

TERRITORIES

EUROPE'S BREAKDOWN TOWARDS THE BIG FREEZE

BY OCTAVIO ZAYA

I

A new Europe is in the making (re-making? un-making?)

It is one dramatically different from that of our elders and our parents, who either still carry the scars of World War II or lived through the cold war.

The new Europe is also racked by tension; but not that one between the East and the West. The tensions we face now are, in part, the result of a grotesque constellation of events (the collapse of communism in Europe, German reunification, the attempt to unite Europe as quickly as possible to confront the many problems that were coming) that has overburdened the political and economic systems and led to disillusionment.

This time, the new generation is not dreaming of changing the world, at least in the same terms the students' movements of the 1960's were dreaming of. These are not times of affluence and dreaming, but times in which a secure job is no longer assured and where governments are cutting welfare spending.

Five years after the Berlin Wall came down and five years after the leaders proclaimed a new era of freedom and prosperity, the European Community youth and the youth of Eastern Europe are transfixed by the nightmarish gloom brought about by the worst recession since World War II, the war in Bosnia,

the instability and violent nationalism that has prompted hundreds of thousands of Southeastern refugees to the doors of Western Europe, and the rampant racism and intolerance fostered by the drastic steps the Western European nations have taken to fend off and shut out immigrants.

II

This new generation's most immediate worry, however, is that it has been educated to fill jobs that may no longer exist. Unemployment has grown in most community countries since automation came to many industries in the early 1980's. The number of school dropouts who immediately began collecting unemployment benefits also rose drastically. At the same time, the generous wages and benefits which Western European nations used to boast so much about have already priced its goods out of many markets precisely when low-wage eastern Europeans finally have access to them. As a result, almost no job growth has occurred in Western Europe's private sector in years, according to the Organization for Economic Cooperation and Development in Paris, and the average unemployment rate for the 15 community nations is heading toward 13 percent.

According to many experts, the ballooning costs of social welfare programs for the disabled, the elderly and the unemployed are threatening the community's economic future. Consequently, the welfare state (the crowning achievement of Social Democratic and Christian Democratic governments in post-war Europe) is under unprecedented strain.

There are already signs around the continent of the beginnings of significant change in the way Europeans are employed and in the long vacations, free

health care and other social benefits their governments have long helped to finance. In France, Italy and even Scandinavia, governments are trimming welfare programs and demanding that workers share most of the cost.

STILL, THIS RE-STRUCTURING OF EUROPE IS BIGGER THAN MOST EUROPEANS IMAGINE. ALMOST UNNOTICED OUTSIDE THE FINANCIAL MARKETS, SCORES OF STATE-OWNED BUSINESSES, ONCE REGARDED AS THE CROWN JEWELS OF EUROPEAN STATES, ARE BEING AUCTIONED OFF, ONE AFTER ANOTHER, TO PRIVATE BUYERS. THE EFFECTS ON THE JOBS AND LIVES OF WORKERS ARE PROFOUND AND OFTEN PAINFUL. AND YET THIS REMARKABLE SHIFT IS HAPPENING IN SUCH A CONFUSED AND COMPROMISED FASHION THAT ITS IMPACT ON EUROPEAN ECONOMIES, OR THEIR COMPETITIVENESS IN THE GLOBAL MARKET, IS AS YET DIFFICULT TO MEASURE.

The scale of change is enormous. Last July, U.S. investment bankers Goldman Sachs & Co. brokered the sale of Italy's state-owned insurer, INA, in a massive international stock offering worth 3.2 billion dollars. Also in 1994, government stakes in such European industrial well-known companies as France's Elf Aquitaine oil giant and insurance conglomerate UAP were sold off. Germany also appears on track to sell off Deutsche telekom, one of the world's biggest phone companies, valued at more than 20 billion dollars. Many more deals are likely soon, from Scandinavia to Greece to the Iberian peninsula; a staggering 100 to 150 billion dollars worth of government assets are likely to be sold to private buyers by Western European governments before the year 2000.

