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Jana Kobzová

RENEWED TRUST IN STATE AND ITS INSTITUTIONS
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RISE AND FALL OF THE MIDDLE CLASS

Special report by STRATFOR Global Intelligence

Iveta Radičová, Anna Giza-Poleszczuk, Roman Joch, Vladimír Špidla, Ondřej Liška, Gabor Takacs, Péter Nádas, Tomasz Zarycki

INTERVIEW: Timothy Garton Ash *on the Future of Europe*

grants & artist residencies approved in 2011

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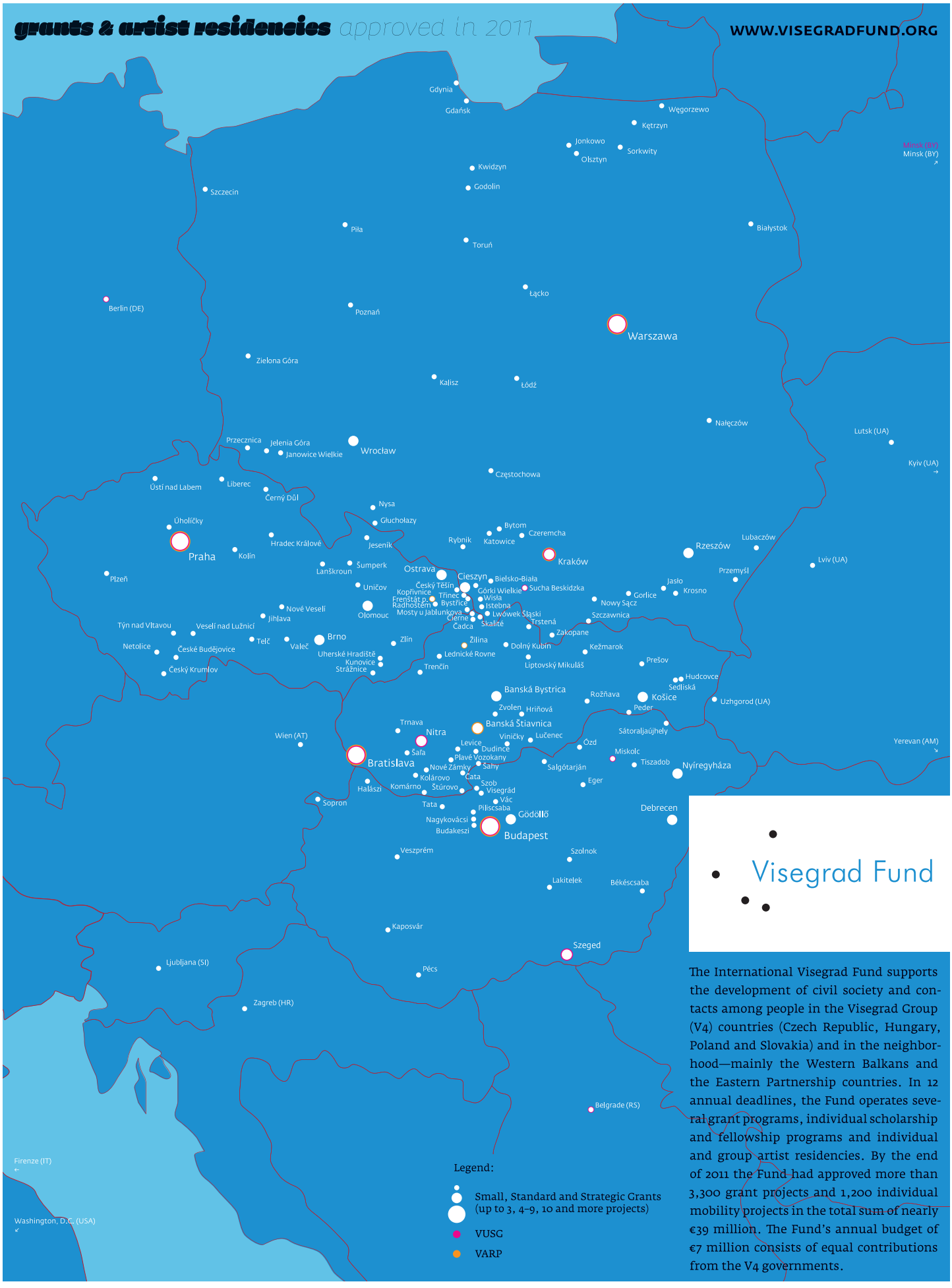

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"Gorilla protest" in Slovakia 2012

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Visegrad Fund

Rise *of the* Middle Class

MASKS AND MARCHES IN NYC AND MADRID THAT HAVE CAPTURED OUR ATTENTION SINCE 2011 WERE FORMED BY THOSE AMBITIOUS, HOPEFUL AND GOOD PEOPLE WHO DEMONSTRATED THEIR PROTEST AGAINST A FATEFUL FUTURE.

WOJCIECH PRZYBYLSKI
Editor-in-chief

The welfare-state is in decline and the free market economy is ruthless to societies in times of crisis.

Those protests had their counterparts in V4 countries. Here posters have called for free, equal, and universal access to global information in Warsaw, for moral standards in politics in Slovakia and in Prague, or for the welfare state in Budapest, outmoded in a time of austerity. They mirrored middle-class protests worldwide. This class, however defined, always refers to social status and lifestyle. Therefore, average income, educational aspirations, sensitive morality, and stability are its distinctive features. But what else do we know about them? Who is behind the mask of middle class in Central Europe?

Normality has been a twin brother of the middle class during the democratic transformation in Central Europe. It was a common belief that capitalism, democracy, and the spontaneous social order of ordinary people are essential to peace and prosperity, which everyone considered to be a normal state. We have inherited this belief and we have chased it like a dream in the region. Alas, the dream has been fulfilled by emerging markets, the rule of law, and social standards that have leveled since 1989, at the same time the source of the fundamental conviction has been fading away.

Sociologists and public intellectuals have recently presented sets of alarming data about rising inequalities in democracies and fear that disparity will change democracies for the worse. Notably, this refers only to the North, the rich part of the world. Wherever else, be it Brazil or China, but also from Warsaw to Budapest, there is a rise of the middle class, just not quite that similar to the image of western countries.

In their 2009 special report *Burgeoning Bourgeoisie*, the editors from *The Economist* wrote about two middle classes that populate the world. The first would be the one that is *the global middle class* whose standards of living fall not far from the statistical median of countries like Italy. But it also draws attention to a rising number of *the developing middle class* that is relatively in the middle, but yet far from the standards of the richest countries. Quoted research findings show how the middle class in China and India has recently grew immensely in number. Moreover, the proportion of middle class versus the two other ends of the societal status spectrum in the developing world has become higher than in the developed world.

The same year a report prepared by the Social Situation Observatory a European Commission research unit, published interesting data worth juxtaposing against *The Economist's* findings. It is rather obvious that what the weekly calls the global middle class remains unevenly distributed between old and new member states of the EU. However, the developing middle class is proportionally the biggest in the Czech Republic, Slovakia and Hungary. Both studies show that emerging markets can be far better of in terms of relative equality. Should we stay happy with those results? After all, it is not the economy that defines the middle class, or at least it does not define it to such a degree as The Economist would prefer it.

Let's start with a simple question put forward by a renowned Hungarian writer in respect to his society. Is the middle class equivalent to democrats, people of democratic convictions and standards? No - answers Péter Nádas. A transformative process begun 20 years ago and apparently exhausted has yet another challenge ahead.

It is overall good that people come to the streets and demand better standards in Central Europe just like in the rest of the world. Here no one has removed them by force, unlike in case of Occupy Wall Street, and their democratic chatter is spreading. They represent a potential for a further democratization and perhaps taking the quality of decision-making to yet a higher level. After all, this region has just began experimenting with democracy and it is open to further innovations. But contrary to such hopes stands a long credit of betrayals committed by center-right and center-left parties on the middle class over the last two decades. One can hardly imagine that existing political forces will in fact become its political representation again. Perhaps this is one of the reasons for the number of new political parties blossoming and so far with quite some electoral success. But after all, it is still a question how well do we understand the issue at stake, and if the middle class actually has any relevance for the class of politicians.

EUROPE

RISE AND FALL OF THE MIDDLE CLASS

SURVEY WHAT IS THE CONDITION AND POLITICAL SIGNIFICANCE OF THE MIDDLE CLASS IN THE REGION?

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In recent years, the middle class have demonstrated throughout the world more than ever. Some have protested about economic conditions, some about perspectives for higher education, others fought for regime change.
Despite cries for its end, the middle class is on the rise, including Central Europe.

This question is answered by sociologists, analysts and politicians from four V4 countries:
Iveta Radičová |SLOVAKIA|, Gábor Takács |HUNGARY|, Anna Giza-Poleszczuk |POLAND|, Roman Joch, Vladimír Špidla, Ondřej Liška |CZECH REPUBLIC|

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ECONOMY AND BUSINESS

CHINA AND THE CLASS PROBLEM

INTERVIEW

LIFE AND DEBT

INTELLIGENT MIND

THE END AND THE FUTURE

PROSPECTS FOR EUROPE

Interview with Timothy Garton Ash Wojciech Przybylski

Europe looks shattered, yet there is hope for even further enlargement and integration. Wojciech Przybylski interviews Timothy Garton Ash
– a renowned British historian of Central Europe and Professor of European Studies at Oxford University. They discuss the political condition of the continent and perspectives for Turkey and Maghreb countries to join EU.

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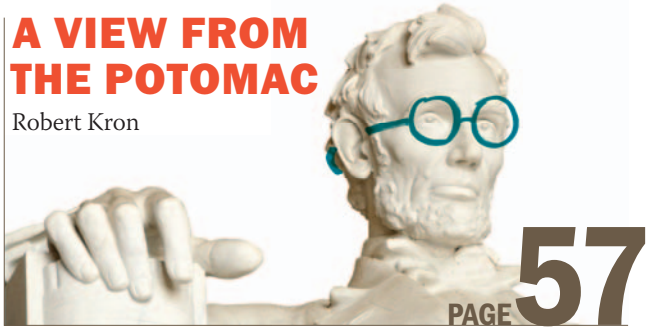

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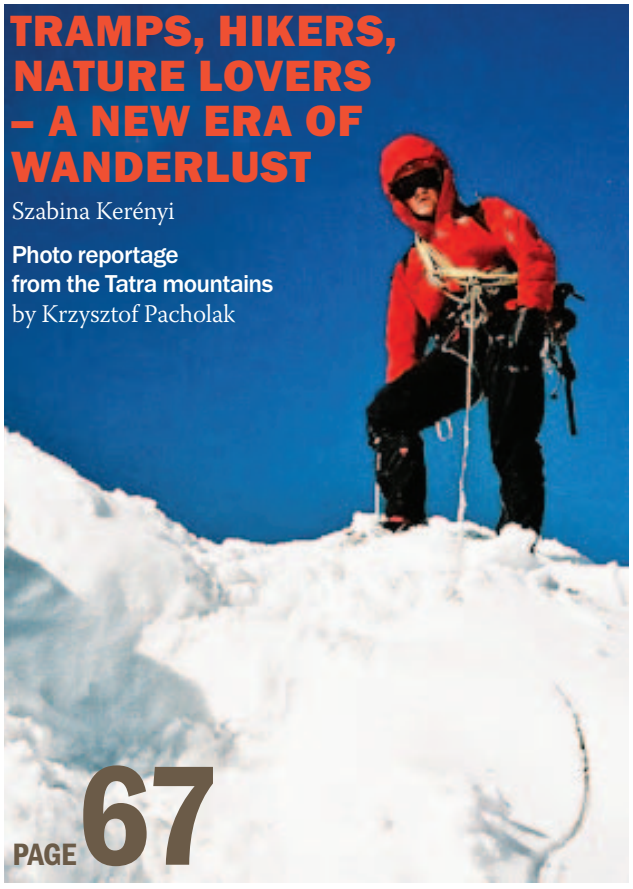

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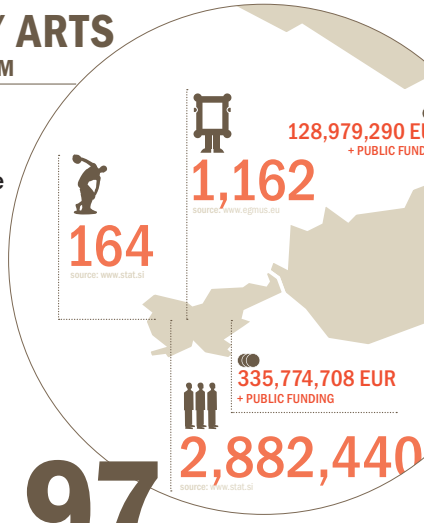


OPPORTUNITIES AND ANNOUNCEMENTS

ESSAY

What is the condition and political significance of the middle class in the region

In recent years, the middle class have demonstrated throughout the world more than ever. Some have protested about economic conditions, some about perspectives for higher education, others fought for regime change. Despite cries for its end, the middle class is on the rise, including Central Europe.

This question is answered by sociologists, analysts and politicians from four V4 countries.

Gabriella Csoszó

"Gorilla Protests" in Bratislava

Gabriella Csoszó

▲"Gorilla Protests" in Bratislava

IVETA RADIČOVÁ
a Slovak politician, former Prime Minister, professor of sociology at Comenius University in Bratislava

We are all aware that the attempt of the Eastern bloc to eliminate social differences had resulted in the emergence of other types of inequalities. It led to personal freedoms and dignities being lost, and the entire order of interpersonal relations dislocated.

The post-1989 transformation, even as it safeguarded freedom and democracy, contributed to an increase in social and economic inequality and impinged on patterns of stratification of a society seeking to approximate the model of developed Western societies.

The stratification hierarchy rests, in effect, on three criteria: wealth, power and prestige. An analysis of the three criteria typically yields six basic categories or strata. They are: upper classes, middle classes, lower middle classes, qualified workers, qualified manual workers and the rest – dependent upon the state. Distribution over these classes helps us define a particular society. The well-known "apple" distribution is based on the strength of the middle classes and lower numbers of citizens from the upper and lower classes. Such societies are economically and politically stable, characterized by high standards of living and human development. By contrast, the "pear" type is distinct by populous lower classes and weak or non-existent middle class. Politically and economically, societies marked by such stratification lag behind those with a strong middle.

We typically gauge the status of citizens based on their position in the labor market. Here, it needs to be pointed out that, after more than twenty years, eastern parts of Europe still differ from the West. Our distributions are different: one such specificity – and I must stress this – is the weakness of the middle class.

It is worth mentioning that the upper class in Slovakia, as well as in other post-communist states, retains a strong linkage to the communist past; it is robustly pursuing its interests and, in a way, makes up a class of its own. Certain segments of the upper middle class also profit from their past, as a result of more advantageous starting conditions, better education, access to information and contacts. Over time, this segment is enlarged by experts who have been allowed to prosper in "normal" conditions, as well as the younger generation of managers and other higher income earners who are no longer held back by the past.

Yet, the middle class – which occupies a hegemonic position in the politics, economics and culture of Western societies – remains insignificant, especially in Slovakia, whether in terms of numbers or influence. I must say that our social stratification remains that of

a "pear" shape, with commensurate consequences on political, economic and social structures, and on behavioral patterns more broadly.

The middle class is at the core of European economies. It drives spending. It is the key force behind economic growth. In recent years, however, the European middle class has been facing one crisis after another. It is now trying to find a modus vivendi – a sustainable response to the persisting crisis in Europe and beyond. To safeguard its future, the middle class shifted its priorities – and this applies to middle classes in the East as well as in the West – toward social protection, purchasing power, and children's future well-being. This triangle of interests is becoming translated into newly defined strategies for success: a strong workplace position and investment in education. This is a significant shift, insofar as the use of instruments of education and enhanced work activism has not been as pronounced in the past: the future clearly lies with the children.

GÁBOR TAKÁCS
a Hungarian political analyst at the Nézőpont Intézet (*Point of View*) think tank

I believe that the existence of a large and strong middle class is crucial for a healthy society in any country, and in Europe, this is clearly the preferred model of society.

For countries in our region, that is, the countries that used to be part of the Habsburg Empire and later the Communist bloc, it is especially crucial to make sure that society develops this way, instead of establishing a Latin-American type of society with one-third living in relative affluence and the other two-thirds hopelessly lagging behind. This would result in unbearable social tensions.

In this context, the current Hungarian government's policies are rather clear and consistent. Prime Minister Orbán has always emphasized that his government's election success was built on a "coalition of the middle class and those living beneath it", and made clear that his aim was to make it possible for as many people as possible to join the middle class. Of course, the economic crisis plays strongly against fulfilling this vision, but as for policies, we can see a clear determination. Some examples:

- the flat-rate personal income tax is meant to "reward those who work", with tax burdens shifted toward a taxation of consumption;
- in social transfers and pensions, a strong emphasis has been laid on incentives to work – e.g., revision of disability pensions, elimination of early retirement, large-scale public works projects offering jobs, instead of passive support, to the long-term unemployed;
- an important part of the middle class philosophy is to encourage childbearing through tax incentives (a highly supportive family tax system was introduced at the beginning of 2011), with automatic income supports being rolled back.

I think that the results of these policies can only be seen in the long run. The principles of "rewarding

Gabriella Csoszó

▼"Gorilla Protests" in Bratislava

work" and "supporting childbearing of working and taxpaying families" are rather popular and, if accompanied by appropriate and consistent measures throughout several government cycles, they can surely contribute to strengthening Hungary's society and economy.

During the left-liberal governments in Hungary, the notion of the middle class was not strongly communicated; liberal thinking fostered a focus on equal opportunities for all, small state and similar policies, while socialists clearly emphasized that "nobody will be left behind" – in effect, promising to pay the ever higher costs of social support through ever increasing taxation of the middle class. In essence, the socialist government made a deal with the people beneath the middle class: you will not get much higher even if you work hard, but you will not fall behind too much even if you do not work.

ANNA GIZA-POLESZCZUK
a Polish sociologist, Professor of Sociology, and Vice-Rector at the Warsaw Univeristy

Anticipating the emergence of the middle class used to be one of the basic threads of Polish transformation: on the one hand, its emergence was to be a watermark of systemic reforms success, on the other, it sparked hopes of "capital accumulation", and therefore, of sustainable, organic economic growth.

Social scientists would conduct research and write books on the condition of the middle class, politicians would invest in programs to support entrepreneurship, and the media would promote the self-made man role model. Gazeta Wyborcza devoted a whole year of articles to present portraits of successful businessmen – including such controversial ones as the biography of Andrzej Bagsik.

But the actual point is how these middle class members were pictured. A brief overview of these materials shows that a typical representative of this hopefully anticipated class created by the writer, and presented to the public, was modelled on a 19th century shopkeeper, small manufacturer, small business owner. It did not occur to anyone that a modern – or postmodern – middle class consists, first of all, of a hired workforce, high rank professionals, and new types of businesses operating more on the market of symbols rather than object production. The third class, the bourgeoisie played its historical role, introducing new principles and values into the mechanism of social differentiation. Today, owning a small shop producing ice cream is not a way towards a top social career, but can frequently be an alternative to unemployment. In the era of transnational corporations, which consolidate production and distribution, it is difficult for small business owners to go all the way from rags to riches. It is doubtless, nevertheless, that the masses of small business owners, especially those with the legendary campbeds, laid the foundations for our economic success – although few have been "chosen" to fill the ranks of the middle class. Another issue is the development of the class of professionals, which in Poland has undoubtedly arisen: never before had we a class of well-paid "managers" in new market niches, such as banking and finance, or marketing and distribution. In short, we looked for a middle class not in the place where it was being formed.

No one has also noticed that the middle class should be defined not in terms of its occupation, but in terms of the role it has in the social structure. Generally speaking, the middle class is a sort of "intermediary" between the upper class and the lower class: both in the sense that through its own aspirations it conveys and promotes the practices and values of the

Gabriella Csoszó

◀ "Gorilla Protests" in Bratislava

Gabriella Csoszó

▲"Gorilla Protests" in Bratislava

upper class, but also that it forms an in- and out-channel between the extreme segments of the social structure. In his fundamental work on changing mores in Western civilization, Norbert Elias put forward a thesis that the driving force for change in Western Europe since the 16th century had been the competition for social distinction between the "aspiring" middle class and the upper class. At the same time, as one anecdote has it, Louis XIV, the Sun King, asked his banker why he had so few children. "I cannot afford more" – was supposed to be the answer by the latter. Indeed, the middle class, always in danger of degradation – falling into the lower class, and always seeing the chance for promotion, traditionally invested a lot in their children (their education, position, etc.), and had relatively fewer of them. As can be confirmed by the data meticulously gathered by historic demographers, the middle class was in the vanguard of the modernization of reproductive behaviors. Either you could "promote your children to a higher level" – bearing the high costs of education, travel, equipment, which excluded the option of having more children, or – if you had too many of them to assure them a good start – you risked social degradation to the lower classes. If one is therefore to measure the existence of the middle class by the aspirations related to investing in children, then in Poland, undoubtedly this class is very well represented. There is no point, however, in waiting for the prime moment of the middle class. In well-developed countries, but also in Poland, one can notice an increasing dichotomization of social structure, including growing distances and income differentiation. There is less and less space for the transfer of values and practices, or for an intermediary sphere between the elites and the masses. No one should either have high hopes linked with the middle class, as it will not lead to a creation of a new capitalism in the present conditions.

ROMAN JOCH
director of the Czech conservative think tank The Civic Institute and advisor to Prime Minister Petr Nečas on foreign policy and human rights

The middle class in Central Europe is the majority group of people in society who create, share, and are interested in public opinion – the conviction of which creates a majority consensus in society.

Socially, it is a group of people with independent or sufficient incomes. In countries like the Czech Republic or Slovakia (until recently) there was practically a non-existent class higher than the middle one, because the domestic aristocracy was viewed as alien. A different situation existed in Poland and Hungary where there was a local aristocracy. Both countries used the services of the aristocracy, for example, in diplomacy during the interwar period. (This is the reason why Polish and Hungarian diplomacy was more successful than the Czechoslovak one that was created de novo.)

I suppose the middle class in Central Europe will continue to be a political hegemon in its respective countries. Thanks to it being so numerous, its political representation will be representative and considerable enough.

The middle class does not necessarily share one political opinion, it does not represent necessarily only one narrowly defined political direction, and does not necessarily vote for only one party. However, together it represents the political consensus of its respective countries and calls the tune of the life of the country. The forms of how its political interests are promoted are open and direct, because due to it being plentiful, it does not have to be ashamed and afraid of anything – which is different from the highest and richest class, which has to hide its interests, being afraid of the jealousy of the majority; which is also different from the poorer lower class, which is less active in politics and not so open about sharing its opinions and interests in case there is peace and consensus in the society. It starts to be more active when society slips into crisis and consensus, created by the middle class, causing it break up (e.g. - Greece).

Bartosz Bobkowski / Agencja

▼ Proteststs against the Anti-Counterfeiting Trade Agreement (ACTA) in Warsaw (2012)

Gabriella Csoszó

▲"Klub Radio Protests" in Budapest (2012)

VLADIMÍR ŠPIDLA

a Czech politician, former Prime Minister and EU Commissioner for social affairs

It is very complicated, and to certain extent, unproductive to compare the middle class existing before the Second World War to present times. Let us remember only the huge difference in the level of education.

Only a few percent of society had a secondary school-certifying exam in these old times. We can conclude that between the middle class in the classic sense, and the current middle class, there is fundamental discontinuity. The old middle class derived its positioning from its property status, from wealth. The main feature of the current middle class is cultivated human capital.

In general, we can say that the modern middle class are people with quality education who are well positioned in the structure of society. Their status is not derived mainly from property, but from position. First, they are qualified employees and, or professionals.

It is necessary to stress that the middle class is the main user of public services, and therefore there is a strong connection with the idea of a social state. A classical social state of the European type is a state of the middle classes. They fully use systems of education, health care, and publicly subsidized culture. Those things which the middle class has received previously directly through its property status, they now receive indirectly through public services.

The middle class of modern times is very heterogeneous. It is not possible to put it in the same category as independent producers and freelancers.

The representation of the middle class in a narrowly defined political sense is impossible in practice. Attempts to create specifically middle-class parties were unsuccessful historicaly due to the social status heterogeneity of this group. In general, the middle class strivespolitically toward liberal and social democratic political concepts. The situation of the middle class in political reality was stabilized under the condition that both of these two political lines in a given society were not to undergo a crisis.

ONDŘEJ LIŠKA

chairman of the Czech Green Party and head of the study project *Czechia Maps the Future*, think-tank-like project

The middle class in Central Europe has undergone a deep revision of its identity: who it is and what is its representation.

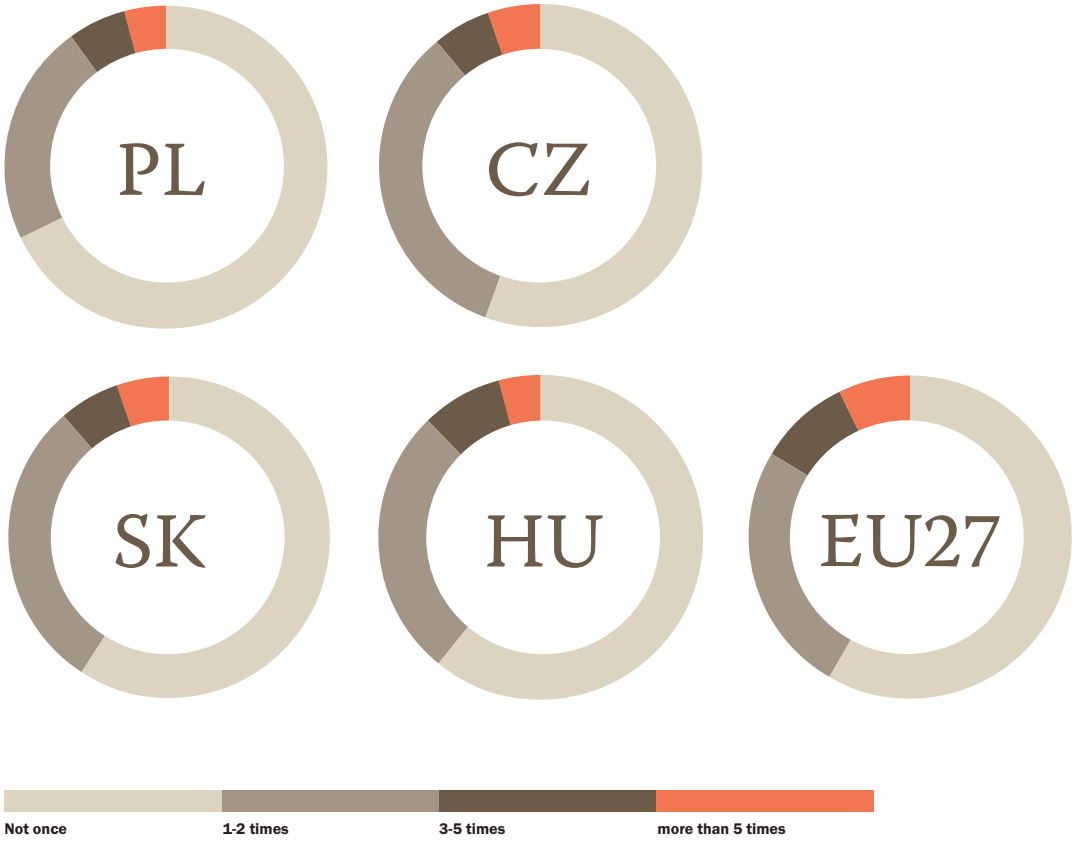
This is the result of numerous disappointments and a recognition that voting according to cultural identity, the content of electoral programes, and actual politics did not work together during the last two decades.

I do not know whether I can speak on behalf of other countries than my own, but I am persuaded that the basic instincts of the middle class have been going through profound change.While it was the natural choice of the middle class in the 1990's to vote for what had been receding into the past, today we see only pro-market, (center) right-wing formations who are not able to represent the interests of the middle class properly. I see around myself traditional right wing voters questioning their electoral decisions from the past and moving into the center or left of center. Why? Because in their electoral choice based on economics they begin to include much more strongly also social aspect. And not only that. They feel the erosion of politics itself. To put it simply, they see it is not about the successful development of capitalism, but about reasonable survival inside that capitalism.

At the same time, I suppose the impact of the crisis and the plain politics of austerity of the government as a reaction to this crisis will cause a very dramatic decrease of living standards of part of the middle class. This is already taking place. The essential situation would be to monitor not only how people will change their self-perception on the left-right scale, but also whether the liberal instict of the middle class, so far the ruling one, would prevail, or whether we would witness a stronger tendency toward self-encapsulation, nationalism and euroscepticism. I wish the former, but I seriously fear the latter. /

FACTS *and* FIGURES

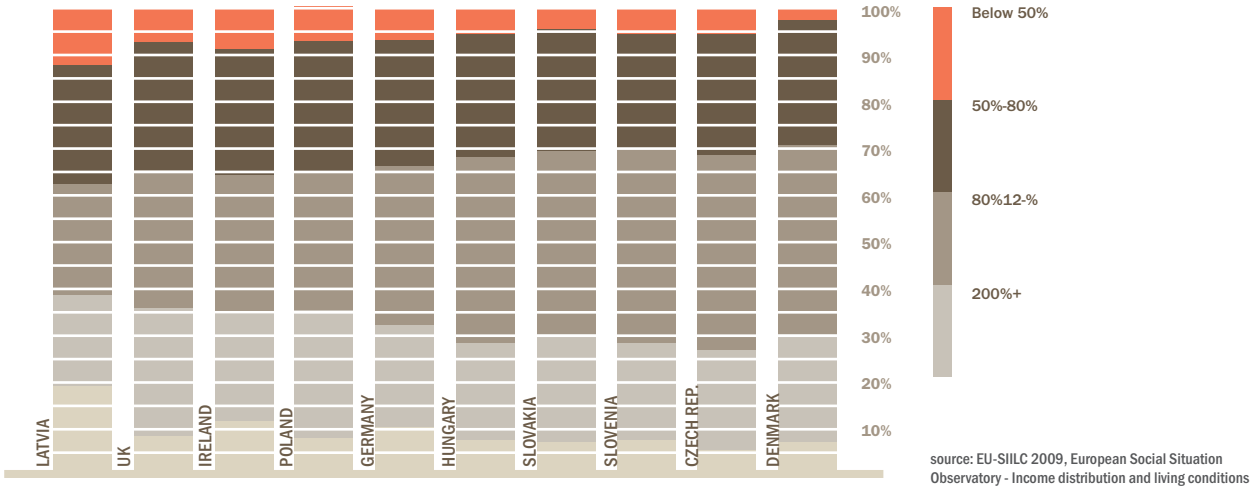
HOW MANY TIMES IN THE LAST TWELVE MONTHS HAVE YOU VISITED MUSEUMS OR GALLERIES?



Visegrad citizens are visiting museums and galleries less often than the average European Union citizen. While the statistics for Czech and Slovak citizens' frequenting of the museums and galleries is not diverging too greatly from the average, the data from Hungary and especially Poland shows lacking in culture-seeking habits. Source: Eurobarometer - Cultural values 2007

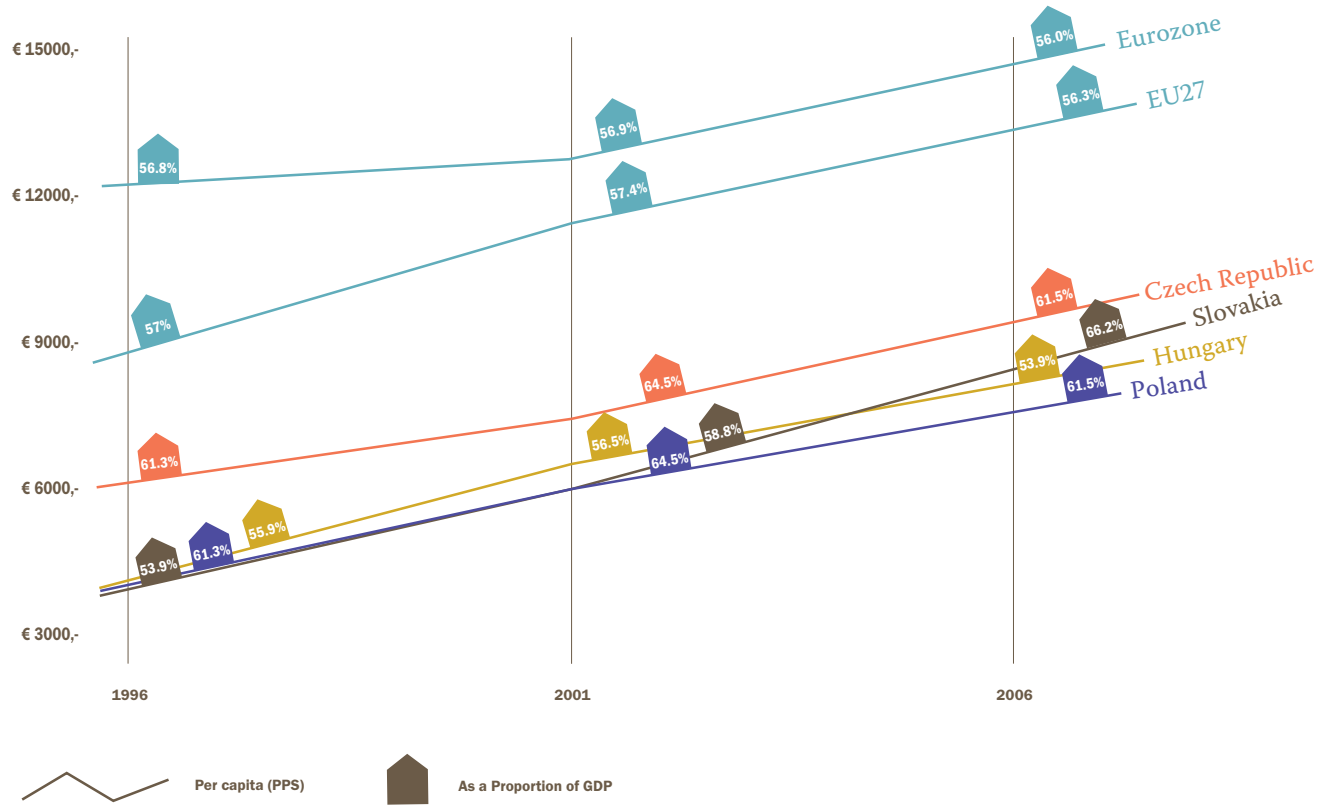
SITUATION OF THE MIDDLE CLASS AND INCOME POLARIZATION

DISTRIBUTION OF POPULATION ACCORDING TO INCOME GROUPS, DEFINED RELATIVE TO THE MEDIAN, 2008 INCOME YEAR



source: EU-SIILC 2009, European Social Situation Observatory - Income distribution and living conditions

TOTAL CONSUMPTION EXPENDITURE OF HOUSEHOLDS



This table represents consumption expenditure of households. While overall consumption represents a similar share in total expenditure (from 1996 to 2006), the growth per capita expenditure on consumption depicts growing affluence of households, choosing more expensive consumer goods in step with rising incomes. source: Eurobarometer – Cultural Values – 2007


POLITKS
OPINION
POLITICS

Occupy Wall Street library (2012)

Gabriella Csoszó

THE WAY THINGS STAND (EXTRACT)

Even if there had been Revolution – as there was not in 1989 – every great change is followed, as surely as night follows day, by Restoration; which more often than not serves to highlight that a path once taken cannot be retraced.

