said that British tabloid media played an essential role in creating the anti-wave. Apparently biased against the EU, they have been falsely portraying (or even ridiculing) the EU for over 30 years. The list of EU-related lies they have been publishing is pages-long. There are some issues that have to be raised when discussing the Brexit referendum contention. First: one should never underestimate the fact that the issue of British membership in

the EU has long been a source of controversy and disagreement in the UK, far longer and more strongly felt than in other EU countries. It wasn't that we have suddenly decided to hold this referendum and then it got swayed by the "Leave" campaign and the newspapers that supported it. Second, the UK has a long history of a general code of conduct for newspapers, but they are not required to be politically balanced. To the contrary: they may have their own, strong views - they certainly did that during the Brexit campaign. I was based in Singapore during the Brexit referendum, so I didn't follow every detail of the campaign-but I know for sure that it was a fierce campaign, with a fair amount of disinformation around, But I wouldn't say, by any stretch, that it was entirely down to the news organizations. It would be very difficult to say that the news organizations that supported the idea of Brexit created the actual Brexit vote. Having said that, the amount of disinformation and twisted statistics used during the referendum campaign was hugely concerning. The BBC Reality Check team worked during the campaign; our reporters would repeatedly try to put the claims and comments in context. But in the end, it was and still is politicians' responsibility to run a clean campaign. In the UK, the public is incredibly used to the newspapers having a political bias. If you pick up The Guardian, The Sun, or

The Times, you understand what you are going to get. And that brings us back to the issue of the social media: the notion of the source is fundamental. If you pick up the copy of The Sun, you will understand the political stance of that particular paper. But if you see a similar post on the social media-and you can't easily see what the source is-it is more difficult for you to make a judgment about that. The BBC went to great lengths to be balanced, and we succeeded in that during the Brexit referendum. During any elections in the UK, there are strict rules for media, particularly for the broadcasters: both leading parties should get an equal number of appearances on broadcast media. For the smaller parties, a different but fair number would also be set. In the Brexit referendum broadcasters were required to give equal balance to "Leave" and "Remain."

Was this approach right? Does always a "balanced view" equal "a more accurate view"? The one closer to the reality? We can discuss it using the example of another highly controversial issue—climate change. Theoretically, you could present two views: one person saying that the climate is changing, and another person saying that there's no such thing as climate change. But you don't have to do that! The evidence is so overwhelming that climate change is happening that the presence of someone saying that climate change doesn't exist makes your coverage inaccurate. You are impartial as long as you tell the truth about the topic. You could apply the same philosophy to the Brexit debate: in some situations, giving 50/50 prominence to two different arguments makes the coverage unbalanced. **If you pick up** *The Guardian, The Sun,* or *The Times,* you understand what you are going to get. And that brings us back to the issue of the social media: the notion of the source is fundamental.

Impartiality is far more complex than simple 50/50. Sometimes in the debates, a journalist has to stand up and say: no, this is true and this is not, despite some people believing otherwise. That's what BBC Reality Check does. Making sure that the public understands an issue in its entirety and in the necessary context is crucial. Being balanced and impartial doesn't mean that you just say: "On the one hand, and on the other." Too often journalists are faced with situations where the two incredibly intelligent people from two different camps say the complete opposite. If the topic is complicated, if it requires extensive knowledge, the public doesn't stand a chance telling the truth from the lie. It's the journalist's job to separate the wheat from the chaff. It is not enough just to say it; you need to make the public believe you and to

help them understand the subject. It is essential to weigh up the evidence and put it in context. The public no longer wants to be told what it should think. They want to be shown why something has happened and how the conclusions are reached. To take the audience with you, you need to prove things to them. If the topic is complicated, if it requires extensive knowledge, the public doesn't stand a chance telling the truth from the lie. It's the journalist's job to separate the wheat from the chaff.

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In November 2017 Liz Corbin was a panelist in the debate on Fake News coorganized by Aspen Institute at the Forum Media in Prague.

#### LIZ CORBIN

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#### ASPEN.REVIEW VEDRAN OBUĆINA

POLITICS EU CROATIA TSI V4

## Zagreb and the EU—Five Years after the Accession

The Croatian foreign policy path turns from the Brussels-Berlin-Belgrade line to the Three Seas Initiative and position in the Central Europe.

In July this year, Croatia will celebrate its five years as a full member of the European Union. And while this is a cause for celebration and overeager boosting of the politicians' ratings, Croatia fares among the poorest and least developed European countries. After a notable start, marked by unpleasant situations such as the dispute over the implementation of the European arrest warrant, the poor use of EU funds, the opening of an excessive deficit procedure, and the unclear situation within the European Union, during the last year things improved for Croatia, and great benefits from membership did emerge.

In four and half years of EU membership, Croatia had one presidential election (2013), two parliamentary elections (2015 and 2016), two European elections (2013 and 2014), two local elections (2013 and 2017), and one referendum (2013). Considering this, 2018 is first annual cycle without elections in the last six years. The political scene is continually represented by the Croatian Democratic Union [Hrvatska demokratska zajednica, HDZ] and the Social Democratic Party [Socijaldemokratska partija, SDP], with important coalition partners in various spectrums of conservative, liberal, populist, regionalist, agrarian, and single-issue parties. All these parties are primarily concerned with domestic issues and the foreign policy is mostly reserved for the disputes with the neighboring countries, primarily Bosnia and Herzegovina, Serbia, and Slovenia.

#### Croatia Is at the EU's Bottom Line by the GDP per Capita

These domestic political parties, however, have not been very successful in two pressing domestic issues connected to the Croatian EU membership: the use of EU funds and emigration. When it comes to Europe, the focus in Croatia remains on the funds, which are a means rather than a goal. Next couple of years will be very important for many, both for Croatia and for Europe, because the whole continent is in the middle of a debate about our future. Croatia is now in an equal and substantive capacity to contribute to the creation of a common future. However, no one should be satisfied with the results so far.

The Croatian government is working to increase the withdrawal of financial means from the EU funds. So far, 23 percent of the EUR 10.7 billion of funds allocated to Croatia has been contracted in the financial perspective by 2020. It is necessary to focus on rural development and less developed areas as well as strategic projects of national importance. The complainant points out that significant simplification of the bidding procedure is expected soon, which will hopefully increase the number of application entries. In Croatia, young people have to be in focus, as it is in the EU. Dialogue and understanding are needed, but not out of sight of national goals.

## Croatia is now in an equal and substantive capacity to contribute to the creation of a common future. However, no one should be satisfied with the results so far.

Despite all the benefits of membership, Croatia is at the EU's bottom line by the gross domestic product per capita. Romania has also come to this end, Bulgaria is behind it. Unemployment in Croatia is still large, far higher than the EU average, although it is steadily falling. However, this decline in unemployment is not only due to the creation of new jobs but also to the negative demographic trends. The aging of the population, the departure of young people into work in other EU countries, and the reduction of the workforce have had a good share in reducing unemployment, not just investment in solving this problem.

#### How to Stop the Negative Demographic Trends

Because of the extreme negative demographic parameters and trends, Croatia is today among the five demographically most endangered countries of the European Union. By the end of 2016, Croatia had no positive demographic indicator and population issue became crucial national question. It is estimated that it in the period 2011 to 2021 over 450,000 less people will live in Croatia. Also, it is expected that in the next five years Croatia could enter the society type with extremely old population. Thus, strong measures are needed in order to stop the negative demographic trends.

In 2017, several new measures were introduced, such as the increase of the parental benefit and subsidizing housing loans for young families. However, considering the weight of the condition, additional and more powerful measures will be required to set demographic revitalization as the key issue to the economic foundation and the overall development of Croatia. Only in 2016 did 36,436 Croatian citizens emigrate to the more prosperous EU countries, and 56 percent of them were between ages of 20 and 44! Croatia is now approaching Latvia and Lithuania in losing more than 10 percent of its population, especially after its fifth year of membership, when several work and living moratoriums will cease to exist.

#### Croatia Deepens Its Relations with the Visegrad Group

Although there is more and more action against Croatia in relation to EU institutions or with other members, there are not many problems that would be the result of political conflicts—if the question of demarcation with Slovenia is solved bilaterally. Some of our MEPs have a prominent role in the European Parliament. Until 2015, Andrej Plenković, the current Croatian Prime Minister, was the head of the European Parliament

## Despite all the benefits of membership, Croatia is at the EU's bottom line by the gross domestic product per capita. Romania has also come to this end, Bulgaria is behind it.

delegation for Ukraine and the vice-chair of the Foreign Policy Committee. The vice president of this important board was received by Dubravka Šuica. Social Democratic Representative Tonino Picula is chairing a delegation for Bosnia and Herzegovina and Kosovo, and other members have notable roles. At the end of 2016, Maja Bakran, then an employee of the Ministry of Foreign Affairs and European Affairs, became Deputy Director of the General Directorate of the European Commission, which is the highest-ranking official of the Croatian Commission since the position of the Commissioner is considered political. Two Croatian diplomats succeeded in becoming Ambassadors of the European Union: Romana Vlahutin in Albania and Hido Biščević in Tajikistan.

Still, the foreign policy is not of Croatian origin. Zagreb mostly follows the European trends, which has become increasingly difficult to comprehend. The Three Seas Initiative stands out as one of the unique policies where Croatia plays a major role. As Poland became increasingly isolated and marginalized in the EU, Croatia has been working intensively to deepen its relations with Warsaw and other members of the Visegrad Group, culminating in the Three Seas Initiative, started by the Croatian President Kolinda Grabar-Kitarović and Polish President Andrzej Duda. Croatian European People's Party (EPP) MEPs have voted in the European Parliament against a resolution that has twice condemned Poland. HDZ's deputies voted against the will of the EPP, together with the Hungarian Fidesz and the Euro-deputies from the right-wing groups, but on the second day, probably after pressure from Zagreb, all but Ivica Tolić's voice changed to "reserved." Croatia is still reserved regarding the EU's pressure against Poland and evoking the Article 7.

#### Slovenia Is Loud in Attacking the Three Seas Initiative

Poland has a significant voting machine in the European institutions and uses them to expand its anti-Russian campaigns and for economic initiatives that are a threat to the transport corridors of the old member states, especially those in Germany and the Netherlands. This is a well-known backbone of the Gdansk-Rijeka or the Three Seas Initiative, which would bring significant Chinese capital to Central Europe. Therefore, Poland is particularly hit by Western European governments. Warsaw dared, as well as Hungary, to think with its own head and build a political system in which people feel at home.