These sales of nationalized industries are a reversal of the post-war European ideal that engineered the construction of large and strong state-owned business sectors that provided pools of public jobs and allowed politicians to influence their economies. And for many economists, bankers and government official, the implications of the sell off are far-reaching. For, on the one hand, its effect is to direct far more capital, and power, to stock markets, private shareholders and institutional investors than before, weakening the grip of European governments on their own economies, which now can be more easily moved by decisions made by private speculators, rather than politicians. On the other hand, the other key consequence is lost jobs: as state-owned monster companies slim down to compete in the private sector, Western Europe faces one of the most daunting job creation challenges in its postwar history at a time when it already is struggling to cope with record unemployment.

The pressures are rising. As trade barriers around the world have fallen, making Asian and Latin American economies into competitors on world markets, and as U.S. and Japanese companies have aggressively cut down their work forces and streamlined production, European countries are finding that they are not as competitive as they once were. And declining competitiveness abroad means, again, fewer jobs at home. A record 20 million people were out of work by the end of 1994 in the 12 nations of the European Union, despite a relatively strong recovery from the recession of the early 1990's.

Interestingly, as unemployment rise and more people enter the welfare payroll (in Spain, for instance, there is now one person receiving a social security benefit for every one working, and in the Netherlands almost one million, or 18 percent of the work force, receive disability pay,) the system has become so costly that, for economists and politicians, what once safeguarded Western Europe from the extremes of poverty and alienation so pervasive in American cities is now shutting Europe out of business in an increasingly competitive global economy.

III

Whether the rapid changes in the world economy have rendered Europe's system, with its high wage costs and comprehensive social security benefits, unsustainable, or the European recession is causing serious financial problems that will pass when recovery comes, either way it seems clear that the Europeans are at the beginning of an economic and cultural revolution that will throw the whole system into doubt and that the social consequences of it will be dire.

We have displaced a whole set of anxieties we have about the new world in which we live onto the welfare debate. We worry about the postindustrial transformation of the economy and its insecurities, and we agree about enforcing the work ethic for welfare recipients. Yet the welfare debates somehow lead us toward myths and caricatures that help to cover up the real issues.

It is now clear that as capital markets became internationalized and the international level of interest rates was raised, the terms of trade between capital, labor and government shifted in favor of the capital side.

From Sweden, until recently the paradigm of the welfare state, to Italy, with its swelling budget deficit, laws are being passed to cut budget deficit and cost of welfare programs. In both countries, measures have been already adopted for pension eligibility and, in Italy, some limits have been imposed on free medical care for people with higher incomes. And throughout the European Union proposals have been presented to cut benefits for the unemployed, lowering retirement payments, reducing reimbursement for medical expenses and shortening the period during which the unemployed can receive jobless benefits.

Until recently, the priority was protection for people who financed the system with their payroll taxes, but now, since there are fewer salarized workers, there are more unemployment benefits to pay and less money flows into social security budgets, the priority is avoiding fraud, encouraging citizens to supplement national insurance with private insurance policies and, when

available, getting people back to work as soon as possible.

For many social critics the generous unemployment benefits could be adding to long-term joblessness in Europe. Some say that, in many countries, the unemployment benefits system, rather than providing temporary support to job-seekers while they re-establish themselves in the labor market, has also become a mean for long-term income support. And others complain that social security systems are deterring small companies and corporations from offering what many people regard as the most important single source of security to an individual: a full-time regular job.

In Spain, for instance, new full-time jobs have become an endangered species, some critics say, because of the protection guaranteed workers. Dismissing anyone is so complex and costly that companies have resorted to hiring temporarily. More than 35 percent of the Spanish labor force is working on temporary contracts of a maximum of three years.

This new social policy is enacting some other measures, among which the war on the poor and on the immigrants appears to be most explosive. This war was initiated by dramatic shifts in the domestics and world economy that have turned more and more unskilled and semiskilled workers into surplus labor. Private enterprise participated actively by shipping jobs to other countries and by treating workers as expendable. Effective job-creation schemes, housing programs, educational and social services that serve the poor and the immigrants –and some of the working classes– are vanishing.