PÉTER NÁDAS

The current regression had its inception in a twenty-year old progressive trend that grew weaker and weaker, and had – by the first years of the new millennium – stalled completely. The progress of Hungarian society has once again entered a regressive phase. But it was plain to see, even at the time of Transition, the kind of trouble we could expect. János Kenedi lost no time in describing it. Even though there are committed Hungarian democrats (if surprisingly few), Hungarian society has no democratic tradition. Thus, our Third Republic was bound to oscillate between two historical models, the paternalistic one of the state socialist model, and the ordered authoritarian model of the capitalist state, or, in other words, between the political legacy of the Kádár period and the Horthy period. In fact, it had to be like this, because in our first ten years of democracy, everyone had to start their democratic training with the very basics – and apparently no-one made it much beyond. The author himself included. He did not really have a chance. For in none of the countries of the region was it the case that the people had had their fill of Soviet dictatorship, had craved democracy instead and had fought for it, working out for itself the means of seizing power, and then sweeping the old order away to build a carefully constructed new one – in other words, made a revolution. No, it was more a case of the endlessly vast Soviet empire collapsing under the weight of its economic and military unviability and dragging with it the peoples of the region, who had gotten used to their economies of perennial shortages, and had learned, somehow, to survive. They were left to their own devices, faced with their freedom, without any sort of economic plan, strategy for the future, or survival tactics to fall back on. They had models for development, but their societies did not have, either organically, or through planning, the prerequisite mechanisms that that kind of development demanded. The region accepted democracy as the doctor's prescription – but they did not understand what the doctors wanted of them.

Prosperity was what attracted them. And it was the visible symbols of prosperity that attracted them most, the cars, exotic fruit, and washing machines. The countries of the region even understood that the rich cornucopia of these functional, shiny, sweet-smelling and beautifully wrapped things was somehow connected with the inner workings of democracy, with human rights and citizen's rights. But how could they know what it was they had to do to see past the individual interest to the welfare of society as a whole, what institutions they had to create, and how those institutions should function? The democratic Transition ran its course without the concept of democracy becoming part of the public discourse. How could it have done, since everyone was focused on living and working according to the old survival strategies? These strategies were not sufficient to encompass the drawing up of a social system which would promote the generation of the benefits of a welfare society. The model and the mechanism, the decisions and the desires, did not match each other. The citizens of these countries were too much occupied with the practical matters of organizing their everyday lives, which produced lively debates – the unusual thing being, that they could now have these debates in public. The novel wonder of public debate enchanted them. At most, it would have been the constitutional experts who debated amongst themselves the various possible conceptions of democracy. The public debates, the strikes, provocations, blockades, demonstrations and counter-demonstrations were born of the survival strategies, and as such, did not have compromise as their goal – but rather zero-sum competition – and this made the cacophony of noise and action complete. The subject of debate was always subsumed by the debate itself. People were happy that their lives were no longer under a mechanism of dictatorial control. Nonetheless, they then went on to evade or break the new laws with the same methods they had developed under dictatorship. The police, lawyers, and the judiciary turned a blind eye, or did the same. They carried out investigations, brought or dismissed charges, and deliberated in cases as if it were not the law that they were supposed to serve, but their own individual convictions. They were, and are to this day, unable to separate the ethics of convictions from the ethics of responsibility. This is how first the rule of law, and then the new democratic order itself, were swept into danger. One of the preconditions of surviving in a dictatorship is identifying legal gray areas. Adhering to the law is not merely cowardice, but a sign of being unable to cope with life; it is idiotic, something to be ridiculed, but even more than that it is zealotry, which prejudices other people's chances of survival.

The ostentatious dominance of the principle of the state as provider in the decade-and-a-half following the Transition served to allow the privatization process to be carried through, under the guise of providing for the people, for the benefit of isolated individuals and party-political interest groups, at the expense of the common good. The transition from a planned economy, in which no-one actually has possession of property, but in principle everyone has a share of ownership, to a free-market economy, can only be done at someone's expense. We don't yet know who these people will be, but we do know that they will exist. The first democratically-elected Hungarian government, in the service of this anarchic principle, even destroyed the agricultural co-operatives, which were working well. At a stroke, this turned a third of the rural population into 'have-nots'. The worst affected was the Gypsy population, whose numbers at the time were estimated at 600,000, which is to say 6% of the population. They had been employed as forestry workers, agricultural workers, and day-laborers in the agricultural co-operatives, and as skilled workers in the related industries. These industries provided institutional cover for the shadow economy that it was impossible to legalize. They saw to it that society was provided with the things it needed to keep functioning. Thus, it was in the long-term interest of Hungarian society to push through the process of privatization at any cost, at once, even if it went against common sense. For the last decade of the Kádár period had shown that the absence of legal private property stood in the way of the organic process of modernization.

The first democratically-elected Hungarian government, which considered itself heir to the 19th-century's ideals of freedom, thus all at once opened the door to privatization, to that twice-interrupted process of modernization in Hungary. It saw what it wanted to see, but did not care to take into account all that it had inherited from dictatorship. It had inherited a shadow economy and a black economy, and in these spheres, a secret privatization had already taken place, despite the fact that the legal framework of the Kádár regime did not allow this *pro forma* privatization to come into force *de jure*. In other words, it did not give permanence to those little local oligarchies that had developed on the back of the profit generated by the industries operating within the framework of the agricultural co-operatives, with which the more dynamic entrepreneurial section of the rural population could – in theory – have joined the ranks of the moneyed middle classes. The administration of the Kádár regime strictly controlled the legal investments of the co-operatives; it did not want their property to dominate state property, and thereby forced the actual movements of money into illegality. For the most part, it forced the participants of these secret deals into the barter economy that had preceded currency controls. It substituted verbal agreements for written contracts, and effectively moved the participants of the secret deals outside the realm of written records and banking operations. Everyone knew about this – and almost everyone benefited from the blessings and anomalies of this second economy, but practically no-one talked about it in public. Silence was, so to speak, in everyone's interest, in order to preserve this benighted situation. A person's word, and the invoice, lost their meaning in business for several decades. You had no legal recourse against someone who broke the promise that they had given illegally (and you still do not to this day) – in those cases, violence was your only tool of justice. Thus, after forty years of Socialism, the effective difference in the Hungarian language between "yes" and "no" was eroded to the point of non-existence. The pliable use of language thus became king; a refusal had to serve as an acceptance as well (when necessary) and vice versa. And the invoice, for example, acquired definitely negative connotations. If someone asks for, or complains about the lack of, or demands, an invoice, to this day it is taken to mean that that person is either secretly a tax inspector, or the sort of rotten egg who does not take part in the time-honored and sacred

tribal – or national – sport of cheating, and therefore, loses their place in society.

Society, at the moment of Transition, was starving for private property, though it were not prepared for the necessity of saying "yes" and "no", having – in their interests of survival – cultivated double standards and double meanings. Neither was it prepared for the responsibility of ownership, investment, invoicing, paying taxes or taking care of one's property. The model which it wanted to follow was not matched by the social mechanisms in which Hungarians lived and, somewhat pushily, maintained themselves.

Without privatization, however it was done, a reconnection with the tradition of modernization, and progress itself would no longer have been possible either. Successive governments decided to continue with the tradition of modernization, so that the Hungarians could be, within a reasonable space of time, the equal partners of the great industrialized societies – and it was precisely to this end that they decided to maintain the structural legacy of dictatorship. They counted on the leaders of the shadow, second, and black economies for the simple reason that they did not know anyone else with the necessary skills. Prime Minister Orbán, as a youthful party leader, did not grasp the significance of this strategic decision for years, or rather, he found the concomitant double standards, double meanings, and doublethink morally unacceptable. In theory, of course, it would have been possible to carry out privatization in such a way that it gave precedence, in the Republican sense, to the common weal, but in order for that to have happened, the participants of that privatization would have had to have been conversant with the basic rules of democracy and would have had to adhere to them, and ask others to do the same. But how could they have known these rules? I do not recall a single political grouping that really offered society this chance – the chance for transparency and oversight, responsibilities and rights, and the principle of a fair price for goods or services. They would have had to offer a strong state.

...Nonetheless, the traditions of capitalist economics were not entirely alien to Hungary. The problem was the same as with the understanding of the concept of democracy. In parallel to the process of the attempts to reform the Socialist planned economy and the strengthening of the black economy, Hungarian society by the end of the 1970s had genuinely forgotten the earlier anomaly of Hungarian capitalism, as it had forgotten its own workers' and peasants' movements. Amnesia set in again at once. Hungarian society was attracted to the model of a developed social market economy which was unknown to it, and the previous conditions of which, and the circumstances of its former birth and infancy, it had no wish to remember. Hungarian society wanted illusions, not reality. Although, with its shadow economy basking in illegality, it came closest of all the Warsaw Pact countries to capitalist economics. This was not well-organized, social market economics that regulates the unchecked egoism of capitalist excess with laws and with institutions for the democratic distribution of power; rather, it was the unregulated, unlawful kind which perpetuates the egotistical relationships of kinship, nation and tribe. This kind of capitalism is skilled in secret deals and barter trades, avoids paper trails like the devil, knows the law only from its loopholes, and accordingly adjusts its validation to the ideals of an authoritarian society, which is far removed from the spirit of Hungarian progress – is kin to the rural spirit of national and tribal belonging. It preserves, like some sacral relic, the patriarchal spirit connecting housemaids, *rentiers,* the gentry, day-laborers, minor peasantry and the aristocracy. To follow Radomir Konstantinovi´c's phrase, it preserves the spirit of the countryside. Those who embody this spirit resent monarchy, but by loyal service of the nearest feudal lord try to buy themselves a little security in the absolutist system. They do not think big, they do not like the concept of universality even in church, and they stay peacefully within the limits of the family, the nation. Accordingly, they have a deep incomprehension and rejection of individualism. And though they have moved to the city and to the most expensive districts to boot, they hate the city. All their hours on earth, they long to return to that desolate countryside on which they so scornfully turned their backs, and in whose destruction they themselves were partner to. They want a weak state, so that they can inflict those family, tribal, and national values that they dragged with themselves to the city on the community of taxpayers, even at their own expense, in peace. They are inimical to anyone who is unwilling to serve them in this goal, but if they are willing to serve, they are an instant friend. But their friendship extends only so long as the service, and only in return for service. In this question, there has been, and is, total consensus from the American-educated neo-liberals to the national conservatives of the French and English schools. They want a weak state. A weak state that will only serve them, their families, their tribe, their nation, and their party, with the means they have taken away from someone else. Privatization was enacted by the parties in the framework of a mortally sick system incapable of reforming itself or even monitoring itself, on a tribal, national basis, in the spirit of the countryside. They all wanted a weak state. Without that, the variegated daylight robbery of the common good and the absolutism would have hardly been possible.

One fine day, when the privatization process had ended, a little before the new millennium, we awoke to the realization that gang warfare had openly broken out in the country, and that daylight robbery, street murders, and bombings were now possible. Of course, not everything was possible, and much more to the point, not everything was possible for everyone. Only attempted murder, assassination, blackmail, and robbery, went unpunished, as did embezzlement – so long as it involved sums in the millions and the billions of forints. For the political parties, even in the second phase, in the teens of this century, and despite the security risks, it seemed more sensible to operate the emerging market economy within the guise of the state as provider. This was the price for the creation of a market economy. I would rather not enter into the debate on whether or not this was too high a price to pay.

The price we paid was political regression, the impoverishment of the middle class, and lasting economic stagnation. The upper middle class and the elite, on the other hand, have gotten stronger. 13% have emerged from the ranks of the rural well-to-do. This is no coincidence. Over the course of the following decade, if you were willing to pay, you could still use, under the guise of state provision, the network of illegal contacts that had developed in the shadow economy both in the city and in the countryside. This extended to the police, lawyers, and the judiciary, and meant that embezzlement, blackmail and corruption could be organized and institution-

alized for the benefit of the new interest groups. This made it possible to incorporate – sometimes legally – into the life of the state the financial crime that now extended beyond even Hungary's borders. Whether they knew it or not, the political parties thus incorporated into the legal life of the state the illegal practices that, during the years of dictatorship, had kept the economy ticking over, and had guaranteed a certain level of welfare, or at least lifted the rural population out of lack. In the grand production that was the Socialist economy of want, it defined the system of actual social relationships, and thus represented progress in the face of dictatorship. It served as an alternate reality in the face of the economy of want. It was an independent system, which based itself on the recognition of want. It had its own language which, together with its distinctive methodology, became a legitimate part of the new Hungarian capitalism, and its language of legal thievery. It is not possible now to undo this linguistic, systemic, and methodological integration from the otherwise positive process of transformation.

...The unstated needs of the weak Hungarian state...have changed considerably over the last two decades. The state's task is no longer to apply the law to keep social tensions in check in the interests of illegal or semi-legal capital accumulation at the expense of the public good, but rather now in the defence of the accumulated wealth of the rich and the upper middle classes, which is to say the *nouveaux riches*. This was no longer possible under the guise of the state as provider. The majority of the population, who voted for the extreme Right or the national conservatives, formally contributed to this significant shift. The very substance of the weak Hungarian state changed, and to this change they gave their seal of approval. But not at all because the infamous Budapest street protests (from the autumn of 2006 to the spring of 2007) shook their faith in the weak Hungarian state, or even the Socialist and Liberal majority government, which kept that weak state functioning throughout the disturbances. Quite to the contrary. The street protests showed those in Hungary who were willing to see that these tensions were not really social in nature, despite the fact that a third of the rural population had descended into poverty. This weak state, in whose interest it is to sustain and even deepen this poverty, is very strong indeed. This was not the classic conflict of workers and employers, of rich and poor played out on the streets of Budapest, but the war of the different propertied interest groups. It was a rehearsal for a war. It was an urgent warning that the balance between the different propertied interest groups had been upset, and that the unstated agreements no longer function. It could actually grow into civil war. If we want to, we could blow the situation wide open. That's a threat. Right now, we may not want to. In Budapest, the inter-party pact that licensed daylight robbery was dissolved far earlier than it was in Szombathely. They made it into a war of ownership which was willing, if needs be, to risk not only the stability of the country, and even perhaps stability in Europe, but also the long-term interests of Hungarian modernization. The distribution of EU money was the big prize. But nonetheless, the ideal for these propertied interest groups, whether they clothed themselves in the party colors of the Socialists, neoliberals, national conservatives or the extreme Right-wing, remained a weak state that now worked to funnel taxpayers' money to serving them, and them alone.

The authoritarian tradition does not reason, but appeals to communitarian beliefs, feelings that we are all meant to share, and above all, induces common passions, collective hysteria, and collective ignorance. Its definitions are arbitrary and it has no affinity for discussion or compromise; it sees no direct connection between the duty to pay one's taxes and the rights of the taxpaying citizen. The dominance of the new Hungarian authoritarian tradition will no doubt turn out to be merely a cover in the same way that previously the state as provider turned out to be. Borrowing from the language of psychology, we are again not dealing with the substance, but merely the surface of the dream. The doublespeak, the anti-capitalist and anti-globalization slogans, the neoliberal acts which smack of the ethos of capitalism in its infancy, the special taxes and the kickbacks introduced in the guise of various laws, the ad hoc lawmaking and the insult of retrogressively valid laws, the different political language used for domestic and international purposes, and the selective restriction of press freedom all prejudice the country's chances, since from the outside the chaos that Prime Minister Orbán is apparently trying to curb looks far too dangerous. But the most serious thing of all is the redrawing of the Hungarian constitution along ethnic lines. But apparently they prejudice the chances of the modernizing economy only to the same extent that they strengthen the Hungarian nationalist *bourgeoisie*. This will also play badly in the eyes of the world. But we cannot say that there is no logic behind this. The strengthening of the moneyed middle class, which is to say the Hungarian *bourgeoisie*, is inevitable in the long run. Without this strengthening, it is impossible to conceive of the transformation of the social system. At the time of the Budapest disturbances, Prime Minister Orbán, driven by the needs of the distribution of EU funds, undertook the representation of the Hungarian *bourgeoisie*, and his political deviance since then is concomitant with the difficulty of his task. And we could hardly say that the more developed world around us is ignorant of the logic of nationalist protectionism, and of the tricks that it employs. And we would be foolish to forget that the transition to free-market economies in the region is now complete. The process of transformation has no more hidden resources; it pulls no political weight of its own. It is a success story that can no longer be sold either to its chief foreign and domestic beneficiaries, or to the domestic camp of its victims who have descended into poverty, as the great hope of a final victory or of a blossoming European integration. The divvying-up of state property is over. There is no more left to hand out, there is barely anything left to take away from someone and to make it a present for others. This could only be achieved by a full re-nationalization ,or by the complete expropriation of whatever group of people was designated a scapegoat. It is not moral decency that prevents this from happening, but the tradition of the needs of modernization, which was the same reason that Hungarian public opinion did not accept the nationalization fever of the Communists. This is not to say that it was not prepared to enjoy its benefits, and did not have a whale of a time as a *petit bourgeois* in the Kádár period. But the structural problems accrued during the first twenty years of transformation nonetheless have to be solved at someone's expense.

...In the first phase of the third experiment at modernization in Hungary, which is to say the twenty years since the Transition, Hungarian society has been given the impossible

Gabriella Csoszó

Occupy Wall Street (2012)

task of accumulating capital, in the classic Marxist sense of the term. This it did. It had the further task of transferring state or co-operative property into private hands, either domestic or international. This it did. It was then tasked with making these grow, largely by illegal methods, or – for fear of competition – making them bankrupt. This it did – making them grow largely in illegal ways and mostly using the law to bankrupt them. The entire time, of course, it was also meant to preserve peace in society, which it did (although with difficulty), and become economically competitive both on a national and an individual level in the globalized environment so that it did not come out a loser when brought into the world of the international capital of much larger countries with colonial pasts and post-colonialist structures; which is to say that it was expected to finish modernizing, and – once this new and desirable state of affairs had been reached – to take its equal place in the European Union. There is a long way to go indeed before these expectations are satisfied...

If someone is of the opinion, looking now at the negative omens, that the time of the strong, all-powerful and totalitarian state has arrived in Hungary, they are almost certainly mistaken. They will have to make do with a boring, and in its essence peasant, authoritarianism. Watch carefully, if you will, ladies and gentlemen, my hands, as the magician advised his anxious colleagues. The traditional logic of social progress in Hungary has for the past two centuries given priority to modernization, and the best hope of successfully completing the process of modernization in Hungary comes with the risky politics of the national conservatives. I know this will pain the Socialists and the Liberals, who like to consider modernization their own preserve, but on the other hand, I am pained by their chronic blindness. They have reason enough to represent progress in Hungary, but they did not do so during several electoral terms, and they are still not doing so, having witnessed now their most serious defeat.

A strong democracy is a strong middle class's most powerful weapon for continuous modernization. Though there are of course rich people in Hungary today, there are many more poor, and the development of the middle class already faltered during Orbán's first national conservative (but much more cautiously protectionist) prime ministership, while in the two electoral terms under the Socialists and the Liberals it markedly regressed. The middle class has shrunk accordingly, which – as far as democracy is concerned – is the gravest possible danger. They should have realized this. In order to be able to work at strengthening the middle class, they first should have made some order in the public administration. Without a strong middle class, the political climate becomes strongly prone to extremes, and remains so.

The free market will tolerate not only authoritarianism, but dictatorship as well. The Liberals and the Socialists should have known that too. This is not very nice, and certainly not too moral of the free market, but past experience tells us that that is the way it is. Only the most blinkered proponents of free trade, or the indescribably naïve, could believe that one day, democracy will simply grow out of the free market economy. It will not. The only acceptable place to nurture and teach this charming little misconception is at American universities, but even there it will remain the limp ideology of expansionism. If the democrats do not want it, if they do not work for it, or if there are no democrats, there will be no democracy. There are rich people in Hungary today, there are plenty of well-to-do, but for all that the country does not have a national *bourgeoisie*. It has not yet gotten organised. It is getting that way now, and it is an ugly process. According to the results of a study by Tamás Kolosi and Tamás Keller, the number of people belonging to the upper middle class has doubled since the Transition, while the higher category, the elite, took a longer time to crystallise, and was only completed in 2009. Their organization has more to do, of course, with the practicalities of power than with democracy. Democracy clearly does not interest them, and they have not yet found out that without a strong middle class, they will not get anywhere at all – no matter the size of their fortune. They too, are only now learning the basics, their path is still long.

But the rich and the well-to-do nevertheless made up their minds during the 2006 disturbances. After two electoral cycles, they would now withdraw their support from the Socialists (who were just getting ready to distribute the EU funds), and transfer it to the national conservatives, who would tilt the inequalities of distribution to the favour of their own clique, and would address the epic needs of the one-third of the population who had descended into poverty in accordance with their own views. Their calculation included the most serious risk of all. The richest Hungarians allied themselves with destabilisation, which theoretically, no person of property anywhere should do. They must have seen a chance for success for something in the framework of national conservatism that is inevitable in any political framework, which is uninterrupted modernization, or rather, a place as an accepted global player in continuous modernization. These days, one can only build a national *bourgeoisie* within the framework of international capital flow, but it cannot be done without a middle class. The development of a national *bourgeoisie* is unavoidable even if we know that its ultimate triumph comes with the systematic destruction of the natural world around us and regional efforts for modernization, even in the framework of most spotless democracy.

The power of reason in capitalism is purely local and applies only on a case-by-case basis. This is why capitalism in its highly developed form cannot exist outside of a democratic structure.

There is no society that can deal with such copious and serious wants, necessities, and blinding contradictions as I have outlined above in less than fifty years. When Helmut Kohl gave his emptily idealistic speech about fields of flowers after the fall of the Berlin Wall, I thought that in order for the region to be able to catch up in terms of modernization where it had fallen behind and eradicate its deficit, and in order to change people's attitudes, we would need fifty catastrophe-free years of peace. But in this respect, I was very wrong. The region needs far longer than that to complete its transformation and European integration, and even if those transformations ultimately succeed, Europe as a whole will still preserve the historic frontiers of its three distinct regions. /

Translated from Hungarian by Mark Baczoni.

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IN SEARCH OF A USABLE PAST

Who Were the Ancestors of the Polish Middle Class?

The fall of communism in Central Europe has brought a very clear ideological demand for the revival of the middle class project. At the same time, the new economic system has actually started to produce a new social group which could technically be considered a middle class. Positivist sociologists who define the middle class in terms of income and occupation have immediately started to note the development of this new formation. It was supposed to replace both the old intelligentsia and its communist variants including the "working intelligentsia" or the technocrats. This view, inspired by the modernization theory, assumed that the rise of the middle class and the final demise of the intelligentsia are both determined by the logic of the post-communist transformation which will inevitably make social hierarchies of Central Europe similar to those observed in the Western European societies.

TOMASZ ZARYCKI

It is difficult to assess the degree to which this process is in fact producing the expected result. Any attempt of such an assessment could always be seen as an act of intervention in the ideological confrontation between identity projects of a class which are at the same time linked to particular interpretations of social structure. Thus, on the one hand we have the above mentioned modernizer functionalist sociologist, and their allies in other fields, looking at societies of Central Europe through the lens of classic Western sociological models considered as patterns to follow. They can already see large crowds of the new middle class members in the region and many other Central Europeans on their way to joining them. On the other hand, we have no less influential guardians of the intelligentsia, both liberal and traditionalist, arguing about the invariable relevance of the intelligentsia. The guardians of the old intelligentsia identity are to be found in all parts of the elite; however, they are most numerous in its cultural wing. The proponents of the intelligentsia argue that its identity may be seen as a historically contextualized form of middle class in Central Europe. They suggest that anyone aspiring to membership in the contemporary elite of the middle class, or the upper middle class, in the Central European context, should also somewhat identify as part of the intelligentsia.

This widespread insistence on the relevance of the intelligentsia identity does not mean that there is no criticism of the intelligentsia, its identity, heritage and uses. These two apparently contradictory trends, which seem to serve the overall reinforcement of the intelligentsia identity, are particularly visible in Poland. Here we can note that most of the critiques of the intelligentsia are in fact by intelligentsia members themselves and what they criticize is usually the competing intelligentsia projects and particular intelligentsia factions. This trend can be contrasted with the Russian situation where there is no lack of voices condemning the intelligentsia as such. In the Polish case however those moving socially upward or moving horizontally towards the occupations related to the business sector are confronted with overlapping pressures. On the one hand, they are confronted with the still influential intelligentsia discourses promoting specific values, lifestyles and social milieus. Those aspiring to a higher social position are thus expected not only to be successful in material terms but to be "cultured" according to intelligentsia standards. Those not fulfilling these expectations may hear caustic remarks about the "newly-educated" who do not deserve to be called the "true intelligentsia members" or should rather be called

the "nouveau riche". The other stream of expectations directed towards the new middle class members is based on the direct import of Western middle class models, images and lifestyle patterns. I would not like to assume a typical intelligentsia defender's position, however, as I would argue some degree of historical and cultural contextualization appears indispensable for the development of identity for those aspiring to assume a role of the middle class. Mere imitation of the Western identities leads to situations where aspiring middle class members are put into a disadvantaged position both in relation to their national competitors, the intelligentsia, as well as their Western counterparts who will always enjoy the privilege of being a superior role model. Identity strategies based on direct imitation may expose the weakness of the new middle class not only in terms of mastery of higher culture, but also the weakness of the mastery of the Western culture intimate knowledge of which becomes indispensable in such a situation. One could find several other reasons for which a project of development of an endogenous middle class identity rooted in the historical heritage of the region seems needed. The open question is of course how such an identity should look like and what kind of heritage it could allude to. In other words, who should be chosen by the new middle class as its ancestors? In any case, such an identity will be largely an arbitrary reconstruction as the level of continuity between the pre-war and post-communist era elites of the bourgeoisie, rather than intelligentsia character, is very low. Among current attempts at the reconstruction of the middle class non-intelligentsia project in Poland is Paweł Kubicki's report entitled "New Burghers" (Nowi Mieszczanie), which could be quoted. Published in 2009, it sparked a wide discussion. Here I want to touch on only one of its aspects. Kubicki identified "the new burghers" in the milieu of young Poles living in major cities and their gradual move from the countryside. As he argues, they are creating a completely new urban stratum which could be considered as the future model of the Polish middle class. Kubicki criticized the intelligentsia traditions and as many have argued that the intelligentsia's mission is over. As his case studies Kubicki selected the towns of Kraków, Szczecin and Wrocław. This choice was probably not accidental and it is important to note that these cities belong to two specific historical regions of Poland. Kraków is located in the southern part of Poland, which was controlled by Austria in the 19th century. Szczecin and Wrocław, until 1945, not only belonged to Germany and earlier Prussia, but were practically purely German speaking towns. Wrocław is the most positive case in the Kubicki's report, which quotes young citizens of the city declaring a sense of common identity with the pre-war inhabitants of Breslau. According to Kubicki, this is the way the present day Wrocław middle class elite is able to get rid of East European and post-communist complexes of inferiority and create a new, open, European and regionally rooted middle class modern identity braking with the burden of the old intelligentsia myths.

A high degree of arbitrariness and very loose indirect historical linkage with the present day urban life is particularly problematic with this identity project. The linkage is mostly based on the regional dimension, which in the case of cities like Breslau/Wrocław is largely restricted to the geographical and material dimension. Given the almost total replacement of the pre-war German population by the Polish settlers and the vestigial size of the town's Polish community before the war, it is difficult to talk about any substantial cultural, institutional or social continuity between the pre-war bourgeoisie of Breslau and the new middle class of Wrocław. In fact, this regional project seems to be not much more than another attempt at the imitative reconstruction of the Western middle class culture and identity legitimized by the narratives of urban history.

One could note that similar endeavors did not usually appear in the Eastern part of Poland. However, it is namely in Eastern Poland, more precisely in its former Russian sector of the 19th century period of division of the Polish lands, where one could look for patterns and inspiration for those trying to meet the challenges of integration of the Polish middle class project with a wider international community. One of the reasons for this is that the contemporary mainstream images of the former Russian zone of Poland are mostly very negative. The entire eastern part of Poland is considered to be backward due to the heritage of Russian rule until 1915. This dominating image of the region's history usually ignores that in the second part of the 19th century it become one of the fastest developing parts of the Russian Empire, and in effect, the urban and industrial centers surpassed the two other divisions of Polish lands: one under Austrian rule (Galicja) and the other under Prussian occupation (Greater Poland). The cities of Białystok, Sosnowiec, Łódź and Warsaw were developing at a spectacular pace. Warsaw became the third metropolis of the Russian Empire and in all these urban centers the bourgeoisie was growing in numbers and in wealth. To be sure, a major portion of the capital, on the basis of which the region was developing, was coming from outside and the new capitalist class was largely non-Polish in ethnic terms. At the same time, a large percentage of the Polish elite was developing in the framework of the intelligentsia identity, emphasizing the superiority of the post/neo-gentry values over the bourgeois ideals. Nevertheless, there was a clear group of Polish urbanites advancing rapidly in social and economic terms. Simultaneously, many had been developing hybrid identities. They included Jewish, German, Russian and other roots and loyalties which were competing and interfering inside of particular groups, families or even individually. Two famous Polish novels have immortalized the images of these processes of complex social transformations and emergence of the Polish bourgeoisie. They were The Doll by Bolesław Prus and The Promised Land by Noble Prize winner Władysław Reymont, both featured stories of successful business people making their careers under Russian rule. However, besides these spectacular, but exceptional, histories of the Polish bourgeoisie development under the late Russian Empire, almost the entire memory of the Russian-controlled Poland has been lost and is currently blurred by dominating narratives of the Russian political oppression and the Polish resistance to it. It includes both every day opposition to Russification as well as periodical military uprisings, which occupy the prominent place in the Polish narratives of the 19th century national history.

One could also speculate that among the many reasons why the heritage of the rising business class in the Polish part of the Russian Empire was largely forgotten has not only been its "eastern connection". It could also be linked to historical reasons; in particular, to the Bolshevik Revolution, which annihilated the economic system of the Russian Empire and destroyed the careers of almost all of its business elite. This was also the fate of a large percentage of the Polish bourgeoisie and a significant num-

ber of urbanites, who lost their savings and property that appeared to be located east of the border that the Soviet Union set by the Riga Treaty. Polish landowners also suffered major losses with the victory of the Bolsheviks; however, they retained most of their lands inside the newly independent Poland until the Second World War. The blow to the bourgeoisie was much more painful as they were part of the dynamic economic and financial systems of the Empire with major nodes in St. Petersburg and Moscow. The cities of Warsaw or Łódź were not able to regain their pre-revolutionary economic dynamics, and for the political elite of inter-war Poland, this was the period of the rise of the intelligentsia to power. Their identity was built primarily on myths of patriotic movements, suffering under foreign domination, and stories of the resistance. To this day, the end of the First World War has been identified with Poland regaining independence in 1918, which continues to play the role as the crucial positive event in the nation's history. There is no mention of the economic catastrophe for most of the business elite, as well as the elite landowners of Poland. For many of their members who remained in the Soviet Union after 1918 these tragedies were not only economic, they involved extensive persecution, including imprisonment and execution.

Reviving some of their memories may appear useful from the point of view of the abovementioned project of development of an indigenous middle class identity. In contrast to the bourgeoisie of Breslau or Stettin, the bourgeoisie of pre-1915 Łódź and Warsaw were in many ways integrated into Polish society. The same could be said about numerous Poles making their careers in central Russia or Siberia. The stories of their careers, businesses and families are often fascinating and inspiring in many dimensions. One of them is intercultural dialogue and integration. This is, in particular, the case of the Polish-Jewish families who represented a considerable part of the economic elite of the time. Among them were such famous families as Wawelberg or Kronenberg, known for their crucial role in the development of the banking system and industry. Today, when the Polish-Jewish dialogue is considered an important element of development of the civil society in Poland. The revival of the heritage of Polish Jews is considered as an important priority of the state memory policy. Revival of memory about famous Polish-Jewish bourgeois families seems to have particular relevance. One could note that the dominating narrative of the memory of the pre-war Jewish heritage in the contemporary Poland is skewed towards motives of the provincial Jewish shtetls, usually inhabited by poorer and more traditional, religious communities. The memory of the successful Polish-Jewish business people, usually more or less secularized and Polonized or Russified, appears to be marginalized. They were, however, an essential part of the core emerging bourgeoisie of the Russian part of Poland. The revival of the memory of their achievements, failures, and dilemmas could thus be instrumental both as an inspiration for the new middle class project in contemporary Poland, as well as for fostering a Polish-Jewish dialogue.

A rare example of reaching to the memory of that heritage is Bank Handlowy in Warsaw. It is the second oldest Polish commercial bank, set up in 1870 by a group of investors under the leadership of Leopold Kronenberg. Currently, the bank tends to emphasize its Westerness by pointing out its American ownership, with City Group as the major stakeholder, and using the name of "Citi Handlowy". However, it is also slowly rediscovering the power of its Russia-related heritage. The Kronenberg Fund (Fundacja Kronenberga) set up by the Bank Handlowy highlights the spectacular career of Kronenberg on its website. What is also emphasized is the bank's "ability" to cooperate with Polish landowners, as well as the Russian "authorities" and Polish patriots. It has also recently supported the publication of the biography of the Kronenberg Family.

One could of course argue that such memory projects are no less arbitrary than others, and their potential for mobilization, in particular, their chances of resonating with the new middle class identity is minimal. One could however quote at least one example of special power of inspiration of the memory of the bourgeoisie of the late Russian Poland. This is the case of an intriguing declaration of the CEO of one of the most successful, technologically-advanced contemporary Polish companies - the bus-maker "Solaris Bus & Coach". Solaris buses are a rare case of a Polish brand known in several countries around the world. Their buses, trolleybuses, and coaches can be seen on the streets of several cities around the world: from Abu-Dhabi to Sweden. Thus, Solange Olszewski, a co-founder of the company, mentioned several times that one of the key inspirations that motivated her and her husband to undertake such an ambitious project in Poland was the aforementioned novel The Promised Land by Władysław Reymont. The title of the book refers to the city of Łódź and its dynamic growth in the late 19th century. The Reymont novel clearly foregrounds the spectacular growth and opportunities which appeared in this unique city during the late Russian Empire. The fact that contemporary Polish business people find in it a source of self-confidence may be seen as a sign of the hidden potential in other narratives of the successful Polish entrepreneurs in Russian Poland. As I would argue, they can be much more inspiring for the new Polish middle class as role models given their embeddedness in Polish history, which makes them much more familiar as role models. At the same time, besides the inspiration provided by the successful stories of ancestors they are offering a rich stock of stories which introduce the dilemmas that the pioneers of capitalism were faced with. Many of them are still valid, even if in somewhat new forms. Among them one can mention dilemmas of conflict between national interests and global capital, the accusation of serving foreign interests, and the need for maneuvering between state and private institutions.

The very question of relations between the intelligentsia and middle class identities can also be related to the history of late Russian Poland. They include tensions between the two sides of the landed gentry and the aristocratic elite, a major part of which transformed into the intelligentsia and the emerging bourgeoisie. That tension has even older roots, going back to the pre-partition period when the Polish nobility was curtailing the rise of the Polish burghers. In fact, this continued until the inter-war period. In any case, this way of relating the contemporary middle class identity with the historical past seems to provide an alternative source of self-confidence to the new economic elites, who may choose to depart from the traditional intelligentsia projects. At the same time, turning the interest of the new middle class towards the heritage of their ancestors in Eastern Poland could help the mutual understanding between Poland and Russia, and more broadly, Poland's process of coming to terms with its non-Polish heritage, in this case mostly Jewish, Russian, and German. /

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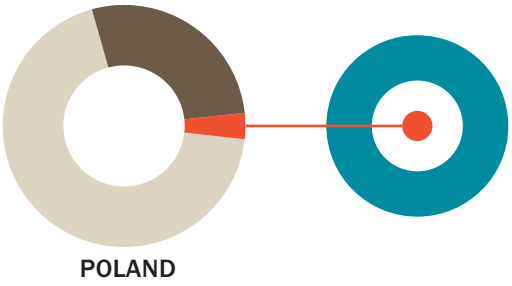
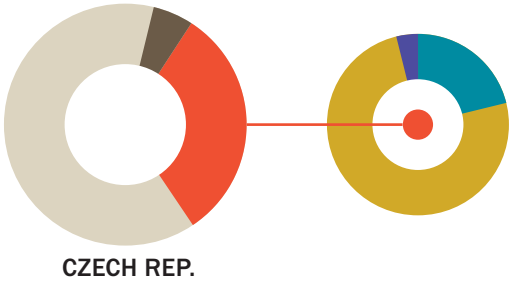
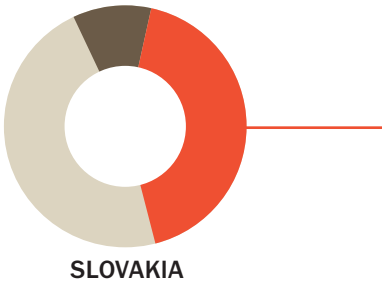
Recent developments on the world's financial markets and Russia's strategic need to change the tool of gas and pipelines result in new acquisitions on the Central European market. USA based intelligence unit - Stratfor - shares a projection of possible outcomes.