A country that is loud in attacking the initiative is Slovenia. Prime Minister of Slovenia Miro Cerar issued a harsh threat about the imposition of sanctions on Poland because of the conflict with the European Commission. This unexpected outburst of the Slovenian prime minister comes after threats to Croatia for the lack of compromised arbitration proceedings endorsed by the European Commission and Berlin, although it has undoubtedly been corrupted by the Slovene judge and the Slovenian diplomat. According to Cerar's words, the members of the Visegrad Group as well as Croatia will find themselves on the opposite sides of the European Union policy, which will contribute to an even greater divide that has started when the German chancellor imposed economic solutions after the world economic crisis ten years ago, in order to prepare for quicker recovery of the European Union. Brexit was the first divide that came up, and after settlements with the migration crisis, it also led to the greatest division within the EU, because the members of the Visegrad Group remained firmly in position of strong protection of the Schengen borders which at one time Angela Merkel practically destroyed.

#### A Turning from the Brussels-Berlin-Belgrade Line

The Croatian foreign policy path turns from the Brussels-Berlin-Belgrade line to the Three Seas Initiative and position in the Central Europe. Slovenia and its prime minister could ironically help Andrej Plenković and Kolinda Grabar - Kitarović to force Croatia into the Visegrad Group and the Three Seas Initiative, from which Slovenia is about to come out soon, opening a po-

## Zagreb mostly follows the European trends, which has become increasingly difficult to comprehend. The Three Seas Initiative stands out as one of the unique policies where Croatia plays a major role.

litical front against three important members of the Initiative: Croatia, Poland, and Hungary. When the prime minister of one small two-million state, Slovenia, points sharp threats at the larger members of the same community, it means that these statements represent a message of something bigger that needs to happen.

In mid-July, the British magazine *The Economist*, in a text titled "Germany fears Trump will divide Europe," commented on the support of the US president of the Three Seas Initiative, launched by Croatia and Poland, and about which he talked with the Croatian president during her visit to Warsaw. The initiative is presented as a project of improved transport and energy links between the north and south of this region, but Berlin suspects that behind it are hostile motives. The respected journal stressed that Germany is criticizing Poland for the attacks on the media, judiciary, and non-governmental organizations. Warsaw raises criticisms of its western neighbor for the construction of the "North Stream 2" gas pipeline, which will make Europe more dependent on Russia.

### Croatia Did Not Prove Cooperative towards Neighbors as Expected

The regional capitals will have to think hard where their allegiance lies and what economic future they intend for their inhabitants. Croatian foreign policy is essentially in no way different from that of the other members of Central and Eastern Europe. In some segments, it is in line with the "big" member and somewhere connects to other centers of power, above all to the United States. Since there is no common EU foreign policy in practice, it does not have to be too much of a surprise.

Given the common destiny, it would be logical for the EU countries to have a common stand on different issues, but this is not the case in practice. The real question is whether Croatia, Hungary, Poland, Slovenia, etc. are acting with certain interests or not. And in this case, the answer is multidimensional. Sometimes this approach was successful, sometimes not. As for Brussels' expectations, Croatia has had a great opportunity to become a model for the rest of the Western Balkans. Nevertheless, for a number of reasons it did not prove successful and cooperative towards neighbors as expected. At a time when the main focus of Brussels is on turning a part of the new member states back to the liberal-democratic course (primarily through the sanctions for collapse of common legal standards and the issue of influence of external power centers, such as the US, Russia, and China), Croatia must first have serious economic reforms for itself, without pressure from the outside.

#### **VEDRAN OBUĆINA**

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#### ASPEN.REVIEW

COMMENT POLITICS HUNGARY POPULISM CENTRAL EUROPEAN UNIVERSITY

## The Crisis of the Central European University in an Age of Political Populism

## **Larry Wolff** The Hungarian Parliament on the Danube was built in the late nineteenth century, in a Neo-Gothic style inspired by the British Parliament at Westminster, as the architectural embodiment of Hungary's legislative autonomy within the Habsburg dualist state of Austria-Hungary. After the abolition of the Habsburg empire in 1918, the parliament's legislative significance was tempered by long periods of political imposition during the interwar authoritarian government of Admiral Miklós Horthy and the post-

## Ironically, numerous members of the Fidesz party including Orbán himself—had been supported by Soros's generosity as they pursued their educations, and many are alumni of CEU itself.

war communist party state. The parliament's relation to Hungarian political independence has taken on newly ambivalent aspects in the current era of political populism dominated by Prime Minister Viktor Orbán in Hungary and his Fidesz party which came to power in the elections of 2010. Last April, parliamentary legislation on higher education seemed to target the Central European University (CEU), which has played an exceptionally important academic role in Budapest since its creation in the post-communist decade of the 1990s. This legislation opened the possibility of driving the university out of Hungary or simply shutting it down. The so-

## Orbán waged a fierce rhetorical campaign against the acceptance of Middle Eastern Muslim refugees in Hungary, and has encouraged the bizarre notion that Brussels is the "new Moscow," prescribing policies that interfere with Hungary's independence.

called "Lex CEU" was strongly encouraged by Orbán, and was accompanied by a populist political rhetoric of national educational independence directed against CEU as a "foreign" institution, created and supported by the "foreign" (Hungarian-American) philanthropist George Soros. Ironically, numerous members of the Fidesz party—including Orbán himself—had been supported by Soros's generosity as they pursued their educations, and many are alumni of CEU itself.

#### Orbán's Rhetorical Campaign against Muslim Refugees

Official hostility to CEU in Hungary has been accompanied by a disturbing, very personal billboard campaign featuring Soros's photograph. Soros in Hungary has been targeted not just as the "foreign" sponsor of CEU, but also as a supporter of the European Union's measures on behalf of refugees, and the intersection of these issues is one of the interesting and perplexing aspects of the Hungarian populist puzzle. Orbán waged a fierce rhetorical campaign against the acceptance of Middle Eastern Muslim refugees in Hungary, and has encouraged the bizarre notion that Brussels is the "new Moscow," prescribing policies that interfere with Hungary's independence.

This view has been echoed by other populist demagogues in Eastern Europe, even though the aspiration to EU membership once appeared as a cherished ideal there, back in the 1990s, fervently endorsed by most political leaders, including the young Viktor Orbán. Now the European Commission has criticized the Hungarian Lex CEU, and raised the possibility of taking it before the EU Court of Justice, while Fidesz has denounced the EU as presumptuous for interfering in Hungarian higher education as well as immigration policy. COMMENT POLITICS

## The Government Seems in Little Danger of Losing Elections While Lex CEU has been widely denounced—also in American academic communities—as an assault on academic freedom, threatening an institution

## One of the early lessons of political populism seems to be that ugly demagoguery may be pursued for its own sake, enhancing the malice of the political climate.

where professors sustained a critical perspective on Orbán and Fidesz, one might reasonably ask whether closing down CEU is actually the primary imperative of the government or whether Orbán is more interested in stoking the ugly rhetoric around this campaign as a political goal in its own right, anticipating the elections in April. One might recall that the image of Soros was also used in the final stage of Donald Trump's presidential campaign—along with the images of Janet Yellen and Lloyd Blankfein—in a piece of populist political advertising that was immediately criticized as implicitly anti-Semitic.

Orbán, after making some adjustments to Hungary's judicial and political system, seems in little danger of losing elections in the currently somewhat eroded conditions of Hungarian democracy, even as the parliament serves to further the ruling party's demagogic campaigns with legislation like Lex CEU. One of the interesting political features of Vladimir Putin—whom Orbán, like Trump, openly admires—is that he has been politically so much nastier in his political persecutions and vendettas than he needs to be in circumstances where he is very unlikely to lose elections. One of the early lessons of political populism seems to be that ugly demagoguery may be pursued for its own sake, enhancing the malice of the political climate, even without an immediate Machiavellian political purpose in sight. The campaign against CEU—with its unpleasant billboards—may fall into this category of apparently gratuitous political nastiness intended to help shape a nastier populist public.

#### A Laboratory for Democracy for All of Central Europe

For the moment, CEU seems to have satisfied the principal condition of Lex CEU by establishing a relationship with Bard College in the United States, a presumptive American home base, though anyone who knows the history of CEU knows that Budapest is its true home. However, the Orbán government has demonstrated that it can pull the rug out from under the university at any time by arbitrary interpretation of the law or by instigating new laws in the complicitous parliament on the Danube. Whether the university can continue to function successfully with such a sword hanging over its head is difficult to determine, and some would say that CEU might do better to pull up stakes and move up the Danube to Vienna in search of a more appreciative political context. Yet, it might also be argued that there is no place right now that needs the liberal values of CEU more desperately than the democratically-challenged Hungary.

In November, New York University hosted a discussion of the crisis surrounding CEU with the former Rector of CEU, John Shattuck, and with the celebrated Hungarian-American television and radio journalist Kati Marton, who is also a trustee of CEU. Shattuck, who was formerly the US ambassador to the Czech Republic, spoke of CEU as a laboratory for democracy for all of Central Europe in the aftermath of communism, a place where post-communist values could be tested and evaluated. For that very reason the university was now menaced by the hijacking of Hungarian democracy under the Orbán government in a climate of newly intense nationalism. Marton spoke of the stoking of fear and hatred in the current climate. Attending the session was the Hungarian Consul in New York, Ferenc Kumin, a CEU alumnus who nevertheless had to defend his government's assault on the university before an academic public of professors and students who were not inclined to be sympathetic to the Orbán agenda. The exchanges between Kumin on the one hand and Shattuck and Marton on the other were pointed but civil. The consul insisted, somewhat ingenuously, that Hungary was only asking CEU to abide by "the rule of law"-that is, Lex CEU-but he did not acknowledge that that law was passed in parliament precisely to target CEU and threaten its existence in Budapest.