Under all these circumstances, we need to recast the current welfare debate, taking as its starting point the fact that many of us will face a life crisis related to work or family during our lives. We'll lose our jobs and not be able to find one that pays as well. We'll get sick and be unable to fend for ourselves. Most of us will not have to go on welfare. We'll have the education and the skills to move quickly into a decent job; we'll be able to rely on friends and family or we'll qualify for help from our employer, Social Security or

unemployment insurance. But some of us will have to go on welfare.

EUROPEAN LABOR LEADERS FEAR THAT THIS TREND IS PERMANENT. MANY THINK INDUSTRY NOW JUST CONSISTS OF FINANCIERS TAKING A LOOK AT THE WORLD AND SEEING WHERE THEY CAN MAKE THE MOST PROFIT. WHEREVER THE CASE, IT SEEMS APPARENT THAT THE PRESSURES OF THE INTERNATIONAL CAPITAL MARKETS ARE MAKING MORE DIFFICULT THE PURSUIT OF A CONTINENT-WIDE POLICY OF FULL EMPLOYMENT. IRONICALLY, THE FUTURE OF EUROPEAN SOCIAL POLICY MAY BE WRITTEN IN WASHINGTON.

IV

A malaise has settled into a region unnerved by joblessness, a decline in social services and the failure of an old guard of politicians to produce a vision for the future. To judge from the political situation alone, vision and future exclude each other in a landscape in which crisis management pervades all the issues, and improvisation only fuels the discontent. France's Socialists were ignominiously ousted from power, their counterparts in Spain have lost absolute control of Parliament (and much more than their dignity) for the first time in a decade, and an entire political elite has been decapitated by scandal in Italy, not to mention the unpopularity of John Major and the all-time low in Chancellor Helmut Kohl's. In general, Europeans attitude toward their politicians is one of psychological, almost clinical depression. The Socialist alternative has disappeared and even center-right parties are in retreat in Germany, Britain and Italy. The voters are fed up with seemingly endless political squabbling that fails to resolve any of the issues vital to Europe's future. They are steadily losing confidence in leaders who are either exhausted after many years in power, discredited by corruption scandals or simply baffled by the challenges of the post-cold war era. The ideological void is such that the variables between left and right are much narrower.

Since the fall of Communism changed the Continent's perception of itself as an increasingly cohesive and ever more prosperous bloc confronting other great blocs—the Soviet Union, the United States and Asia—the old calculations, and the politicians who based their careers on them, are faltering. Europe's politicians are stuck in a time warp, preoccupied with the problems of the 70's and 80's as if the current challenges and the challenges ahead weren't quite different from those of the past 20 years.

V

Fearfully and painfully, the nations of Western Europe are recognizing that, along with unemployment, immigration, racism and xenophobia are probably the most explosive problems they face, and they are taking drastic steps to fend off unwanted foreigners. France, Germany, Britain—all of Western European governments, from Sweden to Spain—feel that they are under siege as hundreds of thousands of poor people cross the newly opened borders of Eastern Europe or flee economically desperate countries in Africa and Southern Asia. But in light of the growing unemployment rate, these new policies of the Western European governments are also turning against the "strangers" in their midst, a whole section of their own citizens and legal residents with darker skins, including more than 3 million who are already living illegally in the 17 countries.

Right-wing parties are trying to build constituencies by campaigning on a platform of expulsions of "foreigners." While there is little immediate danger that far-right parties will come to power on a national level (?), governments are nevertheless shifting to the right on the immigration issue as they listen to the speeches of ideologues who hark back to a bygone era when their countries were supposedly homogeneous, economically comfortable and all white.

The fact is that the changes in the ethnic makeup of Western Europe are already irrevocable. For generations Algerians have lived in France, Turks in Germany and Pakistanies in Britain,

and, whether they are regarded as alien or not, they are there to stay.