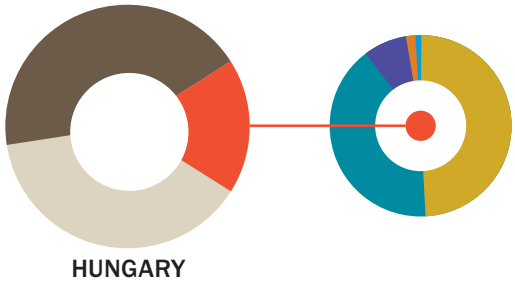
ANALYSIS BY STRATFOR GLOBAL INTELLIGENCE THINK TANK

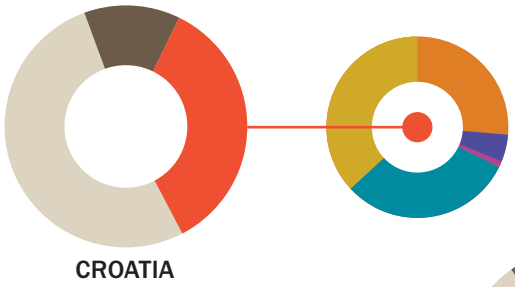
Banking Battlegrounds

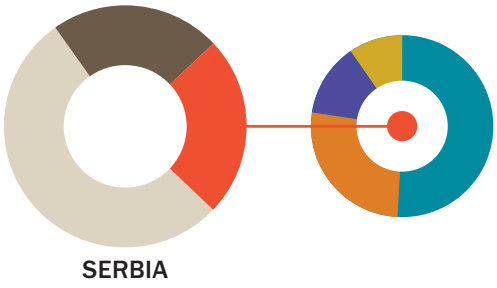










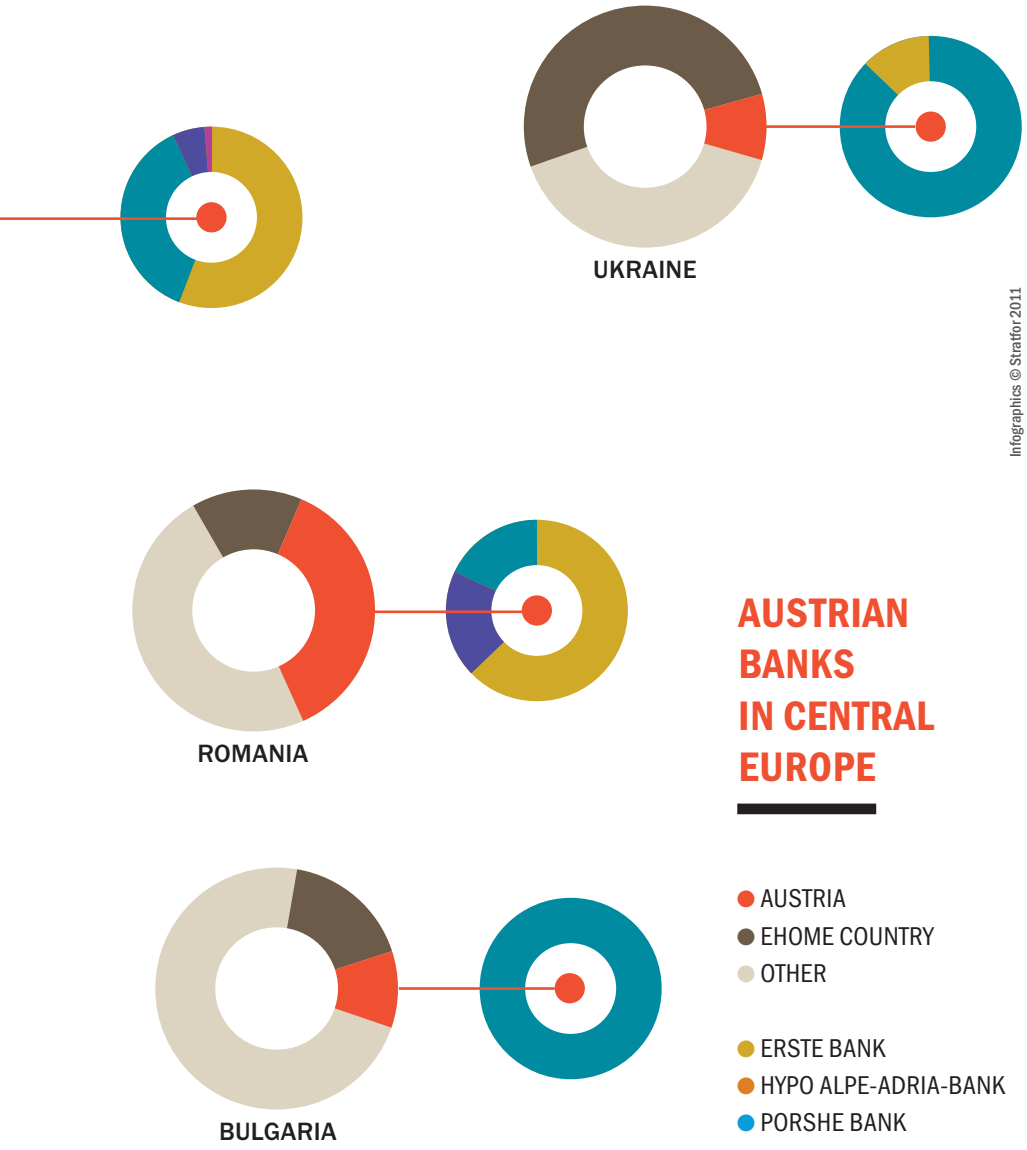


MARC LANTHEMANN

Stratfor's forecasting methodology relies, in essence, on the understanding of the geopolitical constraints faced by nations, or a collective thereof. The largely immutable constraints established by geography can be used to explain the cyclical nature of history. The growing reach of Russia's financial arm in Central Europe is only the latest in the cycles of Central European history – cycles marked by outside powers' influence in the region.

The rotation of influential foreign players in Central Europe is triggered by discrete events that severely debilitate one party or strengthen another. The trigger for the current decline of Western European influence in the region, and the rise of Russian influence, is the financial crisis that began in 2007. The European Union's influence in Central Europe was founded on its promises of prosperity and on the creation of liberalized markets in the region. This foundation has been weakened by the global economic downturn, and compounded by the escalating eurozone existential crisis. At the same time, Russia, resurging under the leadership of President Vladimir Putin, has found itself in a position to capitalize on Western Europe's losses, acquiring assets that will allow it to yield a measure of influence in its former Central European periphery.

Central Europe has historically been a battleground for forces to its east and west. The current shift in influence from Western Europe to Russia is simply a bloodless evolution of this continual struggle.



Geographic Challenges

Without an internal power strong enough to unify Central Europe's several ethnic groups and often-varied internal interests, the region has suffered from being wedged between the geopolitical forces of Western Europe, Russia, and Turkey.

The players in the historical competition over this region have periodically changed in name: The Ottomans have vied with the Habsburgs, the Swedish Empire with the czardom of Russia, the Soviet Union with NATO and Putin's Russia with the European Union. So too have the tactics changed, with military conflicts replaced by economic competition. The current contest for Central Europe is fought within boardrooms rather than on the banks of the Danube, pitting corporations and bureaucratic institutions in place of armies.

The game remains the same though: all are vying for a position of strength in Central Europe as a defensive buffer for their own borders, a launching pad for actions within each other's territories and a way to extend their empires to enrich themselves.

Stuck Between Great Powers

The end of World War I spurred a radical shift in the power structure around Central Europe: the Ottoman and Austro-Hungarian empires, setting aside centuries of strife, had joined Otto von Bismarck's alliance and suffered an irreparable defeat that led to their dissolution. Austria, which had been the main provider of capital for the region through its cross-Danube banking system, saw its privileged access to the region cut with the fall of its empire. The Russian Empire also collapsed, paving the way for what would eventually become the Soviet Union.

Three decades later, the ravages of World War II once again transformed the forces at play in Central Europe. The war truly crippled Western Europe this time around, setting the stage for the rise of the Soviet Union as a world power. The exhausted West was unable and unwilling to prevent Stalin's Iron Curtain from cutting off its access to, and influence in, Central Europe. For nearly half a century, the political and financial system of the region was molded and integrated within the socialist bureaucracy of Moscow.

The dissolution of the Soviet Union in 1991 exposed these grievously sclerotic structures in Central Europe. The region embarked on a period of deep restructuring under the aegis of the European Union and NATO, which looked to ensure these countries would turn west for their political, financial and security needs. Simultaneously, the European Union began talks in 1993 with Central Europe to enact joint reform plans that could eventually lead to EU membership. A little less than 10 years after hard economic and political reforms, the Czech Republic, Poland, Hungary, Slovakia, Slovenia and the three Baltic nations became part of the largest EU expansion in 2004. Bulgaria and Romania joined the bloc three years later.

The Western Miracle

The opening of the Central European markets and the promise of political and financial stability guaranteed by NATO and the European Union brought in large amounts of capital from Western Europe. Germany, for example, saw the opportunity to explore untapped consumer and labor markets through massive foreign direct investments into the industrial and manufacturing sectors.

However, the biggest beneficiary of the opening of Central Europe was Austria, which went from a frontier state at the edge of the Iron Curtain to the geographic center of the EU's eastward expansion. Austria's robust banking sector also thrived in countries that, after decades under Soviet rule, had neither the expertise nor the capital to open their own banks.

Vienna saw this as an opportunity for financial gain, as well as to reclaim some of the influence it possessed at the height of the Austro-Hungarian Empire. It took advantage of these historical ties in the region to claim the lion's share during the privatization of formerly state-owned banks, opening its own banks in former Soviet satellites and providing direct cross-border loans. As a result of this process, Austrian banks today hold a market share of almost 20 percent in Central and Eastern European countries.

For the region, this influx of cheap credit from the West was an unprecedented fortune for economies that had stagnated for decades. Central European purchasing power shot up, radically changing the economic and social outlook in all segments of the population. The rising consumption rates and low labor costs relative to Western Europe made Central Europe extremely attractive to Western investors, spurring steady growth for the better part of a decade.

The Decline of the European Union

However, this financial boom came to a halt in 2007 as the global economic crisis took hold of Central Europe and ravaged its financial sector. In particular, Austrian banks and Central European nations found themselves grappling with the issue of foreign-denominated loans. Large parts of the loans in Eastern European countries were issued in foreign currency during the days where the seemingly endless prospects of growth made foreign-denominated debt seem more advantageous. However, when the local currencies began strongly devaluating against the Swiss franc and the euro, these loans became compounding liabilities.

In 2011, more than two-thirds of Austrian bank loans to households in countries such as Hungary, Romania, and Croatia were foreign-denominated. In these countries, foreign-currency household loans exceeded 20 percent of gross domestic product. The result of this process was a dramatic increase in delinquencies, as borrowers became progressively unable to pay their loans – with the average non-performing loan ratio for Austrian banks operating in Central and Eastern Europe being twice that of banks operating exclusively in Western Europe.

Western European banks have therefore had to update their business strategy by tightening credit conditions and lending approval standards, increasing interest rates, and scaling back operations in the region. In this regard, Austrian banks sought to consolidate their presence in a few "low-risk" EU countries such as Poland, where the healthy domestic economy and stable political outlook has maintained market confidence. For "high-risk" countries, loan availability diminished as well as the number and size of subsidiaries. The dearth of credit has become a self-tightening noose for nations already struggling with high budget imbalances and plummeting market confidence.

Beyond the banking issue, the financial crisis in Europe has other grave implications for the Central European nations. Since 2008, the ability of the European Union to project influence in Central Europe through financial assistance and investment programs has waned. The push for austerity measures has dried up funds for infrastructure projects from Lithuania to Bulgaria. Moreover, the eurozone – the EU core – is looking increasingly inward for solutions to the internal challenges rising from its single currency, the catalyst of the sovereign crisis in the so-called PIIGS countries (Portugal, Italy, Ireland, Greece, and Spain). EU members that retain a separate currency have been sidestepped in many decision processes at the supra-national level – a trend that Central European countries, particularly Poland, have vehemently protested.

The Rise of Russia

The decline of the European Union's ability to yield economic influence in Central Europe has coincided with the resurgence of a familiar player in the region: Russia. After 15 years of domestic restructuring, Moscow has become more assertive in its former periphery. With the inclusion of the former Soviet Baltic states into the European Union and NATO, Russian leaders understood that the West was looking to ensure that Russia could never rise again. But it was the 2004 Orange Revolution in Ukraine that forced Russia to react to Western expansionism much more quickly than anticipated.

The tactics changed, but the game remained the same. While Russia could not duplicate the military and political takeover of Central Europe from the Soviet era, it turned to its principle leverage over Central Europe: energy. From 2005 on, Russia used its control over the supply of oil and natural gas to Central and Eastern Europe to gain strategic inroads in the region, threatening

supply cuts and price hikes to gain political favor. However, these aggressive energy policies attracted the ire of many European nations, which suffered from lower supply levels during Russia's spats with its Central and Eastern European neighbors. Despite diversification efforts by Western Europe, Russia continues to supply roughly a quarter of the continent's energy needs, with an even higher proportion in Central Europe.

Moscow continues to capitalize on its energy wealth through the threat of price hikes and cut-offs, but it also is evolving its tactics in Central Europe. Instead of directly controlling the flow of oil and natural gas, Russia transformed its hydrocarbon wealth (aided by high oil prices) into a high purchasing capacity for aggressive asset acquisitions in Central Europe. The decline of EU economic influence in the region and the union's need for recapitalization at home has driven asset prices down, giving Russia the opportunity to regain the upper hand in Central Europe. Particularly, it has allowed Russia to exploit the weakness of Western European banks. Falling interest and shrinking credit availability from the Western European banking sector have enabled Russia to purchase banks with large operations in Central and Eastern European countries at attractive prices.

In February 2012, Russia's state-controlled Sberbank acquired the entirety of Volksbank International (VBI) for 505 million euros ($642 million). VBI's subsidiary banks are among the top 10 financial institutions in terms of assets in Bosnia-Herzegovina, Slovakia, the Czech Republic, and Croatia, and are among the top 15 financial institutions in Hungary, Serbia, and Slovenia. Sberbank has already announced plans to invest an additional 300 million euros in its VBI operations in 2012. The purchase has made Sberbank the largest bank in Central and Eastern Europe, with assets of more than 368 billion euros at the end of 2011.

Russia's focus on banks is not accidental. Besides potentially large revenues if the financial downturn eases and capital returns to the markets, Russia has found that this particular avenue of penetration is not as susceptible to resistance by the Central European nations themselves as, for example, energy asset acquisition operations. This is largely due to the lesser perception of banking as a national interest industry and the avoidance of the usual allergic reaction of nations when they feel their strategic assets are being compromised.

The Road Ahead

The trend of bank acquisitions by Russia is only likely to continue. EU regulations have been set in motion to require increasingly high tier-one capital ratios from European banks (9 percent by the end of the year) to protect their domestic economies, which will further require the banks with assets in Central Europe to limit both lending availability and the size of operations in those markets. In turn, this will create both a high demand for sources of liquidity in the Central European banking sector and further asset purchase opportunities from European sellers unwilling to shoulder the additional risk of the region.

Russia's most recent inroads in Central Europe are part of a broader trend: the deepening disconnect between the eurozone and the peripheral (non-eurozone) Central European countries, which are increasingly left to fend for themselves. Regional arrangements have begun taking place to counter this trend, such as the Visegrad Group and the increased linking of Central Europe's natural gas network. Alternatively, individual nations have begun exploring independent solutions to the problem: Poland, for example, is seeking to strengthen its banking sector by encouraging the merger of local banks into larger, more fiscally healthy entities, and by urging Polish companies to tap the home market for capital.

However, the geopolitical realities of Central Europe remain unchanged. Russia's pursuit of greater influence in the region will continue as Europe's shadow retracts. While NATO may still safeguard the military security of Central Europe, the new offensive for the control of the region has evolved, stepping away from hard-line politics and military threats, and into an era where asset acquisitions are the new tactics required for a rising power to challenge a waning one.

The rise and fall of geopolitical powers is, however, inexorable. While Russia is currently on the upswing in the region, it also has its share of upcoming structural weaknesses. Significant economic and demographic challenges loom on the horizon for Russia that won't allow it to achieve true primacy in Central Europe. In the meantime, this is no consolation for Central Europe, which still has to deal with the wider political and economic implications. /

The author is Stratfor's Europe Analyst.

deREGULATION AND NEW TRUST IN THE STATE

Professor László Csaba from Central European University is one of the economic voices that is heard and respected both by the government of Viktor Orbán and its opponents.


Sándor Csudai

interview by MARTIN EHL

His opinion that Hungary does not need a loan from the International Monetary Fund (IMF) was widely discussed in March and April. "There are two stories: Hungary needs a loan as a guarantee against any possible turmoil. Second, having a loan would be a strong signal that Hungary is prepared for reforms. But for me such an agreement would be not a commitment for reforms, but for troubles," said Csaba. "Commitment for reforms would be to introduce a credible reform plan with the date of introduction of the euro. Then we can ask for an IMF loan, even though usually it is reversed: reforms are introduced under IMF pressure."

He usually goes deep into history to explain the roots of Hungary's economic problems. "The Fidesz government did not take over the booming economy in 2010, even though when looking at some media you might have this assumption. Hungary has been losing its growth potential for a much longer time," explains professor Csaba. But Hungarians giving their votes to Fidesz in 2010 were somehow expecting miracles. The new government, with its rapid introduction of new laws, has added to the growing mistrust in state institutions among the general population, and has created an unstable business environment. "To regain trust in state institutions would be the most difficult task for any government in Hungary," he says.

How is the recent crisis different from previous ones in regards to the impact on the middle class in Hungary?
Currently, inflation is much less devastating than it was in the 1980s and 1990s when it hit double digit levels. On the other hand, the trimming of jobs in the public sector is not being complemented by an expansion of private sector jobs, not least because of stagnation since 2007, and because of the pessimistic evaluation of business futures by entrepreneurs, especially small and middle sized enterprises (SMEs).

On paper, it seems the government wants to strenghten the middle class with its programs. How is this strategy successful? What would you see as the biggest achievement and biggest failure from the side of the government?
The middle class grows to a large degree because of transnationalization and because of exit strategies of individuals wanting to escape from unemployment. Also, the spread of tertiary education, many fee paying courses, contribute to improved abilities to start up new businesses.

In terms of pluses, the Széll Kálmán Plan stipulated a series of changes away from transfer schemes and favoring income earning through work. Also, closing down the exit routes of early retirement and disabilities are steps in the right direction. Some deregulation also took place.The biggest omission is perhaps twofold. First the government could not

adhere to its promise of generating growth, in part owing to the procrastination of crisis management in the euro-zone, particularly, but by no means exclusively, in Greece. Second, in keeping the deficit down, the government improvised a series of measures instituted during the calendar year without any prior notice.

This has undermined calculability and foresight, two pillars of business management, based on trust. Business was struggling mainly with the unpredictability of the environment. My friend, Deputy Prime Minister Tibor Navracsics, is proud of the fact that during the first year parliament has passed more than three hundred laws. I am proud of any of these three hundred laws which were not amended during the next twelve months.

The economic strategy of the government in the media (domestic as well as foreign) is under severe criticism. But do households and small businesses see anything positive?
Yes, I think the signs of improvement are around. Net real wages in 2011 grew by 5 percent, the number of employment grew both in 2011 and 2012, if not by the robustness forecast by the government. The tax system has indeed become less complex, though it is still not simple.

You performed research on small and middle businesses in Hungary. What did they perceive as the biggest problem connected with the economic situation and their development strategies?
One thing is stagnant domestic markets, which pose a major constraint. Small business research based on representative surveys indicate that small ventures find lack of calculability, frequent changes in regulation and the arbitrary interpretation of rules by the authorities to be a more important burden than lack of funding. In our research, we have asked SMEs whether they know about three hundred new laws. The result? Ninety percent of small businesses do not have a clue about ninety percent of the new instruments. So deregulation is really very important. Just a recent example: One of my colleagues has moved to the countryside. For the reconstruction of his house he needed 53 different permits. And it was only the reconstruction of the house, he was not doing any business, not producing anything, not employing anybody. But deregulation is in line with the general philosophy of Fidesz, so it would be possible to go this way. We need deregulation. We need to revive the entrepreneurial spirit that was present here in the 1970's, which would lead to the creation of a stronger middle class.

What are people's strategies in dealing with debts? Is there any prevailing strategy?
The debt problem is not resolved at all, just restructured. As long as the economy does not grow by a significant margin, i.e by 2.5-3.0 percent per year, there is no way to improve the income generating ability of most households and firms. Thus muddling through prevails over dynamic adjustment strategies. The early repayment scheme [of mortgages, negotiated by the government last year with the banking sector – author's note] actually helped about twenty percent of the sector. This is a final number from the banking association. These tend to be the better-offs, while weaker and overstretched families will continue to struggle. The new relief scheme, based on fixing the exchange rate, has proven to be quite unpopular. Very few clients have actually registered for such an option.

How would it be possible to renew the trust of people in the state and its institutions?
Regaining trust is perhaps the most – by far the most – difficult task ahead of any government in this country, where the standing of the political class in general is quite low, according to the Euro barometer and other quantitative surveys. In my view, coming up with a credible strategy, which anybody can check, as the introduction of the euro by 2016, would be such an exit strategy. Second, a phase of consolidation, implying more transparency and less improvisations, would help. Finally, returning to a rules-based solution in fiscal policy, stabilizing rather than constantly changing existing legislation would also help. But this is a painful process of trial and error, which is to last for many years, even under the best of circumstances. /

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Who fights for the Middle Class?

IGOR JANKE

Middle class in Poland and Hungary fell short of political representation. Transformation did not serve to the interests of small and medium business owners as much as it benefited large multinational companies. We are yet to await a serious shift in that respect, but for the time being middle class remains small and weak – writes Igor Janke, the editor of the Salon24 blog aggregator.

Twenty-two years ago we started to build Central European capitalism. However, it has never been capitalism based on the middle class, unlike in countries with a longer democratic tradition. I see the middle class as small-business owners and managers of large companies. State officials are usually also included, but in post-communist countries, officials are usually people earning little and performing work which is not considered very prestigious.

It was not the middle class that set up companies which later turned into giants setting the tone in the market. There was no middle class here. Large capital came from two different sources: foreign investors and ex-communists. The foreign investors were large corporations which gradually took over the majority of large state-owned companies or created their own ones. The well-connected former communists privatized state property in a very obscure way, obtaining low-interest loans from banks run by other ex-communists, and "winning" government contracts from middle-rank officials, who, at the beginning of the '90s, usually still represented the interests of the former regime.

Initially therefore, capitalism developed without a middle class. There were very few people in Central Europe owning any kind of assets which could be increased through sound investment. At the beginning of the '90s, the managerial class was also not very numerous, and many of them were foreigners. When we ask today who protected the interests of the middle class, the answer is no one, or virtually no one – because there was not anyone to be protected.

Two people in Poland can take credit for building the middle class: Mirosław Wilczek, one of the last ministers of the communist regime, who liberalized a vast part of economic legislation, and Leszek Balcerowicz, who liberated everything that could be liberated. He initiated the development of quite a wild version of capitalism, but capitalism nonetheless. He said: "take matters into your own hands". Back then, after the fall of communism, thousands of Poles went out to the streets, setting up camp-beds or metal street stalls nicknamed "jaws," where they traded products often imported in their own personal cars from Germany or other countries. This was where capitalism developed, spontaneously and chaotically, wildly and uncontrollably. The sprouts of capitalism started to spring up. However, this fledgling class did not have enough time to develop. Many of those who started failed, crushed by complicated legislation, an unfriendly wall of administration, and fast-changing market conditions. They could not cope with administration or the complicated tax and insurance systems. They clashed with well-organized large corporations, which opened their chain stores, service centers and giant supermarkets. Only the most efficient entrepreneurs survived – often resorting to working under the table for some time.

The state – apart from the initial opening – has done nothing, or almost nothing, to support its own middle class. The class was to be created on its own, and the invisible hand of the market was expected to regulate everything well.

What was done turned out to be misguided. The authorities of post-communist states fought like lions for foreign investment and large capital, assuming that this was the only way to develop democracy.

For years no policies directed at the emerging middle class have been implemented. The middle class – which was gradually being re-built – was created not

thanks to the state, but despite the state, despite the politicians.

This was partly a result of the fact that if politicians had any knowledge of economic mechanisms, it was very often purely theoretical. They gave in to post-communist oligarchs growing in strength and to the arrival of thousands of Western advisors, who, in the best hotels, advised new states on how to build capitalism according to Western models: in fact, how to create conditions to entice huge Western corporations to invest there. In Warsaw, they were called "Marriot landings".

At the beginning of the '90s in Poland, a party called the Liberal-Democratic Congress was created. It aspired to appeal to the middle class, but the life of this party was quite short. However, politicians from this group have played an important role for many years, and today they are in the government. It was this circle that promoted the idea of giving back some property to millions of people during the process of general privatization.

The National Investment Funds were set up – groups of companies created by the state, which took part in the privatization process. Shares in the Funds were meant to be held by citizens. Their value was to grow. The aims were noble. But different actors profited from the NIF and the privatizations led to many controversies. The citizens did not profit from them. No middle class grew thanks to them. After several years, the value of property transferred to the NIF fell by half and the shares became worthless pieces of paper. Not only did the citizens not profit from the whole process, but the image of privatization suffered dramatically, causing liberalism to be associated by millions of people with financial scams. The policy intended to help build the middle class in Poland ended in a flop.

Since that time, no party has taken any real actions to provide serious support to wealthier citizens beginning to get on their feet. The big parties currently in power are not divided along economic lines, but along cultural, or even more often, purely emotional and social ones.

If we look at the electoral choices of small Polish capitalists, it is difficult to see a pattern. They do not vote for parties which protect their interests, but for parties to which they are closely aligned emotionally. This is because there has been no party to protect their interests.

Paradoxically, in the 2000s, it was the biggest populist in Poland during these years – Andrzej Lepper, the late leader of "Self-Defense" – who tried to appeal to small business owners, the ones who had failed. He was fighting for the votes of the smallest business owners, who fell into financial and legal trouble. He talked about their actual problems. He understood their problems – he was one of them. An indebted farmer and business owner, he spoke their language, which does not mean, however, that he actually did anything that could help solve their problems.

The party which would probably aspire to describe itself as a representative of the middle class in Poland is Civic Platform. If we look, however, at the record of achievement over the past 5 years of its government, it is difficult to find any policies which could be counted as being in the interests of this social group. Many economists who attached high hopes to this party are now severely disappointed. Paradoxically, more was done by the Law and Justice party, now in the opposition, which lowered taxes for wealthier Poles and reduced the number of tax rates from three to two, which was beneficial for wealthier citizens.

In fact, it is now difficult to decide which of the largest Polish parties –Civic Platform; Law and Justice; the Polish People's Party; the Democratic Left Alliance; or Palikot's Movement – represents the interests of the middle class. Janusz Palikot sometimes gives the impression of wanting to do this, but it seems that he mainly wants to build his popularity on the back of the anticlericalism factor. Also, Palikot is known to regularly change his mind and opinions – sometimes he voices extreme liberal economic views, sometimes he is a socialist calling for redistribution. Once he was a conservative – now he is a leftist.

This might be the syndrome of all of Central Europe: the problem with the middle class. Besides, the times of parties representing the interests of specific social groups are now long gone. The Polish middle class can now vote for the Democratic Left Alliance, Palikot's Movement, Civic Platform, or Law and Justice. The only problem is that none of these parties represents their interests.

Interestingly, there is a politician in Hungary who directly stated his willingness to rebuild the middle class, and who undertook specific actions towards this aim. However we evaluate the policy of Victor Orban, he makes many decisions which help rebuild this social group, or are intended to do so. Orban is an apt politician. He directly states: "I want to support those who buy flats, who build houses, those who set up small companies, those whose small property can help build Hungarian prosperity in the future." Faced with a choice of who should shoulder a bigger burden of taxes – small Hungarian business owners or huge multinational companies – he makes an unequivocal decision. He lowers the taxes on the former and increases them on the latter. He introduces pro-family tax reliefs. Naturally, he is criticized for doing all of that, especially abroad, because it is abroad that the companies Orban is not so keen on supporting in fact reside, in contrast to his predecessor Gyurcany, who made life easier for Western managers in all fields.

It is difficult to say whether Fidesz's actions will achieve the desired aim. But we have to admit that Orban's policy is consistent. He initiated these policies when he was prime minister for the first time, now he is continuing them. He is one of the few Central-European politicians, if not the only one, who supports the middle class in such an unequivocal way. Of course, one would be mistaken to claim that Orban is a classical liberal. What Orban is trying to do is to join the interests of poorer Hungarians with the interests of the middle class. He also considers that the state has an important role to play in this process.

It might be, however, that Viktor Orban's case shows how difficult it is to actually protect the interests of this group in this part of the world. The middle class and its problems in Poland, the Czech Republic, and Hungary is fundamentally different than the middle class and its problems in France, Italy, Germany, or the USA.

There, the middle class is the natural backbone of capitalism. They are the ones building capitalism. Here, the middle class is struggling for survival. It remains small and weak. /

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CHINESE MIDDLE CLASS AT EUROPEAN DOORSTEPS

China-Central Europe summit held in April 2012 raised eyebrows as well as expectations for China FDI in the region. Not surprisingly, Hungary has already had a long term economic relationship with Beijing, while Poland is only building up on this experience. With a lot of outsourcing of American jobs to China, already it is fair to ask if this business relationship will influence middle class.

MARTA M. GOLONKA

The recent surge in interest around the topic of China and Chinese investments in Poland cannot purely be attributed to media frenzy. In fact, the CEED/CSM report *Partners or Rivals?: Chinese Investments in Central and Eastern Europe* shows that indeed China has become an important player in the CEE markets. Conferences and ministerial meetings aside, the heated discussion surrounding Poland's readiness for the Middle Kingdom's rapid entry into our consciousness has led me to ponder a deeper question. As a Polish-American economist by training, the visibly increasing magnitude of Chinese investment and trade relations with CEE does not surprise me. However, as a representative of the Anglo-Saxon middle classes, I am prone to ask, who will indeed benefit from this phenomenon?

On a recent sunny afternoon in one of Krakow's many cafes, my closest friend in Poland, who happens to be Chinese, compared Poland's economic growth model to that of her own country. A representative of the growing strength of the Chinese middle class, well-raised, educated, and travelled, Weilli, sipping her café latte and mixing her fluent English, Polish and Chinese, pronounced that Poland was a country where the middle class was missing. Indeed, I agreed. In Poland and in CEE, we tend to witness extremes. Wealth and poverty mix between those who know how to crack the system, and those who get swallowed up by it. The middle is not readily found.

Weilli and I belong to American and Chinese middle classes, and yet in Poland, we often find ourselves in isolation. The standard of living we are both used to is reserved for CEE elites, financial elites and those with deeply rooted family networks. On the other side, we can observe a growing gap between the rich and famous, and those ordinary Poles struggling to pay bills or buy fresh fruit and vegetables, despite being so-called professionals. As an analyst, I am tempted to speculate on how this gap is going to polarize CEE society in the future. My female Chinese friend, having experienced a very different version of capitalism, agrees with me. CEE capitalism is being built by elites. The ordinary Pole or Slovak is often left behind in the growing expansion of wealth visible in the CEE region.

Today, China holds ⅓ of the world's currency reserves. By 2030, the Chinese economy will surpass the United States, becoming the world's largest market. Shifts in economic power usually signal changes in economic relations. Chinese money is coming to CEE, as are Chinese firms and Chinese competition. The next phase of CEE development will depend on how CEE countries and firms take advantage of this. Are we ready? As such, who will take advantage of the opportunities provided by growing economic ties? If the middle class is the engine of growth in capitalism, how capable is the CEE middle class of taking on the vast challenges ahead?

The CEED report aims to explore Chinese investments in CEE, as well as opportunities for CEE investments in China. Despite gloomy predictions for 2012 as to the state of Europe's economy and CEE growth levels, business confidence is up, markets are becoming ever more integrated and entrepreneurship is driving the way forward. Opportunities present risk, highlighting the need for coordination between the activities of the private sector and those of the public sector, governments, and administration. This is even more so the case of building partnerships and relations with the Chinese. We conclude, however, that the main obstacles to increasing investment and trade ties between CEE and China will be cultural, social, and political.

The Chinese model of growth is itself in crisis and at a crossroads. Slowing levels of growth, the ever-present question of democracy and human rights, social instability, environmental degradation, and the upcoming change in leadership are

all signals that the current model is unsustainable. Gucci bags aside, you cannot buy clean air. The Chinese recognize that without a solid base of middle class participation, there is no way forward. Going out into the world, for a nation used to being isolationist, will depend on overcoming social and cultural obstacles in mental maps and ways of doing business.

The Chinese are adept at using Sun-Tzu style psychological diplomacy when dealing with their counterparts. Their charm offensive currently visible in building strategic relationships with CEE seems to be working. It is important to highlight however that for the Chinese, there are no equal partners, like there are no equal people in the vertical society of Confucius. China has been accused of abusing level playing fields, price dumping and undercutting, and unfair competition. Are these accusations fair or do we really not understand the contentious intentions of our Chinese partners? Understanding the Chinese way of thinking will be the key to building successful relationships.

In CEE, the Chinese appear to have come to countries where others withdrew or did not see opportunities. A good example is the offer made in 2009 to Moldavia to provide it with a loan worth $1 billion, mainly for infrastructure projects. China also offered a $1 billion loan to Belarus during Chinese Vice-Chairman Xi Jinping's visit to Minsk in 2010. China takes advantage of its "friendship" with particular CEE countries, such as Hungary, Bulgaria, Romania, Ukraine and Belarus. These states maintain good relations with China and rarely mention sensitive issues like human rights, Tibet, or Taiwan. In 2009 and 2010, the probable next leader of China, Xi Jinping, paid two visits to Europe, including CEE countries. In 2009, he visited Bulgaria, Hungary and Romania, and in 2010, Belarus. This could be perceived as a signal that these countries, and generally speaking CEE, will be one of the focuses of China's foreign policy under Xi's leadership. In December 2011, China signed a Strategic Partnership Agreement with Poland.

On the macro-scale, the Chinese are arriving in CEE with large sums of money and at a high political level, of crucial importance to the Chinese. Ministerial delegations and official visits form a key part of Chinese commercial diplomacy. Witness the recent announcement of the opening up of the ICBC (Industrial and Commercial Bank of China) Warsaw Branch, of The LiuGong investment in Huta Stalowa Wola, or new public tender bids by the China National Electric Engineering Corporation. The visit of Chinese Premier Wen Jiabao in April only cemented these high level economic relations. The Polish Information and Foreign Investment Agency has a new Chinese commissioner responsible for developing Polish-Chinese commercial relations, Yu Yang, who works alongside with Slawomir Majman, the Polish Director. The counterpart responsible for China's foreign economic relations in the Chinese Ministry, Zhang Xiaoji, has also been busy making the rounds between Beijing and Warsaw, for which a new direct flight route was just opened up.

Hungary, which in terms of GDP is fourth in the region, received more investment in 2010 from the Middle Kingdom than all other CEE countries put together. At the European level, Hungary was only surpassed by Germany and Luxemburg. Victor Orban, who has been seeking an alternative to worsening Chinese relations with the EU, has been most active in encouraging the Chinese to invest, developing an advanced strategy towards China. In 2010, a special Commissioner was established in the government responsible only for Chinese affairs. After the collapse of Covec in Poland, Victor Orban sped up the visit of Wen Jiabao (originally scheduled at the end of his European tour) and received him with honors. Wanhua Industrial invested $190 million in the Hungarian Borsodchem enterprise and acquired it for $1,660 million in February 2011.