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### The Role of Liberal Universities in Increasingly Illiberal Societies

The circumstances surrounding the crisis of CEU in Hungary do not so much teach lessons as pose questions. First, what is it that Orbán finds so disturbing about CEU, and, if not so disturbing, then what makes it such an attractive target? Second, what is it about Hungarian nationalism that makes <u>COMMENT</u> <u>POLITICS</u> the rhetorical disparagement of the "foreign" such a potent political force? And should we understand this as the long-lived resentment that derives from the Treaty of Trianon in 1920, the treaty that dismembered Habsburg Hungary after World War I, a treaty that is still invoked in a contemporary discourse of Hungarian victimization? Third, does some sort of Trianon complex also explain the unexpected potency of Euroskepticism in a coun-

## The circumstances surrounding the crisis of CEU in Hungary do not so much teach lessons as pose questions.

try that, according to Milan Kundera in his famous essay on the tragedy of Central Europe, stood ready to "die for Europe" in 1956— in a country that seemed to celebrate unanimously its entry into the European Union in 2004? Fourth, how did Orbán's Hungary with its much-vaunted "illiberal democracy" develop from the seemingly liberal decade of the 1990s, when communist society and economy gave way to democratic and liberal forms of government and economy, when the young Viktor Orbán seemed to represent the post-communist liberal vision of Hungary? And, finally, what is the proper role of a liberal university like CEU— with its commitment to free intellectual inquiry and free academic discussion— within the political and social context of an increasingly illiberal society? This last question is one that other universities in other countries— including the United States— may have to consider in the coming decades.

#### LARRY WOLFF

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# **Central Europe Has** Fallen out of Love.

ASPEN.REVIEW ROBERT ANDERSON

ECONOMY POLAND HUNGARY PRIVATIZATION FINANCIAL CRISIS OLIGARCHIZATION

Poland and Hungary are movine that this in a new state-led model of development that could neutries terminish foreign investors and the European Commission





Central Europe has fallen out of love with foreign investment, on which the region has based its transformation for the past two decades. Foreign investors are now routinely blamed for everything from deceitful food branding to the region's failure to catch up with Western European living standards.

And this is not just whingeing. Poland and Hungary are moving fast towards a new state-led model of development that could heighten tensions with foreign investors and the European Commission.

Of course, the privatization of Central Europe's "crown jewels" and granting investment incentives to foreign investors have rarely been popular, either with voters or local business elites.

#### **Suspicious Foreign Investments**

Paradoxically, rightwing parties in Central Europe were most suspicious of the wave of foreign investment into the region that followed the collapse of communism. They argued that local entrepreneurs should be given the first chance to buy state-owned assets, and that granting incentives to foreign investors was unnecessary and could stifle nascent domestic entrepreneurship.

The most vocal proponent on this view was former Czech Premier and President Václav Klaus, who used coupon privatization and soft loans by state banks to try to build up a home-grown business elite that would support his Civic Democrat Party.

However, this model crashed and burned in the 1997 Czech currency crisis and 1998 banking crash, which revealed the acute need for restructuring in the industrial and financial sectors. Even Klaus was forced to agree to a pilot foreign investment incentives scheme before his government collapsed. Miloš Zeman's Social Democrat government then used privatization (particularly of the banks) and incentives to harness foreign investors to transform the Czech economic model. "We had to attract final manufacturing plants, including assembly lines, because they were pioneers to modernize Czech industry," says Jan Havelka, who built CzechInvest into the best investment promotion agency in the region in the late 1990s. "They were creating innovation for the whole cluster."

## The privatization of Central Europe's "crown jewels" and granting investment incentives to foreign investors have rarely been popular, either with voters or local business elites.

Hungary, under the socialists, had already embraced this model in the mid-1990s and took an early lead in attracting foreign investment. Slovakia, too, became an eager convert under Mikuláš Dzurinda's broad reform coalition after the 1998 election. Poland remained the laggard, though eventually in the noughties its sheer potential triggered a foreign investment wave, although big companies remained largely state-owned.

#### The Crisis' Impact in the Region

Foreign investment provided capital and technology and managerial and marketing know-how, revolutionizing old sectors and building new ones, quickly dominating exports. Locally-owned companies then learnt by example, by becoming part of the foreign investors' global supply chains.

However, the 2008 global financial crisis exposed the drawbacks of this model. Countries such as Slovakia, which were tightly embedded into global supply chains, were highly vulnerable to the economic downturn that followed the crisis as exports plunged and foreign investors retrenched. Afterwards, the foreign-owned banks were accused of starving local companies of finance while they mended their capital buffers back home.

The crisis also had a long-lasting impact on interest in the region. Apart from Hungary, inflows of foreign direct investment (FDI) to the V4 countries have so far never recovered to the pre-2008 levels.

Furthermore, the sluggish recovery since 2008 has raised fears that the region is now stuck in a "middle income trap," one where the low-hanging fruit have already been plucked, and something different than the FDI-led model will be needed to converge with West European income levels. ECONOMY POLAND Meanwhile, the huge profits that are once again being made by foreign-owned companies have stoked resentment, with trade unions criticizing them for paying wages that are still well below Western Europe while extracting huge dividends that flow abroad. "Our future cannot be built on the cheap labor model that started in the mid-1990s," Josef Středula, head of the Czech trade union confederation, told the Aspen Annual Conference in Prague in November.

The 2008 global financial crisis exposed the drawbacks of this model. Countries such as Slovakia, which were tightly embedded into global supply chains, were highly vulnerable to the economic downturn that followed the crisis as exports plunged and foreign investors retrenched. Afterwards, the foreign-owned banks were accused of starving local companies of finance while they mended their capital buffers back home.

Multinationals are criticized both for concealing profits by dubious transfer pricing and other tax avoidance techniques and for not reinvesting those profits they do declare into their domestic operations.

#### The Bashing of Foreign Investors

The continuing income gap with Western Europe has created fertile ground for the populist political uprising that has convulsed the region. "If you sit next to Germany and Austria it is difficult to be happy that you exceeded Greece or Portugal," says Miroslav Singer, chief economist of Generali CEE and a former governor of the Czech Central Bank.

Attacking foreign investors enhances nationalist and populist credentials, helps win support from local business elites, and can provide tax revenue. This time around, bashing foreign investors is a game that the left can play too, though the right are more naturally gifted at it.

Hungary's rightwing strongman Viktor Orbán has targeted foreign investors since returning to power in a landslide in 2010, after the ruling socialists were discredited by the economic crisis.

Orbán has focused on the banking, retail, energy, and media sectors, industries that he wants to be dominated by the state or by friendly local

entrepreneurs. These sectors were profitable and therefore offered rich pick- 1) OECD. 2016. Automation ings, they also often raised emotions, and his lack of influence there became Digital Economy. Paris: OECD a constant frustration. By expanding domestic control of the banks he could direct lending, influence over the energy sector would minimize price rises unpopular with the public, while domination of the media would silence the opposition voices.

Levies were imposed on banks, large (essentially foreign-owned) retailers were hamstrung by restrictions aimed at helping smaller local rivals, and energy price rises were blocked. Foreign-owned media were harassed and denied state advertising until they either sold up to friendly tycoons or shut up.

His blueprint has been copied by the region's other dominant political figures: Robert Fico, Slovakia's Social Democrat Premier since 2012, and Jarosław Kaczyński, leader of Poland's rightwing populist Law and Justice Party, which won back power in 2015.

#### A New Industrial Model in Central Europe

After harassing foreign investors, forcing some to sell out and exit, Central Europe's populists are now moving on to a second stage of using state and domestic-owned champions to build a new industrial model.

This drive also reflects a new phenomenon: fear that Central Europe could be left on the scrapheap by the new global industrial revolution. Policymakers are worried that Central Europe's manufacturing base faces a losing battle against digitalization (for example 3D printers) and improvements in robot technology. According to the OECD, almost half the jobs in the Czech Republic and Slovakia could be at risk from automation.<sup>1</sup> A report prepared by the last Czech government said the country could lose 140,00 jobs by 2025.

Hungary's rightwing strongman Viktor Orbán has targeted foreign investors since returning to power in a landslide in 2010, after the ruling socialists were discredited by the economic crisis.

For the automotive industry in particular, the region's dominant segment, the increasing automation could destroy jobs while the shift towards electric or self-driving cars could leave Central Europe's car plants in the slow lane, focused on soon-to-be redundant models.

and Independent Work in a Publishing.

ECONOMY POLAND Many of these fears are overdone. Central Europe's assembly plants are state of the art, wage costs are still low, and they now have a supplier ecosystem, therefore they are unlikely to be the first to be closed or left to become obsolescent. "If you have a cluster that is a big advantage," says Ján Tóth, former deputy governor at the Slovak Central Bank. "This should be the last place to shut down a car plant."

## After harassing foreign investors, forcing some to sell out and exit, Central Europe's populists are now moving on to a second stage of using state and domestic-owned champions to build a new industrial model.

Nevertheless, it is true that the region needs to look beyond manufacturing—particularly if it refuses to countenance increased migration to increase the labor supply. And yet, it remains woefully backward in services and the new knowledge-based industries that could replace these lost jobs.

#### **Reversing the Privatizations of the 1990s**

The solution, according to a growing consensus in the region, is a greater state intervention on the Asian model: as an owner of companies and banks, as a supporter of domestic-owned champions, or as a facilitator of the industries of the future. Successful local companies will invest, create jobs, and pay taxes at home, and could also then expand abroad. They will make end products, not just low value-added components for Western European giants.

As before, it is Orbán's Hungary that has led the drive towards a new industrial model. His government has built up new state champions in the banking and electricity sectors by buying up exiting foreign investors, in effect reversing the privatizations of the 1990s that it argues went too far. The government is also trying to create a new domestic-owned telecom group to rival the privatized Magyar Telekom, owned by Deutsche Telekom. Orbán has also encouraged strong domestic-owned groups to grow up and expand abroad, such as banking group OTP and oil and gas giant MOL.

Fico has followed a similar trajectory in the Slovak energy sector. His government has harassed Italy's Enel into agreeing a phased sale of its 66% stake in Slovenske Elektrarne to local group EPH, leaving itself an option of buying half that stake later, which would enable it to regain majority control of the utility. Poland now has plans to be even more ambitious. As well as building up state-owned banking and electricity groups like Hungary has done, it has drawn up a far-reaching plan for a new hyperactive industrial policy under economy minister and now Prime Minister Mateusz Morawiecki.

#### The Risks of Central Europe's New Turn

The odd man out in this rethink on foreign investors has been the Czech Republic, perhaps because of its formative experience in the 1990s. This attitude may now be about to change under new Premier Andrej Babiš, who is likely to restrict the use of investment incentives. "The thinking is already changing in the Czech Republic, because too much foreign ownership became a problem," says Radek Špicar, vice president of the Czech federation of industry.