Ironically, in Europe southern countries (such as Italy, Greece, Portugal and Spain), where young people and thousands of workers once went abroad to start new lives and wrote home about the prejudices they encountered, people are startled to find that they are now the hosts, and can themselves be bigoted toward newcomers. Last summer, in an interview published in the Moroccan newspaper "Le Nouvel", the writer Tajar Ben Jelloum explained the racism and general prejudice of Spaniards toward the Morrocans and arabs in general asserting that "the Spaniards behave as an former poor who is still afraid of becoming poor again, always looking to the North (Europe) instead of to the South (Africa)." Not to mention the new policies enacted to control all the Magrebies coming from the North and Latin American immigrants. In the Madrid suburb of Aravaca, para-military thugs broke into an abandoned building where Dominican squatters were living and opened fire. In turn, in Italy—where the plans of the caretaker Prime Minister Silvio Berlusconi to enact laws similar to those of France and Germany were interrupted by his resignation at the end of last December—, after a teenager was struck and killed by a car carrying four drunken Moroccans in Torvaianica (close to Rome,) several foreigner were attacked in the area. And in Rome, "Nazi-skins" torched residences of foreigners and patrolled the parks at night, beating up Africans who slept there. More recently, also in Italy, far-right groups gave toy-bombs to some gipsy kids, who lost their limbs when the "toys" exploded.

Almost every country has a burgeoning far-right party circulating anti-Semitic tracts and whipping up anti-foreign sentiment and racism. Among the legal organizations there is the Republican Party in Germany, the freedom party in Austria, the Falangists in Spain, the Northern League in Italy, the Vlaams Blok in Belgium, the National front in France, etc.

GERMANY CENTRAL INTELLIGENCE OFFICE CALCULATES THAT 41,900 OF ITS



CITIZENS BELONG TO FAR-RIGHT ORGANIZATIONS, OF WHICH 6,400 ARE "MILITANT AND VIOLENCE-PRONE." THAT FIGURE DOES NOT INCLUDE SOME 25,000 MEMBERS OF THE REPUBLICAN PARTY. IN 1992, THERE WERE 2,584 PROVEN ACTS OF VIOLENCE BY THE FAR RIGHT, A 74 PERCENT INCREASE OVER 1991. OF THE RIGHTIST ATTACKS, 88 PERCENT WERE DIRECTED AGAINST FOREIGNERS, OF WHOM SEVEN DIED.

The 2.6 million people in Britain considered members of ethnic minorities – 5 percent of the nation 56 million people– include West Indians, Bangladeshis, Indians, West Africans, Pakistanies and others. Almost half of them were born in Britain, and as British natives naturally identify themselves as British rather than, say, black African or black Caribbean. But they are not usually viewed that way by whites. The racially motivated incidents reported to the police in Britain has skyrocketed, from 4,383 in 1988 to 7,793 in 1992. In the summer of 1993 Winston Churchill, the grandson of the wartime Primer Minister, called for a halt to the "relentless flow of immigrants," saying it was threatening to change Britain's way of life forever. Of course, this is just an example, among many, of the oportunism of the ideales politicians. According to a statement the Home Office Minister responsible for immigration, Charles Wardle, gave to *The New York Times* only weeks later, "primary immigration ceased [in Britain] years ago –I mean years ago."

AFTER THE HORRORS AND GUILT OF THE HOLOCAUST AND THE NAZI OCCUPATION OF MUCH OF EUROPE, THE REGION HAD TRIED TO COMPENSATE FOR THE PAST BY TENDING AN IMAGE OF ITSELF AS AN ASSAMBLY OF DECENT SOCIETIES AND A HAVEN OF TOLERATION, DEMOCRACY AND RESPECT FOR HUMAN RIGHTS. BUT WESTERN EUROPE IS GIVING UP ITS SENSE OF ITSELF AS A CIVILIZING CORNER OF THE WORLD. INCREASINGLY SELF-ABSORBED, INTOLERANT AND HEGEMONISTIC, THE NATIONS OF

WESTERN EUROPE –ACCORDING TO A SURVEY CONDUCTED BY THE EUROPEAN COMMISSION AND RELEASED IN THE SUMMER OF 1993– FEEL THAT THEY HAVE LOST CONTROL OVER WHAT IS HAPPENING TO THEM. THE EUROPEAN POLITICIANS HAVE SIMPLY PICKED UP THE ANXIETIES OF THE PEOPLE AND CARRIED THEM ONE STEP FARTHER.