On the micro-scale, the role of the Chinese community, or diaspora, is significant in CEE. The diaspora forms Chinese networks throughout CEE, on which small

CHINA-CENTRAL EUROPE & USA RELATIONS

FAVORABLE OPINION OF CHINA

EU12	47%
POLAND	43%
SLOVAKIA	35%
USA	42%

MORE IMPORTANT REGION FOR NATIONAL INTERESTS: ● USA ● ASIA

EU12	52%	37%
POLAND	60%	19%
SLOVAKIA	41%	33%

DOES CHINA REPRESENT AN ECONOMIC ● THREAT OR ● OPPORTUNITY?

EU12	41%	46%
POLAND	48%	31%
SLOVAKIA	37%	23%
USA	63%	31%

Transatlantic Trends 2011 is a comprehensive annual survey of American and European public opinion. It is a project of the German Marshall Fund of the United States.

Transatlantic Trends 2011 shows that a slight majority of Americans (51%) feel that Asian countries, such as China, Japan, or South Korea, were more important to their country's national interests than the countries of the EU (38%). On the other hand, 52% of those living in the EU countries that were polled thought that the United States was more important to their national interests than the countries of Asia (37%). This year's results mark a notable reversal in U.S. attitudes from 2004, when a majority of Americans (54%) viewed the countries of Europe as more important to their vital interests than the countries of Asia (29%).

A generation gap has emerged among Americans with regard to China. Young people in the United States viewed China more positively than older Americans. Close to three-in-five (59%) Americans between the ages of 18 and 24 had a favorable opinion of China, but that favorable opinion was only shared by 33% of the 45-54 age group, 37% of those between 55 and 64, and 36% of those 65 or older. (source: http://trends.gmfus.org/)

and medium-sized Chinese firms rely to conduct their business activities. These networks of local businesses and family run enterprises differs significantly from the type of investment currently being discussed in salons and at official banquets. The Chinese diaspora in CEE has arrived here in recent years through other European countries, as a destination of new opportunities in their economic migration. We can see the way these Chinese conduct their business in Wolka-Kosowska and in Jaworzno, where mainly retail shops set up wholesale activities in distribution to other Chinese businesses.

Their approach to business is pragmatic and all questions of politics or cultural assimilation are left behind. In fact, the Chinese interviewed showed no interest in becoming a part of CEE communities or even learning local languages, preferring the Chinese way of life. They are often finding it difficult to get around Polish bureaucracy or legal requirements for running their proprietorship activities, and in general, red tape, taxation, and regulation are their main concerns in CEE. While issues of racism do come up in interviews, currently the Chinese migrants are seen as more welcome in CEE than other Asian nationalities, as a result of the growing and visible wealth of the Middle Kingdom.

In Hungary, unlike in other CEE countries, Chinese investors can count on a particularly strong Chinese community. Most of them came to Hungary soon after visa procedures were abolished between the two countries in 1988. Today, there are a dozen Chinese organizations all over the country which essentially serve as a communication link to the authorities in Beijing. This characteristic makes Hungary particularly attractive to Chinese investors. In fact, it permits Chinese companies to enter the EU market successfully and with less effort, cultural barriers being one of the major obstacles in overseas investments.

What links the big investments with the Chinese phenomena is one particular trait important from the point of view of our report and of this volume of Visegrad Insight. Culture and perception, stereotypes and mentalities form the main barrier to building closer relations between the Chinese and CEE firms and communities alike. We simply do not know enough about each other, we do not trust each other, and we find it difficult to communicate with one another. In addition, the lack of a visible middle class involvement is obvious.

In fact, the same can be said about CEE investment in China. While small-scale Polish businessmen do buy large containers of Chinese goods and ship them to Poland for sale, and multi-national Polish firms such as KGHM or Kulczyk Investments can afford to explore the Chinese market, it would appear that middle-size SME's have not yet been able to realize their full potential in the Chinese market. Containers from China full of Chinese imports arrive in Poland, are unloaded and return empty. No one has yet come up with what to send back to the Chinese. The empty container syndrome is characteristic of the development dilemma of Poland and CEE.

On the one hand, we are witnessing impressive rates of growth in CEE, and on the other hand, we have not yet answered the question of our comparative advantage vis-à-vis the rest of the world. What can CEE offer to the Chinese? Unlike the United States, we cannot sell high-tech products and offer groundbreaking know-how to the Chinese. Unlike Africa, we do not have the raw resources indispensible to continue feeding the hungry Chinese Dragon. The Chinese invest in CEE mainly in the secondary sector, based on manufacturing. The key to strengthening partnerships in this secondary sector, and developing a comparative advantage for CEE, will be in forming joint ventures with the Chinese. If we cannot compete, we should join our Chinese partners, and not treat them as rivals.

Strategies adopted by CEE toward China are at the moment inadequate. CEE tends to think in the short term. Economic diplomacy and corporate partnership building are in their infancy. China, on the other hand, is much more adept at using long-term strategizing when dealing with CEE. At times, the Chinese seem to use political motives to promote their activities in CEE. At other times, economic opportunities are the clear priority. Sometimes the Chinese act. At other times they react to external and domestic events. At all times, the Chinese demand, and even command, respect when they are being addressed.

For the Chinese, interpersonal relationships and cultural ties come before building professional alliances. The exact opposite is true in European corporate culture, where transactions in business precede personal relationships. To work with the Chinese, we have to learn how to talk to them; to win their trust and to build partnerships based on personal relations and respect. We will need to have many token coffees and drinks before building business relationships with our Chinese partners, so we must brace ourselves for patience and perseverance. CEE needs to develop a coherent strategy toward China, and the middle class has an important role to play in this.

As the old Chinese adage goes, China uses crises as opportunities, taking advantage of the current turmoil in global markets to make its debut in sectors and places previously neglected. China has a strategic interest in acquiring European Assets and now, more specifically, CEE assets. For example, the Chinese are diversifying their investment portfolio by moving into areas such as green energy or transport and logistics.

The case of the COVEC investment in Poland is interesting from the point of view of miscommunication, business ethics, and strategy. In the Covec case, Chinese situational ethics came to light. In China, business cannot be separated from politics, and the Chinese are adept at using a Double-edged-sword in dealing with crisis situations such as the COVEC failure. Recognizing that they themselves were unprepared for the investment in the Polish public procurement market, the Chinese leadership played a game of Sun-Tzu chess to come out of the fiasco a winner. In fact, the COVEC case demonstrated to the Chinese that they are lacking in the experience necessary for successfully investing in European markets more generally.

China has been the target of a very negative campaign in the Western press and media, and consequently, has started to focus on a public diplomacy campaign and Chinese soft power. With many of its own security and economic dilemmas in investing abroad, the leadership has adapted its Going Out Strategy. The COVEC case clearly highlighted the complicated nature of investing in developed economies and European markets more specifically. EU regulation coupled with a lack of knowledge and experienced Chinese management in Europe mean for the Chinese that they will be forced to seek closer cooperation with local firms. In fact, understanding local preferences and specificities is the buzz word for successfully investing in either China or CEE.

The question of China's intentions in its outward investment strategies is important. Contentious as these are, the way we perceive Chinese motives determines whether we view them as allies, competitors, enemies, or partners. So far, many of the Chinese mergers and acquisitions in Europe have not gone as well as the Chinese had hoped. Their success rate is lower than in the US or Australia, for example. There is an argument here for future opportunities. The importance of interpersonal relations and communication make a solid case for setting up CEE/Chinese joint ventures to allow both sides to complement each other's strengths in the global supply chain and market. As partners, these emerging growth economies can use the synergy of their specific experiences in change and reform to strengthen their position together *vis-à-vis* the world.

China is usually very pragmatic in its approach to its strategic interests. Chinese value concrete profits over ideological values. The Chinese will seek to avoid at all costs issues of human rights in their discussion over business. Recently, all CEE countries have adopted a more business-oriented approach to dealing with the Middle Kingdom, recognizing that pushing the human rights card has not amounted to successful relationship building. As cash-strapped CEE countries continue to seek diversification away from dependence on EU markets and finance, they will be turning more and more towards pragmatic, non-ideological relations with the Chinese. Let's not fool ourselves. CEE needs Chinese money more than China needs CEE.

As China tends to choose its strategic partners carefully and without official documents to reveal its true intentions, CEE should be ready for some surprises. China's perspective in its policies is long term, focusing on achieving subsequent five year plans and with a time scale of looking into the horizon. In the short term, Chinese behavior shows signs of irrationality, often reacting to current events. This is probably the result of both changes in international affairs and instability in China itself. Divisions in Beijing and competing leadership factions make it difficult to predict future Chinese policies.

The weaknesses in CEE economic diplomacy makes it even more difficult to react to Chinese behavior. The understanding of China and knowledge about the Chinese, their culture, business ethics and policies are not adequate in CEE. In addition, the Achilles heel of CEE investment in China is the lack of coordination between firms interested in the Chinese market and CEE Foreign and commercial services.

Returning to the discussion between this Polish-American and her Chinese friend, the role of the middle classes in CEE could be the crucial link to overcoming many of the obstacles currently blocking Sino/CEE relations. It will be the professionals and the SME business owners who will subsequently have to eat, drink, shake hands, and make deals on both the Chinese and CEE sides. The growing wealth of the Chinese middle classes drives them to study, work and live abroad, no longer as economic migrants but as expatriates. Perhaps, the same must happen to CEE societies. We should look upon the Chinese market as a window of opportunity for our middle classes to develop their potential and seek new ways to strengthen their own position back home in the CEE region. /

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The CEED Institute is a new think-tank that was created to continue the mission of the CEED Initiative, which was set up during the second European Economic Congress on 31st May 2010 in Katowice. Its aim is to promote the achievements and economic potential of Central and Eastern European countries. Our ambition is to support business initiatives and discussions on the necessary reforms and innovation especially during the time of crisis. The objective of the CEED Institute is the dissemination of ideas and projects aiming to improve the efficiency and competitiveness of the CEE region.

CHINA-CENTRAL EUROPE & USA RELATIONS

HUNGARY

On October 31, 2010, Premier Wen Jiabao met with Prime Minister Viktor Orban, who came to China for the Closing Ceremony and Summit Forum of the Shanghai World Expo. Premier Wen said that

China-Hungary relations withstood tests and made steady progress in more than six decades of diplomatic ties.

CZECH REPUBLIC

In 2004, Václav Klaus become the first Czech – and even Czechoslovak – President to ever visit China.

If Germany, France, Austria and other EU countries can have normal relations with China, why not us?

Chinese officials tend to view his country as the "black sheep" of Central Europe because of the emphasis Czech officials place on human rights. In 2010 when Liu Xiaobo won the Nobel Peace Price, the Czech Foreign Ministry twice issued statements commenting on on China's internal affairs.

SLOVAKIA

China and Slovakia have enjoyed traditional friendship and have maintained high-level contacts. Chinese President Hu Jintao paid a successful visit to Slovakia in June 2009 as the two countries marked the 60th anniversary of diplomatic ties.

Deepening the economic and trade cooperation is a key part for developing China-Slovakia relations

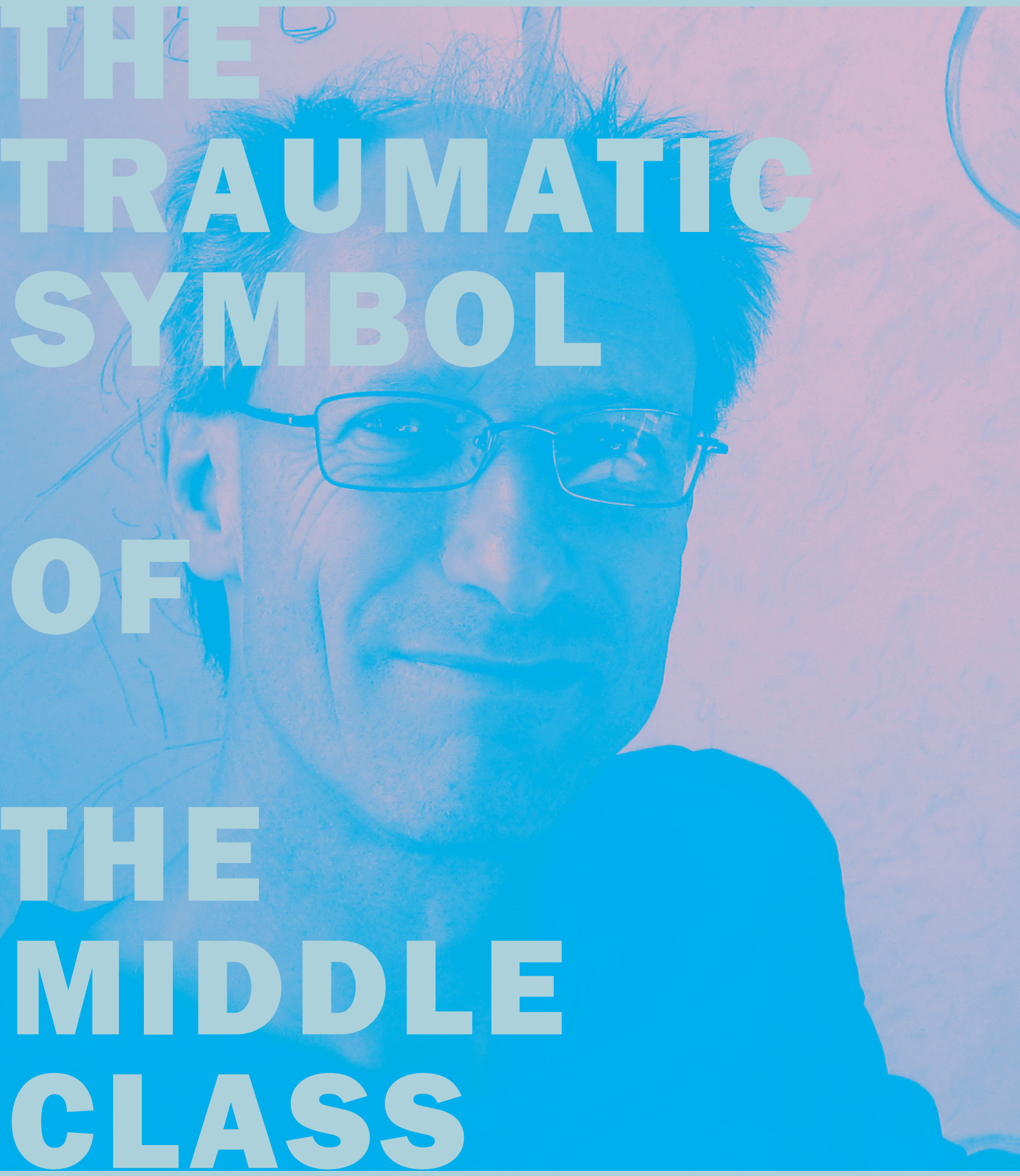
said Li while holding talks with Slovak First Deputy Prime Minister Dusan Caplovic during a visit in 2010.

POLAND

In 2004, the Chinese President, Hu Jintao paid a visit to his Polish counterpart in Warsaw .
The Chinese Ministry of Foreign Affairs even declared that, through this meeting,

bilateral relations were upgraded to a friendly partnership of cooperation.

THE TRAUMATIC SYMBOL OF THE MIDDLE CLASS



The strong rise of populist right wing movements and parties is one of the most dominant political phenomena in the recent decade, both in Eastern and Western Europe. Voting results show the growth of a constituency for the populist right, while nationalistic, chauvinist discourse and law-and-order politics have found their way into the political mainstream.

What are the underlying social processes of this Europe-wide political process? What about left wing populism? How are globalization, the working and middle classes implied? We are looking for answers with anthropologist Don Kalb, professor at Central European University, co-editor of the book *Headlines of Nation, Subtexts of Class.*

INTERVIEW WITH ANTHROPOLOGIST DON KALB, PROFESSOR OF CENTRAL EUROPEAN UNIVERSITY

interview conducted by ZOLTÁN SIDÓ AND DÉNES CSURGÓ

In your most recent book you and your fellow researchers examine the circumstances of the rise and strengthening of the populist right in Europe. There are several case studies in the book from Eastern and Western European countries too. What led you to examine such a wide range of cases?

These are not just national histories that are haunting us now, but national histories that have become reappropriated and rearticulated in a right wing way – in the West and also in the East – and this has much more to do with the growing insecurity in social life due to a decrease of welfare and social rights, the relative stagnation of incomes and the growing importance of the financial sector in the European economies. These are relatively universal properties of European societies in the last 20 years. So what you see basically everywhere in Europe – and this is more dramatically the case in Eastern Europe– is that industrial regional economies have been restructured, and that working classes over time have found their social reproduction ever more narrowed and threatened. And when I say working classes I want to keep this as a very broad concept. I don't necessarily mean blue collar working classes – I basically mean people who are less able because of their qualifications, assets, location, or general cultural equipage, to sustain themselves on a purely individual basis in labor markets, however these labor markets look. So over time there has been a class of people that has become ever more vulnerable. This is what we nowadays call the 'precariat'. The precariat is an open social space – it doesn't have an identity of its own yet. And what we see in the moment is an escalating political competition between different political formations about how this precariat is going to be politically defined and explained.

What does this competition look like in everyday politics?

You see that voting has declined in Western Europe from about 80 percent as an average for national elections in the early 1980s to around 70 percent these days. So you have a non-voting population that can potentially be turned into the largest party at once and that is a new development for Europe. You can only explain this by looking at who doesn't vote: non-voters are to a very large extent dispossessed and disenfranchised working classes, again in the broad sense of the term. And there are the new nationalist political entrepreneurs like in the Netherlands Fortuyn and later Wilders, who actually succeeded in remobilizing these voters with a displaced political object – the immigrants or other 'aliens' such as Roma, 'the communists', the Jews, or the 'international capitalists', who are depicted as not belonging to the genuine community. And so they play the anti-immigrant and xenophobic cards and mobilize voters that would otherwise not have voted anymore. And these are the deeper processes behind right wing populism.

Do you see some specificity in the populist politics of the post-communist region?

Central and Eastern Europe, because of its particular trajectory out of socialism and because of its particular place in the capitalist world system was very vulnerable to the process we are talking about. I personally learned an enormous lot from the studies in our recent book on Kikinda in Serbia and on Cluj in Transylvania because those were cities that really showed the process in a nutshell. Kikinda won the OSCE prize for the most tolerant multicultural city in Europe in 2004, and at the same time the radical party of Vojislav Šešelj gained mass support in the city, paradoxically. In the 2 or 3 years before 2004 much of the industrial base of Kikinda was destroyed by what liberals understood as Europeanization and modernization, which explains the attraction of Šešelj, who had consistently criticized the 'theft from the people'.

Cluj is another story. Cluj had a neonationalist period with Gheorghe Funar coming up in 1992 and staying on as mayor to 2004, winning three elections in a row. This robust hegemony had been a puzzle, but the academic literature was not trying to explain the process behind it in a serious way. When you look at the book of UCLA scholar Rogers Brubaker on Cluj for example, he argues that Romanians talked about Funar as if he was a clown, literally, they didn't take him very seriously. But that cannot be a scientific explanation. Working class Romanian speakers in the suburban blocs were voting for Funar three times in a row, there was a robust constituency behind him. Our two chapters on Cluj show how in Cluj issues of unemployment, the gradual collapse of the local industry and all of its 'public services' – like in Kikinda – got displaced and projected onto the city and the right to claim the city center as a Romanian city center against, of course the Hungarians or against the cosmopolitans with whom they were equated. Again, long standing Hungarian-Romanian frictions are the cultural material from which this is made, but they are the outcome, not the explanation of why and how this happens at this particular moment, why it is driven by the experiences of this particular constituency. It is not a simple repeat of old ethnic injuries; it is a particular development of the 1990's that has to do with particular class structured outcomes.

What is the role of the middle class in these processes – both the neoliberal transformation and the emergence of right wing populism?

This is a very important question but it is a very ideological question too. What exactly the working class and the middle class are and what they are supposed to stand for is an object of ideological contention. The great period of middle class formation in Central and Eastern European societies was the 1970's, under socialism. Now much of the job structure that supported that large middle class in the 1970's in places like Łódź in Poland, or Miskolc in Hungary, and other cities, got destroyed after 1989. So the political-ideological project after 1989 which said that democracy is connected with the making of middle classes comes together with the actual open destruction of the particular economic base which has historically supported a regional middle class. Of course, there has been growth too, since 2000, but it was never really sufficient to broadly compensate for the structures that got lost. So I tend to think that the whole symbol of the middle class after 1989 in Central Eastern Europe has been a traumatic symbol, because there was a cultural mission which was very difficult to reach, and much of the agony of the region, much of the anger and fear that's been generated, is really about that.

Even 20 years after 1989 you see this sort of craving for the middle class. Fidesz's rhetoric is still about making the Hungarian middle class, even though many of their votes are working class votes. Well I think that is a very agonistic process. Central Eastern Europe has reindustrialized in the last 10 years and it has become basically a working class appendage to Western capitalism. The big chunk of real middle class jobs that are essential and more or less guaranteed in global capitalism are in the West or in Japan. And of course there is a sort of trickle down to this region in better wages, in particular when you become a local manager or consultant for Western actors, but not all of those are necessarily real or solid middle class positions. The World Bank believes these days that you can be counted middle class in the global economy if you earn 10 dollars a day. That is an ideologically driven confusion of local status standards with class analysis. The same error is being made by all those politicians and journalists in CEE who cannot get enough of the middle class.

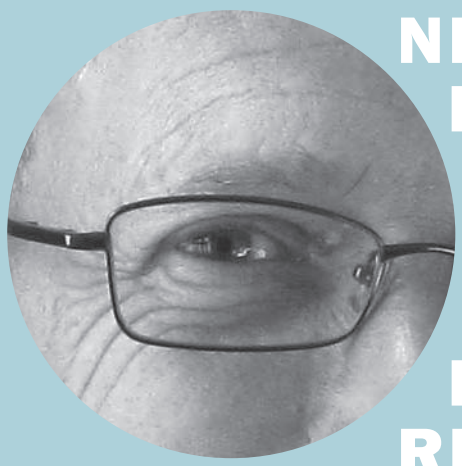
I can give a nice example of this from my own research in Wroclaw in Poland. I started there in 1998 and I did interviews with workers in the Polar factory, a big plant that produces refrigerators, washing machines, now part of Whirlpool. In 1998 there were a lot of people laid off as workers but some of them were set up as contractors for the factory. We were interviewing a worker who had bought a secondhand truck and was working for Polar. He was about 50 years old at the time and he told us: "look, I've always been an entrepreneur – of course you know, we were called workers here in Polar, but I've actually been an entrepreneur all my life. Now I'm finally establishing myself formally as an independent entrepreneur". He admitted at that point already that he had taken a big risk, taking a loan to buy the truck, and he was not making as much money as he expected, but he was still having the feeling of vertical mobility and pride that he was becoming an employer of his own and he expected to expand his business in the future. We met him again in 2004 and he was still relatively proud to be an entrepreneur, but his situation had changed. The French firm that bought up Polar in 1998 had gone bankrupt around 2000 and due to liquidity problems Polar was cutting down on fringe costs. Our man was not getting any truck loads for a long time and he had problems paying back his loan. And in fact he had suffered a heart attack. In 2007 we met him again when he was 60 years old. He had sold his truck, still couldn't pay back his loan. He looked at us insecurely and said: "well, you know in fact we are all workers". And he said it with a certain embarrassment. There are many of these stories.

What do you think would be the adequate answers to these problems we discussed so far? Do you see any new movements or initiatives that try to address this issue without a populist element?

To start with, it has a huge importance that last year a couple of things have changed. What is new after 2011 is of course the left articulations of inequality. The process causing the experience of social insecurity spreading among an ever-wider range of people was suppressed and displaced onto 'aliens' in the re-emergence of the populist right in Europe. Starting with the Arab Spring and continuing with the Indignados and other

rebellions in Chile, in Israel, in Spain and culminating in the Occupy Wall Street movement which spread all over the US and the rest of the world, there emerges a left alternative. At the same time, you see in China 70,000 worker rebellions per year. The world has changed in the last year and there is a chance for new left articulations. But whether this actually will translate into effective politics is a very open question. And do not forget that the new left has to be 'populist' too. There is no democratic competition without populism.

You can see also in Europe the (re)emergence of really interesting left wing parties, from France and Germany to the Netherlands, Greece and Spain. And it is useful that the European level itself is becoming part of the political vision and contestation. In fact, right wing populism is ultimately produced by a neoliberal European Union, more then anything specific on the national level, even though that is what gets the attention of nationally focused journalists and politicians.



I THINK IT WOULD BE JUST GREAT IF THE NEW LEFTIST MOVEMENTS IN CENTRAL AND EASTERN EUROPE REVIVE THE IDEA OF VISEGRAD AS A MORE OR LESS COHERENT BLOCK WITHIN THE EU THAT NEGOTIATES WITH THE UNION ON A MUCH FIRMER BASIS.

And do you see something similar in Central Eastern Europe?

In the Central European scene there are interesting signs in Romania with the little rebellion in January – the left in Romania is clearly strengthening, intellectually as well as on the street. However, as Central and Eastern European countries have basically become the financial vassals of Germany they have very limited space for maneuver. But I want to underline that any real political space in Europe at the moment can only emerge on a European transnational level. I do not think that Hungary as a unit or the Netherlands as a unit is sufficiently powerful to open up really new spaces for politics.

The Visegrad countries should have behaved since 1992 as a much more coherent block in the negotiations with Europe rather than let themselves being played against each other by Western forces, which they are all very eager to do. I think it would be simply just great if the new leftist movements in Central and Eastern Europe revive the idea of Visegrad as a more or less coherent block within the EU that negotiates with the Union on a much firmer basis. Visegrad has become a very important player because it's where many of the mass production processes for Europe as a whole are running. And so I think the Visegrad left could do something there.

What you can also see is that prime minister Viktor Orbán, or the newly elected Robert Fico in Slovakia who gets a lot of his new ideas from Orbán are implementing the kind of policies that leftist parties could, while operating with the kind of nationalist populist discourse. Don't you think that there is a kind of "stealing the show" from a developing leftist movement?

I thought that Orbán's idea to tax the banking sector was seriously a very, very good idea and it was just crazy that the left couldn't come up with that. Orbán was of course punished for doing so but the Belgians did exactly the same. So there is a lot to learn from people like Orbán. The left needs to take the populism aspect seriously. It's a very tricky and balanced act that has to be made here, but I think my advocacy would be to be self-conscious, bringing together the cosmopolitan project of human rights but reintegrating a strong notion of social rights and developing policies that make that possible. Taxation is one very important issue here. I think it should be very easy for new patriotic left movements in Central Eastern Europe, to attack the flat tax. Other new taxes on real estate for example can be used too. But taxation issues are not something that any individual state can decide easily without coordination, especially not in Central Europe. So we need transnational movements, and indeed a very explicit vision of a social Europe, both within and over the border from West to East and North to South. /

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How to encourage greater solidarity in the world, in Europe but also in Slovakia? This question remains unanswered, but Rudolf Chmel – former deputy prime minister – hopes to provoke a reflection of the problem, rather than finding the answer.

the END *of the* FUTURE

RUDOLF CHMEL

The present-day crisis presents us with an opportunity to define not just the precisely measureable aspects of its causes but also, more importantly, their more profound moral dimension.

In fact, the end of the future could also be understood as the beginning of the end, at least the end of an era that, in this country, began 22 years ago. Since the memorable events of November 1989 we have been through an era that might be compared with the period of the first democratic Czechoslovak Republic. In this period we have moved from the repressive egalitarianism of the old regime, via the pillaging of privatization, right up to market capitalism accompanied by rising social inequality and ever-present corruption. Over the two decades of this historical present – or contemporary history – freedom has often seemed to be reduced solely to the freedom to get rich.

But freedom that leads only to social inequality is not exactly the most attractive kind of freedom. At the very least it paralyses social cohesion, which formed an integral part of what we tend to call, maybe too loftily, the ethos of November '89; that is to say, that which we used to call, and truly believed to be, the creation of a just and free society and state of law.

That is why our 1989 rediscovery of freedom raises in 2011 the question of whether there may be an alternative to democratic capitalism that we have been trying to accomplish for the past twenty years. And it also raises the question of whether there really is any alternative to this kind of capitalism.

A world without change and without alternatives tends to be too rigid, artificially solid, and without context, as if really lacking a future. But like it or not, the world is in motion, albeit not always in positive or meaningful motion. And even though the organizers of this Forum proclaim the end of the future, we haven't even come to terms with our past – neither the fascist or the communist one, nor the recent, capitalist one of the past 22 years. In the 1990s we thought globalization would swallow up everything, and the market, as the sages of the day used to proclaim, would solve everything. 2008 and 2011 have cured us of this illusion, at least to some extent. In fact, the events of recent years have just put a spotlight on the disease instead of offering a cure.

Does everything related to the crisis really represent the end of our future? Rewinding the film of the history of the past century-and-half – or even just that of our Slovak micro-history of this period – makes me realize that we've been through the end of the future a few times already. And even when we didn't really face the end of our future, we have always faced a dilemma, a historic choice. This is one of the reasons why I'm still convinced that the end of the future can't be discussed without understanding the past. Looking at the past century-and-half of Slovakia's historical development, whenever we were presented with several options we haven't always chosen the right one or the most promising one. The same applies to the Czechs, Poles, Hungarians, and others.

So when will the end of the future arrive? Presumably when we have reached the point of full-fledged devastation of the environment – in terms of global warming as well as extinction of biological species, pollution and exploitation of natural

resources – provided the inequality in the distribution of material wealth continues unabated. These are the "achievements" of modern society. As always in history, the deepening crisis has increased the influence of ideologies and movements that prefer national solutions to global ones. National solutions are often not all that distant from populist nationalism, the kind of nationalistic savagery that only superficially seems politically more acceptable.

I am therefore not likely to break new ground by pointing out that it is the growing tide of nationalism we ought to be most concerned about in this part of the world. This trend is related to the broader success of anti-liberal views and movements that don't view the current crises in global terms. And it is particularly dangerous in post- communist Europe, where after 1989 many intellectuals and politicians believed the market was an alternative to freedom, without heeding the warning that leaving the arts to the mercy of the market may produce a void at best and kitsch at worst. Many of these people saw the state as a necessary evil, too closely bound up with the totalitarian communist regime and too much in thrall to post-communist "partocracy". Alas, the crisis has led too few of these intellectuals and politicians to reappraise and devise a new social contract, i.e. a state in the form of a community resembling the European Union, rather than national-egoistic fraternities dreamt up by romantic crackpots. On the contrary, it makes them voice their calls for the market and sovereign economy even more loudly. However, a departure from the social contract towards uncontrolled rule by the rich and powerful can result only in tyranny and savagery. The old continent is still haunted by the legacy of savage fascism and Nazism caused by the last major global crisis.

The crisis has certainly undermined the overconfident claims in the self-regulating ability of markets. The developments in Europe over the past few years – as well as the case of Slovakia with the recent fall of the first government since 1989 that did not include any former communists – highlight the fact that the dominant use of a narrow economic ideology (which the crisis has rendered anachronistic) takes us halfway to savagery. We hear calls for dividing the eurozone into those who are richer and those who are poorer and a debt discourse brought about by a speculating global caste of financiers who present nationality in a way that suggests it is the Irish, the Portuguese or the Greeks themselves who are responsible for their countries' debt rather than the so-called freedom to speculate on the stock exchanges. While on the European level we are witnessing rising nationalism as well as nationalization of debt and economic aid, on the local level intolerance of the weak is gaining strength. Radical solutions that tend to point their finger at a collective culprit – be it the Roma or migrants – always gain popularity in time of crises. Also, in terms of social policies, we are witnessing a turning away from universal solutions respectful of human dignity and the rule of law, and towards economizing efforts based on an ethnification of poverty and the ostracism of groups as closed and internally coherent units.

All this has silenced those who dare to speak of the accountability of specific individuals, politicians and the social class of financiers and bankers who capitalized on the pre-crisis boom. It has silenced voices criticizing the kind of capitalism the world has embraced over the past twenty or thirty years and which is the real cause of the crisis. After losing control of the situation, economists have started calling for a return to morality, something promoted by philosophers and theologians in the past. The lesson – which we in Eastern Europe may have learned better than those in the West – is that a handful of booklets from the neoclassical economy reference library can no longer pass as instruction manuals for governing society. Additionally, this encourages a dangerous rivalry among nations and nationalism that destroys any rational debate in advance.

The plundering of nature and the rise of extreme social inequality in the world is harmful to people and society. That is why the future may breed fear that, in turn, will encourage the rise of nationalism or fascism. However, the future may also bring a revitalization of democratic society. For democracy can thrive only if the justified critique of pre-crisis capitalism does not descend into anti-liberal madness! In Hungary as well as here in Slovakia we've had our share of liberals transformed into anti-liberal nationalists. For this reason a search for post-crisis options ought to be high on the agenda of this Central European Forum.

Are such options available? What alternatives can we offer from the perspective of our own Slovak post-communist experience? We certainly have episodes in our history that could be invoked, such as the struggle against Mečiarism and the continuing struggle of solitary Don Quixotes against nationalism and national populism. Although we are far from having won this fight, it doesn't mean we can give it up. Right now it's probably the neoliberal populists – of the national and economic as well as of national-economic hue – who need to be defeated.

For them, an accountant's concern for their own savings and inflation rates outweighs everything else, even fear of Islam. Parties capitalizing on this mass fear, or rather hysteria, have already sprung up, not just in Slovakia but also in Germany. Slovakia is so far the only country where they have succeeded in breaking up a government that started working on the basis of a European consensus. So, for the first time in ages, we have our "claim to fame": as destroyers of governments, perhaps even of Europe. It remains to be seen whether we have something more constructive to offer, something more appropriate to our specific geo-political weight.

These deliberations of a disillusioned liberal may sound rather Left-leaning. However, they are meant only to encourage greater solidarity, a term to whose depletion the Left has also contributed over the past twenty years, although we've also heard plenty of empty rhetoric. At the same time I have felt the need to state – not only in my capacity as Deputy Prime Minister responsible for all minorities, that is, all vulnerable groups of citizens, of whom there are many; not only in my capacity as an on-and-off member of the government, but also in my capacity as an intellectual – that I am on the side of those who are weaker, vulnerable, and indeed starving, even though these days that's something one doesn't bring up in decent company. However, if the 21st century fails to come up with responsible answers to these questions, and fails to become the century of solidarity, billions of people will stay confined to the world's periphery and the end of the future may indeed come closer for our descendants. That is one of the reasons why an alternative solution will require a new script and perhaps also a new director. /

Translated from Slovak by Julia Sherwood.

The author was Slovakia's Deputy Prime Minister for Human Rights and National Minorities in the government of Iveta Radičová.

FARMERS IN FAIRY-TALE LAND

POLAND AND THE EUROPEAN CRISIS

Lack of truly political decision-making and the demise of philosophical objectivism have landed Europe in the situation it is in today, argues Marcin Król. A lesson could be learned from Poland, where a tradition of economic liberalism and rural pragmatism has enabled the country to weather the crisis.

MARCIN KRÓL

Mateusz Kaniewski

In order to understand Poland's position in the world today, one must first grasp the current state of Europe as a whole. The European condition is very closely linked to the issue of democracy. I would even go so far as to argue that Europe and the future of democracy are mutually interdependent. Astonishingly little attention has been given to this issue recently, and it is no accident that intellectuals in France have shown most interest in it (Pierre Rosanvallon or Pierre Manent, for example). Arising directly from this is the question of the nature of the bond between contemporary Europe and America. A debate on the European-American relationship took place several years ago, but the issue is acquiring real significance only now. Inseparable from the European political crisis is also the crisis of the euro, which I would argue is also a crisis of philosophy. In my view, the relegation of the problem of the euro to the field of economics alone is nothing short of dangerous. It is bound up with a decline in European political philosophy that has affected the entire region, with the exception of France. Any remarks on Polish issues can only make sense in this context.