There are three serious risks to Central Europe's new turn.

The first is that FDI is still crucial to the region's development—both in terms of adopting new technology and joining global supply chains—and harassing foreign investors and curbing incentives would be self-harming. Foreign investors are often criticized for not doing enough research and development locally, but they still are responsible for the bulk of the private R&D that takes place.

Yet, even as they antagonize foreign investors, all four countries have continued to pursue greenfield manufacturing FDI, often competing, as with the Jaguar Land Rover investment won by Slovakia, to offer very generous incentives.

## It is true that the region needs to look beyond manufacturing—particularly if it refuses to countenance increased migration to increase the labor supply. And yet, it remains woefully backward in services.

The growing consensus now is to target incentives on higher value-added investments. Under the Morawiecki plan, for example, Poland wants to direct FDI into sectors that it regards as priorities, rather than just accepting whatever is offered.

Moreover, even if several companies in the sectors targeted by the populist governments have exited, foreign investors in general do not appear to be put off by the attacks. Political risk is a factor, but it is often trumped ECONOMY POLAND by others. Ironically, Hungary, the most aggressive of the V4 countries, has been the overall regional leader in FDI as a percentage of GDP since 2011.

#### A Triumph of Hope over Experience?

The second main risk is of running into conflicts with the European Commission over competition, something that Hungary and Poland have already incurred with their discriminatory measures, particularly against large retailers. However, given that both governments are already in trouble with the EU over a range of more serious issues, this is probably a risk they are prepared to keep taking.

## Foreign investors are often criticized for not doing enough research and development locally, but they still are responsible for the bulk of the private R&D that takes place.

Perhaps the biggest risk is that a state-centered industrial strategy will run into the same problems as in the early 1990s: the wasting of money, corruption, and incompetence. Given the quality of governance, giving the state more power to direct industry may turn out to be a triumph of hope over experience.

It could also be a diversion from the real challenges of improving infrastructure, the business environment, R&D, and skills—the key obstacles for developing new industries. "We don't have another growth model right now," says David Marek, head of O&G Research in Prague. "New enterprises are our only chance to change it," he adds.

Even economists sympathetic to a more active industrial policy remain worried about nationalization or the risk of encouraging oligopolies and oligarchization.

"It all depends on the role of the state," says Petr Zahradník, an EU adviser for Česká spořitelna bank (owned by Austria's Erste). "The state role should be an intermediary, not a new owner, a conductor managing the ownership change from a foreign to a domestic owner."

#### **ROBERT ANDERSON**

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#### ASPEN.REVIEW ZDENĚK KUDRNA

ECONOMY EU EUROZONE COMPETITIVENESS BANKING UNION

## Different Sides of the Same Coin: Recalculating the Case for Euro Adoption

Poland and Hungary are moving fast towards a new stateled model of development that could heighten tensions with foreign investors and the European Commission.

Bulgaria, Croatia, Czechia, Hungary, Poland, and Romania were never closer to fulfilling economic criteria for the adoption of euro, however, most of them have never been farther from making this commitment.

Their governments have resigned on setting yet another half-hearted deadline for adoption as voters only gradually re-warm to single currency with the average public support lingering at about 42%. All these countries are legally committed to adopt euro once they fulfill formal prerequisites, but rely on the "Swedish loophole" in the Treaty that gives them full control over the timing of the entry. While eurozone reforms, Brexit and long-term developments keep changing the political and economic calculus of the case for euro, the adoption remains fundamentally a political decision.

#### Life in the Second EU Lane

The Commission President Jean-Claude Juncker has recently upped the ante on the eurozone enlargement by stressing that the "euro is meant to be the single currency of the European Union as a whole." There were even unofficial leaks—subsequently denied—that the Commission was considering a 2025 deadline for euro adoption. These discussions are clearly related to <u>ECONOMY</u> <u>EU</u> Brexit as the group of euro non-members is about to lose the only political heavyweight. This is likely to shift the dynamics of the economic negotiations in Brussels and, consequently, the non-eurozone countries will have to expend a lot more political capital to secure exceptions from EU laws increasingly tailored to the purposes of the single currency.

Such a power shift will come on top of other political cleavages that weaken the position of the non-euro countries in East Central Europe. The restraints on basic democratic principles in Poland and Hungary had already triggered calls for changes in the EU funding programs. There is a possibility of access to EU subsidies being tied to compliance with EU commitments, reforms, and anti-graft rules in the post-2020 budget. The Commission has also proposed to re-channel some structural funds exclusively to those committed to euro adoption via a separate technical assistance and cash-for-reform program fostering the convergence during the run-up to the single currency.

Moreover, when one more member—such as Bulgaria—joins in, the eurozone members will gain a so-called reinforced qualified majority in the Council of the European Union. This is one of the peculiarities of the Lisbon treaty, which allows the Council to circumvent the Commission in passing EU laws. It would allow the eurozone to drive hard bargain as the non-members lose the cover of the Commission that tends to safeguard and balance interests of all EU members.

# There were even unofficial leaks—subsequently denied—that the Commission was considering a 2025 deadline for euro adoption.

However, it is not only the prospect of a two-speed EU that is changing the political calculus on euro adoption. There is a positive economic attraction as well. Currently, the eurozone is growing faster than the US and is no longer as fragile as a decade ago. While further reforms of the eurozone are necessary, the introduction of the European Stability Mechanism, overhaul of the Stability and Growth Pact, the creation of the banking union, and the crisis-response policies of the European Central Bank improved the future resilience of the single currency. This is especially relevant for smaller economies that cannot overwhelm the current capacity of the new crisis management mechanisms and, therefore, are well insured against the worst consequences of any future banking or economic crisis.

#### No Uniform Response

Recently, the response of non-euro countries to evolving eurozone circumstances became more diverse. Bulgaria has announced its intention to enter the European exchange rate mechanism (ERM II), which is likely to lead to euro adoption 2 years later. To regain stability after several crises, Bulgarians tied their currency to Euro in 1997, which

## Moreover, when one more member—such as Bulgaria—joins in, the eurozone members will gain a so-called reinforced qualified majority in the Council of the European Union.

is akin to having all the disadvantages of the single currency without many of its advantages. Hence, the recent decision is not particularly surprising and follows the Baltic countries that had similar currency arrangement. Croatia is also keen to join in soon due to high degree of "euroization" of its economy, where the single currency is widely used by corporates as well as households that would all benefit from the prompt removal of the currency risk. However, the government in Zagreb has struggled to meet the deficit and debt criteria during the last decade and needs to consolidate the economy before setting any timetable.

The remaining four countries lack a comparable justification for immediate adoption, which gives prominence to more general debate on the desirability of euro. The single currency was construed in 1992 for a subset of then 12 countries that could fulfill the Maastricht criteria. The differences in their levels of economic development were much smaller than in the current EU of 28, so economic convergence was not a central issue. Yet, it is becoming one in Czechia, Hungary, Poland, and Romania, either out of genuine concern or simply as the last stand for Euroskeptic arguments, when formal criteria are met.

#### Euro in Good Times and Bad Times

The economic convergence is not a necessary pre-requisite for a successful currency union. After all, Mississippi is at 53% of economic development of Massachusetts, Lincolnshire at 66% of Cheshire and Olomouc at 38% of Prague, while they share the same currency. Hence, for Bulgaria—at 40% of Germany—joining the eurozone would not be

<u>ECONOMY</u> <u>EU</u> extraordinary (Figure 1). However, it is the dynamic of economic convergence—especially in good and bad times—that matters for the sustainability of the currency union.

In the good scenario, the economic growth in poorer countries would be consistently higher allowing for quick convergence. Such growth spurts tend to be triggered by currency devaluation that starts an export-led boom which is sustained by continuous improvements in productivity. Growth spurts also lead to rapid increases in wages and asset prices that increase inflation. However, higher inflation quickly makes exports more expensive, unless compensated by a decrease in the value of domestic currency. Yet, the single currency precludes depreciation, thus suppressing the growth spurt before it gets started as higher domestic prices immediately translate to the loss of export competitiveness.

## Croatia is also keen to join in soon due to high degree of "euroization" of its economy, where the single currency is widely used by corporates as well as households.

This is a serious argument against the euro adoption as long as one predicts a growth spurt in foreseeable future. Alas, most Central European economies have already exhausted the convergence benefits of the export boom based on low wages and undervalued currencies over the last two decades. The next growth spurt would have to be based on innovations that improve productivity in non-eurozone more rapidly than in eurozone. However, these countries generally lack the physical and human infrastructure for rapid innovation. Hence, keeping the national currency in the hope for growth spurt seems overly optimistic. It is more likely that the convergence will proceed gradually over long periods of time, which does not create differences in inflation that would have to be compensated by the exchange rate. Gradual convergence is fully compatible with the single currency that provides stability, access to a large market, transparency of prices and low transaction costs of trading.

The bad scenario is based on the recent experience of the Southern economies, where the single currency deepened and prolonged economic slump. The eurozone was designed in early 1990s, when the belief in the disciplining and self-stabilizing powers of financial markets was at its peak. This had helped to dismiss arguments of central bankers that the single currency needed crisis-management mechanisms, because it seemed inconceivable that sophisticated markets in advanced economies could ever finance massive real estate bubbles and profligate governments for long enough to re-create the 1930s-like crisis.

The crisis struck the euro and non-euro economies alike, which attests that the fundamental cause was not single currency but the failure of financial markets to understand risks. However, the non-euro economies had two advantages: first, as international bankers remained at least somewhat sensitive to exchange rate and political risks, the destabilizing financial inflows were relatively smaller, and, second, they could use the depreciation of their currencies to restart export-led growth. This allowed economies at the Eastern end of the EU to grow out of crisis a bit quicker and with relatively less wage-cutting and austerity than was the case for some eurozone's Southern members.