"They believe they'll be richer if they toss us out," the Algerian Doctor Zoubida Djelali said to *The New York Times* . "They think there will be less unemployment. It's a fiction. Look at the work the foreigners do –maids, busboys, hauling wheelbarrows on construction sites. Underpaid or dangerous. The French won't take those kinds of jobs."

The immigration problem stems, on the contrary, from the question raised by the Danish writer Nader Alexander Mousavizadeh, a question which is at the heart of Europe's identity crisis: the deafening dissonance between the reality of European society, which must be described as a multiethnic and multicultural mosaic, and the ideal of an ethnically pure, almost organic entity in which the alien, be African, Asian or Muslim, will remain just that, an alien whose presence must be tolerated but never accepted as permanent.

VI

Indeed, along with the obsolete economic structures of Europe and enemployment, the main problems are related to those of xenophobia, racism and nationalism ("the venom of our age,") precissely what brought Europe to wars, ruins, to Auschwitz and to the shattered reality of what was once Yugoslavia. The idea of the so-called "European identity" has been maintained in opposition to its underlying diversity and heterogeneity. This conception conveniently overlooks the fact that culture and cultural identities are always in a state of flux, that they are never static or given.

The Yugoslavian issue, the immigration issue, the latest monetary crisis, the decline in the faith European people have in its major institutions, and

the new emergence of the right-wing parties in Italy, Germany, France, Spain, etc. are forcing a redefinition of Europe. We cannot continue to build a Europe on the same ideals and the same ways we have since 1957. That idea of Europe was conceived with a divided Germany, with the Soviet threat and its satellites, with a Fascist Spain and with no major immigration or ecological problems. In fact, the immigrants also helped to build that idea of Europe. That's over. Everything has to be reconsidered and we must change. Bur, instead, since 1989, the construction of Europe has been purely political. Mitterand, Kohl, Delors and their cohorts thought that because they decreed a single currency Europe would be built as a unity. In fact, until the eruption of the realities mentioned before, it seemed as if we were living in pure fantasy. Europe has to face the disintegration of the old system, the disintegration of itself, and look for something new to take its place. We should put to rest the European illusions, the European tribalism, by introducing reality not only in our relations with the world and with each other but particularly in our relationship with the new immigrants, by stoping the kind of domestic imperialism exercized within the already craking and disjointed European fortress being built by the current myopic European governments.

NOTE

A version of the first three sections of this "collage" of texts was first published under the title "Farewell Welfare" in the catalogue of the exhibition *Welfare*, curated last winter in Paris at the Gallerie du Temple by Anders Michelsen and Morten Salling.

This "collage" is indebted to the following books and articles:

"The Politics of Social Solidarity: Class Bases of the European Welfare State 1875-1975", by Peter Baldwin. Cambridge University Press, 1990.

"Crisis and Choice in European Social Democracy," by Fritz W. Scharpf, translated by Ruth Crowley and Fred Thompson. Cornell University Press, 1991.

"Future of the Welfare State", by Fred Block. Dissent. New York. Fall 1992.

"Screening Europe", Edited by Duncan Pietri. BFI Publishing. London, 1992.

Articles on the subject by different authors published in The New York Times during August 1993.

Articles on the subject by different authors published in The Washington Post during August 1994.

Articles on the subject by different authors published in issues no.54 and no. 61 of the magazine Transition, New York 1991 and 1993.



AN INTERVIEW WITH
THE DANISH HISTORIAN

**PETER
CHRISTENSEN**

EUROPE
ENVIRONMENTAL HISTORY
AND MULTICULTURALISM

BY ANDERS MICHELSEN

Although we may be used to conceive of Europe in political, economical and cultural terms, not least in the debate on multiculturalism, it is impossible to dissociate the notion of Europe from nature. Not only is nature closely linked to European thought in philosophy, science and culture, not to mention art. To the modern Europeans nature seems a vast and almost inexhaustible resource. Something which may be mute, a thing in itself, but which is nevertheless always there, to utilize, learn from, or doubt. Nature can be apprehended and still keep its reserve. In modernity nature becomes something which can be designated, manipulated and transformed – without costs – in science and technology as well as in society and culture.