WHERE ARE THE POLITICIANS?

On the problem of Europe and democracy, it is worth noting the dramatic change we have witnessed in the very notion of what democracy means. We shall doubtless be feeling its consequences for years, if not decades, to come. In view of this transformation, it becomes almost impossible to talk about Europe at all. Over the past ten or twenty years, a gaping hole has developed in contemporary democracy. The capacity for self-correction, the process through which democracies learn by trial and error, has been stalled. One could say that, regrettably, Francis Fukuyama was right when he wrote in 1989 that the advent of liberal democracy had brought the end of history. Europe's political leaders were willing to be convinced by Fukuyama, in the sense that they saw no reason to make any further effort, because essentially everything had been sorted out. As we know today, their assessment was entirely inaccurate. The wars in Yugoslavia proved this, as did the most common problems liberal democracy has had to face. Their mistaken conviction underlies the lack of interest in the political aspects of democracy, which has become apparent in the last twenty years. Over this period, we have ceased to deal with politicians – even though we continue to call them this, presumably for lack of any other term. Angela Merkel, Nicolas Sarkozy and, previously, Tony Blair or (in Poland) Alexander Kwasniewski and Donald Tusk are all, essentially, very similar. They have ceased making decisions that entail any serious degree of risk, support the common good and assist the development of democracy. They have also ceased to be politicians. Victor Orbán is far more political – or at least he is making an effort in that direction – although of course I do not sanction the position he has taken.

The organization, or perhaps the "installation", of democracy after the Second World War was an extraordinary phenomenon. The First World War, the inter-war years and the Second World War taught us something – which is a rare event in history. But what did democracy learn subsequently? In the second half of the twentieth century, France, Italy and other democracies experienced very serious crises and responded by limiting the number of parties engaged in politics and introducing election thresholds. People also understood that democracy can only be achieved when government makes important decisions that will affect generations to come. The Marshall Plan is one example of this. When it was introduced, it was unprecedented and no one really knew how to implement it. Yet the plan was successfully carried out, albeit in a top-down fashion. This is something we often forget: the Marshall Plan was a government project that lasted a good twenty years. The project established the welfare state and paved the way for thirty glorious years of affluence in Western Europe. This was linked to a political decision: the preference of the welfare state over the liberal state.

This was later undermined by a different political choice, which led to the adoption of policies intended to create the liberal state. In making this choice, Margaret Thatcher proved she was a politician, for she was not concerned exclusively about economic reforms – which were rather the consequence of her political decisions. There are some similarities to be noted between Margaret Thatcher and Leszek Balcerowicz, Poland's economic reformer of the 1990s. Balcerowicz was extremely effective, remarkable, brave, and tough. But he was not a politician, because he did not consider the indirect ramifications of his reforms. Thatcher's intentions went much further. She sought to change society, and she overturned it to the extent that even Tony Blair followed in her footsteps. There are those, such as John Gray, who say that the changes she introduced took Britain in the wrong direction, in effect destroying the country's social infrastructure. Nevertheless, this was a political decision – albeit one whose wisdom is increasingly being challenged. Critical voices oscillate between two opposing stances: should a state be more protective of banking and financial markets, or should it concentrate on a specific vision of what the state should be: whether welfare or liberal? Both these competing ideas have had their adherents, and each position contributed positively in its way, though it has to be said that both are now out of date.

In other words, irrespective of how we view the two major European projects, or on which side we stand (indeed, today we are not in a position to stand on any side at all, since neither has direct bearing on the present), a vacuum has ensued. There is now no European project to speak of and the emptiness is profoundly depressing. It can even be sensed at the level of the European Commission. Back in the 1990s, Jacques Delors had the courage to compile a text in which he warned Poland and Hungary in particular not to go down the route of neoliberalism because this was not the way for Europe. Traditionally, Europe is closer to the model of the welfare state than to the neoliberal state, or at any rate closer to the model of a "social state". It is no coincidence that Tadeusz Mazowiecki, Poland's first non-communist prime minister, attempted to replicate the German formula of the social market economy. Later, however, Poland made no further conscious efforts to select any kind of political route. This vacuum has meant that, in relating to Europe, we relate to a particular kind of financial organism, with its own way of dealing with economic issues, although even this provokes considerable skepticism.

The point is that the European Commission and the European Parliament pass many low level directives that indeed are often useful, although they can sometimes be absurd. They do so quite efficiently, sometimes improving our quality of life; however, any political initiative to introduce a high-level democratic project for Europe remains lacking. Yet this too should be the purpose of the Commission, and of all institutions engaged in building the European community. Indeed, not only has the Commission failed in this respect, but by electing Herman Van Rompuy and taking other similarly substantive decisions, it has shown that it has no desire to set the tone for the lives of communities or designate common European values.

This necessarily has its consequences. In some countries, not only is the nation state becoming stronger, but there are signs of clannish tendencies. Over the past two or three years, there has been a growing mood in Germany that the country is a "great nation". Surely, fifteen years ago, a German would have been embarrassed to suggest such a thing? Equally, fifteen years ago, Radosław Sikorski would not have had the nerve to address the Germans as he did in his Berlin speech of December 2011, when he said that he feared a inactive Germany more than he did a powerful Germany. Indeed, it would not have occurred to him to do so. These tendencies are becoming evident in other countries as well. While there is no serious threat at the moment, discourse on what it means to be a real Finn or a real Slovak – and similar movements in Austria, Denmark or, indeed, France – show what can turn up in a world marked by a paucity of political thought.

WHERE IS THE WEST?

Consider the US. If we recall the enthusiasm with which Barack Obama was elected, we can see that America has remained a wellspring of social change. Despite the mediocre quality of its politicians (take the Republican presidential candidates for 2012) and the fact that the debate there is conducted at a predominantly practical level, America seems to have preserved an internal capacity for democratic renewal. The Americans are making efforts to offer solutions to some of the problems that democracy raises, while using deliberative methods and practices. In Europe, these things are seriously discussed only in France, where threads of argument on the crisis of participation and representation are being picked up. In Poland, the only writer addressing this and attempting a discourse on representation is Andrzej Waśkiewicz. Other than that, there is no discussion on the issue at any level beyond jeering at MPs – which you can see anywhere.

All this is happening because the notion of the West as a common political space is in decline. If the West were under threat, it might wake up; but for the time being, for all intents and purposes, it is no longer a functioning entity. Even the Iranian issue is unlikely to galvanize it, because, in France, Iran will not be an issue worth dying for. This has major ramifications, since after the Second World War, Europe existed only within the framework of the West. Without the West – without the Atlantic connection – Europe's first loss could be the United Kingdom. If Britain goes, Europe will become the divided continent described by Fernand Braudel as a "Europe of vodka and wine" – in other words, a Europe of relative stability and development at one end, and of trouble and uncertainty at the other.

WHERE IS REALITY?

The US is likely to preserve the democratic model in a pragmatic way, without the support of large-scale ideas, while injecting a certain vigor into its democratic structures. But I can see little hope of the same happening in Europe. Here the connection between philosophy and the euro becomes visible. The fluctuations of the euro are, in a way, the consequence of postmodern philosophy. I say this only half-joking. I am disinclined to agree with Leszek Kołakowski that postmodern thought should be relegated to the dustbin in its entirety. Not at all. Its elements remain culturally important. However, in general, postmodernism has had a highly negative effect on philosophy because it called into question something that lay at the very foundation of western philosophy, and which to some extent remains the cornerstone of American philosophy, at least among the students of Richard Rorty. In other words, postmodernism questioned the existence of the objective world. One could say, with Isaiah Berlin, that the existence of the objective world was first questioned by the Romantics, who gave recognition to the individual's point of view. Before the era of Romanticism, there was no such thing as the notion of a subjective perception of the universe. It remains a fact that each one of us views the world differently; yet we sense that we are talking about the same reality. The postmodern watershed challenges this perception.

Today, as philosophers, Peter Sloterdijk, Chantal Mouffe and Slavoj Žižekare inflicting the most serious damage. Obviously, I have no desire to silence any of them, but when I say they are causing damage, I mean that they are shooting themselves in the foot by putting an end to philosophy as a discipline. Over the past decade, numerous books have been written about post-philosophy, the future of philosophy and similarly speculative topics. If you put an end to philosophy and settle on something they call "narrative", then the problem of the existence of the objective world ceases to be an issue. I remember the comment Jacques Derrida made after the events of 9/11. What was this? he wondered. Well, what exactly was it supposed to be? Two massive buildings had been destroyed by terrorists. What more is there to say, philosophically? This is scarcely a topic for discussion. If you do not acknowledge the fact that on September 11th, 2001 terrorists flew two airplanes directly into two buildings in Manhattan, and that political consequences ensued, then you can indeed say a thousand and one things about what happened, and we shall all end up being drawn into some kind of narrative. And narrative is fiction. It is true that Nabokov once said "be as faithful to your fiction as you are to reality", but then he was a writer so he was entitled to make this kind of remark. And, of course, in terms of writing his observation possesses great significance and wisdom. But one cannot sensibly say that a political fact, or the European currency, are fictions. That is, we have taken an exclusively postmodern stance on the issue of the euro.

We are hearing that Greece has received an injection of 132 billion euros. In other words, Greece has been paid a sum that exceeds Poland's annual budget. This is not the objective expression of any kind of reality. It is in the realm of fiction. It is madness that the chief executive of the Bank of Scotland, which was bailed out by the British state, is considering taking an additional multi-million pound bonus. All this is happening in a dimension that is quite simply unreal, because if it were happening in the real world people would end up in prison, as they would if they committed a theft, perjury, and so on. The meetings held by the eurogroup are also essentially a fiction. In reality, it is a matter of trying to ensure that things do not culminate in a single dramatic incident. The intention is to fragment, to provoke a number of smaller events, and thereby avoid the impression that anything sensational is happening. It is a question of avoiding the panic scenario we saw in the case of the Lehman Brothers or the stock market crash of 1929.

The Greek street protesters are fully in the right. Since Greece joined the eurozone, the Greek people have not been offered any political vision, any choice between a liberal or welfare state, or indeed any other model. Consequently, consecutive governments misused EU funds without censure, the Greeks were happy, experiencing no particular sense of belonging to Europe, and – seeing the creative accounting being tolerated by other countries – had no need to develop any sense of guilt on those grounds either. So, who failed? In my view, Europe was responsible in that it treated everything as

a kind of fantasy, and for years considered Greek debt as something irrelevant. The European Commission was aware of it but imagined things would "turn out alright in the end". Turning out "alright in the end" is a fairy-tale outcome. Similarly, the actions taken by the European Commission have the quality of an unraveling story with no basis in reality, other than the conviction that, somehow, the economy will survive. But its competitiveness is becoming increasingly doubtful.

Strikingly, we live by this fiction. We notice it when confronted by dramatic cases, such as in Norway, after a madman went on a shooting spree and the Norwegians realized that they were not living in a perfectly safe, calm and gentle social environment, and that something fundamentally unpleasant can occasionally happen. It is absurd, but something tragic has to take place for this to be properly understood. Apart from exceptional instances such as this, Europe continues to function in a postmodern reality, especially in the field of finance.

This is the point: the postmodern story surrounding the euro is in some way the result of postmodern philosophy or the expression of a worldview in which objectivism has been lost. For if we examined things from the point of view of the objective universe, as we did thirty or forty years ago, Greek debt would be instantly identified as a danger. We would realize that appalling things are happening. I am not an admirer of Leninism, but I do believe that an objective world exists out there and that it can be analyzed from differing points of view. Because, if we say that it does not exist, we fall hostage to our own narratives and we are dealing with a lost cause: we can no longer do anything.

What does the Polish situation have in common with all this? Poland has proved to be a curious phenomenon. Our economic stability is astonishing, certainly, and we have Leszek Balcerowicz (whom I do not propose to idealize) to thank for this. His reforms made people believe in the meaning of money, the running of businesses and economic enterprise. Consequently, a large proportion of Poles have become self-employed. I recently met a secondary school teacher from Biała Podlaska, who not only teaches, but also owns two shops, while her husband runs a third.

In the first place, Poles believe in the existence of an objective reality in which money can be made. They do so far more than other Europeans (or at any rate some other Europeans). This is the first attribute that makes us different. The second is that Poles have not grown to believe in Europe as any kind of norm. They have, however, come to think of Europe as a comfortable place to live, take a holiday, do business, travel easily, buy, sell, and so on. So there is a sense in which the euro crisis matters little to Poland. Objective conditions also contribute to this – the quality of production, accessible distance, as well as standards that encourage European companies to move their production facilities to Poland rather than Asia.

As long as Poland maintains the conviction that a real world of enterprise does exist, alongside real working people and real money, Poland stands to become a beneficiary of the European crisis. In connection with this, the Polish government should introduce at least two significant reforms: in pensions and the Agricultural Social Insurance Fund (KRUS). This is the bare minimum. These reforms would ensure that the country could stand on its own two feet for an extended period. Furthermore, pension reform would play a considerable part in improving Poland's image abroad. There is, of course, a further need for reforms based on deregulation, as well as for a major transformation of the administrative system, often called the "bureaucracy". Administrations are unsatisfactory worldwide, but the Polish system is particularly dreadful and demands serious restructuring. If these changes are successfully implemented, Poland will benefit. As long as we remain with our feet objectively on the ground, we will know when we are making a mistake. We will be able to admit to it. Then it will be possible to assess things from the point of view of an observer who perceives facts, rather than one who is building a narrative.

The frame of mind that has kept Poles well away from narratives and fictions continues to astonish me. A specific primary impulse is responsible for this: the fact that Poland's initial reforms were very well designed. After the Mazowiecki government we had a very good prime minister: Jan Krzysztof Bielecki. He was succeeded by another equally good prime minister, Hanna Suchocka. After that, the government was taken over by post-communists from the Democratic Left Alliance (SLD) who did nothing at all, and as a result of which things have not been too bad. Nevertheless, the original impulse unexpectedly set the direction for change and Poland began to aspire to the German ideal (which was what Poles imagined Germans to be: hard-working, house-proud and law-abiding). It was an ideal that possessed all the positive attributes of developing civilization.

In Poland, this helped to establish a mentality paradoxically linked with the rural working class as a social group emerging into the economic and political field. This has proved significant, because people linked with this group are generally very pragmatic, even to the degree of a criminal disregard for the law. At the very least, they are likely to show tendencies redolent of nepotism and primitivism. Yet the fact that this group has come to dominate business and has taken over important positions – the ownership of property and so on – has proved to be a good thing and contributed to Poland's success. Thankfully, farmers do not believe in narratives or post-modern fables. The effect of this has been the very pragmatic approach we have witnessed. As a social group, the rural working class – who were, at times, a liability and a burden on Poland – are disappearing, so there will be no need for any major revolutionary upheavals.

The impulse provided by Balcerowicz, alongside good initial government, the lack of any sense of lost contact with reality – indeed the very firm grip on reality which the peasant tradition has given us – all this has located Poland in a different world. One could say that this world is by its very nature retrograde, and I have no idea how things will look in twenty years. The generation now aged about twenty-five is no longer "the product" of Balcerowicz's reforms – unlike those running the economy. The Balcerowicz generation will not be around for much longer, and it is hard to predict what the newcomers will be like, how the upcoming generation will develop, how job shortages will affect them, how this and other factors will shape them, and what Poland itself will be like. At present, the regressive quality that characterizes our country (and affects the economy considerably less than our frame of mind) is making a positive contribution to development. I would define it as a "pragmatic realism" emerging from a combination of the Balcerowicz tradition and the headway made by people of rural origin. Hence the unusual position of Poland within Europe. Until a new and qualitatively different generation of leaders matures in Europe, the situation is unlikely to change. /

We thank Eurozine for translation and promotion of this article.

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Over the past 50 years Visegrad has been looking for its identity. Countries – for years pushed to the margins of Europe – have sought their own place. Intellectuals, not politicians, have been the main actors in a process of not only reminding these nations' citizens of their European origins, but also drawing the world's attention to the plight of these citizens behind the Iron Curtain. Without their writings it is difficult to imagine today's Visegrad – modern and involved in European policy and European intellectual life.

THE LAND OF DILEMMAS

MAGDALENA M. BARAN

One of the earliest books that introduces the theme of Central European identity is the *Native Realm* by Czesław Miłosz. The Nobel Prize winner built a bridge between Eastern and Western Europe. He showed the specificity, culture, and history of his continent of birth. The Europe described in the autobiographical essays was presented not so much as a national, but as a cultural, product. The most important cultural issue seems to be the identity of the historical phenomenon known as *Mitteleuropa*, which consists of something more than individual countries. What counts here is the fate of community and culture: a story creating an overall vision. Miłosz wrote that he had "decided to write a book about Eastern Europe, born around the time when crowds in Paris and London cheered in honor of the first airmen, a man who less than anyone is in German notions of order and the Russian âme *slave*." The 1958 first edition sold quickly in Western Europe, and for years it was one of the most important records of European identity. From this perspective, we look at how the political, social, cultural, and intellectual history of Europe developed over the next 50 years.

Jenő Szűcs' *Three Europes* provides a similar description of a continent steeped in centuries of culture, politics, and tradition. In the early eighties, the Hungarian historian published his tale of three European opinions, characterized by the separation of their development and socio-economic situation. Following the author through the ages of the common, sometimes tangled, sometimes closely overlapping history of our continent, we are able to see the places and moments of the relevant divisions. Szűcs writes about Western, Central, and Eastern Europe – that uneven, yet inextricably linked, body.

The third "part" of the story about European identity is Milan Kundera's essay, "Kidnapped West or the Tragedy of Central Europe", published in April 1984 in *The New York Review of Books*. Kundera tells his story about Europe, treating it as a value, for which is "worth dying for". "« To die for country and for Europe » is unthinkable in Moscow or Leningrad – he wrote – but just in Budapest or Warsaw". Right here, in a variety of Central Europe, co-created not only by today's residents of the Visegrad Group, but also Slovenes, Croats, Romanians and Austrians, raises the question of the Europe's identity. Europe rooted in the tradition of antiquity, a Europe in which Western thought is defended, where we are building a new image of politics and culture on the strength of intellect. We can find a very similar description in the essay "*Ubi leones*: Thoughts on Central Europe" written by Csaba Kiss. The author proposes an ambiguous and heterogeneous concept of our part of Europe, the special land of dilemmas, suspended between East and West, which repeatedly makes decisions often selected from opposing points of view.

KISS GY. CSABA „Ubi leones – rozważania o Europie Środkowej," in *Lekcja Europy Środkowej: eseje i szkice* (Kraków: Międzynarodowe Centrum Kultury, 2009), 123-141.
VACLAV HÁVEL "Strength of the Powerless," trans. Paul Wilson, in *The Power of the Powerless: Citizens Against the State in Central-Eastern Europe*, ed. John Kean (London: Hutchinson, 1985).
MILAN KUNDERA "The Tragedy of Central Europe", *The New York Review of Books*, 26 April 1984, 33-38.
ATTILA MARJÁN *Europe's Destiny: The Old Lady and the Bull* (Baltimore: Johns Hopkins University Press, 2010).
ADAM MICHNIK "A Specter is Haunting Europe," in *European Unification in the Twentieth Century: A Treasury of Readings, ed.* Frans A M Alting von Geusau et al (Nijmegen, the Netherlands: Vidya Publishers, 1998).
CZESŁAW MIŁOSZ *Native Realm: A Search for Self-Definition*, trans. Catherine S. Leach (Berkley and Los Angeles: University of California Press, 1981).
VLADIMÍR MINÁČ *Odkiaľ a kam Slováci?* (Bratislava: Remedium Press, 1993).
JENŐ SZŰCS *Trzy Europy*, trans. Jan Maria Kłoczowski (Lublin: Instytut Europy Środkowo-Wschodniej, 1995).

In this context, it is also worth noting the writings of the Slovak philosopher Svätopluk Štúr who, assessing the situation in Central Europe, wrote that "the time ended up with a policy of institutionalized violence". This is precisely what Central Europe – a place where the source of the rebellion was not the media, but "the novel, poetry, theater, cinema, literary writings, historiography and philosophical discussions" – the Europe of Czesław Miłosz and Milan Kundera, appeared on the "new" map of Europe in 1989.

After tales of identity, came the time of change. Two of perhaps the most important texts of the period begin very similarly. Hável and Michnik said almost in unison: "A specter is haunting Europe..." And although the texts of these authors are divided by 11 years, their emphasis is somewhat similar. When in 1978, Vaclav Hável wrote his "Strength of the Powerless", the specter haunting Eastern Europe was what he called the dissident movement. Hável wrote about the power and the opposition, he wrote about those who languished in its concrete helpless and "powerless", who mean a lot more, who – having a sense of inner freedom – become a force for change. He wrote about the people involved and enslaved, and how to wake up their conscience. The future president of the free Czech Republic exposed the political system that existed not only in his homeland, but also in all of Central Europe. Thus, Hável proposed a new identity for this part of Europe, which soon echoed in the West. Speaking of the then dictatorship, he wrote also about a vision of the good state which should be created by the power of the powerless.

11 years later, when Hável's visions "become flesh", in the second edition of *Gazeta Wyborcza*, Adam Michnik wrote: "A specter is haunting Europe, also in other continents: the specter of the end of the totalitarian regime". In addition to the joy of the first Polish free elections and the success of the Round Table, Michnik did not create the "puff" for the opposition activists. He also wrote about uncertainty, distrust, in a sense anticipating what Józef Tischner later called "an unfortunate gift of freedom". But then, in June 1989, the most important was hope for change. With change came reflection. In Slovakia, Vladimír Mináč wrote an essay entitled "From Where and to Where, Slovaks?" ("Odkiaľ a kam Slováci", published in 1993), where he stressed that "everything must be preserved in the national memory: bad and good, lowly and noble. Only then can history become real history and not an ornament of mythology, only then can it live with us and within us".

As Attila Marján's book *Europe's Destiny: The Old Lady and the Bull* illustrates, today's Visegrad reflection is trapped between Euro-skeptics and Euro-enthusiasts' bet on the future of Europe. This is a sound self-analysis of Visegrad for the near future. /

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prospects

interview by Wojciech Przybylski

Europe has disappeared from the horizon of imagination. I don't know if you'll agree with me. What are the prospects of the European project?

Churchill said that democracy is the worst form of government except for all those other forms that have been tried from time to time. The same can be said about Europe. This is the worst Europe, except for all those others that have been tried. It's not a failed project. On the contrary, Europe has been a huge, unprecedented success, and now the European project falls prey to it. What does that mean? It means that almost everyone, even in Poland and even in Estonia, consider such achievements as prosperity, liberty, different freedoms, civil rights and a general easiness of coexistence to be something normal. But it's not normal at all. Remember that the whole project was built on memory, not just collective memory, but individual. The memory which can see in its own experience that it's not normal for Europe. It had never been like that in history, until recently, and it may be different again in the future. Another thing is that the states, that is, the nation states, continue and will continue to exist. There will be no United States of Europe, nor a European nation. I don't believe that. That's not what it's all about. It's an unrealistic debate. But it's a question of whether we will have a federation or a confederation.

There will be no United States of Europe, but there still exists, as a dream, the idea of European democracy, which also seems to be close to you. This means that countries sort of treat one another equally in the debate within Europe.

Yes. The idea of Luxemburg as equal to Germany.

It's sometimes mocked, but there have already been moments, when it happened to be like that, that it was possible.

And it's an unparalleled achievement, because obviously, it is evident that it is not like that in practice, that Luxembourg isn't as powerful as Germany, but we have found a very interesting formula, in which there is, among other things, a response to the German issue. For example, Jean-Claude Juncker from Luxembourg is currently head of the Euro Group, right? Even small countries play a crucial role at some points. This seems to me to be a really unprecedented answer to the eternal European problem concerning international order. If we talk about identity, there used to be a joke in the sixties, that if someone tells you "I'm European", he must be German. A Frenchman would say "I'm French", a Pole "I'm Polish and European". It will always be the second, but not necessarily weaker or insignificant identity.

FOR EUROPE

Europe looks shattered, yet there is hope for even further enlargement and integration. It all depends on properly defined interests of member states and the power of convictions. Wojciech Przybylski interviews Timothy Garton Ash – a renowned British historian of Central Europe and Professor of European Studies at Oxford University. They discuss the political condition of the continent and perspectives for Turkey and Maghreb countries to join EU.

What about the political decisions which are currently being made, are they dictated by these German interests or the European ones? The approach symbolized by Keynesian economics won in the US and his method was repeated there in the present times, it seems, with a positive effect. Whereas we succumb to the economic culture of one country and not everyone seems to be able to deal with that.
The dispute around economics is not a dispute about true faith: that is, about Keynes or Hayek. What works perfectly in the US might not work in Germany, which has a completely different history. In Berlin, hyperinflation is still remembered as an event which preceded bloody wars at least twice in the 20th century [in Germany in 1923, in Yugoslavia in 1989-1984 – ed.]. There are also different economic cultures. There is no one and only solution. It's a mistake in reasoning, but at the time we're having this conversation, this holds true for German politics, because Germany makes the same mistake thinking that they have the only perfect solution, the fiscal discipline, structural reforms and then, export. We will still need to wait for positive effects, but what in the meantime, when in Spain fifty per cent of young people are unemployed, and one fourth of the society in general has no work? Secondly, if all countries were like Germany, Germany would not be able to continue its current approach, because where would it export to? The same for China. Such an approach must be changed.

There are two serious issues that stand out in this context. The first one is how to convince German pensioners to help the Spanish government, and thus indirectly, the Spanish unemployed? Such help would, after all, have a negative effect on the standard of living and comfort in Germany. The second issue concerns the political strategy, but let's start with the first one.
I cannot give an answer to this question. I do not agree with fellow intellectuals who hold the view that a pan-European public sphere needs to be created top-down, and here we are, the right and wise intellectual elite whose argument will convince a poor worker in Germany or an unemployed young person in Spain. First of all, there is no such public sphere. Although there are such projects as Eurozine, Presseurop; I even initiated recently a similar project called "Free Speech Debate" in Oxford, but all of this remains very exclusive. It's a fact that media, politics, press, the public opinion still remain national. I'll give you an example. Before our conversation, I read all the Polish newspapers on the train. Even if they include a debate in the European context, for example, about the European budget, it is still different in Poland than in any other country, right? We will not be able to change that for a very long time. This is why we should do something else. It is necessary that I, as a British European, find arguments in Britain, which are convincing for the British. These are not necessarily the same arguments which a student in Cologne will find in German to convince his father-worker, or ones which you will find in Polish and in Poland. The same for discussions in national parliaments. We have no shortage of members of the European Parliament. On the contrary, the problem is that too many pro-European politicians from Eastern Europe are currently in Brussels. This is a problem for national politics even in Germany, where only thirty years ago, the commitment for the European cause in Bundestag was greater and stronger than today.

Let's get back to the individual strategies of argumentation. How to describe and explain that, despite everything, we need to make sacrifices in the name of European solidarity?
Are you looking for arguments?

I am.
Two are important. First of all, there is China. Jean Monnet in 1954 said a very interesting thing about Europe: "Our countries have become too small for today's world, when compared to the potential of modern technical means and in relation to the dimension of America and Russia today, – interestingly, he didn't say the USSR – and China and India tomorrow". The forecast of Jean Monnet came true. We live in a post-Western world, where huge nation states such as China, India, South Africa, not to mention Russia or the United States play a decisive role, and what can we do, if we're not among the giants? Build your own strength, or remain divided and weak?

History teaches us, however, that usually at such moments people are very rarely able to unite, until it is too late...
When a common enemy appears, it usually has this effect.

But when they are already at the gates.
You're absolutely right here, although I could show you in the newspapers a nice picture of the new Red Army, namely, the Chinese Army. This army exists, although we are not directly in danger from it, like the Philippines or Vietnam. This is an absolutely essential and convincing argument even for the British. It does not have such emotional appeal as the presence of the Red Army in Berlin, in the heart of Europe, but intellectually and rationally, it's a very strong, or even the strongest argument.

I will now give the second argument, for which I like to use the "easyJet Europe" catchphrase.

An open Europe?
The fact that a young Estonian, a citizen of a country, which twenty-three years ago didn't even exist on the political map of Europe, has euros, and is able to get up at five in the morning and fly to Portugal, live and find work there, is absolutely sufficient. It's an incredible achievement we can be proud of everyday. So, if someone says that there is Europe, but there are no Europeans, I profoundly disagree. There are Europeans, but there are not enough pro-Europeans, or the so-called Euro-enthusiasts. Will this whole generation of Europeans, who already have new Europe, be able to mobilize in defence of Europe at a given time? Will they understand that it is threatened?

In public debate it is not important, however, that these are rational premises. It is decisive when they appeal to our emotions, to our feeling that this is important, not just our rational understanding. However, if we hold on to the issue of interests, of what in reality the European interest are and what the interests of individual countries are, then from this point of view, Poland will currently be one of the few countries which are trying to defend European institutions and the common Europe. Maybe we approach it in a wrong way?
I can only agree to some extent. There are many different approaches towards Europe, including very positive ones. The Polish specifics right now is that Poland, or at least the Polish government is the biggest defender of German Europe and the German vision of Europe. This is an irony of history and it re-

quires a separate discussion. But returning to the point of your question: I would not appeal all the time to European identity, to some specific European values, although I realize they are important. I would appeal to specific interests. What mistake did Ms. Merkel make? Her mistake didn't lie in the fact that she didn't talk about Europe. It lay in the fact that from the very beginning she hadn't spoken of German economic and political interests, according to which the eurozone should be saved, because if we don't do this today, tomorrow it will cost us more. After all, Germany earned a great deal on the euro. It's a fact, although Germans themselves say different things about the euro. In the macroeconomic sense it's obvious. In Poland and in France we can have a calm, but calm debate about the national interests, and only later check which ones are common, where we converge and where we diverge. I'm eighty percent sure, if we're talking about a fifteen-year prospect, that there will be a convergence of interests in Europe.

But let's take an example. Businesses in Great Britain prefer to outsource their production to China rather than Central Europe. How can those interests possible converge in global economy?
I see. Competition, competition.

It's not that obvious that we compete with China for Great Britain or for Germany, but after all, such divisions do exist. In the 2011"Transatlantic Trends" survey by the German Marshal Fund, the attitudes and hopes related to China divide Central Europe and countries such as France, Britain or even Germany.
I see, but we can also look at it differently and say that we need to negotiate rules of the game with China, for example, as far as intellectual property is concerned. And this requires cooperation.

Back to Central Europe, I am one of the few who from time to time speak about Central Europe. You may notice that a return to the notion of Eastern Europe is quite widespread right now and that very few people talk about Central Europe. And the problem is that Poland, which has huge achievements and is commonly seen as one of the big six countries of the European Union, which means that it has something to say, that it is a power, when it takes the floor on the European forum, 90 out of 100 times it will talk about Eastern Europe and nothing else. Where is the Polish voice on the Arab Spring, where is the Polish voice on India or China? The partnership in Europe means of course that when it comes to Maghreb, it is Spain and France that have the last word, when it comes to Borderlands, Ukraine, it is Poland which should have the last word. It's obvious. However, European partnership also means that Spain has something to say about Ukraine, and Poland has something to say about Maghreb.

We recently had a China-Central Europe summit. Does such a forum have a *raison d'être*?
I'm not convinced. I think that what is most important is the context of the European Union. Europe will be an important actor as a whole, or there will be no Europe at all. In this case, Germany is too small, Central Europe is too small and Britain is too small. On the other hand, we need to remember that China is a country still formally run by a communist party. The experience of this region – the post-communist experience – is as attractive for China as it is currently being offered to Tunisia or Egypt. This is very good. It is in this sense, first of all, in this sense of analysis that I would see the role of Central Europe. But not as an independent actor.

Central Europe is also in some sense an engine driving Europe. Let's take enlargement for example, which set in motion the processes of integrating the European Union. To cite the words of Ivan Krastev from several years ago – Europe exists as long as it's enlarging and wants to enlarge.
I would say that in a sense, the whole history of the European Union is a history of enlargement. First six countries, then Britain, Ireland and the other ones. Before every enlargement, at the beginning they would say that it's impossible, and each time it turned out to be the other way round. I think that in old Europe – and I mean both historically and demographically – we didn't have such advantages. In the foreseeable future, the United States of America is not going to enlarge. For what we know, Canada doesn't want to join the USA, and the USA doesn't want Mexico… If we look at the Middle East and Central Asia, we can see the prospect of geopolitical changes. Turkey and Ukraine are two countries absolutely decisive for this direction. My vision of Europe holds that in ten to fifteen years Turkey and Ukraine will be members of the European Union, and I'm not saying this to cause disintegration. On the contrary, I think it will strengthen integration.

What about the Mediterranean Basin? Do you think we should open to other countries?
It's a very good question, to which I don't have a clear answer yet. You need to consider that Morocco is the only country which filed an application for membership, but got a response from the EU, saying that it cannot join in principle, as it is not a European country. As a historian I wouldn't dare to give such a definite argument; that Turkey is a European country and Morocco is not. So it's not a cultural choice, it's a strategic choice. Today, only Turkey is ready in terms of political, economic, and military development and the Maghreb is not. But in twenty years?

The roots of Roman civilization?
Judaism, Christianity, and Ancient Greece philosophies were all in some sense contained in Rome. Rome was of course in what is now Istanbul, but Rome was also in the Maghreb. So even in this sense, deeply historical, we can imagine that, but not today. Today, I wouldn't say that Tunisia should be accepted as a candidate.

And what about Ukraine?
Ukraine, absolutely! Not with Ms. Tymoshenko in prison, however. /

Kraków, May 2012

The conversation was originally held in Polish. Translated from Polish by Natalia Kertyczak. We would like to thank Villa Decius for facilitating this conversation.

UKRAINIAN *STAGNARCHY* BURIES THE EASTERN PARTNERSHIP AS WE KNOW IT

The recent controversy between the EU and Ukraine over the jailing of Yulia Tymoshenko, which prevented both sides from the signature of the Association Agreement, marks the end of the Eastern Partnership (EaP) as we know it. It poses a specific challenge to the V4 countries since the EaP is declared to be the top priority of V4 regional cooperation, and Ukraine is the direct neighbor of the three of them. If the EU fails to reset the EaP, the V4 countries will lose an important tool to promote their interests vis-à-vis Ukraine.

ALEXANDER DULEBA

The EaP in its present shape is an unsustainable project. The deteriorating political situation in partner countries over the last few years proves that the EaP has not met its ultimate goal. It has not strengthened democratic institutions and the rule of law in partner countries. Moreover, the ambitious efforts of the EU to sign Association Agreements (AA), including Deep and Comprehensive Free Trade Areas (DCFTA), is something that the partner countries do not have either the political will or administrative capacities to cope with.

A toothless EaP will marginalize the role of the V4 countries within the EU. With the EaP falling lower on the list of EU priorities, the capacity of the V4 countries to collectively shape the EU's external relations will diminish. The weakened position of the V4 countries within the EU's Common Foreign and Security Policy (CFSP), sooner or later, will limit their ability to affect other policies of the EU. Moreover, because of direct geographical proximity, the V4 countries are expected to be the main beneficiaries of a DCFTA with Ukraine. A DCFTA would bring new impetus to their trade with Ukraine, including regional development of their backwoods on the border with Ukraine. However, it is not going to become a reality any time soon.

The core of the EaP offer, the establishment of a new contractual framework with partner countries, is not a feasible scenario in the foreseeable future. It took five years for Ukraine (from 2007) to negotiate a new technical agreement with the EU. Moldova and Georgia, the main contenders to take over the leadership within the EaP, launched their respective talks in 2010. Armenia, Azerbaijan and Belarus expressed far less political will to fully engage with the EU within EaP, and are far from being able to meet the political and economic criteria to conclude AAs with the EU.