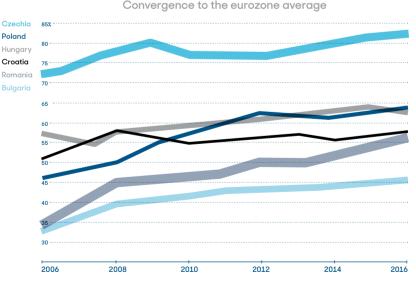
However, national currency is a shock-absorption mechanism which Eastern economies use reluctantly. Latvia or Bulgaria chose deeper austerity rather than giving up on their fixed exchange rate. Czechia, Hungary, Poland, and even Romania maintained relatively stable exchange rates to euro during the decade before and after the crisis. They experienced sharper fluctuations only in 2008 and 2009, when they rode through the largest financial storm in 80 years. This contrast with Southern economies that relied on frequent devaluations in response to much less extreme economic challenges, as, for example, Italy devalued 13 times during the two decades prior to euro adoption.

## In the good scenario, the economic growth in poorer countries would be consistently higher allowing for quick convergence.

The economic history provides ample warnings that financial crises are not a thing of a past. However, the really big crises that would make Eastern economies rely on the flexible exchange rate are rare and the next one may come in several decades. Maintaining a small independent currency for that long can prove a risky luxury as in another economic circumstance, small currency can become a curse; it is prone to speculative attacks, vulnerable to domestic political risks, and generally requires higher interest rates. The cumulative costs over time can easily outweigh any benefits in the next crisis. ECONOMY EU Meanwhile, the eurozone is much less likely to experience a re-run of the crisis. The preventive measures were strengthened and crisis management tools added to its institutional architecture. Equally important were changes in the financial market regulation. Although, these are not directly related to the single currency, they should prevent repetition of excessive lending that

## The bad scenario is based on the recent experience of the Southern economies, where the single currency deepened and prolonged economic slump.

made eurozone vulnerable. Financial regulators are now equipped with macro-prudential tools that can compensate for the fact that the single monetary policy of the ECB cannot be optimal for all eurozone economies. The banking union cut the "doom-loop" between governments and banks, which made even macro-economically sound governments like Spain or Ireland insolvent when they were forced to save big private banks. Last but not least, the EU also launched the capital markets union project that should increase the role of non-banking finance that can absorb crises without state aid. Given enough time, sustained reforms and continued integration of European economies can bring the eurozone closer to the optimal currency area ideal so they can reap the benefits of euro while also jointly containing its risks.





#### **Euro Adoption Is Politics after All**

The decision to adopt euro is inevitably political. Not in the sense of the usual criticism of the single currency as a political project, but in terms of voters' support. While economic theory can predict the consequences of euro under various scenarios, it cannot predict with any degree of certainty which sce-**The preventive measures were strengthened and** 

## crisis management tools added to its institutional architecture. Equally important were changes in the financial market regulation.

nario is going to materialize in the decades to come. Since economics cannot help voters to decide, they have to rely on their own outlook of the future.

The single currency will be an acceptable proposition for voters whose views are compatible with international collaboration. Even among them, the perennial optimists believing in a rapid convergence are going to push for postponing euro adoption by a decade or more. Given the achieved level of convergence, such delay makes much more sense in Romania than in Czechia (Figure 1). Similarly, the pessimists believing that another massive financial crisis is not decades but years away, can plausibly argue against euro adoption in order to preserve the shock-absorption capacity.

However, it is the middle-class voters whose living standards are converging to the Western levels, who are the most likely supporters. If this group continues to expand and maintains hopes for the future of gradual improvements, the support for euro adoption will be increasing. Moreover, unpredictable events, such as country-specific banking or currency crises can also reveal the costs of maintaining a small national currency and sway public opinion. Furthermore, sustained growth of living standards in neighboring euro countries would also serve as important reminder that gradual convergence works better within the single currency than outside of it. After all, nothing would be more eye opening than the reversal of centuries-old labor flows, when Czechs or Hungarians start seeking jobs in Slovakia or Poles in the Baltic states.

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#### ASPEN.REVIEW WITOLD GADOMSKI

ECONOMY POLAND INVESTMENT PIS POLONIZATION

## Economic Policy of the Polish Government: More Consumption, Less Investment

A large family in Poland now receives an additional income comparable to an average salary. The result is a reduction in the scale of poverty but also dozens of thousands of people, mainly women, leaving work.

The government of Law and Justice (PiS), formed in the autumn of 2015 after Jarosław Kaczyński's party won the election, found an improving economic situation. After the slowdown in 2012-2013, felt throughout the European Union, in 2014 growth accelerated and in 2015 reached 2.8 percent. During the election campaign, Kaczyński argued that the economic policy implemented under Donald Tusk's government was not ambitious enough and that Poland was threatened with the "middle income trap"—a slowing of growth at the stage where GDP per capita is significantly lower than the European Union average.

Mateusz Morawiecki, who until December 2017 was deputy prime minister responsible for economic matters and now heads the government, presented a plan of accelerating economic growth and a significant increase in investment. He announced that the government would lend particular support to innovative

## The PiS government treats economic indicators as an element of propaganda—highlighting those which put it in a favorable light.

projects, which would allow Polish companies to compete on developed global markets. This program, called "Responsible Development Strategy," popularly referred to as the "Morawiecki Plan" and presented in its outline at the end of 2015, promised that new investment projects would be financed from domestic resources and the inflow of foreign investments would be reduced.

Independent economists pointed out that the announcements of the "Morawiecki Plan" were self-contradictory. Poland has a low savings rate, which in 2003-2015 amounted to an average of 19 percent of GDP (data from the European Commission). Raising the investment rate to 25 percent of the GDP, as announced by the government, would require a significant increase in the investment rate, especially with the reduced inflow of foreign capital. Meanwhile, other government plans provided for an increase in consumption, and thus a reduction of the savings rate in the economy. However, when analyzing the economic policy of the Polish government, you have to distinguish the announcements and the official program from real actions.

Subsequent laws are passed in record time and without public consultation. This does not give businesspeople enough time to prepare for the changes or an opportunity to comment upon the proposals.

#### **Investments Are Falling**

Instead of accelerating, as the government forecasted, in 2016 the economy clearly slowed down. The GDP growth was 2.9 percent and investment outlays dropped (in constant prices) by almost 8 percent. It was the largest fall in investments since a decade and the biggest in the European Union. The investment rate, that is the relation between investments and GDP, fell to 18 percent, the lowest level since 1996. The biggest fall was registered in the investments of enterprises, the sector which contributes the most to the increase of production capacity. ECONOMY POLAND The fact that the entire economy maintained its growth was due to increasing consumption and good foreign trade balance. Under the "Morawiecki Plan" it was investments which were to serve as the engine of growth and modernization, so their decline should be alarming for the government. Still, the PiS government treats economic indicators as an element of propaganda—highlighting those which put it in a favorable light. The data for entire 2017 have not been published yet, but, after three quarters, investment outlays increased by 2.6 percent in relation to an analogous period from previous year, which means that in constant prices the growth was close to nil. Investments are still much lower than in the last year under the previous government. The whole economy was growing faster, at more than a 4 percent rate, but it again resulted from increasing the consumption.

## The nationalization may accelerate, if the government seizes the assets of Open Pension Funds (OFE), which hold shares of many companies listed on the Warsaw Stock Exchange.

#### Laws without Public Consultation

The prevailing opinion among the economists is that companies are reducing their investments, because businesspeople are not certain where the government's policy is headed and they fear that the changes in law will have a negative impact on their revenues.

Subsequent laws are passed in record time and without public consultation. This does not give businesspeople enough time to prepare for the changes or an opportunity to comment upon the proposals—they must reckon with the possibility that regulations regarding their business might change at any time. According to Grant Thornton's estimate, the number of pages of enacted legislation in 2017 reached the level of 35,000 pages, breaking the record from 2016 of 31,000 pages (compared to 18,000 which was the average in 2007-2015). The breathtaking rate of legislation is accompanied by a decline in the quality of the law-making process—the World Bank indicates that the process of consultation in Poland is the shortest of all countries in our region. Among the laws passed without consultation there were such crucial economic acts as the bank tax, the ban on land trade, the ban on trade in large stores every second Sunday, or changes in the judicial system. Some acts—e.g. about wind farm investment from May 20, 2016—dramatically worsened the profitability of projects, exposing investors to losses. The ruling party has taken control over the Constitutional Tribunal, which means that it ceased to fulfil its role as a supervisor over the proper course of the legislative process.

#### **Expansion of the State**

The government pursues an active industrial policy, but it focuses almost exclusively on government-funded projects. State-owned enterprises are to implement ideas proposed in the "Morawiecki Plan," such as the production of electric cars, drones, and high-speed railways. In the prime minister's vision the state is to preside over the "fourth industrial revolution" in Poland.

The government encourages foreign corporations to invest in Poland (e.g. the German Daimler AG invests 500 million euro in making engines in Jaworze, induced by tax cuts amounting to 18.7 million euro), and on the other hand, in an interview during the Davis Conference, Prime Minister Morawiecki said: "Our great worry is that economic development in the last 25 years has been based on dependence on the rest of the world." The prime minister made an assurance that "we will not sell off the family silverware," meaning that the government has completed the process of privatization, despite the fact the state sector is significantly larger than in the developed countries of Western Europe. State ownership dominates in energy industry, gas industry, coal mining, fuel industry, rail and air transport. The government has a majority share even in the Warsaw Stock Exchange.

## For demographic reasons, Polish economy is increasingly burdened with a shortage of labor. This is one of the most important obstacles to investment and economic growth.

In 2016, the government went as far as liquidating the Ministry of the Treasury, previously responsible for privatization of state property. What is more, the government is slowly nationalizing previously privatized companies—calling it "Polonization" or "domestication." The second largest commercial bank, Pekao SA, was repurchased from the Italian UniCredit group by the insurance company PZU SA, controlled by the Treasury. <u>ECONOMY</u> <u>POLAND</u> According to a report by the Financial Supervision Authority, the state's share in the banking sector after the "Polonization" of Pekao SA rose to 42-46 percent of the banking sector assets. Of all the countries in the region only Belarus, Ukraine, Russia, and Slovenia have a bigger government share in the banking sector.

### **Buyouts by Domestic Energy Companies**

Towards the end of 2016, the government refused to allow two French energy companies (EdF and Engie) to sell their assets to other foreign investors, preferring buyouts by domestic energy companies under government control. In 2015, both these corporations jointly provided 14 percent of electricity production in the whole country. Pursuant to the act of July 24, 2016, on the control of certain investments, the Polish energy minister had the last word here, and as a result power and CHP plants owned by EdF were acquired by the largest Polish energy company PGE with a majority share of the Treasury, which after this purchase became the producer of almost 50 percent of electricity in the country.