Nature thus plays a significant role in the evolvment of modernity and modern institutions as one can see in the thinking of Hobbes, Rousseau, Hegel and Marx. In these discourses nature becomes closely linked to economy, politics and ideology. In the industrial age nature is seen as a state of affairs transcended by the European and so is natural man, i.e. the rest of the world. The European discourse of nature thus becomes linked to the establishment of European hegemony over the world, not

least from the nineteenth century. Nature plays its part in the claim that all other races and cultures are inferior to Europe as one can read in Kipling's poem from 1899; "Take up the White Man's burden – ... On fluttered folk and wild –, Your new caught, sullen peoples, half-devil and half child."

However this discourse of nature has not kept its position. With the postmodern deconstruction of modern metanarratives throughout the last decades, a new idea of nature has been formed. Now the bond between man and nature is emphasized. Maurice Merleau-Ponty writes about nature in "Themes from the lectures" (Northwestern University Press 1970 (Paris 1963)); "In truth, as soon as one probes into it a little, one encounters an enigma in which the subject, spirit, history and the whole of philosophy are involved." (p.132):

"... nature is not simply the object, the accessory of consciousness in its *tête-à-tête* with knowledge. It is an object from which we have arisen, in which our beginnings have been posited little by little until the very moment of tying themselves to an existence which they continue to sustain and aliment. Whether in the case of the individual event of birth, or the birth of institutions and societies, the originary relation between man and being is not that of the for-itself to the in-itself, for this relation occurs in each man capable of perception. However surcharged with historical significations man's perception may be, it borrows from the primordial at least its manner of presenting the object and its ambiguous evidence. Nature, says Lucien Herr in a comment upon Hegel, "is there from the first day." (ibid., p.132-133).

The idea of nature as a thing in itself, something to be designated, manipulated and transformed is replaced by a new ambiguity. The crisis of Western world hegemony is accompanied by an environmental crisis in the industrial system, and this is reflected in new notions of nature. The idea of nature as inexhaustible is transformed into a discourse of man linked to nature. In the environmental concern are contained possibilities of a new thinking pushed forward by the need to take action *vis-a-vis* the

escalating environmental problems in all parts of the world. –But concern for the environment cannot stand alone. It must also be part of a multicultural, postcolonial discourse.

This is one of the interesting perspectives in the Danish historian Peter Christensen's germinal doctoral thesis – one of the most important books about history written in Denmark for several decades – about the relations between ecology and history in The Middle East between 500 B.C. and A.D 1500, "The Decline of Iranshahr. Irrigation and Environments in the History of The Middle East 500 B.C. to A.D. 1500" (Museum Tusulanum Press. University of Copenhagen 1993). Christensen describes how society and nature converge over two thousand years of history in The Middle East with both sustainability and catastrophe as consequence. In detailed analyses of the areas which today consist of contemporary Iraq and Iran he establishes a new structural historical understanding of relations between nature and man.

Peter Christensen can be seen as part of a new international environmental history emerging within professional history. But the importance of Christensen's contribution is the – direct and indirect – emphasis on the relation between critique of the Eurocentric notion of world history and detailed analysis of relations between historical development and environment. Thus Christensen's analysis also becomes an important contribution to the multicultural debate and the creation of a multicultural world. First, it proves that nature must be seen as something which is historically present as an interplay between nature and civilization, and therefore not necessarily connected with European ideologies of modernity, industrialism and colonialism. Second, it shows how this interplay is always specific and thus regional, creating many – multicultural, displaced – versions of environmental history. Third, it demonstrates how the Malthusian ideas which lie behind some present Western notions of environmental history, including a critique of demographical development in The Third World may be qualified,