Unlike Ukraine, the administrative capacities of Moldova and Georgia are much weaker. In addition, Chisinau and Tbilisi cannot provide for the implementation of the agreed provisions on the entire territory of their states, since they do not control them fully. Moreover, reforms in partner countries became a hostage of talks on AAs. The Ukrainian government became less prepared to move ahead with reforms in specific agreed upon sectors in the Association Agreement (in October 2009) before the conclusion of the DCFTA (in October 2011). Conversely, EU leverage against the Ukrainian government has weakened when it comes to the implementation of sectoral reforms. Continuing uncertainty over the future of the AA undermines the capacity of the EaP to push the reform process in Ukraine. If the EaP cannot achieve the establishment of new contractual relations with partner countries nor facilitate reforms in partner countries, it means the organization has lost its sense of purpose.

Most leaders of EU member states, including the Visegrad Four, firmly believe that the criminal charges brought against former Prime Minister Yulia Tymoshenko, former Interior Minister Yuriy Lutsenko and other representatives of the Orange government are politically motivated. Unless the current political momentum in EU–Ukraine relations change, the dynamism of the whole EaP project is undermined. But the chances of a reset in EU-Ukraine relations, and a reset of the EaP, are close to zero. First, Yanukovych's government has lost the trust of most EU governments. Even if Tymoshenko and other former officials are released, a Ukrainian government under Yanukovych would hardly be an acceptable political partner for the EU.

Moreover, the October 2012 parliamentary elections in Ukraine will not bring a political change to Ukraine since the formation of a government falls under the president. The most that can be expected from the upcoming parliamentary elections is that a clearer picture of Ukrainians' political preferences will emerge. Even if an opposition candidate would manage to win the presidential campaign in 2015, the recent history of the Orange government shows that a politically stable government in Ukraine without the participation of Yanukovych's Party of Regions is an impossible mission. The Party of Regions represents the political interests of the most influential businesses in Ukraine that control (according to experts) between 60 to 70% of the country's GDP. No government in Ukraine can survive for long if it rules against the interests of the Ukrainian oligarchs. In sum, if Ukraine is to have any form of a stable government in the years to come, Yanukovych and his party will have to be a part of it.

The Tymoshenko case is not the sole reason for the EU's deteriorating relations with Ukraine. There is a real danger that the EU's debt crisis might not only undermine funding for the EaP, but could also divert the EU's attention away from the initiative. Politically, the EaP enjoys less support from EU member states than in the past. The perceived problem with the rule of law in Ukraine is only a small part of the EU's approach toward Ukraine. Indeed, there is a ground for doubts about the fairness of legal proceedings against Tymoshenko. One can refer here to the Venice Commission, which warned that the Ukrainian judicial system risks being politicized because of a five-year probationary period for judges. According to the Venice Commission, "during the first temporary appointment, judges have less room for independence from political power, both executive and legislative." The judge who sentenced Tymoshenko to seven years in prison for the gas deal with Russia was appointed by the Parliament to serve his first probationary period. According to

European standards of justice, if one can raise doubts about any single aspect of the legal proceeding, one can doubt the rightness of the final outcome.

Nevertheless, it is a fact that Tymoshenko signed a disadvantageous gas contract with Russia in January 2009. Ukraine accepted a base price of $450 per thousand cm of Russian gas and agreed to import 52 bcm of gas from Russia per year, over a 10-year period. This means Ukraine is paying the highest price for Russian gas of any European country. Led by Prime Minister Mykola Azarov, Yanukovych's government has been trying to renegotiate the contract. It considers $250 per thousand cm of gas to be a fair price for Ukraine, a price which would be comparable to what other European consumers pay to Gazprom.

Ukraine does not need to import 52 billion cm of gas from Russia and wants to reduce its annual import to 27 bcm. However, since the contract includes a "take or pay" clause, Ukraine has to pay for gas it cannot use. In other words, Ukraine pays about $1 billion a year to Russia for gas it does not use, in addition to paying a highly inflated price for what it does use. It is not a bad deal for Russia, and a terrible one for Ukraine. Indeed, there is ground for doubts about Tymoshenko's intentions when she negotiated the contract. Of course, that does not mean that she committed crimes or should be denied fair legal proceedings.

All this has potential consequences for V4 countries. Most importantly, a bad deal between Russia and Ukraine means the continuation of their conflict, and a constant threat that supplies of Russian hydrocarbons flowing through Ukraine to Central Europe might stop again.

When Russian President Vladimir Putin made a gas deal with Tymoshenko in January 2009, he was clear about the condition under which Russia would be ready to change it: Ukraine should join the Customs Union with Russia, Belarus, and Kazakhstan. Thus, both Russia and the EU expect Ukraine to make the final strategic choice on its international alignment. However, the Ukrainian political establishment is not yet ready to make that choice even twenty years after the country became an independent state. This is a phenomenon which makes Ukraine a special case among post-Soviet, post-communist European countries.

When Taras Voznyak, editor-in-chief of the Lviv based *Yi* journal, analyzed the sluggish rate of transition in Ukraine compared to its Visegrad neighbors during the 1990s, he came up with the concept of a "stagnarchy" – a combination of "stagnation" and "oligarchy." Voznyak argues that the forces that brought Ukraine independence are the former Soviet nomenklatura and the new oligarchs. Stagnarchs are satisfied with the existing state of affairs, as they control political power, as well as the country's economy. They survived the transition from a state-planned economy to a market one; however, they are interested in neither political reforms nor the development of civil society since that might endanger their power status. The same concern drives the stagnarchs' perspectives on Ukraine's foreign policy. They do not need integration with Russia or the EU, since they do not want foreign capital to endanger their positions. The outcome is a lasting stagnation, a general feeling of a never-ending present, with no future political, economic, or societal transition.

Voznyak's concept of stagnarchy helps to explain the nature of Ukraine's foreign policy under Yanukovych much better than stereotyped concepts of a "pro-Russian" Yanukovych, versus a "pro-European" Tymoshenko. In other words, the transition process of Ukraine is fettered in a different place. EU leaders fail to understand this. And the Ukrainian stagnarchs can hardly absorb EU criticism directed against what they consider to be marginal details in the criminal charges brought against a former leader who caused billions of dollars of damage to their country.

The EU should not give up its efforts to assist Ukraine's transformation. But it is time to change the tools. The road to a better-governed Ukraine does not lead through idealizing Tymoshenko, nor through premature attempts to sign an AA and a DCFTA.

Under the given conditions, Ukraine is lost to the EaP. Consequently, the EaP without Ukraine should be a different concept. Moldova and Georgia cannot save the EaP in its present shape. Chisinau and Tbilisi do have much weaker administrative capacities in comparison with Ukraine, and furthermore, they do not control entire territories of their states. With the separatist entities of Transnistria, South Ossetia and Abkhazia, Moldova and Georgia cannot guarantee the implementation of DCFTA provisions within the whole customs territories of their states. EU member states hardly could be interested in creating new black holes within the EU common market.

The reform of the EaP is a must if the EU wants to continue its effort to assist partner countries in their reform processes and to bring them into the zone of the EU's four freedoms: the free movement of goods, capital, services, and persons.

The EU needs more flexibility in its institutional approach toward the partner countries so that the sectoral part of the AAs can be separated from the DCFTAs, in order to make the whole EaP project more dynamic. After all, Azerbaijan (which is not in the WTO) leads on talks on an AA while it cannot engage in DCFTA talks. Once the EU and an Eastern partner country agree on an AA, the sectoral part of the treaty should enter into force. This would enhance EU leverage over the reform process in the EaP countries by strengthening the main EaP implementation instrument (for example, the Association Agenda in Ukraine and the Action Plans in other EaP countries).

The opportunity for an EaP country to conclude a sectoral agreement with the EU should be given only to those countries that are ready to fully accept the respective sectoral acquis of the EU. Once fully compliant in a given policy sector, the partner country may obtain observer status in EU institutions. EaP countries should be given transparent and clear benchmarks so that they know where they stand with the EU. Observer status for countries with sectoral agreements should be fundamental in the EaP because it corresponds with the declared need to enhance the EU commitments to its Eastern neighbors, and vice versa.

From the very beginning, the aim of the ENP/EaP has been to assist partner countries in implementing reforms in line with EU standards and policies. Therefore, the success of the EaP should be measured by the quantity and quality of the reforms it has facilitated in the partner countries. The revitalization of the EaP is a must for the V4 countries. Otherwise, they should 1) accept a marginalization of their role within the EU, and 2) abandon their interests in the Eastern neighborhood with regard to Ukraine. /

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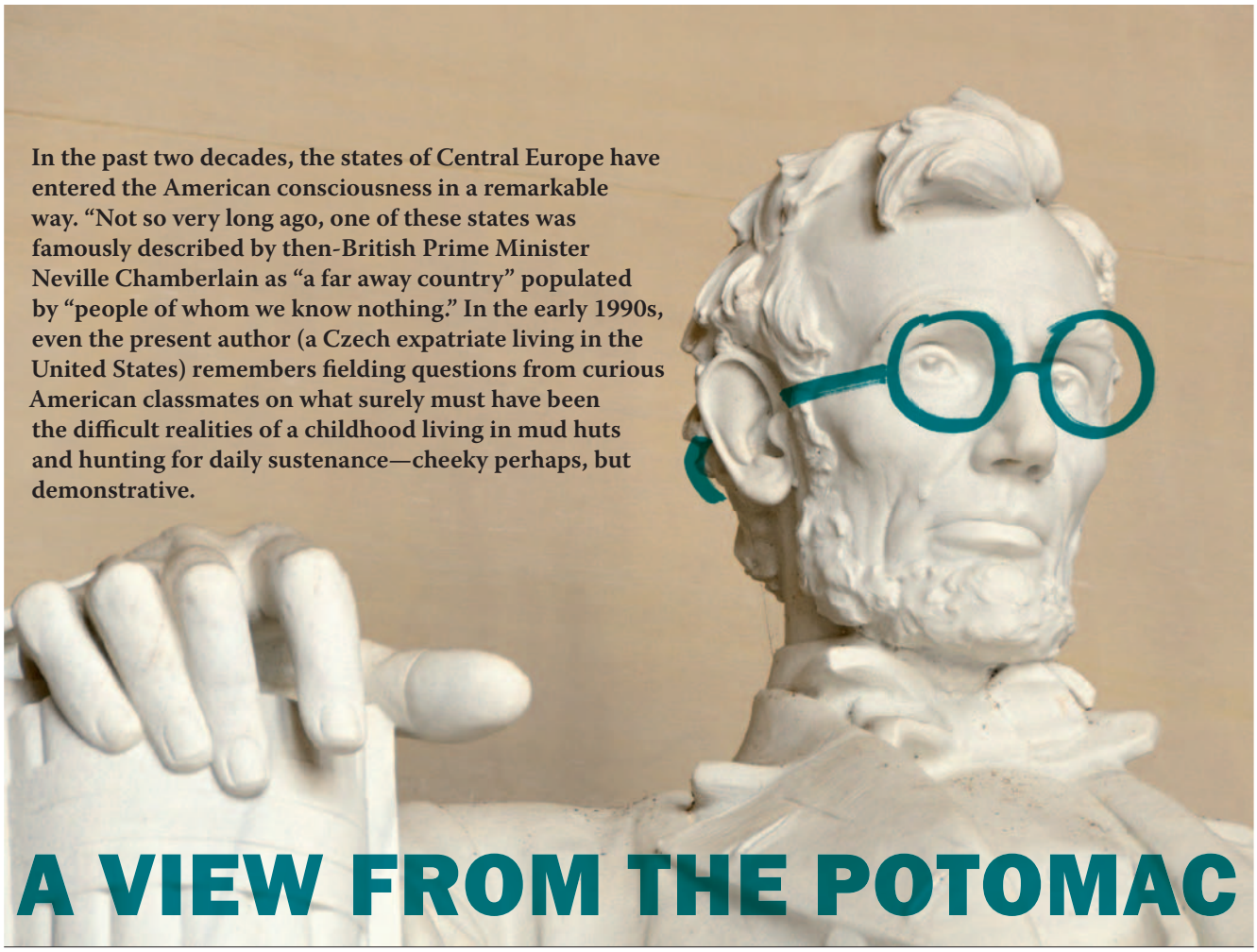


In the past two decades, the states of Central Europe have entered the American consciousness in a remarkable way. "Not so very long ago, one of these states was famously described by then-British Prime Minister Neville Chamberlain as "a far away country" populated by "people of whom we know nothing." In the early 1990s, even the present author (a Czech expatriate living in the United States) remembers fielding questions from curious American classmates on what surely must have been the difficult realities of a childhood living in mud huts and hunting for daily sustenance—cheeky perhaps, but demonstrative.

A VIEW FROM THE POTOMAC

ROBERT KRON

Small though they still may be, in today's globalized, digital age they are no longer quite so far away, and they have become places which we actually now know a great deal. Places such as Budapest and Prague have become the darlings of students across the United States reviewing their university study abroad options, of businessmen looking for new investment climates, and of couples searching for honeymoon destinations. Statesmen such as Václav Havel and Lech Wałesa have become household names, finding their way into many political speeches and lending their clout to many Washington events.

This shift in cultural perception, from distant backwaters of the 'other' Europe, to trendy and desirable hotspots of the 'new' Europe, cannot be disentangled from the extraordinary political and economic journey of transition they underwent after the abrupt lifting of the Iron Curtain. No longer the vassals of some distant king or satellites of some greater power the Visegrád states have become fully fledged, sovereign, and contributory members of the Euro-Atlantic community and, despite some lingering warts, mostly economically vibrant and politically mature democracies.

Just two decades from the Warsaw Pact, they are considered among the United States' staunchest and most respected allies. How this was achieved has been the subject of many books, but in a woefully simplistic summary we can say at least the following: visionary leadership (as mentioned above), determination, international assistance, a singularity of purpose, and sound strategy.

On the latter point, enter an unsung hero: the Visegrád Group (V4). Founded in 1991, the V4—an informal regional alliance of the Czech Republic, Hungary, Poland, and Slovakia—was designed to foster regional harmony and concentrate and underwrite the efforts of its four members in accelerating their accession into the North Atlantic Treaty Organization (NATO) and the European Union (EU).

With the benefit of hindsight, we can say that it achieved its purpose marvelously. Buoyed by favorable geopolitical winds and an easily definable common port of destination, the ship of regional cooperation was able to sail its passengers swiftly across turbulent and uncertain waters with record speed. Having achieved its purpose however, it was quickly all but forgotten, languishing in port for half a decade as the sailors were enjoying their shore leave, and widely considered a memorable but ultimately moribund vehicle.

In the past two years this reality has changed, catching many by surprise. Sparked under concerted Hungarian and Slovak stewardship, the Visegrád Group has embarked on a sort of renaissance and come crashing back onto the European scene. The reasons that allowed for this revamp are countless. One is political and economic turbulence in

US RELATIONS WITH THE V4

18TH CENTURY

- After being proclaimed emperor in Madagascar, and bearing letters of recommendation from Benjamin Franklin and funds from a descendant of Ferdinand Magellan, Moric Benovsky came to America and fought with American troops in the War for Independence.
- In the 1770s Tadeusz Kościuszko left for America to fight in the American Revolutionary War. Kazimierz Pułaski became a general in the Continental Army, and has been called the "father of American cavalry". In 1929, the American Congress passed a resolution recognizing October 11th of each year as "General Pulaski Memorial Day", dedicated to Pulaski's memory and to the heritage of Polish-Americans.

19TH CENTURY

- The first major immigration wave occurred in 1848 when the Czech "Forty-Eighters" and the Hungarian "Forty-Niners" fled to the United States to escape political persecution and retribution by the Habsburgs. Chicago became the most popular Czech settlement.

20TH CENTURY

- **First wave of Polish immigration:** The largest wave of Polish immigration to America occurred in the early 20th century. Officially, more than 1.5 million Polish immigrants were processed at Ellis Island, between 1899 and 1931. They came to America mainly for economic but also political and religious reasons. Many immigrants were illiterate and unskilled laborers in their own country. Part of the migration was a result of national uprisings taking place in Austria, Prussia and Russia. During this period, close to half a million Slovaks immigrated to the United States. The "Great Economic Immigration" also landed about 1.7 million Hungarian citizens, among them 650,000-700,000 real Hungarians (Magyars), on American shores. These immigrants came almost solely for economic reasons, and they represented the lowest and poorest segment of the population.

1914:

- Slovak inventor Štefan Banič constructed a prototype of a parachute in Washington, D.C., and tested it by jumping from a 41-story building. His patented parachute became standard equipment for U.S. pilots during World War I. Banič continued to work in the United States until 1920.

1918:

- Woodrow Wilson's Fourteen Points. In a speech to Congress on January 8, 1918, Wilson articulated America's war aims. The 13th point concerned the future of Poland: *An independent Polish state should be erected which should include the territories inhabited by indisputably Polish populations, which should be assured a free and secure access to the sea, and whose political and economic independence and territorial integrity should be guaranteed by international covenant*. Other points, including the right of ethnic groups to form their own states, were the basis for the union of the Czechs and Slovaks.
- In May, The Pittsburgh Agreement was concluded by representatives of Czechs and Slovaks at a meeting of the American branch of the Czechoslovak National Council in Pittsburgh. The agreement endorsed a program for the struggle for a common state of Czecho-Slovakia and agreed that the new state would be a democratic republic in which Slovakia would have its own administration, legislature, and courts. The primary author of the agreement, T. G. Masaryk, declared the independence of Czechoslovakia in October, and was elected the first President of an independent Czechoslovakia.

1919:

- U.S. established diplomatic relations with the newly formed Polish Republic in April 1919, but the relationship between the two countries remained distant yet positive (due to the American policy of refraining from intervention, and because of the minor importance of Poland for U.S. interests).

1921:

- After the dissolution of the Austro-Hungarian Empire following World War I, Hungary and the United States established bilateral relations through a legation in Budapest established in 1921.
- Emergency Quota Act: The Act restricted the number of immigrants admitted from any country annually to 3% of the number of residents from that same country living in the United States as of the U.S. Census of 1910, which meant a drastic reduction in immigration levels from Southern and Eastern European countries.

the EU. Another is the commonality of interests among regional policymaker establishments after a string of elections heralded an amenable constellation of mostly like-minded governments. Yet another is a regional perception (not entirely unfounded) that the American attitude toward Europe as a whole, and Central Europe in particular, is changing. Faced with this peculiar geopolitical cocktail, it seems that the V4 mechanism has again found a *raison d'être*, relevant no longer as a vehicle for entry but rather as a platform for navigation.

The complexities of policymaking in Europe are mindboggling in the best of times, but one thing remains evident: do-it-alone attitudes are unlikely to bear fruit and the EU (and international) system rewards teamwork. It is perhaps hopeful then that the Visegrád states—linked as they are by history and geography—have done their homework. Through regular meetings and consultations since 2010 they have managed to coordinate their policies to various degrees of success in areas that not only represent shared concerns, including energy policy, transatlantic security, and Europe's role in its neighborhood, but are also key U.S. interests as well.

The V4 states are starting to realize that in today's world, what they would have no hope of accomplishing individually, they might yet influence when acting together. Many have started to notice. The V4 is showing early signs of its latent policy relevance; that it is on the precipice of becoming what it always had the potential to be, a presence greater than (or at least equal to) the sum of its parts. This development, should it continue, could be of profound importance for the transatlantic community in the changing geopolitical order.

For Central Europeans, it would allow them more room to do something profoundly un-Central European: not only exist within the Euro-Atlantic framework, but actively help shape its trajectory. For Europe, still lingering in deep crisis, a pro-active and coherent Visegrád region could provide some much needed medicine on the path to stability: an infusion of leadership and optimism from its (mostly) economically dynamic newest members. And the United States, increasingly stretched at home and abroad, has need of not only friends, but of partners who can play a part in sharing the burdens of global leadership.

The net result is that today, "Visegrád" is not simply a word that can be heard in the corridors of Brussels, but is increasingly entering into corners of the American political discourse as well. But if the V4 has replanted the seeds of awareness, it has yet to firmly establish its identity and secure the level of confidence in Washington that its individual members can boast. Views of the V4 are still marked by misunderstanding, vacillating between cautious optimism and benign neglect, susceptible either to cheerleading on the one hand, or being overtly discounted on the other. Assuredness in the Group's longevity is not exactly rampant; and not just overseas, but often among the Group's members as well.

And therein lays the problem: if the revival can be considered noteworthy, so too must we be aware of its continued fragility. The V4 may be a 'group,' but it is not yet a 'bloc.' Its lack of a formal structure is both its greatest strength, allowing for flexibility and simplicity without a self-serving bureaucracy, but also its greatest weakness as it requires a full buy-in from all its members. This set up naturally lends itself to predominantly *ad-hoc* cooperation and is susceptible to periods of neglect. And for all of their recent joint accomplishments, the Visegrád states show just as many signs of division as they do unity.

Today, the Visegrád states stand in front of a window of opportunity—the geopolitical drivers encouraging regional cooperation are currently in favorable alignment. Efforts thus far have demonstrated the potential benefits that concerted regional coordination can bring to a region not traditionally counted among the richest or most powerful. In a world showing signs of moving towards structured, confederated regionalism, the V4 could be the platform from which Central Europe firmly establishes itself as a pillar in its own right on the European map, both protecting and projecting its interests. But if the Visegrád states want to be taken seriously, then they have to start getting serious. To truly achieve a lasting impact, and not just momentary successes, the V4 members will need to adopt a more long-term, structured, and strategic approach to their club.

First and foremost, they need to create and cultivate a culture of trust, a currency traditionally scarce in the region. And more often than not, it is the lack of trust that acts as the greatest inhibi-

- During the interwar years, American support and interest in Poland dwindled to a minimum. The first Polish representative in Washington, Franciszek Pulaski, rightly remarked that "Poland is treated rather as a romantic cause that lends itself to humanitarian actions than as a political issue."

1923

- The first treaty between the United States and Czechoslovakia dealing with commercial relations was signed in Prague.

SECOND WORLD WAR

- Herbert Hoover established the Commission for Polish Relief (Comporel), from 1939 to 1941 supplying food and clothing to occupied Poland. Both countries became part of the Allied Forces.
- **Wave of Central and Eastern European immigration:** Approximately 20,000 citizens of Czechoslovakia fled to escape Nazi persecution. This second wave of Polish immigration was made up of political prisoners and dissidents and refugees from European camps. Many of these first generation immigrants took great pains to assimilate smoothly. They established themselves as working class Americans with goals of moving upwards to the upper middle class.
- After World War II, the Czechoslovak government-in-exile returned. Normal relations continued until 1948, when the communists seized power and relations cooled rapidly.
- After World War II the United States adopted the Containment policy, which in official terms implied disinterest in East Central Europe

1947:

- The United States opened a Consulate General in Bratislava, but it was closed in 1950 after the Communist Government of Czechoslovakia alleged that U.S. diplomatic personnel were engaged in espionage and other improper activities, and demanded a reduction in their numbers. American embassies were later established both in Prague and Bratislava in 1993 after the Velvet Divorce.

1948:

- In April, 108 members of the Polish diaspora, coming predominantly from working-class centers of the US, sailed to Poland on board the Polish ocean liner Stefan Batory for a tour of the country. They spent two months in Poland.

1958:

- Two hundred intellectuals of Czech and Slovak origin founded the Czechoslovak Society of Arts and Sciences in America.

1965:

- A new U.S. Immigration law called the Hart-Celler Act of 1965 abolished the national origins quota system, replacing it with a preference system focusing on immigrants' skills and family ties.

1968:

- The Soviet invasion of Czechoslovakia in August 1968 complicated relations between the U.S. and Czechoslovakia. The United States referred the matter to the UN Security Council as a violation of the UN Charter, but no action was taken against the Soviets.

1971:

- Edward Gierek became the first Polish secretary of the Polish United Workers' Party to visit the United States.

1978:

- In January, as a symbolic act, the United States returned the Holy Crown of Hungary, which had been safeguarded by the United States since the end of World War II.

1980:

- "Solidarity" is born. The United States granted Poland a $765 million loan for agricultural development.

1981:

- The third wave of Polish immigration began after martial law was imposed in December 1981. Many of these immigrants won the visa lottery. They were skilled professionals and many were well-educated. They represented a highly professional and intellectual group of new Polish immigrants. These waves of Polish immigration shaped American society into what it is today. These first generation immigrants have children who are Americans who speak both Polish and English. They uphold the traditions of both countries, making them Polish-Americans.

Famous Slovaks in America

THOMAS BELL
Originally Belejcak – second-generation Slovak writer, his most famous novel, Out of This Furnace, vividly portrays the life of Slovak immigrants, their children, and grandchildren from the turn of the century up to the Great Depression of the 1930s.

ŠTEFAN BANIČ
Slovak inventor who constructed a prototype of a parachute later used by U.S. military during World War I. Michal Bosak, known as "the richest Slovak in America" in the early 20th century, leader in the Slovak-American community and publisher of the Slovenska obrana newspaper.

STAN MIKITA
Chicago Black Hawks star was born in Slovakia.

Famous Hungarians in America

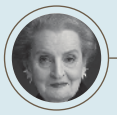
VILMA BÁNKY
Hungarian-born American silent film actress best known for her roles in The Eagle and The Son of the Sheik with Rudolph Valentino and several romantic teamings with Ronald Colman.

BELA LUGOSI
Hungarian film and theater actor, best known for his portrayal of Count Dracula in the Broadway plan and later film versions.

HARRY HOUDINI
Hungarian-born American stunt performer and escapologist, considered to be the greatest magician of all time

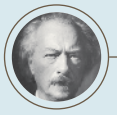
Famous Czechs in America

MILOŠ FORMAN
Czech-American director and screenwriter whose two films, One Flew Over the Cuckoo's Nest and Amadeus, are among the most celebrated in the history of film, both gaining him the Academy Award for Best Director.



MADELEINE ALBRIGHT
Born in Czechoslovakia, the first woman to become the United States Secretary of State

Famous Poles in America:



IGNACY PADEREWSKI
Pianist, composer and politician, achieved great popularity in the United States touring the country and performing before thousands of Americans.

ZBIGNIEW BRZEZINSKI
Polish-American political scientist, geostrategist, and statesman who served as United States National Security Advisor to President Jimmy Carter from 1977 to 1981.

1982:
→ International "Solidarity Day" was announced on January 30th, 1982 by the administration of Ronald Reagan in support of the democratic opposition in Poland. In his Radio Address to the Nation on Solidarity and United States Relations with Poland, Reagan declared his support for the Polish fight with the communist regime: *Those who know Poland well understand that as long as the flame of freedom burns as brightly and intensely in the hearts of' Polish men and women as it does today, the spirit of Solidarity will remain a vital force in Poland*.

1989
→ Between 1989 and 1993, the Support for East European Democracy (SEED) Act provided more than $136 million for economic restructuring and private sector development in Central and Eastern Europe.

1990
→ In 1990, on the first anniversary of the revolution, President George H. W. Bush, in front of an enthusiastic crowd on Prague's Wenceslas Square, pledged U.S. support in building a democratic Czechoslovakia.
→ The United States delivered more than $200 million after 1990 to support the rebuilding of a healthy democracy and market economy in Slovakia, primarily through programs administered by the U.S. Agency for International Development (USAID).

1992
→ On June 17th, the first McDonalds restaurant was opened in Warsaw on the corner of Marszałkowska and Świętokrzyska streets. The construction cost was $1 million. A world record for the number of transactions was set during the opening day: 45 thousand customers ordered 13,304 meals. Currently in Poland there are 282 McDonalds restaurants, employing more than 15,000 employees.

tor to more robust Visegrád cooperation. The key here rests with starting small, identifying non-controversial pockets of opportunity where the convergence of interests is high, and netting small victories that reinforce confidence for larger projects are down the line.

Already, we are seeing progress on this front. Starting with joint declarations and common positions within the EU, the V4 members are now casting exploratory tendrils into more politically difficult areas, such as defense cooperation. Notably, there are even plans for a joint Visegrád EU Battle Group on the cards, an encouraging prospect. Since defense projects are tangible and have clear metrics, over time they represent

a means of bridging bridge this "trust gap" while buttressing wider political aims.

A correlative, but crucial, second element is commitment. One cannot generate trust without demonstrating a commitment to the larger whole, and vice versa. The key to this equation will rest with Poland. As the largest of the V4 states (in fact, individually as large as the other three combined), success or failure will rest largely on the degree of buy-in from Warsaw. But this is often problematic. Given its growing stature on the European and transatlantic stages, and distinctive advantages in economic, political and military capabilities, Poland often finds itself gravitating away from its natural role as a regional leader and toward higher stages of diplomacy, occasionally causing friction among its Visegrád partners. But this is a mistake. Where would we be today if the Peloponnesian allies had abandoned the Athenians at the Battle of Salamis?

But perhaps most important is "strategic vision." The United States wants the V4 to succeed; but the V4 states themselves need to ultimately want the same thing. The key is to understand that a robust Visegrád Group is not simply a question of convenience, but rather one of geostrategic interest. In the abovementioned case, for example, Poland would benefit from assuming the leadership mantle on a regional level without having to sacrifice its ambitions as a large power. In fact, the two are not mutually exclusive but complementary—regional efforts help underwrite Polish priorities at the EU level by establishing Warsaw as the bridge between Europe's West and East, increasing its clout. The smaller partners likewise benefit from the heightened access to the centers of decision-making.

The way ahead for the Visegrád Group will be difficult. To succeed, it will require a correlative renaissance of the kind of vision, determination, and strategic foresight that characterized Central European capitals in the 1990s. But in the spirit of that most cherished American maxim (or at least that most memorable of "Star Wars" quotes), I say: "Never tell me the odds." /

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1993
- In October the U.S. introduced the "Partnership for Peace" program, which sought the cooperation of post-communist Central and Eastern Europe with NATO.

1996
- Summer Olympics in Atlanta. Slovakia won three medals (gold, silver, bronze), Czech Republic – eleven (4 gold, 3 silver, 4 bronze), Poland – seventeen (7 gold, 5 silver, 5 bronze), Hungary – twenty-one (7 gold, 4 silver, 10 bronze).

1999
- On March 12th, foreign ministers of the Czech Republic, Hungary and Poland handed U.S. Secretary of State Madeleine Albright signed documents of ratification, and the three countries became members of NATO.

21ST CENTURY

2001
- For the first time the original Mattel Barbie doll appeared on the Polish market.
- War in Afghanistan. NATO-ISAF coalition force deployments, number of soldiers: Poland – 2,457; Czech Republic – 527, Slovakia – 344, Hungary – 337. Soldier deaths: Poland – 37, Hungary – 7, Czech Republic – 5.

2002
- Poland purchased forty-eight U.S. F-16 fighter jets for $3.5 billion, making it the largest contract in the history of the Polish armed forces.
- Winter Olympics in Salt Lake City. The Czech Republic won three medals (1 gold, 2 silver) and Poland – two (1 silver, 1 bronze).

2003
- The Czech Government sent a small contingent of elite anti-chemical weapons warfare experts to Kuwait to support the impending U.S.-led invasion of Iraq. Public opinion polls showed that 70% of the Czech population opposed the war in Iraq.
- Invasion of Iraq. Coalition force deployments (peak): Poland – 2,500, Hungary – 300, Czech Republic – 300, Slovakia – 110. Soldier deaths: Poland – 23, Slovakia – 4, Hungary – 1, Czech Republic – 1.

2004:
- With the passage of a progressive new film-tax law, Hungary became a popular location for American film production, prompting the country to be named the "New Hollywood of Europe" with forty-seven foreign film made in 2008 and fifty-two in 2009.

2006
- During the Polish Minister of Economy Piotr Woźniak's visit to the U.S., a "round table" meeting was held with participation of Polish companies and the giants of American business of the energy industry (Exxon Mobile, General Electric Energy, Bechtel and others). The meeting resulted with the beginning of cooperation in developing in Poland modern technologies of obtaining energy from alternative sources (e.g. biofuels).

2007:
- In January the U.S. government formally proposed the installation of elements of the U.S. missile defense shield system in Poland, with ten interceptor missiles cooperating with a radar base located in the Czech Republic. The plans were suspended by President Obama two years later.

2008:
- The first Starbucks coffee shop opened in Prague in the Czech Republic, the first in Central Europe. Currently there are nine in Poland, three in Hungary and twelve in the Czech Republic.
- Of the almost $27,500 million invested by American firms in Central and Eastern Europe, as much as 57% went to Poland, 19% to Hungary, and 17% to the Czech Republic. (Source: Raport Amerykańskiej Izby Handlowej w Polsce i KPMG).

2009:
- In reaction to Russia's military intervention in Georgia, former presidents Vaclav Havel, Lech Wałęsa and several other leaders of the V4 co-signed an open letter to President Barrack Obama in July 2009: *Do not abandon us now, after all you have done to enable our successful democratization, and after all we have done to prove ourselves loyal allies when you needed us.*

THE VISEGRAD GROUP IN EASTERN EUROPE: AN ACTOR, NOT A LEADER *yet*

JANA KOBZOVÁ

Three years since its inception, the EU's 'Eastern Partnership' project faces obstacles in almost all of the six target countries. Is the Visegrad Group the right vehicle for the EU to employ to respond to the challenges the project is currently facing?

The four Visegrad countries (the Czech Republic, Hungary, Poland, and Slovakia) welcomed the launch of the Eastern Partnership initiative in 2009 more enthusiastically than most other EU states. In fact, the Czech Republic and Poland, along with Sweden, were the midwives of the project's main idea that the EU should offer its eastern neighbors (Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine) the prospect of eventual political and economic integration.

In an EU where different coalitions of states have to compete to get their concerns, interests, and policies on the collective agenda, the V4 seems to be a natural platform from which to raise questions concerning the EU's eastern neighborhood at the EU level. Yet, a lack of trust and occasional internal competition has conspired to diminish the V4's potential effectiveness as a vehicle for the EU's Eastern Partnership Policy (EaP). This article lays out the different ways the V4 countries think about the East and makes recommendations as to how the grouping can become more effective in advancing Eastern Partnership questions in the EU.

The V4's focus on the region is relatively new. Until their accession to NATO and the EU in 1999 and 2004 respectively, Euro-Atlantic integration was *the* single most important foreign policy priority for all four countries. If any time or energy remained, it was usually directed at the stabilization of the Western Balkans, which was seen at the time as the most combustible of the EU's neighborhoods.

Although countries in the Eastern European and South Caucasian regions were struggling with no fewer than four unresolved ethno-territorial disputes (Transnistria, Nagorno Karabakh, South Ossetia, and Abkhazia), these conflicts were considered to be "frozen", at least until the Russo-Georgian war in August 2008.

At first, the "color revolutions" in Ukraine and Georgia in 2003-2005 led to the expectation that somehow the advancement of democracy in Eastern Europe would continue and would help the region "fix itself" without much additional involvement on the part of the European Union or its members. While Poland, the Czech Republic, and Slovakia supported development and democratization projects in countries like Ukraine or Belarus practically from the moment these three countries established their development aid programs in the early 2000s, this attention had not been transformed into a concerted policy effort on either a regional or EU level.

As years passed, expectations that democracy was on the march in Eastern Europe and the South Caucasus started to resemble fantasies. If anything, since the launch of the Eastern Partnership in 2009, democracy in the EaP region has deteriorated everywhere, with the exception of Moldova. Corruption remains rampant and, except for those in Chisinau and Tbilisi, the leaders in the region appear to have very little appetite to deliver on the kind of reforms that would bring them closer to the EU.

While the region's most vocal EU-enthusiast, Moldova, is the smallest among the EaP six, the largest and most important, Ukraine, has grown increasingly lukewarm to EU demands. These demands have started to include the release of President Yanukovich's political opponent, former Prime Minister Yulia Tymoshenko, from prison.

Being closer to the six unreformed post-Soviet countries than most other EU members, the V4 can ill afford further consolidation of authoritarian regimes in the region. Advancing political and economic reforms in the Eastern Partnership is rightly seen by the V4 states as their best security and trade policy vis-à-vis their eastern neighbors. As long as trade with these neighbors remains marred by mutual trade barriers and tariffs, Polish, Slovak, and Hungarian provinces bordering Belarus and Ukraine will continue to be economically deprived.