The Połaniec power plant belonging to the French Engie corporation was taken over by the third-largest state energy company Enea.

The financial vehicle of the government is the Polish Development Fund, which invests in large projects and takes part in the takeover of private companies. The nationalization may accelerate, if the government seizes the assets of Open Pension Funds (OFE), which hold shares of many companies listed on the Warsaw Stock Exchange. The previous government took over half of these assets, but OFE still hold Treasury bonds. The current government has not yet decided what to do with OFE, but one of the ideas considered is taking over all of their assets.

#### **Social Policy**

Taking advantage of the good economic situation in the country and throughout Europe, the Polish government focused on social policy. Although part of the program presented during the election campaign in 2015 has not been implemented, two most spectacular promises have become law: an allowance for each second and subsequent child under the age of 18 of five hundreds zloty per month (about 120 euro) and lowering the retirement age, increased by the previous government. Child benefits granted regardless of the parents' earnings mean a significant increase in the income of poorer families with many children. The allowances are untaxed. The average net wage in Poland is approximately 3000 zloty net, but most of the employees earn not more than 2000 zloty net. A large family in Poland now receives an additional income comparable to an average salary. The result is a reduction in the scale of poverty, but also dozens of thousands of people, mainly women, leaving work.

For demographic reasons, Polish economy is increasingly burdened with a shortage of labor. This is one of the most important obstacles to investment and economic growth.

The lowering of the retirement age has similar effects. The Polish pension system had been far from balanced anyway, and the quicker retirement of several hundred thousand people a year will now make the deficit even larger.

The budgetary consequences of the government's social policy are also serious. Good economic situation, one-time government revenues (such as from the sale of licenses for telecommunications companies), new taxes and fees, and some tightening of the tax system allowed the government to maintain fiscal discipline in 2017, but Poland still had one of the largest public finances deficits in the European Union—around 2 percent of the GDP. A downturn, which must inevitably happen in a few years, will put Polish public finances in a difficult position. Although public debt is relatively low and amounts to about 55 percent of the GDP, it may exceed 60 percent within a short period, which would mean imposing the EU excessive deficit procedure on Poland, and that would imply mandatory cuts in government spending.

#### WITOLD GADOMSKI

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#### ASPEN.REVIEW

COMMENT CENTRAL EUROPE POPULISM FINANCIAL CRISIS PIKETTY



**Martin Ehl** Poland's Minister for Entrepreneurship and Technology Jadwiga Emilewicz articulated a problem that the economies of Central Europe continue to grapple with even in this period of historically unique growth. When I talked to her in late November about what Poland is lacking despite excellent macroeconomic figures, she responded with a single word: investment. "It's not to do with a lack of capital or public funding. Between them, Polish entrepreneurs have 150,000 million złotys in their bank accounts. We want them to invest more of this money," Emilewicz said.

Until the end of 2017, Emilewicz served as Deputy Minister for Development in Prime Minister Mateusz Morawiecki's government, which has set itself the goal of moving Poland higher up on the global economic ladder so that it is no longer dependent solely on cheap labor. Instead, it wants to encourage companies to create and produce goods or services with greater added value because this, along with trying to keep more foreign investments in Poland, can raise the incomes of the population and thus help to break out of the low-income median compared to Western Europe.

### The Frustration Over Low Incomes

All Central European countries are grappling with the same problem as frustration over low incomes helps fuel dissatisfaction in the electorate and drive voters towards populists who will promise anything regardless of facts. The current Polish government with its costly social programs and promises is also primarily dependent on a favorable international climate and global growth. An increase in investment and innovation converted into internationally successful products, and thus also higher revenues for Polish firms and reduced dependence on the current cheap labor model, would represent a considerable, indeed historic, success—and not only for Morawiecki's government.

How to increase the income of the electorate and keep more of the money foreign owners have been channeling to their own countries is a key question that various governments have tackled in different ways. The solution adopted by the Slovak government—attracting new foreign investors—appears rather outdated in light of current labor shortages. Following his 2010 election victory, Hungary's Prime Minister Viktor Orbán put quite severe pressure on foreign owners of banks, telecom, and energy com-

# All Central European countries are grappling with the same problem as frustration over low incomes helps fuel dissatisfaction in the electorate and drive voters towards populists.

panies, introducing a special tax and dramatically increasing the share of domestic capital in these industries. This, however, has bred much uncertainty, affecting domestic and foreign investors alike. The Polish conservative government tried to emulate his example after 2015, but Poland's situation is quite different because of a much larger proportion of domestic capital.

### Do the Central European Countries Owe Anything to the West?

Orbán has been turning Hungary into a highly centralized state and cultivating his own group of oligarchs who are dependent on him. In this context it is important to highlight that domestic Hungarian capital was in a very different position than other Central European countries. Balázs Jarábik, an analyst with the Carnegie Foundation, stated that in the 2015 ranking of the largest companies compiled by Deloitte a mere three percent of the Hungary's largest companies were controlled by domestic capital, compared with 29.4 percent in Poland and 23.2 percent in the Czech Republic. Since then this figure has undoubtedly changed as the state has strengthened its grip on the banking and energy sectors.

The real problem the Czech Republic and Poland are facing now is what Viktor Orbán described quite bluntly in an interview with the German daily *Bild* and the French economist Thomas Piketty expressed more

#### <u>COMMENT</u> <u>CENTRAL EUROPE</u>

elegantly on his blog. Asked about solidarity regarding immigrants and the fact that Hungary had benefited from EU funding, Orbán did not mince his words: we do not owe anything to Germany as the greatest contributor to the EU budget since, in exchange for the EU funding, we have opened our market to all of Europe, including Germany.

How to increase the income of the electorate and keep more of the money foreign owners have been channeling to their own countries is a key question that various governments have tackled in different ways.

### A New Starting Line After the 2009 Financial Crisis

Discussing various divisions within the European Union, Piketty said that over the past few years private companies have taken much more money out of Central Europe than these countries have received from the EU, pointing out that investors have exploited the weaker position of this region in desperate need of investment twenty years ago. He believes that, as a result, these countries still have low wages and disproportionately high margins. Piketty has calculated that the EU funding received by Poland, for example, between 2010 and 2016, amounted to just under three percent of GDP, while nearly five percent of profits were taken out of the country. This disparity is even greater in the case of the Czech Republic, which received the equivalent of less than two percent of GDP while 7.6 percent was taken out.

Admittedly, the reader might object that this is adding up pears (EU funding) and apples (private profits), or that it raises the perennial question of which came first, the chicken (foreign investment) or the egg (modernization of production and efficiency). However, anyone asking themselves why in recent years the Poles, Hungarians, Czechs, and Slovaks have been voting the way they have done, will find a large part of the answer in the growing frustration people feel because of income inequality when they look at the West and at their own business elites. You have to consider everything that is in the basket and its current state and it does not matter much what in the basket has been picked by whom, where, and when. A new starting line appears to have been drawn following the 2009 financial crisis and the subsequent crisis of state institutions. The neoliberal model stopped working and the role of the state, which in many places had weakened below a sustainable level, has grown.

### How to Keep More Money at Home?

Of course, this is not exclusively a Central European issue but—at least along the West-East axis dividing the European Union thirteen years after accession and twenty-seven years after the end of communism and the subsequent, often brutal, reforms—it does raise doubts as to the success of the

### Orbán has been turning Hungary into a highly centralized state and cultivating his own group of oligarchs who are dependent on him.

transition. One might ask whether, for example, regulators should not have been tougher in the past, as in Poland from 2005 to 2007 under Jarosław Kaczynski's first governments, when tighter oversight of mobile telecommunications helped to open up the market, attracting a fourth operator and forcing the other three to slash prices in a way the Czechs and Slovaks can only dream about.

# A new starting line appears to have been drawn following the 2009 financial crisis and the subsequent crisis of state institutions.

Forcing domestic or foreign investors to keep more money at home, whether in the form of taxes or investment, is no straightforward matter. Companies distrust governments by definition, particularly those that behave unpredictably and show authoritarian tendencies. Jadwiga Emilewicz and her colleagues have a tough few months ahead of them. But we all await the outcome with great interest.

#### MARTIN EHL

has been working for different Czech print and online media since 1992, since January of 2006 as the Chief International Editor of *Hospodářské noviny* daily. He writes a regular bi-weekly column Middle Europa at English language internet magazine *Transitions Online* (www.tol.cz), for this column he was awarded "Writing for Central Europe" prize in Austria in 2012. Co-editor of *Visegrad Insight* magazine. |Photo: Aspen Review Archive



ASPEN.REVIEW PATRYCJA PUSTKOWIAK

<u>CULTURE</u> <u>LITERATURE</u> <u>FEMINISM</u> <u>WOMEN</u> IDEOLOGY

# Men Explain Things to Us

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Mężczyźni objaśniają mi świat Rebecca Solnit (Karakter, Kraków 2017)

Wszyscy powinniśmy być feministami Chimamanda Ngozi Adichie (Zysk i S-ka 2017)

Kiedy będziemy wolne. Moja walka o prawa człowieka Szirin Ebadi (Znak 2017)

When she was at a party, she met a man.

"As I heard, you wrote a few books."

"A few, indeed," she answered.

When she told him what subject she dealt with, he interrupted her and started talking about a very important book that had just appeared and addressed these issues. He pontificated in a very complacent tone without letting her in, until he was told: "It is her book." But even then—although he went deathly pale—he was undeterred and quickly came back to his typical attitude of an authority in every field.

Rebecca Solnit, an American historian and feminist, started with this event to write her widely debated essay, *Men Explain Things to Me*.

One day, when she returned to her native Nigeria, she was spending time in Lagos her friend, Louis. By one of the cafes they were quickly taken care of by a small group of men helping people to park where it seemed impossible because of the crush. She was so impressed with the skills of one of them that she tipped him. He took the tip, happy and grateful. "Thank you!" he said to Louis. He thought that since she was a woman, her money came from the man. Chimamanda Ngozi Adichie, an African-born writer, afflicted by this and other events in her life wrote an essay *We Should All Be Feminists*.

When Islamists removed women from all public offices, she became an attorney and fought for the freedom of the victims of the extremists. One day, security agents arranged a meeting between her husband and his former lover. They recorded the proceedings, arrested her husband and blackmailed him, telling him to publicly admit that his wife acted in the interests of Western imperialists attempting to weaken Iran and that she had not deserved the Nobel Peace Prize. As a result of their actions, the married couple which had spent 34 years together fell apart.

Shirin Ebadi, an Iranian activist and the first female judge in the history of Iran, wrote a book *Until We Are Free: My Fight for Human Rights in Iran*.

### The Female Question in Poland as an Ideological Clash

America, Nigeria, Iran—although these worlds are distant from each other, the situation of women in each of them demands our attention. And not only there. In Poland, from which I write these words, the bill "Let's Save Women 2017," which included a liberalization of the current law on abortion, was rejected by parliament before its first reading. In the same Poland where the current government limited access to emergency contraception for women and now announces a tightening of the anti-abortion law.

All three books were published in Poland roughly at the same time, in line with the atmosphere around the female question—an atmosphere which is very tense because of an ideological clash. The genie has been let out of the bottle also in other latitudes. The most resonant was the Harvey Wein-

# From Poland to France, India, or Japan, thousands of women, emboldened by the courage of others, told their increasingly horrifying stories of humiliations connected with men crossing the lines.

stein affair, which erupted in the United States in the autumn of 2017—the prominent film producer was accused of sexually harassing actresses and subordinates. The scandal resulted in a wave of subsequent accusations (including Kevin Spacey) and an international internet campaign #metoo, which showed the alarming scale of the phenomenon of sexual harassment of women, from slipping hands under skirts in trams to violent rapes or even murder. From Poland to France, India, or Japan, thousands of women, <u>CULTURE</u> <u>LITERATURE</u> emboldened by the courage of others, told their increasingly horrifying stories of humiliations connected with men crossing the lines.

What was so blatantly and rapidly revealed in reality, is now penetratingly, poignantly, and accurately scrutinized in literature. In three instalments, it analyses a culture where social awkwardness leading to a sense of inferiority and reprehensible acts are two sides of the same coin. "Culture matters," writes Solnit.

### The Status of Women in the Current World Is Not Optimistic

All three books have a common theme—the female issue, the temperament of the authors and the locally-specific nature of the problems addressed makes them distinct. Rebecca Solnit is a historian, author of many academic books; the essays collected in the volume *Men Explain Things to Me* is an intellectual attempt at capturing, from many perspectives, the phenomenon of men patronizingly telling the story of the world to women—even the world which is closest to them—along with the reasons and consequences of that. In her erudite argument based on statistics, quotes, and references to contemporary culture, the author follows various forms of aggression against women—from simple verbal assaults to physical and psychological violence.

Chimamanda Ngozi Adichie is definitely a writer—she watches people and their behavior, describes it and draws conclusions. She does it brilliantly, with a huge sense of humor and empathy. *We Should All Be Feminists* it just a few dozen pages of collected observations from the life of the author herself and her family. It is a great read, but it leaves you with a grim reflection—the situation of women and men in the world is not the same.

## Shirin's Ebadi's book is yet another story—Until We Are Free: My Fight None of the authors has anything particularly optimistic to say about the status of women in the world—both the past and the present world.

*for Human Rights in Iran* is located at the juncture of autobiography and reporting. Ebadi speaks about her work as a lawyer, defender of human rights after the triumph of the Islamic Revolution in Iran in 1979; she describes the inhuman actions of the regime, which used all available measures—from harassment through surveillance to prison or even death—in the fight against its opponents. And of course, Ebadi does not ignore the female question—for it is women that were most afflicted by the Islamization of all aspects of Iranian life introduced by the revolution.

### "The Higher You Go, the Fewer Women There Are"

None of the authors has anything particularly optimistic to say about the status of women in the world—both the past and the present world. "Women are still struggling to be treated as human beings, endowed with the right to life, liberty, and freedom to participate in culture and politics, and sometimes it is a really brutal struggle," writes Solnit. Examples illustrating this state of affairs can be found in all three books.

Historical facts or everyday practice are one thing, while the subtle, culturally defined ways of silencing women, disciplining them, pressing them into the current mold, undermining their credibility, and depriving them of their voice is quite another.

Both trivial examples from everyday life and historical ones embedded in the law or customs are depressing. "Cook some pasta for your brother," Ngozi Adichie hears a mother talking to her daughter in her native Nigeria. The brother is not given such tasks. In a family of academics with equal professional status, the responsibilities related to raising children fall on the wife. "Thank you," says the wife every time her husband changes a diaper. In Great Britain, women had no property rights before the first "Married Women's Property Act" was passed in 1870. Previously, everything had belonged to the husband. In Iran, provisions allowing a woman to inherit their husband's property after his death were introduced only in 2008 and it had required a great social pressure. In the English-speaking world, until recently, a married woman was addressed with the word "Mrs" preceding her husband's Christian name. Children received and still most often receive his surname. All over the world, positions connected with prestige and power are held by men. "The higher you go, the fewer women there are," says the Kenyan Nobel Peace Prize laureate Wangari Maathai. In many societies, women are locked up at home in order to control their sexual energy. Their bodies and even their faces are covered, making them practically disappear. They are killed: in 2004 in Iran, a 16-year-old girl was hanged for premarital sex, a "crime against chastity." These are just a few examples; the three books are simply packed with them.

<u>CULTURE</u> <u>LITERATURE</u>

#### Women Can Have Ambitions, but Not Too Great

Historical facts or everyday practice are one thing, while the subtle, culturally defined ways of silencing women, disciplining them, pressing them into the current mold, undermining their credibility, and depriving them of their voice is quite another. Rebecca Solnit starts with an anecdote in order to prove that when a woman says something which undermines the opinion of a man, especially a powerful one, his answer questions not only facts, but also her very ability to speak. "Generations of women were told that they were delusional, confused, manipulative, malicious, conspiring, innately dishonest... Infrequently all at once." They are denied recognition. Classified as crazy. Solnit is supported by Chimamanda Ngozi Adichie, an author of widely read novels: "You can have ambitions, but not too great. You should aim at success, but not too big, for otherwise you will threaten men. If in your relationship with a man you are the breadwinner, pretend that you are not, especially in public situations, for otherwise you will deprive him of his masculinity."

"Why do you not speak about yourself simply as a human only as a woman?" The author of the novel *Americanah* once heard this question from a man. Indeed, it is a very interesting issue, probably faced by every female writer who chooses a woman for the protagonist of her book. And then the answer comes easily—because some things hap-

# Anger seems to be the only correct strategy. Especially that it is a feeling, a reaction often denied to women, who are often silenced through the use of this key phrase: "She is crazy."

pen to women by dint of their being women. Because the fact that they are women matters. Examples from life? When Chimamanda enters a restaurant in Africa accompanied by a man, the owner greets only this man. It is women who overwhelmingly fall victim to rape: according to data cited by Solnit, one fifth of women in the US experienced rape—and only one in 71 men. In Poland, surveys show that 87 percent of women experience some form of sexual violence. It is women who are restricted in their reproductive rights—access to contraception and abortion. The Islamic Republic discriminates against women because they are women.

### **The People Create Culture**

Is it strange that women are angry? Anger seems to be the only correct strategy. Especially that it is a feeling, a reaction often denied to women, who are often silenced through the use of this key phrase: "She is crazy." But anger can bring change. "I feel anger. We should all feel it," writes Ngozi Adichie. "It has long been known that anger brings positive changes. But I am also full of hope, for I deeply believe in the human ability to change for the better."

How should we achieve this? What should we do to change the existing state of affairs? "Listen instead of explaining," says Rebecca Solnit to men. And using the words of Susan Sontag she quotes, she recommends to women that they should resist even if this resistance should be fruitless. Yet it is never fruitless. As Solnit explains in another fragment, referring to the myth of Pandora, who let all the misfortunes out of the box, ideas released into the world never come back to their container. Ideas cannot be boxed. So their dissemination is of great value in itself.

"It is not culture that creates people. It is people who create culture," writes Ngozi Adichie. That is why she proposes to raise boys and girls differently than before. We should stop encouraging girls to restrain themselves, to be ashamed, to cover themselves, to dream about marriage and strive for it at any cost. And we should support boys in showing fear, weakness, sensitivity. "The more a man feels compelled to be tough, the weaker his ego becomes," she reminds us. And then girls have to deal with this ego. Ngozi Adichie focuses on awareness. And on a conscious change in attitude.

We can draw some hope from the fact that so much has already been done to improve the male-female relations. Keep going, do not look back and do not succumb to resignation—this is the only right strategy. "We are sailing in darkness, not giving in to pessimism, not thinking about the so distant shore," concludes Shirin Ebadi.

#### PATRYCJA PUSTKOWIAK

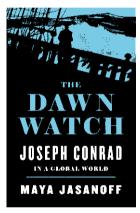
is a writer and journalist, author of a novel *Nocne zwierzęta (Night Animals)*, shortlisted for the Nike Literary Prize and nominated for Gdynia Literary Prize. In 2018, the novel will be published in Argentine. She received a scholarship from the Ministry of Culture and National Heritage. Winner of the Adam Włodek Prize. Currently working on her second novel*Masskaron*. [Photo: Aspen Review Archive



ASPEN.REVIEW BENJAMIN CUNNINGHAM

CULTURE LITERATURE HISTORY MORALITY MANIPULATION GLOBALIZATION





### The Dawn Watch: Joseph Conrad in a Global World Maya Jasanoff (Harper Collins 2017)

There is ample evidence that great art is often produced by highly flawed people. Picasso was a womanizer. Writer Jean Genet was a thief and a criminal. Norman Mailer once stabbed his wife. Comedian Bill Cosby is alleged to have drugged women before having sex with them. Phil Spector, producer of The Beatles' "Let It Be,"

is a murderer. So was the Renaissance painter Caravaggio. Harvey Weinstein behaved despicably in his private life, but also made great movies. Is it okay to like Roman Polanski's films? What about Woody Allen's?