Cross-border business and interpersonal interaction will remain underdeveloped as long as visa barriers persist in keeping citizens of EaP countries from traveling to the EU and concerns remain among EU businessmen about the rule of law and the independence of courts in countries such as Ukraine or Moldova.

Although the situation in the Eastern Partnership states may be getting worse in a number of ways, it has also become increasingly difficult to keep the EU's attention in the region. The onset of the economic crisis, the Arab Spring, the crisis in Syria, and rising tensions over Iran have left the EU with little capacity to devote attention to the Eastern Partnership.

After all, although the trends in the EaP are more negative than positive, there is no prospect of an immediate crisis in the region that would be comparable to the current unrest in the Middle East or the urgency of the economic crisis in the eurozone. In this context, if the V4 wants to safeguard its interests in the region, closer cooperation among its members to keep the EaP on the EU's radar screen seems to be more urgent than ever.

The Visegrad countries have tried to respond in a number of ways. In the last two years their foreign ministers have held joint meetings with their counterparts in the Eastern Partnership. Besides providing bilateral development assistance to the region (albeit mostly to the three Eastern European countries – there are far fewer projects in the South Caucasus), V4 governments have instructed the jointly established International Visegrad Fund to support democratization projects in the EaP region. Their diplomats continue to advocate – together or individually – the cause of the Eastern Partnership within the EU. Yet despite these efforts, the more relevant policy developments regarding the EaP seem to happen not in the format of the V4 but in other groupings.

Firstly, although the Visegrad platform is a useful one, the countries do not always use it as the *main* vehicle when addressing the Eastern Partnership. In fact, V4 members have preferred to take some of the most important initiatives on the region – such as launching the Eastern Partnership program or reaching out to the East European leaders – outside the V4 framework.

Although, in 2008, the Czech Republic produced a document that advanced many of the ideas later incorporated into the Eastern Partnership initiative, a year later Poland preferred to launch the EaP with Sweden, leaving Prague out of the preparatory talks in the process. Similarly, in November 2010, when Polish foreign minister Radoslaw Sikorski travelled to Minsk to persuade President Aliaksandr Lukashenka to embark on a path of reforms, none of his Central European colleagues accompanied him. Instead, he was joined by Germany's foreign minister Guido Westerwelle.

The open letters condemning the deterioration of democracy in Belarus in 2011 or, more recently, in Ukraine were signed by German, Swedish, Polish, and Czech foreign ministers rather than by the whole V4 group – in the case of the open letter on Ukraine, the British foreign minister added his signature too. While the explanations range from personal chemistry to competition among different foreign ministers, one also needs to admit that a letter co-signed by a British foreign minister, or a visit by a German cabinet member, are both certain to carry more weight than acts carried out only by the ministers of "newer" member states.

Secondly, although the V4 countries agree that democratization, as well as economic and social reforms, represent the best development path for the six Eastern Partnership countries, they do not always agree on the way to achieve this. Poland and the Czech Republic have traditionally placed more emphasis on human rights, and they are usually quicker to highlight the problems of eastern partners in this regard, and demand fixes before the EU offers more perks. Budapest and Bratislava (with the exception in the latter country of the outgoing government of Iveta Radičová) tend to take a milder view. Slovakia, probably shaped by its own experience of Mečiarism in the 1990s, emphasizes the importance of dialogue and engagement despite a less than perfect state of democracy. When it comes to discussions at the EU level, this sometimes prompts the V4 to reach out to other partners such as Sweden or, in the case of Poland, Germany or, until recently, in the case of Hungary, to remain silent.

Thirdly, the rapprochement between Germany and Poland has resulted in a number of joint initiatives on issues pertaining to the EU's eastern policy, including a joint letter on relations with Russia, the aforementioned visit of Polish and German foreign ministers to Minsk, and cooperation on the Eastern Partnership Civil Society Forum.

While the views of Berlin and Warsaw are not always identical and differences remain, the emerging alliance between Germany and Poland seems to be an efficient and credible "motor" for the EU's eastern policy. Neither Warsaw nor Berlin seem keen on expanding the V4 to include Germany, which puts other regional initiatives – such as those of the V4 or the Nordic group – in the role of very useful supporting, but not leading, acts.

The V4 does not seem likely to become the key platform for advancing Eastern Partnership issues within the EU. Other formats such as the one established by Poland and Germany may prove more effective, especially when it comes to persuading EU members more skeptical of Eastern Europe, such as France or Italy. That does not mean that the V4 is not a place to discuss the Eastern Partnership; however, it does mean that perhaps more focus should be devoted to ground level projects rather than political declarations.

Closer coordination of development assistance projects and joint scholarship schemes, or study programs for EaP students, are more likely to effect positive change on the ground. In short, the Visegrad platform continues to perform a very important coordination role. However, the V4 alone is more likely to have greater policy impact in areas such as defense cooperation, or in discussions on the next EU financial perspective than on the EU's Eastern Partnership initiative. /

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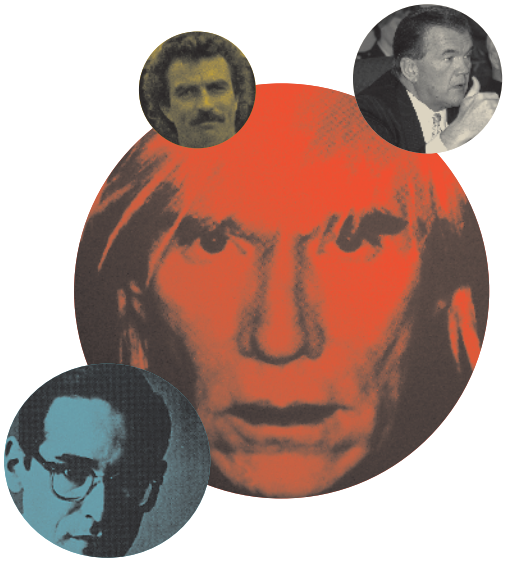
THE РУСИН REVIVAL IN SLOVAKIA

OR HOW TO CREATE A NATIONALITY AT THE MARGIN OF EUROPE



What do we need to establish the legitimate existence of a nationality in Central Europe where the competition of national minorities is extremely strong? A name that is proven to be ancient, a language that is sufficiently different from the others (best if it has its own dictionary or encyclopedia and a language that has been codified); avant-garde organizations and intellectuals who struggle for the recognition of the minority and permit the definition of its rights; and last but not least, people who belong to it. In each of these aspects, the "Revival of the Rusyns" after 1990 seems to be very successful. But, is it really a "revival"?

PAUL BAUER

To the making of a nation there is no end. This is the title of the book edited in 1995 by Paul-Robert Magocsi, a Toronto University-based historian who specializes in Ukrainian history, and one of the leading intellectual activists of the international Rusyn revival, a post-romantic "nationality maker." The book is dedicated to the codification of the Rusyn language and its existence in "the literary language landscape of Slovakia." Indeed, this codification is the work of the Institute for Rusyn Language and Culture at the University of Prešov, which used the Medzilaborce dialect to establish a norm for the new national language. The work of those scholars brings a legitimization to the fact that the Rusyn people belong to a specific nationality among other nationalities in Slovakia.

Meanwhile, thanks to the liberalization of social and political life in Central Europe in general, and in Slovakia in particular after 1989, Rusyn's associations multiplied. The first organization was created a year after the fall of the socialist regime in Central and Eastern Europe. The Rusyn Revival Association (Rusinska Obroda) joined the list of official organizations representing authorized nationalities in post-socialist Czechoslovakia, and after 1993, in the Republic of Slovakia. The scientific and institutional network of the "Rusyn revival" was accompanied by a popular success. A short overview of the last three decennial censuses speaks for this success story.

WHITE CROATS OR EASTERN SLOVAKS?

During the 1991's decennial census, around 17,000 persons (0.3% of the average population) declared to be of Rusyn nationality in Slovakia. According to their representatives, it was the first time since the beginning of World War II that the Rusyns were recorded as a distinct national group in Czechoslovakia. Ten years later, the census registered almost 25,000 Rusyns (0.4% of the average population, or a 34% increase). Finally, in the last census of 2011, 33,482 persons identified themselves as being of Rusyn nationality (0.6 %). During the last 20 years, the Rusyn population in Slovakia has increased by 95%.

While the average population of Slovakia is stable (about 5.4 million), the

number of national Slovaks, "the majority people," according to the expression used by officials, shrunk by 250,000 during the last ten years. With the Roma nationality, the Rusyns have the highest rates of increase during recent decades in Slovakia. As the sense of nationality is subjective, more and more people are declaring themselves to be Rusyn, and many have changed their national identity. Some say that the statistical growth of the Rusyn population is due to the fact that the socialist regime forbade the public declaration of a Rusyn nationality, so finally in the 1990's it became possible to match national sentiments with the rubric of the questionnaire. However, it is worth comparing the results of official statistics with those of another survey performed by the Slovak Academy of Sciences, and the Association of the Rusyn Intelligentsia, a year after the decennial census of 2001. According to this research, 28% of declared Rusyns considered their identity to be a consequence of their distinction from the majority people (the Slovaks); 14% claimed that they are the descendants of White Croats, and 6% that they are Eastern Slovaks. Surprisingly, according to this post-census study, 36% had no idea about their historical and cultural identity. Who are the Rusyns? For a majority of them, the question is still open.

"THE PEOPLE FROM NOWHERE"

Any specialist on nationality issues in Slovakia has surely heard the well-established idea that in addition to the officially registered number of 100,000, approximately 220,000 to 400,000 Roma live in Slovakia. According to this view, supported by nationalists as well as by some Roma activists, there is a wider silent nation of almost a half million people in Slovakia, refusing to declare themselves Roma. They are Roma even if they don't want to be.

Similar observations are formulated concerning the Rusyns. In The People from Nowhere: An Illustrated History of Carpatho-Rusyns, a popularized book addressed to a general audience (the title comes from a famous quotation of Andy Warhol whose family comes from a small village in Eastern Slovakia), Paul Robert Magocsi speculates that 1,640,000 Rusyns are living around the world, almost one million of them around the Western Carpathian Mountains. According to this point of view, national belonging transcends the subjective principal underlying the results of the decennial census, and certain objective criteria define the nationality of individuals. Following this line of thought, Rusyn nationality would be comprised of thousands of individuals who don't even know who they are in reality.

Subjectivity versus objectivity; Renan versus Fichte - nothing new under the sun, one might say. Rusyn nationalists seek the synthesis between two principals. Nonetheless, the interesting aspect of the Rusyn revival is primarily due to the scholarly struggle that opposes the Rusyn national narrative and the Ukrainian one.

EXISTENCE PRECEDES ESSENCE

Anna Plišková, director of the Institute for the study of the Rusyn culture and language, a pro-Rusyn scholar, who participated in the codification of the Slovak Rusyn language, asserts that the difference between the Rusyns and other Slavic nations during the "national awakening" in the 19th century, is that the Rusyns did not answer some key questions concerning their national existence: the question of their national identity among other nationalities (especially Ukrainian and Russian), the question of their cultural and religious orientation, the question of a written form of speaking. Even the question of a name remained open. These questions, adds Anna Plišková, have not been definitively answered since the last century.

Indeed, during the first Czechoslovak Republic the authorities didn't recognize the Rusyn as a distinct nationality. The decennial census of 1931 applied "Russian" to all who declared themselves to be Russian, Ukrainian, Small Russian, and Rusyn (Rusniak, Rusíní, Rusnáci).

The difficulty in defining a strict sense of national belonging in the eastern part of the First Czechoslovak Republic is notably due to the fact that nation-state status was not a reality for the majority of the inhabitants of a region considered to be one of the poorest and least industrially developed in Central Europe. For local politicians and elites, the nationality issue was principally a strategic one. The pro-Russian national orientation was in favor of a cultural and political link with Russia. The Ukrainian orientation favored incorporation into the new Ukrainian state. Furthermore, during the interwar period, the Rusyn orientation wasn't united. Some of them pleaded to remain in the

REPRESENTATIVES OF THE MINORITIES IN PARLIAMENTS IN CENTRAL EUROPE

CZECH REPUBLIC

Moravian National Party

The electoral system in the Czech Republic does not give preferences to the national minorities in parliamentary or local elections, members of national minorities must run for seats in the parliament through real elections and thereby obtain representation.

The Council of the Government for National Minorities (hereafter "the Council") is a permanent and initiative body of the government for issues concerning national minorities and their members: Bulgaria (1 representative) Croatia (1) Hungary (1) Germany (2) Poland (2) Roma (3) Ruthenia (1) Russia (1) Greece (1) Slovakia (3) Serbia (1) Ukraine (1).

source: http://www.vlada.cz/assets/ppov/rnm/statut-rnm-en.pdf

POLAND

Belarusians, Germans, and Ukrainians each have one representative in parliament.

source: http://www.msw.gov.pl/portal/pl/61/37/

SLOVAKIA

Only the Hungarian minority has representatives in Slovak parliament, in the Most–Híd party.

source: http://portal.statistics.sk/files/tab.11.pdf

HUNGARY

"Hungary is the first member country to send Roma politicians to European Parliament."

Hungary guarantees the representation of it's national and ethnic minorities enabling these

minorities to establish elected and state financed minority self-governments.

source: http://www.mfa.gov.hu/NR/rdonlyres/9F2D180E-538E-4363-AA5E-3D103B522E3B/0/etniang.pdf

SLOVENIA

The Slovenian parliament has 90 members, two deputies are representatives of minorities.

Deputies of national minorities are elected by a special procedure.

Two members of parliament are also part of the Italian minority, but they are elected from a list of political parties.

Hungarian, Italian and also Roma minorities are directly represented in local self-governments by Councilors.

source: www.ipu.org/splz-e/chiapas10/petek.ppt

Czechoslovak state, while others desired independence or incorporation into the new Hungarian state.

After the incorporation of the eastern part (Podkarpatska rus) of Czechoslovakia into the USSR in 1945, the decennial censuses of 1950 and 1961 recognized both Russian and Ukrainian nationalities and placed them in the same category. The two next censuses in 1970 and 1980 separated the Russian and Ukrainian nationalities. However, there was no rubric for the Rusyns.

When Czechoslovakia organized the census of 1991, while it recognized the Rusyn as a distinct nationality, none of the questions presented by Anna Plišková had been solved. The central claim of existentialist philosophy, "existence precedes essence", could be the motto of the nationalist movement behind the "Rusyn revival."

The prominent actors of Rusyn nationality face a rational challenge when claiming the revival of a nationality whose historical and cultural identity has always been uncertain. Nonetheless, national struggle around Rusyn identity in Slovakia has for the last two decades opposed identification with the Ukrainian nationality.

THE RUSYNS, A PART OF THE UKRAINIAN COMMUNITY?

One thing has been certain in the Rusyn movement: the symbolic war against the intellectual representatives of the Ukrainian nationality, claiming that the Rusyns are part of the Ukrainian nationality. From a sociological point of view, most of the prominent linguists, writers, and essayists of the Rusyn national movement in Slovakia are from Ukrainian intellectual societies. These societies were supported by the socialist regime and some worked within the Communist Party. After 1990, Rusyn nationalists worked to obtain the same scientific and cultural institutional recognition from the Slovak state as the Ukrainian nationality: an independent academic center of research and a national state ethnographic museum. The Institute for Rusyn Language and Culture at the University of Prešov produces articles published in local and international scholarly forums that presented, if possible, the distinctness of the Rusyn nationality among other Slavic nations in Europe. The scholars of the Rusyn center wrote textbooks for teaching the new codified Rusyn language in eastern Slovak local schools. Besides, Rusyn nationalists fight for renaming the Ukrainian museum created in the 1950s to represent the cultural heritage and history of the Ukrainian nationality in Slovakia. After 1990, Rusyns argued that the museum did not represent the Ukrainian nationality but the Rusyn one. Ukrainian representatives proposed to rename the museum as the Museum of the Rusyn and Ukrainian culture, but the Rusyns refused this proposition. After many years of negotiations and consultations with Slovak historians, in 2007 the Rusyn representatives were granted permission from the Slovak ministry of Culture to open the Museum of Rusyn culture in Prešov. The competition between the two museums is strong. Both are financed by the state, and map the same region and culture. The personality of Alexander Duchnovič (1803-1865) a priest, writer, pedagogue and social activist of the Carpathian Slavic region is mentioned by both museums as one of the most prominent actors of their national movement. For Duchnovič, however, defining the people living under the Carpathian mountain range as Russian or Rusyn was a political strategy that used the linguistic factor as a tool to participate in the pan-Slavist movement of the 19th century. /

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REPRESENTATIVES OF THE MINORITIES IN PARLIAMENTS IN CENTRAL EUROPE

	CZECH REP.	POLAND	SLOVAKIA	HUNGARY	SLOVENIA	*overall*
Moravians	522474		3286			525760
Silesians	12231					12231
Poles	39269		3084			42353
Slovaks	149140	1710		10459		161309
Germans	18772	147094	4690	30824	680	202060
Roma	5199	12731	105738	142683	3246	269597
Czechs		386	30367			30753
Lithuanians		5639				5639
Armenians		262				262
Russians		3244	1997			5241
Hungarians			458467		6243	464710
Ukrainians		27172	7430			34602
Jews		1055	631			1686
Belarusians		47640				47640
Rusyns			33482			33428
Croats			1022	13570		14592
Serbs			698	2905		3603
Bulgarians			1051			1051
Romanians				10740		10740
Slovene				1930		1930
Italians					2258	2258
other	2742669	6340	9825	19640	145921	2924395

TRAMPS, HIKERS, NATURE LOVERS – A NEW ERA OF WANDERLUST

SZABINA KERÉNYI

Hiking, just like other ways of experiencing the great outdoors, seems so simple and innate that one might take the pastime for granted. Nevertheless, nature lovers and hikers in the Visegrad countries look back on a long tradition and complicated history encompassing stories of secret political movements, communal resistance, and hidden clerical gatherings. Hiking and spending time in nature is part of the cultural heritage of the region, albeit constantly shaped by political realities. Today, the communal element is still strong, but the activity is much more atomized and less institutional. While today supplemented with adrenalin sports and other excitement, hiking remains a much beloved way of spending time, and, like the insiders insist, there is always something more to it.

Trail to Paradise

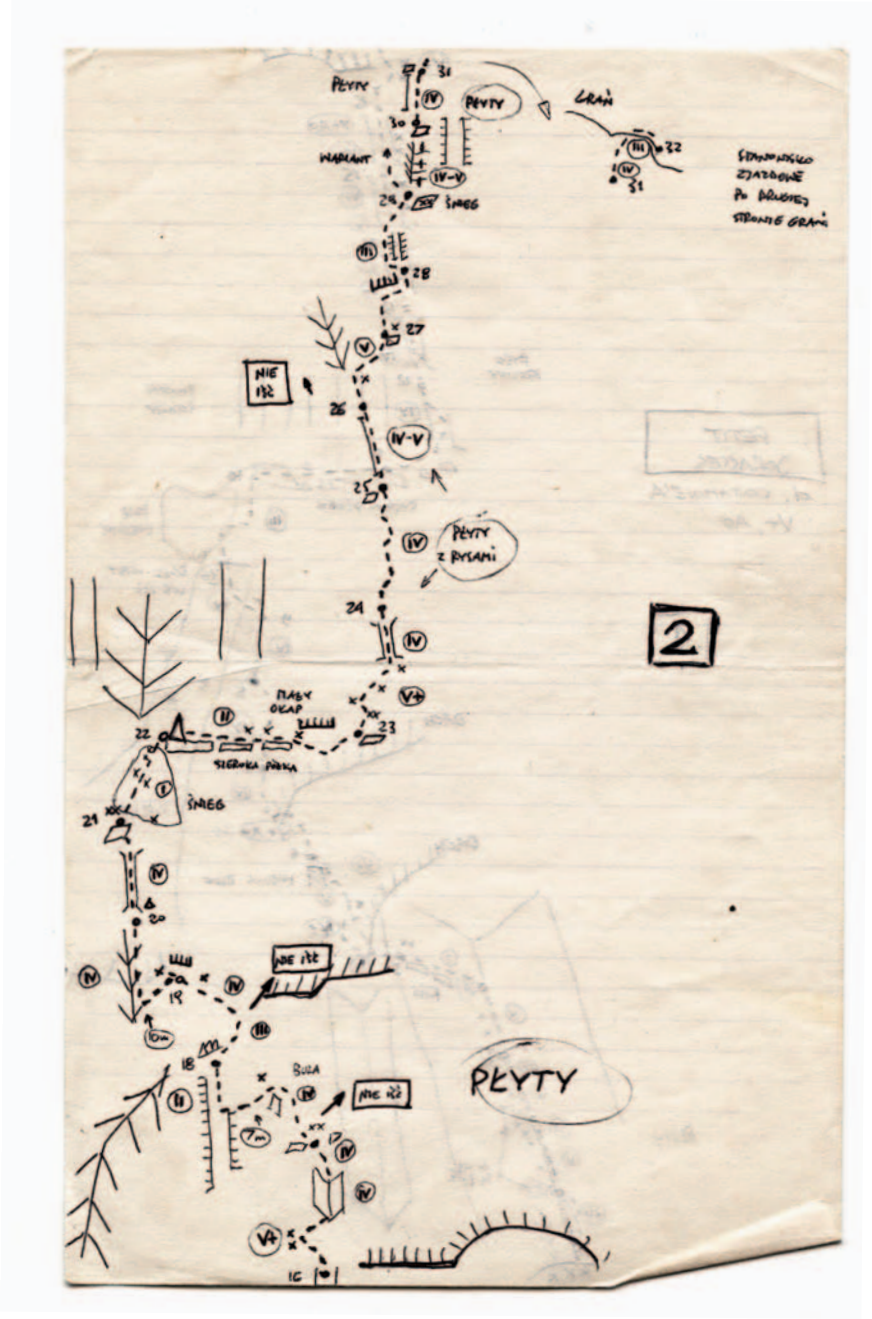
Hiking is among the most popular outdoor activities in three out of the four Visegrad countries, especially in the Czech Republic and Slovakia, but also in Poland. For strikingly many people, hiking runs in the family generation after generation. "My family as well as my wife's family were pretty much into hiking, like many Czech families were. Now our family is doing the same. It's a passion: just a few minutes ago I ordered hiking maps of the Jungfrau in Switzerland (where we'll go in July, while the grandparents watch Jano) and of Triglav in Slovenia." – explains Jan, who, just like the tens of thousands of his Czech compatriots, grew up with the tradition of hiking. His destinations, however, differ from those that his parents chose – it was after 1990 that, with an increased opportunity to travel, tourists started flocking in droves to the Alps, or even the Carpathian mountains in Romania. Hungarian hikers, especially, sought the romantic authenticity of untouched nature (coupled with the eager rediscovery of Hungarian compatriots) in Transylvania. With similar aspirations did Bohemian and Moravian hikers pour to the High Tatras, and other impressive landscapes of the much less industrialized Slovak land during state socialism. Those romanticized perspectives and metaphors of nature are rooted in the social and literary discourse of the 19th century – nothing could be more telling than the enthusiastic naming in that period of "Český ráj" (Czech Paradise), exceptional sandstone rock formations in Northern Bohemia. The question of names is an issue in itself – in the High Tatras for instance, there are normally four names for most geographic objects – Slovak and Polish names from the local inhabitants,

▲ Wandering can be practiced not only in summer. You can do it all year round. In the photo: participant of a winter mountaineering course, which is becoming increasingly popular today.

as well as German and Hungarian names from the Habsburg Empire. A recent project by Dr. Endre Futó, editor and translator of publications on hiking, aimed to prevent the usual misunderstandings by creating a four-way online dictionary for the geographic names in the area.

Around the turn of the century, at its dawn, hiking was an activity typical for the wealthy, and remained so until the communist takeover, as Tomáš Kvasnička, designer of tourist trails, explains. While it is impossible to talk about political orientation when it comes to hiking and touring, most hiking clubs and associations did have a political backing – one of the most influential historical umbrella organization, the Friends of Nature (Naturfreunde, founded in 1895 in Austria), was associated with the Social Democratic movement, while the scouts were backed by the Catholic church before WWII, and the Sokol movement in both Poland and Czechoslovakia was explicitly nationalistic. With the exception of the tramps in Czechoslovakia, who were firmly based in the working class, and the tourist sections of workers' clubs in Hungary, the historical hiker associations were bourgeois organizations. This changed during the era of state socialism, when hiking and tourism became widely accessible – at least economically, but definitely not geographically. Nature lovers were therefore conditioned to discover the treasures of natural resources in neighboring lands or in their own countries – therefore, such discovery was often coupled with a touch of (local) patriotism. The Hungarian Blue Tour for instance, a legendary trail (which came into focus after the detachment of territories following the Trianon Treaty in 1920), has become a much beloved tourist destination within the country, especially following a documentary series about it in the late '70s (*One and a Half Million Steps in Hungary)*, which showed not only the natural spectacles of the middle mountains in the country, but also presented the social and cultural particularities of the people inhabiting the area. "This movement encourages greater intimacy with the landscape, human accomplishments, history and people of our homeland, all through hiking", according to a recent information booklet.

Krzysztof Pacholak (1986) is a Polish photographer and art curator, studying at the Institute of Creative Photography in Opava.



▲ There's a strong tradition of both hiking and climbing mountains. In the photo: a hand-made sketch of the climbing route from 1983, made by member of the Mountaineering Club in Krakow. The schematic drawings include author's comments, such as "do not go this way" or "good place for rest". They describe the degree of route's difficulty and the type of equipment used. Many climbers from countries behind the Iron Curtain could not afford to buy professional guides, so they had to draw or redraw their content on their own.

▶ Mountains attract with their nostalgia and unique climate. They're a promised land of all photographers, painters, graphic designers, poets and other "romantic souls" . In the photos: excerpts form a private collection of postcards owned by a Warsaw collector.

Escape and resistance in the mountains

"Chata Téryho" is the highest chalet (2015m) operating year-round in the High Tatras – it was built in 1899 and named – against his will – after Edmund Téry, "doctor of the poor." But it is also known for its historical role as a site of resistance during WWII, when it was run by Slovak students who helped Polish guerrilla troops and Russian soldiers. But chalets and hiking had a significant role in the Czechoslovak-Polish solidarity movement too, with probably the best known example being the "Polish-Czechoslovak Trail of Friendship" (today the Polish-Czech trail) in the Karkonosze mountains (Czech: Krkonose), which hosted gatherings of the opposition and dissidents, and an exchange of samizdat literature in the late '70s. The *Eisenach-Budapest Hike Trail of Friendship* was another route of international cooperation, aligning DDR, Poland, Czechoslovakia and Hungary at that time. Apart from connecting a unique chain of truly amazing hiking trails, it also provided an opportunity for East Germans to meet West Germans in the 1980's.

There were a couple of coincidentally similar motives of exit and resistance in nature in these countries during socialism. Even with different backgrounds and contexts, an element of withdrawal from public life into the mountains was present both in Czechoslovakia and in Hungary. In Czechoslovakia, this was connected to the period of "normalization" imposed by the state after the Prague Spring in '68. In response, a great many people started a "second life" outside the city, out of sight, in the intimacy of their weekend cottages, thus creating the culture of "chata" and "chalupa". In Hungary, hiking and tourism became increasingly popular in times of crises, and though the exodus from public life starting in the late '70s

was by no chance as massive as that of the "chatáři" (as it was rather a project of the intelligentsia), the drive was similar – to escape from the controlled reality of the authoritarian state into the idyllic, "pure" villages of the Káli Basin in the hills above Lake Balaton.

There were two other notable movements that were strikingly similar, yet, entirely independent from each other – the tramping movement in Czechoslovakia and the Indian movement in Hungary. They both emerged in the 1930s and were inspired by the Wild West, the themes of which they revived in their communities – they dressed up accordingly, withdrew into nature, and both were found undesirable by the ruling political regime. The tramps in Czechoslovakia played and replayed motives in the Wild West known from literature (and later on in films) in their communities in the mountains, gathered around the fireplace, and sang about freedom. Even though the movement was not explicitly political, it was constantly persecuted by the state (except for a period of relative reconciliation in the '70s, when it was tolerated to some extent because of the perception that country music represented the poor working class in America, who were oppressed by imperialism). "The question of politics is quite complicated. Most tramps were essentially apolitical, but also quite a few were engaged in the anti-communist movement, and many of them emigrated and started to work for Radio Free Europe, for instance. Around the campfire we were jointly cursing the communists, telling jokes and singing the banned songs of Karel Kryl. Sometimes policemen came to check on us, sometimes they threatened us, but I never had a serious problem. It was a peaceful resistance." – remembers Lucie who, coming from a nature-loving family, joined the tramping movement in high school. Since the regime change in 1990, the tramping movement has declined, and even though there are still groups of nature lovers that meet in the mountains, organize trips and festivals of tramping songs, they struggle to prove their legitimate existence beyond nostalgia. The Hungarian Indian movement was related to a small subculture (two groups in fact – one in the hills of the Bakony, the other one on the Danube) of artists and intellectuals, and has become widely known by the infamous case of "the Indian trial" in 1963, when, traced by the national intelligence service, the authorities wanted

▲ "Today, hikers and daytrippers still head out into nature, but they prefer to go individually and independently instead of in an organized way"

to learn all possible details about the Indian metaphors of a brave, suppressed people fighting for independence. The Indian movement, though also smaller in numbers, remains active today, with groups of devoted Hungarian nature-lovers gathering every summer to become Indians (Native Americans) for as long as their teepees stand.

Separate ways, to each his own

"When the Velvet Revolution took place, I think I can speak for everybody, we were all very happy. The basic idea of tramping is that all tramps are buddies, and after the revolution absolutely all Czechoslovaks became buddies. Nobody suspected that this would also mean the twilight of tramping," adds Lucie. The tramping and Indian movements have, paradoxically, declined after the fall of communism and undergone dramatic changes within a short period of time. Besides the absence of political factors that previously kept these oppositional movements dynamic, their decay has also been economic, with financial pressures affecting the large associations that organize the infrastructure of hiking.

One of the reasons why hiking became so popular during socialism was that people had more free time and more resources, and services were cheaper. Today, hikers and daytrippers still head out into nature, but they prefer to go individually and independently instead of in an organized way. Time is possibly even more problematic – free time is a scarcity, and it is becoming troublesome to take days off or leave for a long weekend, therefore, people opt for more intense experiences – such as mountain biking, rafting, or other adrenaline sports. The historical hiking associations responsible for the maintenance of trails and infrastructure within their own countries are going through the most difficult times of their approximately 130 years of existence (with the exception of the Slovak KST, which was founded in 1990).

Membership in the Hungarian MTSZ has fallen to 14,000 from about 100,000 in the early '90s. Vencel Pálmai, a board member of the organization, explains their desperation to find fund-

▲ All mountain routes are recorded in such "books of trips", which include information on time of depart, planned route and estimated time of return to the shelter. There, climbers brag about their climbing achievements, but also show concern about fellows who went climbing and whom - if necessary - they might need to help.

▶ Regardless of national borders, political and social systems, revolutions and coups – mountain activities enjoy equally great popularity. Despite economic transformations and changes in society, despite globalization and the pace of life, mountain trips play a similar role: they are an oasis of peace, where only one thing counts – to go ahead and overcome one's limitations.

ing – most of the work (marking and maintaining trails) is done by volunteers, but nevertheless their survival is at risk. "In all former socialist countries the membership of these clubs has declined. Earlier during the "cursed times", big corporations used to fund recreation for their workers, and the entire infrastructure was extremely cheap." Recently, the government has appointed a commissioner to help out the MTSZ and allocate funds, but the organization will have to go through drastic changes, affecting the entire leadership and the organizational structure, including the name and the logo, which, similar to that of Naturfreunde, is an Alpine rose, dangerously reminiscent of a red pentagram.

The Polish PTTK and the Czech KČT are in a somewhat better position – they are respected, historically well known, and enjoy partial support from the state. Even Pope John Paul II, who was a passionate hiker and organized secret clerical gatherings in the mountains, was member of PTTK, and continued to support the organization while at the Vatican. Nevertheless, even these organizations have to face the challenges of today – problems of an aging membership, financial insecurity, and privatization. When the trails lead through a private forest, for instance, they have to make individual agreements with the owner. "But the major problem is that KČT has to keep in step with the changes of the times and respect the preferences of young people. Moreover, it is financed by the state, and will be affected by public budget cuts," claims Tomás Kvasnicka.

The main difficulty for the organizations is thus to stay competitive in the market, which is tricky because hiking is not a particularly marketable area. Today, hikers come mostly from the middle class, and while the infrastructure is definitely becoming more pricey, hiking is still relatively available. While this may not be an era of massive organized movements or secret oppositional gatherings, all other aspects of hiking are there to be explored. Despite the difficulties, wanderlust, even if in different forms, still inspires hikers and nature lovers to continue to pass their passion on to future generations. /

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THE CHANCES OF CULTURAL RENEWAL IN HUNGARY

Several cities of the region have already held a title of the European Capital of Culture. The title itself has been awarded since 1985 to cities designated by the European Union for a period of one calendar year during which they organize a series of cultural events with a strong European dimension. Since 2000 Central and Eastern European countries have joined the initiative. This change entangled a new political process that had to take place. While a country's capital would be the obvious choice this was not usually the case. Former Minister of Culture of Hungary gives his account of the political decision making process when selecting the city of Pecs to hold the title in 2010.

ANDRÁS BOZÓKI

Experts say that Hungary, and especially its capital, Budapest, is in a good situation to define its cultural identity within Europe. In addition to a new generation of talented artists, a whole new wave of cultural managers with a fresh attitude has sprung up in Hungarian cultural life. Their co-operation can potentially lead to a long-expected cultural renewal. Success is not the result of a zero-sum game. The players in Hungarian cultural life have been wasting their energy on competing for the patronage and resources of the state. The time has come for them to join forces. If the key figures of a new, or renewed, emblematic cultural institutes, such as KÉK, Sziget Festival, Museum of Fine Arts, WAMP, Ludwig Museum, A38 Music Ship, Impex Lumen, Millenáris Theatre, Műcsarnok (Arts Hall), Tűzraktér (Alternative Cultural Center), VAM Design Center, Trafó (Theatre for Contemporary Dance), Merlin Theatre, Palace of Arts, MU Theatre, Gödör Club and many others, co-operate, they will reach the critical mass that might bring an appreciable change.

What makes a country culturally attractive? According to Jan Kennis (cultural attaché of the Netherlands to Hungary), there are three preconditions to renewal: 1.) economic development, 2.) the ability to attract and integrate foreign influence, and 3.) the "artistic atmosphere" of the place[1]

The first precondition remains lacking in Hungary as it is not a rich country, and it cannot afford to pay competitive fees for big international names who could direct cultural institutes. If internationally competitive salaries were offered, it would trigger tensions regarding internal salary rates, and it would upset the public. This would mean obstacles to the very aim, namely, to provide a more active presence of foreign artists and cultural managers. In spite of the cultural pillar system in the Netherlands, it has been an open country, a sailing nation for centuries, and their everyday life has included interaction with foreign cultures – not to mention that their economy greatly benefited from colonialization policies. By the 1960s, most everyone spoke English in the Netherlands, while in Hungary a few decades shall pass before we can achieve widespread fluency. Hungary was an occupied, isolated and under-recognized country until the regime change of 1989. Its citizens did not travel, speak foreign languages or listen to Western radio programmes, and they saw people with different skin color only in films. The cultural revolution of 1968 was muted behind the Iron Curtain.

Although the first condition is lacking, the situation is not hopeless, as the third condition is present. The "artistic atmosphere" of Budapest, and some other towns as Pécs, Szeged, Eger and Sopron is a gift, and we must take the advantage of it more actively. Budapest maintains far more theatres than the av-

erage European capital, and has a sparkling cultural life.

If the first condition is missing then we still have the third, and the hope for change lies in the second, in other words, the ability to attract foreign influence. This is the field where a change in the view of cultural policy could contribute most to success. I would like to address this issue a bit more closely.