Once primarily considered a skilled literary stylist and interrogator of the human psyche, Joseph Conrad is more frequently remembered as a racist today. Worse yet than those other examples, Conrad's art itself, especially the novella *Heart of Darkness*, is said to embody that racism. The late Nigerian writer Chinua Achebe's influential 1975 speech "An Image of Africa," argued that Conrad deliberately set Africa as "the other world" through which he sought to examine Europe. Achebe condemned using "Africa as setting and backdrop, which eliminates the African as a human factor. Africa as a metaphysical battlefield devoid of all recognizable humanity, into which the wandering European enters at his peril." In other words, Africa is not a place populated by real people, but merely a tool for psychoanalyzing the European mind. For his part, Achebe did something like the inverse, using a person, Conrad, to examine social phenomena like slavery and colonialism. Even if we excuse Conrad as a victim of circumstance, having lived in a time when such negative stereotypes were the norm, the celebration of Conrad's work by later generations shows how quick they—or we—are to dismiss these issues as peripheral. In the end, this leaves Achebe disappointed but not surprised. "Art is more than just good sentences," he once said in an interview with *The Guardian*. "[Conrad] is a capable artist and as such I expect better from him."

If we excuse Conrad as a victim of circumstance, having lived in a time when such negative stereotypes were the norm, the celebration of Conrad's work by later generations shows how quick they—or we—are to dismiss these issues as peripheral.

### A Lens for Examining Larger Phenomena

Though historian Maya Jasanoff does so with different intentions, she too looks to use Conrad as a lens for examining larger phenomena in her latest book. *The Dawn Watch: Joseph Conrad in a Global World* contends it is part travelogue, part biography, while drawing parallels between Conrad's life in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries and the contemporary globalization. The approach is original and Jasanoff, a scholar at Harvard, is noted for her work taking on big themes from unusual angles. Her first book, *Edge of Empire*, examines cultural artifacts in arguing that the British Empire did a better job of accommodating the foreign cultures than is usually believed. Her second, *Liberty's Exiles*, examines the British loyalists who fled the nascent United States during the late 18<sup>th</sup> century revolutionary period.

As in many of Conrad's own works, Jasanoff divides *The Dawn Watch* into three distinct sections. They roughly correspond with Conrad's youth, his time as a sailor, and his years as a mature novelist. She also dabbles in literary criticism by analyzing four major Conrad's works: *The Secret Agent*, *Lord Jim, Heart of Darkness*, and *Nostromo*. Conrad's treatment of themes like terrorism, capitalism, rapid technological change, and nationalism, Jasanoff argues, offer insights for today. CULTURE LITERATURE

### **Conrad's Difficult Youth**

Born Józef Teodor Konrad Korzeniowski in 1857, in Bedrychiv in present-day Ukraine, "Konrad" (later Anglicized to Conrad) was named after a character featured in a poem by Adam Mickiewicz. Conrad's father Apollo was a poet, translator (he translated Charles Dickens's *Hard Times*), and Polish nation-

Jasanoff discusses Conrad's book while also detailing the history of the Congo Free State, a bizarre construction that existed from 1885 to 1908 as the personal fieldom of Belgian King Leopold II.

alist revolutionary. When Conrad was five years old, the family was exiled to Russia, at age seven his mother died of tuberculosis, and Apollo died when Conrad was just 11. He went on to live with his mother's brother, a Polish aristocrat (*szlachcic*), before moving to Marseille at 16 to become a sailor. At 20, Conrad attempted suicide by shooting himself in the chest, and most biographers believe he suffered from bipolar disorder throughout his life. Conrad later joined the British merchant marine, working on sailboats and steamships all over the world for 15 years, collecting plenty of tales that would later turn up in his fiction. In 1894 he gave up life at sea, settled in England, and turned to writing full-time. He composed stories in his third language—English—and his first novel *Allmayer's Folly*, set in Southeast Asia, came out the next year.

Heart of Darkness remains Conrad's best-known work, as well as source material for the 1979 film *Apocalypse Now*. In the book, the narrator and protagonist Charles Marlow travels by steamboat up the Congo River, "a mighty big river, that you could see on the map, resembling an immense snake uncoiled, with its head in the sea, its body at rest curling afar over a vast country, and its tail lost in the depths of the land." Marlow, a recurring character in Conrad's stories, serves as a stand-in for the author himself. "He was a seaman, but he was a wanderer, too, while most seaman led, if one may so express it, a sedentary life," Conrad writes. Marlow's mission is to seek out Kurtz, a mysterious ivory trader, who is said to deal more ivory than all the other traders combined. A man of culture, Kurtz is a painter, a writer, and a musician, but Marlow discovers that years in the jungle have changed Kurtz. "His soul was mad. Being alone in the wilderness, it had looked within itself and, by heavens I tell you, it had gone mad," Conrad writes.

### Moral Questions about Europe's Civilizing Missions

Marlow's travels, and his encounter with Kurtz are a metaphor for the perversions of European imperialism. Even Achebe, while critical of the means, concedes that *Heart of Darkness* is a book that confronts deep moral questions about Europe's so-called civilizing missions abroad. The psychopathic Kurtz, the onetime civilizer, serves as an example for how skewed European perceptions had become. "All Europe contributed to the making of Kurtz," Conrad writes.

Jasanoff discusses Conrad's book while also detailing the history of the Congo Free State, a bizarre construction that existed from 1885 to 1908 as the personal fieldom of Belgian King Leopold II. In sections like this Jasanoff is at her best, weaving history and fictional plots together in a seamless manner, using one to reflect on the other and vice versa. She is able to do this because in addition to being an interesting historian (in 2013 she received a Guggenheim Fellowship), she is a very good writer. "An iron suspension bridge straddled the canalized river like a policeman with his hands on his hips," she writes in a description of 19<sup>th</sup> century Singapore. In another section she analyzes the concept of time in the context of being at sea, and how this relates to sailing's storytelling tradition. "Quotidian time passes in a pattern of two- and four-hour blocks, cycling without regard for night and day... Shipmates build familiarity in fragments over weeks. With nothing new to talk about in the present, the past and the future become extraordinarily rich imaginative domains," she writes in another excellent passage.

# Conrad wrote *Nostromo* in installments, developments in the news kept pace, meaning the story clings more closely to specific historical events than most of his other works.

### Political Manipulations in the Fictional Latin American Country

If *Heart of Darkness* is Conrad's most recognized book, *Nostromo* is his most complex - and best. Again, Jasanoff uses a historical backdrop to examine the novel's plotline and themes. As Conrad wrote *Nostromo* in installments, developments in the news kept pace, meaning the story clings more closely to specific historical events than most of his other works. In combination with Jasanoff's approach as a historian, this makes for the best single section of *The Dawn Watch*. <u>CULTURE</u> <u>LITERATURE</u> In 1903, the Colombian Senate rejected an agreement with the United States made by a previous government that would have cleared the way for building the Panama Canal. With American backing, including the personal support of President Teddy Roosevelt, a group of businesspeople in Panama—then a province of Colombia—seceded from their mother country. "Twelve days later, a Panamanian emissary signed an agreement for the canal with the US secretary of state," Jasanoff writes.

In *Nostromo*, Conrad transposes that story as a backdrop for a tale about political manipulations in the fictional Latin American country Costaguana, and the related fight for control of the country's lucrative silver mines. "There is no peace and no rest in the development of material interests," Conrad writes. "They have their law, and their justice. But it is founded on expediency, and is inhuman; it is without rectitude, without the continuity and the force that can be found only in a moral principle."

### A History of Globalization from the Inside Out?

Though Jasanoff's analysis of *Nostromo* is clear enough, and most of *The Dawn Watch* interesting reading, there are also sections where her multidisciplinary aspirations—blending history, literature, biography— result in blocks of text that feel like they have only passing connection to one another. Sections about Conrad's life end, discussion of a novel begins, and historical backdrop follows. We are left wanting clearer observations about how they relate to one another. There is also a surprising lack of attention, and verbiage, given to Jasanoff's own travels for the book - which sought to recreate some of Conrad's journeys. Jasanoff

The promise that—also communicated via all-star roster of cover blurbs from John Le Carré, Colombian novelist Juan Gabriel Vásquez, and the philosopher Kwame Anthony Appiah—the book will offer something about Conrad's enduring relevance or universality is never fully delivered and he still comes off as a dated figure.

> took an 11-week trip on a French cargo ship from Hong Kong to England, and also traveled by barge up the Congo River. Both must have been unique experiences, but these trips are relegated to standalone mentions in the epi- and pro-logues, thus missing a chance to more directly connect Conrad to the present.

Whereby the book's inner jacket flap portends "a history of globalization from the inside out" that "reflects powerfully on the aspirations and challenges of the modern world," it is in fact much closer to a traditional literary biography. The promise that-also communicated via all-star roster of cover blurbs from John Le Carré, Colombian novelist Juan Gabriel Vásquez, and the philosopher Kwame Anthony Appiah—the book will offer something about Conrad's enduring relevance or universality is never fully delivered and he still comes off as a dated figure, rather than a three-dimensional human being with contemporary relevance. The same holds true for the history itself. While there are occasional passages where the reader can make links to more current events, Jasanoff seems wary of connecting the dots herself. During one discussion of anarchist terrorism in early 20th century Britain, she notes that "terror attacks and assassinations overwhelmingly came from British subjects" while observing that this nonetheless "ramped up nativist hostility toward European immigrants." Here, and elsewhere, there is ample opportunity for a sentence or two of digression on how that pattern has repeated in recent years. None are forthcoming.

In short, as was the case in Conrad's description of African characters in *Heart of Darkness*, the history and the author feel distant and abstract. Yes, Conrad did travel around the world engaging in trade, something that also occurs today. Yes, his work confronts the human cost endured amid rapacious pursuit of natural resources or the tendency of great powers to manipulate smaller nations. But for the most part, we are left to speculate on our own about how Conrad and his writing relate to our own time. Perhaps those answers, like Kurtz's sanity, got lost somewhere along the way.

#### **BENJAMIN CUNNINGHAM**

is a Prague-based writer and journalist. He contributes to *The Economist*, *The Los Angeles Review of Books*, *The Guardian* and is an opinion columnist for the Slovak daily *Sme*. Benjamin also works as a professor of journalism at Anglo-American University and produces documentary films for Al Jazeera English. He was formerly editor-in-chief of *The Prague Post* and a fellow at the Institute for Human Science (IWM) in Vienna. [Photo: Aspen Review Archive

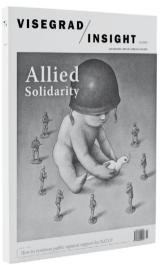




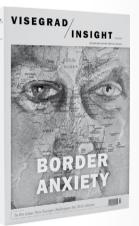
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# Focus on Central Europe



SECURITY



MIGRATION



INNOVATION

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