The regime change in 1989 created the opportunity for a fundamental change in Hungarian culture and cultural policy. Several new fora of public discourse came to life, new weeklies and periodicals, which could herald the newly gained freedom of speech and the press. However, in the beginning, change was detectable primarily in re-evaluating the withheld or falsified past, as it was the case in the rehabilitation made by the conservative-nationalist culture minister, Kunó Klebelsberg`s cultural policy of the 1920s. The state played an exclusive role in financing culture, and the gaps were filled by the generous support from the Soros Foundation, which was active up to the mid-1990s. As a result, and also due to the outstanding role that the intellectuals played in the change of regime, the old culture financing scheme seemed sustainable for a long time. The new pluralist system enabled certain circles of intellectuals to gain a leading policy-making role. The media war over the control of public radio and television occurred between 1991 and 1993, it was a Kulturkampf between the intellectuals who had entered politics, and the two opposing blocs of their heartland.[2] Following the cultural homogenization by the dictatorship, the struggle now turned to establishing subcultural foundations. At that time, the chance of the institutionalization of this subcultural pluralism meant the guarantee of freedom. This determined the first years of the struggle to define the new republic`s culture, public discourse, symbols, and policy. The first four years of the Parliament was the era of symbolic politics, in which the old cultural pillars of "populists" and "urbanists" were represented by the defining parties of the time: the Hungarian Democratic Forum and the Alliance of Free Democrats.

The concept of a modern republic means that we know what the minimum basis of understanding is, which can still shape us into one political community, in spite of the differences between us. This community is maintained by legal principles, and the democratic principles of mutual restrictions for the sake of our common freedom. A few years after the regime change of 1989, it became important to rescue cultural financing from the labyrinth of party politics. The most significant measure to reconfigure the old structure was to establish the National Cultural Fund (NKA) in 1993. This provided the opportunity for cultural products to be evaluated by independent professional juries, so that the players in cultural life could have a share in the state support based on their professional/artistic merits, and not their political nexus. After 1994, the liberal cultural administration brought the Digital Literary Academy (DIA) and the Széchenyi scholarship to life, which meant gestures to certain groups of elite intellectuals. At the same time, 10% of the NKA budget was turned into a vis maior fund, which became the "minister`s budget".

When the media act entered into force in 1996, the rise of commercial TV channels brought a significant cultural change to Hungary. The sole rule of state TV thus ended, and the previous media war lost its target, as the viewers now could "vote" with their remote controls. Also, in 1997, the Soros Foundation began to withdraw from Hungary, where they had been supporting the cultural and scientific scenes: some parts of which were changed (books, periodicals, cultural events, scientific scholarships, etc.), and some were gradually terminated. No similar private sponsor has since taken their place.

When Fidesz gained power in 1998, there were already new circumstances. The conservative government, with the millennium approaching, increased the role of symbolic politics, and attributed a unique, strategic importance to culture. The former 10% of the minister`s budget was raised to 50%, in order to have a closer link between the government and the groups of the cultural elite that favored them. NKA was merged into the cultural budget, and was operated as the National Cultural Base Programme. The Orbán administration regarded culture primarily from the aspect of national-historical identity – this way following the 19th century concept of culture – and supported mainly the institutes that enforced this line. That was the time when the National Theatre – conveying vague aesthetic values – was built, when the National Philharmonic Orchestra was given extra support, thus becoming a world-class orchestra, and when the support for the State Opera was tripled. The construction of the Palace of Arts was also started then. The right-wing political parties had a straightforward idea of what culture was: primarily the carrier of a coherent national identity that was shaped by history. They knew exactly what aim the national cultural institutes should serve: to strengthen national unity based on traditional values and symbols. The Orbán administration handled culture as a state matter instead of a social one, and placed it as a focal point, stressing the thousand-year-old concept of the state, that of Saint Stephen I - the first King of Hungary.

The cultural policy of the MSZP-SZDSZ coalition in power between 2002 and 2006 was characterised by the clashes between different configurations of the Socialist and Liberal circles: 1.) those representing the old Kádárian elite positions, 2.) the technocrats favoring modernization and a breakaway from the current situation, and finally, 3.) the groups emphasizing the renewal of the leftist-liberal identity. The "Kádárists" were unable to enter actual debates, as they were occupied with maintaining their own positions in the institutions. Others saw culture from a defensive aspect, avoiding making any reference to it, as they basically accepted the content of culture defined by the conservative side. For them, culture was subordinate to the needs of experts, pragmatists and to the requirements of modernization. They were the ones who treated culture as a "burden", a mental reserve standing in the way of the country`s development and competitiveness. Finally, others urged that the Left should renew the concept of culture, and become more active in the field of cultural democracy, creating opportunities, nurturing talents, as well as cultural and regional development. They argued that the Left could not be intellectually empty, and should not continue without an identity.

The cultural policy of the Medgyessy administration (2002–2004) primarily represented the interests of circles still stuck to the nexus that had developed during the Kádár era. However, the first Gyurcsány administration (2004–2006) opened doors for the new cultural groups and genres, under the aegis of renewal. More money was given to the curatoria of NKA, as the minister`s budget was decreased from 50% to 25%. The act on

NKA in 2005 restored the name and autonomy of the fund, and restricted the rules of incompatibility. Between 2006 and 2009 the socialist cultural policy returned to a more traditional understanding of culture and favored different segments within high culture.

The last ten years saw fundamental changes in reproducing culture, the access to cultural goods, and in general, the attitude to culture. The impact of the traditional, textual and narrative genres dropped significantly, and certain visual and musical genres gained greater value. The Internet generation appeared, whose members were raised in a free country, and thus they had only a cursory knowledge of the years of the dictatorship. Our children read less printed material than we did, the developed world has switched to the Internet, online networks, and mobile phones. We do not send our letters in envelopes anymore.

Since 2004, Hungary has been a EU member state. Some of the old problems are still with us, while new challenges have also come up. We may close our eyes, but that will not chase away the fundamental cultural change that is taking place in Hungary, in the form of digital revolution. The country is in the global race, the new technologies, visual forms of art, and new cultural forms are here. The significance of audio-visual culture – mainly film and pop music – has increased. The technological development enables more and more of us to have a say in public matters (e-democracy, blog culture), and to become creators ourselves (computer music). Multi-disciplinary festivals are also on the rise, and the formerly rigid boundaries between elite and public culture are disappearing, and what is more, differentiation itself is becoming problematic. Any combinaton of genres is conceivable in today`s experimental mix and remix of culture, as the acceptance of the different forms of creativity has broadened on a wide scale. Now punk operas, rap poetry, ray painting, and symphonic video clips are real options. The opportunities presented by new links

EUROPEAN CAPITALS OF CULTURE 2000-2016

PRAGUE 2000

The story of the city
City of open gates
City to live in

Three major themes were developed: the 1st focusing on the cultural heritage of Prague, the 2nd on Prague as the crossroads of different cultures and international links, and the 3rd on a developed cultural life in a modern metropolis.

BUDGET *€ 18,800,000*

TOURISM Specific objectives relating to visitors: An increase in visitors but no concrete strategy was developed and it was not a high priority.
Expectations and assumptions about the number of people who would come to Prague and see the City of Culture were not significant. Vaclav Novotny, who headed the Prague Information Service, said: "I expect approximately the same number of tourists next year [as this year], so Prague 2000 won't induce an increase. We already host some 2.5 million tourists a year who, altogether, stayed 8 million nights. That's about the maximum we can hope to get. The key question now is not how to increase the number of visitors, but how to keep it this high."

CRACOW 2000

Thought,
Spirituality,
Creativity

The tagline reflects both the history and the daily life of today's city, which openness has always attracted individuality, and which gates have always been open for people of different nationalities, religions, or ways of thinking.

BUDGET *€ 12,700,000*

Polling by the Cracow branch of the Institute for Tourism suggests the city saw a 20% increase in tourists in 2000. Foreign guests were 56% of visitors (up from 45% in 1999). 13% gave cultural events as the reason for their visits and 8% gave their interest in local folklore.

GRAZ 2003

Culture is more than art.

There was a specific desire to include people and citizens who were not "art consumers" and involve the inhabitants of Graz in the creation of projects. Culture was given a wide definition to include aspects of daily life and the use of public space was a priority.

BUDGET *€ 59,200,000*

Total number of people attending events in the programme: 2.755.271
Visitor numbers far exceeded expectations. An increase of almost 23% in total overnight stays in 2003 compared to 2002 was way over the pre-2003 forecast of a 10-15% increase. The increase of overnight stays by foreign visitors was almost 29%.

SIBIU 2007

of Culture-City of Cultures

The tagline embodied Sibiu's mixing of different cultures, e.g. Romanian and Germanic.

BUDGET *€ 18,900,000*

It would appear that Sibiu achieved its aim of increasing the city's visibility at the European level.
Number of tourists in accommodation units during the first semester: 2006 = 60,197; 2007 = 75,545; that is, an increase of 125.5%.

VILNIUS 2009

Culture Live

The vision of a "European capital of the future that is open to people, cultures and innovation".

BUDGET *€ 64,120,000*

Statistics Lithuania informs that, based on the data of the inbound tourism survey, the number of overnight trips of foreigners in 2009, compared to 2008, decreased by 16.8 percent (from 1.6 million in 2008 to 1.3 million in 2009), that of same-day trips – by 6.6 percent (from 2.8 million in 2008 to 2.7 million in 2009). (Note: decrease due to the deep economic crisis.)

LINZ 2009

Say Linz, Say Change

As the European Capital of Culture, Linz is all about differences: differences compared to the rest of Austria, but also to the dark times, to the Linz of yesterday, and to other cultural events. Its new motto consists of two words that automatically co-opt all Linzers as co-organisers. That build expectations and suspense in the minds of visitors with regard to Linz 2009. And that self-confidently signal the energetic development of the city: "Linz. verändert," (Say Linz. Say Change).

BUDGET *€ 68,700,000*

Audiences of nearly 3.5m people. Linz09 is a success story in terms of tourism: more than two million day visits and an increase of 9.5 % in the number of overnight stays.

PÉCS 2010

Borderless city

It underlined the city's ambition to re-establish international relations with neighboring countries and regions, which were damaged during the war in the former Yugoslavia. In its proposal, Pécs thus presented itself as a "gateway to the Balkans".

BUDGET *€ 35,300,000*

The number of nights spent in Pécs by Hungarian tourists has gone up by 13% (totaling 160,389) compared with the previous year. An increase about 75% was noticed in the number of nights spent in the city by foreigners (totaling 77,758). This average 28% increase in the number of visitors wouldn't be possible in a time of crisis without the title of Cultural Capital. The Managing Centre claims that in all of the events in Pécs2010 about million visitors participated.

TALLIN 2011

Stories of the Seashore

The main theme of Tallinn 2011 is "Stories of the Seashore" and its citing of its importance as both the sea and storytelling were to play a major role in many of the planned events.

BUDGET *€ 15,300,000*

The year as the Capital of Culture had a positive influence on tourism, and most of all cultural tourism. By the end of September, the number of overnight stays by foreign tourists rose by 23% compared to the year before resulting in 494,909 added hotel nights.

MARIBOR 2012

Pure Energy

The theme for Maribor's European Capital of Culture is "Pure Energy", referring to the fact that the region covers most of Slovenia's energy resources and is linked to Maribor's aim to build up energy in the coming years leading to a "cultural explosion" in 2012.

BUDGET *€ 28,000,000,*

Touristic Information Centre in Maribor documented an increase in the number of visitors by 65% in the first three weeks of 2012.

KOSICE 2013

Use the City

The slogan of the nomination campaign - reading as USE THE CITY! - calls the USERS to use the city, go out and take an active part in the public life, enter the INTERFACE created for them and begin to communicate with culture, art, and, above all, with each other."

BUDGET *€ 31,500,000*

The general aim is the branding of Slovakia as a tourist destination in general by the national tourism board: Košice would be one of the strongest focuses in the tourism board's strategy.

RIGA 2014

Force Majeure

The programme for the project of the European Capital of Culture 2014 is based on the ideological key principles of Kult[rix]. After several months of creative discussion with the participation of a diverse circle of experts from different fields, Riga's programme for 2014 has acquired the title "force majeure".

BUDGET *€ 24,000,000*

SARAJEVO 2014

Peace, Art., Freedom

The conceptuality of the programme is reflected in the correlation of notions Peace, Art, and Freedom with freedom of creativity and human rights, and the commitment to all and especially to younger generations.

PILSEN 2015

Pilsen Open Up!

Pilsen open up! The name of the project for Pilsen's candidacy for the ECoC title characterizes the 2015 programme. The city needs to and wants to open up. This has been a permanent theme of Pilsen's cultural vision since the 1990s.

WROCŁAW 2016

Spaces for beauty

Presslaw, Vratislav, Wrotizla, Boroszló, Breslau – these are only a few examples of the 50 names that have been given to Wrocław throughout the centuries. Its complex history and transformations that it underwent are symbolized by a butterfly – the emblem of Wrocław's candidacy for the title as the European Capital of Culture. The city's names can be seen on the application's cover. Inside the document we will find the reasons for Wrocław's candidacy for the title of ECC. There are nine of them. The application also includes the programmes that, if Wrocław receives the title of European Capital of Culture, will be used to build spaces for beauty in the city and in Lower Silesia.

between genres are unprecedented. It is no exaggeration to say that, as a result of the inspiration derived from global mixtures, slowly all new music will become "world music". The movement of creative common goods has appeared (Creative Commons), which delegates the interpretation and definition of copyright to the authors themselves. Without overestimating the role of technology, I believe that the cultural policy-makers had to, and still have to, face this fact.

There was a need for a new cultural policy, partly in contrast to the compensative culture of Kunó Klebelsberg, which, after the shock of Trianon, was built upon the cultural superiority of "Mutilated Hungary". State subsidies for artists followed after policy based on a Hungarian communist idea of György Aczél: "To forbid, to abide, to support", , which, after 1956, was based on the pacification and compromising of a rebellious society. Today, none of the 20th century models can be followed, and not only because these were products of anti-democratic regimes. The culture of the free republic cannot be built upon privileges gained and maintained without achievements and the narrow concept of culture itself.

In 2005, Hungary supported the UNESCO resolution on protecting cultural diversity, which partly opposed the purely free market-based concept of culture. The document declares that national cultures must be protected, as culture is a product, but a special one. A Hungarian, an Italian, or a Czech film, or a piece of writing is valuable in itself. Small, isolated languages must also be protected. Thus, the state has a role in cultural financing, and this role must be maintained. For the same reason, in 2006, the Hungarian cultural administration initiated, and their European partners accepted, the new concept of European cultural heritage, which emphasizes intellectual heritage in addition to built heritage.

If we think that culture is a pluralist concept because it is diverse, colorful and is built of several elements, then the same is true for national culture, as it is also made up of identities and subcultures, constantly interacting with its environment, and thus is always changing. Certainly, there exists a traditional preference of values, but it is not the politicians` task to rank values. It is the task of the professionals, the audiences, and the society, but they do not set up the rankings "till the end of time", but rather rethink them in a continuous exchange.

State cultural policy must "clear the way" in order to allow those to speak who have been previously silenced, as well as provide the conditions for cultural diversity. Forty years ago, jazz in Hungary was said not to be part of culture, and that it did not deserve support. Later it was accepted. And there is Tengertánc, the program supporting living folk culture, or PANKKK, supporting music clubs in the country and upcoming talents, in order to revitalize small town clubs. Although the introduction of these programs triggered heated debates, now they have proven successful, as they were born of the initiative of, and in cooperation with artists. Alfa and Közkincs (Public Treasure) programs, that serve cultural regional development, can be supported from EU sources as well. When the Sziget Festival receives 60,000 visitors a day, and has become one of the biggest European events, no one can say that it is not a part of Hungarian culture. Nowadays, it is even part of the Hungarian image.

There was also a significant change in Hungarian public radio, when the Petőfi channel, listened to by only a few people, became a hub of quality pop music. PANKKK was the first to formulate the need for Hungarian musicians to have more time on public radio. A paradoxical situation then developed, as the new management of Hungarian Radio, not fully intentionally, began to implement this cultural policy. This is a sign of our common awareness that we need a much broader, more flexible, and more open concept of culture. We should not leave unnoticed the changes in the culture of our everyday life, and the social-intellectual phenomena that turn up outside the circle of regularly supported traditional cultural institutions. Besides "court culture", public culture is also part of culture. Next to the aristocracy of culture, the republic of culture has also come to life.

Representing the republic of culture cannot mean maintaining the cultural institutions in an unchanged form forever. But what viewpoints should be taken into consideration when evaluating these institutions? One of the hottest political questions is that of fair procedures. The world of cultural lobbies is more fluid than the world of science: scientists have gotten used to entering international competitions to acquire support, and publishing in foreign arenas to gain professional prestige. Applications must be submitted, budgets must be calculated in advance, and later; in many cases they have to account for the expenditures during the process. However, in the cultural scene we often bump into an often invisible and closed nexus, the one-dimensional operation of which has been publicly criticised by the State Audit Office on several occasions. Appointments for certain periods are often on paper only, but as "personal consignment" they might be valid forever. This is not the rule of law, but the culture of direct political control. In a democracy it is natural that a cultural position is filled for a specified period. With this in mind, the world of Hungarian cultural institutions makes it seem like the regime change did not take place.

The success of the European Cultural Capital program shows that culture now has greater value in Europe, as has cultural diplomacy. There are no serious political conflicts between the countries of Europe, and the role of traditional diplomacy has been shrinking as a result. Now, who or what can a country come up with? With Botticelli, Bergman, Bartók, Mozart, Almodóvar, with painters, film directors and perfomers – its art, its culture. It is important to have Korean, American or Indian investors in Hungary, as they create thousands of jobs, and they thus have an economic and social role, but they will not add anything to our image and our cultural presence abroad. It requires a great effort for a city or a country to represent itself. The question that is all the more important is whether there is a development concept, and how the creative industries may be included in it. Let us not forget that culture can make a profit as well, and has a function in revitalizing the economy, which takes place via the creative industries, music, films, and marketing.

The European Commission announced 2008 as the year of intercultural dialogue, having realized that cultural diversity is a fundamental value in Europe. It is impractical and insufficient to maintain an isolated society that lives in multicultural "ghettos", so encouraging such a dialogue has become important. Those who communicate with each other will try to understand one another better. As the French and the Germans have published coursebooks on World War II together, there could be similar joint programs for Romania and Hungary, or Serbia and Hungary. The National Cultural Fund

should establish a college of intercultural cooperation. If we desire an open world and culture, then the borders must stay open as well, so that people and thoughts can travel back and forth. We must not quarantine the national tradition, national or ethnic culture, or even subculture. For many, favoring the national culture against the harmful effects of globalization is like closing off, "national self-defence", as if culture was a military concept. Our culture is strong only when it has the ability to be in dialogue.

Any real, provocative and attractive culture will step over boundaries. It is not by accident that the European Commission has established a cultural prize with the name Border Breakers Award. It is a fact that Hungarian cultural diplomacy and the society of artists have become much more open in the past few years, and Hungary`s geocultural position has changed a lot, and is now more balanced. Now we have the chance to enjoy the spaces of our regained cultural independence, and to get rid of the extremes that used to bind our intellect during most of the 20th century: both that fake "cultural superiority" and the sense of inferiority, which triggers frustrations.

What do we need for success? Firstly, we have to revitalize and keep improving our mood in regards to work and creation. Secondly, we have to keep our views fresh, our procedures fair, maintain a policy of creating opportunities, and the necessity of having alternatives. We must support common creation, free access to different fields, engender the entrepreneurial attitude, and value mediating. The age of one-dimensional, one-channel, "great national representation" is over. Long-term results can be expected only from cultural actions that are based on common creation, partnership, and co-operative projects. The success of cultural seasons cannot be measured by the quantity of the artists, the productions, and the press releases, but by the number, durability and intensity of partnerships and joint projects established between the Hungarian and foreign cultural players. Co-production and joint financing is not an external obligation anymore, but an internal principal starting point in forming cultural contacts. As a consequence, besides the traditional means of diplomacy, the importance of contact management, network building and project initiatives are becoming more relevant. The creators and operators of cultural productions, instead of individual performances, now tend to look for partners to present their programs in multiple countries simultaneously, and in order to increase the efficiency of their reception, involve the locals. That cannot be only the effects of globalization, and the trend will not damage or sweep away national cultures, on the contrary, it may encourage a discovery of new characteristics and features unknown thus far.

It is already enough for Hungarian cultural diplomacy to pay extra attention to common cultural creations, and to encourage intercultural dialogue. Responsiveness to foreign influences is not exclusively a question of diplomacy, but a question of "artistic atmosphere" as it was mentioned above. Common creation is a task for civil players, the state authorities must only provide spaces for that, be it a physical venue or a virtual one on the Internet. One of the most exciting developments of today`s cultural life is the realization of the fact that national cultures, thought to be homogenous in the past, are built upon numerous subcultures. A country`s culture consists of these colorful islands, and this diversity is what makes it so attractive, dynamic, and interesting. Representing this diverse world abroad requires cultural diplomacy, and for each player to have a new view of their roles. As a result of the development of subcultures, the concept of national culture has become much broader, and we have to deal with this new cultural concept. What is more, there are often no direct paths between these subcultures, even within a country, and these may even refuse to communicate, for different reasons like taste or technical difficulties. Cultural diplomacy cannot afford to create the missing unit artificially, or to pretend to have it, referring to the objectives of foreign representation. It must bring the players of Hungarian and analogous foreign subcultures together, and establish direct access between them. Such "creative passages" will release new energies, new capacities will emerge, and dialogues of new content will begin. If everything goes well, these cultures, when in a new environment of reception, will draw much more and broader attention than in their place of origin. Sometimes we witness that Hungarian "subcultural" acts, which are left unnoticed locally, gain international success.

Institutional and civil contacts, artist dialogues, and establishing access among subcultures, and having a cultural entrepreneurial attitude, all require a new strategy and a new set of means. That sort of culture that the older generations grew up with seems to be losing some of its more appealing characteristics. In the age of computers, commercial television, discount airlines and the explosive development of communication technologies, we are not that old, isolated, barracked country that we used to be, which would find satisfaction only in football, chess, narrow elite culture, and gold medals at the Olympics. Today`s talents can emerge outside these fields. The structure of culture is changing continuously, and thus we need to renew its concepts, and to have a fresh, supportive cultural policy. We must demonstrate strong gestures to gain attention, to reveal that the situation has changed.

Today, twenty years after the regime change of 1989, the historical period of post-communism is over, including the change of the political and economic regime, unchecked capitalism, the accumulation of capital, and rapid privatization. In spite of the relative poverty of Hungary, the time has come for us to realize the importance of cultural values. The age of the "last giant state-socialist companies" (which could operate and spend irresponsibly and were not transparent in the early years of capitalism) is over as well. As it seems, Hungary is, slowly but surely, entering a world of cultural diversity that is more similar to the Western European model, where the role of culture can be brought into focus again. The culture of the republic will resemble us. /

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2. These two opposing groups were the right-conservative forces and the left-liberal ones. The former was represented by the intellectuals around the governing party, Hungarian Democratic Forum (MDF), while the latter by the intellectuals around the opposition party, Alliance of Free Democrats (SZDSZ).

WHEN LITERATURE BECOMES POLITICS

Probing the Visegrad Countries' Systems of Literary Awards

MAREK SEČKAŘ

Literary prizes are not a very old business. Among the important ones, the Nobel Prize in Literature is probably the oldest one, having been bestowed since 1901. It has obviously proven to be a very inspiring idea however, as literary prizes have proliferated around the world in the 20th century. Nowadays, we can hardly imagine literary life without them. Their purpose is manifold, at least in theory. Of course, they are supposed to acknowledge and reward prominent and gifted authors. They are expected to make the literary field more organized so readers can easily find their way around and, consequently, to encourage people to read books as much as possible. But besides defining the situation in contemporary literature, they are also supposed to indicate its trends and future developments, and to express the expectations and wishes of the literary world's élites – because it is precisely these élites who run and bestow most literary prizes. And, last but not least, literary prizes are supposed to connect the world of literature with the worlds of politics, economics, and with society at its broadest. There is no doubt about this: while we can – and many do – argue about whether literary prizes really reflect the condition of a given literature at a given time, nobody can deny the fact that literary prizes do reflect, at least to an extent, the condition of a society as a whole.

During the last two decades, the four Visegrád countries have also experienced notable developments in the area of literary prizes. They all had their prizes in the period of communist totalitarianism, but these could hardly perform the aforementioned functions as they were unreservedly subdued by the power which was bestowing them. Some of these awards persisted in subsequent years, and attempts were made to rectify their reputation. Other prizes existed as well, but in total, the 1990s can be characterized as a period when literary prizes did not play a very important role and everybody was on their own to find their way among contemporary literary creations. Only the most recent decade has seen attempts to systemize whatever happens in literature, and literary prizes are supposed to work as one of these tools. This is attested to by the appearance of big and relatively prestigious awards, such as the Nike Prize in Poland, the Magnesia Litera Award in the Czech Republic, the Anasoft Litera Award in Slovakia, or the AEGON Art Prize in Hungary. Some of these prizes are financed by private companies, which is also a new phenomenon in the Central European cultural milieu.

Do these attempts bear any fruit? Have we moved on thanks to them? Do they help us find our way, or do they just lay the groundwork for commercial approaches in the virgin land of artistic endeavor? Four countries: four different stories. Yet, they also share certain features – as is usual in this region. /

The author is a Czech translator, literary critic and editor of *Host* magazine.

The Nike prize is a product of its time. The fall of communism destroyed not only the rules of the socialist economy, but also the system that shaped the hierarchy of the country's cultural scene supported by the regime and manifested by competitions and prizes founded by different authorities, state-controlled branch unions, and associations or newspapers. The system, however, had an increasingly smaller impact on the taste of the Polish readership after the mid-70s when an independent cultural circuit established its presence in Poland. Following the breakthrough of 1989, there appeared a void that was not even filled by a literary prize awarded by the Geneva-based Kościelski Foundation which was commonly referred to as "the Polish Nobel prize for writers under the age of 40" not only due to the age limit imposed on potential candidates. Despite the fact that the award ceremony moved from Switzerland to Poland and the judges panel consisted of acclaimed critics and academics who rarely erred in their verdicts, selecting authors who later made their mark on the Polish literary landscape (such as Jerzy Pilch, Andrzej Stasiuk, Olga Tokarczuk and Tadeusz Słobodzianek), the Kościelski award remained a prestigious distinction that was mainly recognized by a narrow circle of writers, scholars and critics.

Hopes, uproar and frustration

The void was eventually filled by the Nike award, whose initiator – again a sign of the times – was a representative of the world of business and not the world of arts. The award was created by Henryka Bochniarz, a businesswoman and Minister of Industry in one of the first Polish governments after the political transformation. She convinced Adam Michnik, the editor-in-chief of *Gazeta Wyborcza*, of the merits of her idea and it was decided that the prize would be awarded to the best book of a single living author written in Polish and published in the preceding year. A novel can thus compete with a historical book, and a collection of poems with a biography. The winning author receives a statuette designed by promi-

WINGED VICTORY OF NIKE

The system of literary prizes in Poland

The situation with literary prizes in Poland can be compared to the global film industry. In the country of the Vistula River, we have a literary equivalent of the Oscar, the Nike Literary Prize, conferred annually since 1997 by Gazeta Wyborcza, the largest daily newspaper in Poland. Each year this award provokes media discussions and fierce debates, it turns prize-winning books into bestsellers, and puts authors into the literary Pantheon.

CEZARY POLAK

nent Polish sculptor Gustaw Zemła and a check currently worth 100,000 złoty (approx. 24,000 euro). The prize money made a great impression as there was no other equally generous award for writers in Poland. The three-stage selection process lasts six months, with the final vote taking place only a few hours before the award ceremony amid unprecedented media coverage. The announcements of official nominees, and then the seven finalists chosen by the judges (luminaries of the Polish cultural life appointed each year), are greeted with great media anticipation and fanfare and there is a live broadcast of the award ceremony on public television.

The Nike award has been noted as a gigantic success. It appeared that in a country whose readership ranks close to the lowest in Europe (60% of Poles admits to not reading books at all) literature can cause strong emotions. Debates rage not only among the prominent jury members, professors, writers and critics, but also among web surfers and on internet forums not even associated with literature. Some authors lose their nerve. In 1998, Professor Zygmunt Kubiak, a prominent scholar of antiquity, could not come to terms with his defeat (the Nike award was awarded that year to Polish Nobel prize winner Czesław Miłosz), and ostentatiously left the ceremony before its end. Jarosław Marek Rymkiewicz, a right-wing poet and essayist who often launched fierce attacks on Gazeta Wyborcza and was in a legal dispute with Agora, its publisher, was the Nike laureate in 2003. He did not attend the award ceremony but gladly accepted the prize money.

The Nike award proved to be the main driver for the book trade in Poland. Books honored with the Gustaw Zemła statuette disappear from book stores the day after winning the prize. A significant increase in sales is noted by both novels and niche collections of poems, other nominated books sell equally well. Prompted by the list of Nike winners, Poles rush to buy new additions to their home libraries. Most important is the fact that the judges panel, whose members change each year, dares to make brave decisions and promote young and controversial authors like Dorota Masłowska (the laureate in 2006), or authors forgotten and subsisting on the fringe of the mainstream, like Marian Pilot, the winner last year, one of the last representatives of the rural trend in Polish literature. Andrzej Wajda, a film director, is right in saying that thanks to the Nike award he can discover an author living in the province.

In 2006 the Nike prize was awarded to Dorota Masłowska. When asked how the prestigious and financially rewarding prize (approx. 24,000 EUR) has changed her life, the young writer who was 23 years old at the time replied: ***I enjoyed myself for 3 hours. I lent some money to my friends, bought new clothes, and then fell into depression.***

Response from the right

The market, media and influential success and renown of the Nike award is a thorn in the side of most right-wing conservative circles and Michnik's opponents, who interpret the jury's verdicts as a demonstration of cultural politics imposed by *Gazeta Wyborcza*. *Nasz Dziennik*, a daily published by a media group headed by Fr. Tadeusz Rydzyk, a populist Roman Catholic priest, declared the prize awarded to Dorota Masłowska for her whistleblowing book written in Polish slang *The Queen's Peacock* (Paw Królowej), to be "an act against Polishness."

Five years after the foundation of the Nike award, conservative right-wing circles created their own award under

As the editorial office of "Gazeta Wyborcza" collected votes from their readers one year, they received a vote for a collection of poems by Tadeusz Różewicz, a Nike prize nominee. The sender was the granddaughter of the great poet. **She argued her grandfather deserved the prize more than the other nominees because he promised to get her a motorcycle if he won.**

the auspices of Józef Mackiewicz, a writer and publicist. The judges panel has been headed by Marek Nowakowski, a prose-writer, and the other members include leading academics, writers and publicists who are also open to the former's political views. These views are demonstrated in their selections, which, especially over the past five years, have promoted authors openly sympathizing with the right wing of Polish politics. The award has even been nicknamed "the rightist Nike," which rather reflects the wishful thinking of its organizers than its actual prestige. It attracts much less interest, does not incite public debates, barely translates into higher book sales, and offers much less prize money (the winning author receives a check worth $10,000).

Regional, but noteworthy

Two other literary prizes founded by local authorities enjoy much more prestige, namely the "Angelus," financed by the city of Wrocław, and the "Gdynia," sponsored by the local government of Gdynia. Both were founded in 2006, and are an expression of a new trend in the politics of Poland's major cities. Following European Union accession, local Polish politicians have promoted the marketing potential of culture, sensing that literature can promote their cities as effectively as a football club or film festival, maybe not in an equally spectacular manner, but at a relatively lower cost. However, the similarities between the two literary awards end here. The "Angelus," which derives its name from a baroque Silesian poet and mystic Angelus Silesius, is an international award. The jury, headed by Russian poet and journalist Natalya Gorbanevskaya, awards authors from Central Europe who, in their books, "take on issues most important for the modern world and deepen the knowledge of other cultures." Malicious commentators say this is the reason why the "Angelus" statuette (and a check worth 150,000 złoty, equivalent to approx. 34,000 euro) has never been awarded to an author from Poland. To date, the winning authors have included foreign writers such as Yuri Andrukhovych, Martin Pollack, Josef Škvorecký, and György Spiró.

The "Gdynia" literary prize, sponsored by the city's mayor, is awarded in three categories: prose, poetry, and essay writing. The winning authors, who are selected by a judges panel consisting of leading literary academics and translators, receive memorial statuettes and checks for 50,000 złoty. Because of its division into three categories, the "Gdynia" is perceived as the "fairest" of the major literary prizes in Poland. The Gdynia judges do not have to face the dilemmas that the Nike judges have – there is no need to compare a novel with a collection of poems, or a collection of essays with short stories.

And the rest...

Other awards recognized by a statistical poll include "Paszporty Polityki" (Polityka Passports), awarded by the editorial board of the leftist opinion weekly "Polityka" in several categories, including literature. Awarded since 1993, the prize is dedicated to young promising authors (under the age of 40) and is intended to be a passport for their future literary career. The idea has indeed worked. The verdict of the editorial judges panel, supported by nominations by acclaimed publicists and critics from other media who are invited to join the selection process, is broadly discussed and the winning authors are assured of the publicity generated by the award's sponsors.

The Nike prize is also awarded by public vote and their selections differ greatly from the main jury choices. Over the past 15 years, the audience and the judges have only selected the same winner three times. **The biggest beneficiary of this honorary award is Olga Tokarczuk, a prose writer and the most famous Polish vegetarian. She has received the audience award three times.**

The literary marketplace is rounded out by two more literary genre awards. However, neither the Silesius award, sponsored by the city of Wrocław and awarded to poets for their entire literary output, for a debut, and for the book of the year, nor the Janusz A. Zajdel Award, awarded to science fiction authors, are of greater significance. They are prestigious, yet niche distinctions recognized by their own literary circles and of rather limited influence on the reading preferences of the Poles.

There is only one literary Oscar in Poland. The prize which enjoys authentic public recognition and can influence the bestseller book lists much more strongly than the Nobel Prize is the Nike award. /

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LITERARY AWARDS AS FEEDBACK IN LITERARY COMMUNICATION

The Typology of Literary Awards in Slovakia

Literary communication may appear to be a one-way process from the author to the readership. However, feedback does exist. Before the book is published, the author gets feedback from the publisher and the editor. Later, he meets readers and receives reviews. In addition to these channels of response, literary awards also constitute a specific form of feedback.

PAVOL RANKOV

Literature is not horse racing When Madeleine Chapsal, a juror for the prestigious French prize Fémina, claimed a few years ago that the decision regarding the winner had been made before the jury even met for the first time, it did provoke a scandal, but the following year, the announcement of the winners received just as much attention from the media and the public as before. While in France, the land of great literature and great literary awards, the winners are vibrantly discussed in the media both before and after the results are announced, in the Slovak media, the discussion is reduced to the oft repeated statement that "literature is not horse racing." This phrase not only relativizes the decision made by the jury, but casts doubt on the very existence of a literary award. As there is no way to measure literature, we cannot create a table of rankings and point to a winner. This skepticism is not based on postmodern relativism of values, rather it stems from the rural distrust of all urban (read: elitist) pastimes such as arts, literature, and even their reflection in aesthetics and literary science. Despite this, Slovakia is probably a standard country in terms of the structure and typology of literary awards.

In recent decades, short-story contests featuring primarily young and unestablished authors have been thriving. The annual Jašíkove Kysuce contest (the name refers to a Slovak author and a Slovak region), is enjoying its forty-third year and many of its laureates have enjoyed fairly respectable literary careers. However, it is the Poviedka (Short Story) contest that has a wider social reach. The publisher Koloman Kertész Bagala first organized it in 1996, when Slovak literature was twisting in a post-communist cramp, squeezed from one side by the loss of its audience who had temporarily succumbed to the kitsch beauty of Western commercial prose, and from the other side by the selective cultural policy of Mečiar's authoritarian regime that was cultivating writers who had been engaged in the former Communist regime. It was at this juncture that Bagala's hip contest appeared with excellent promotion and public relations. Moreover, the authors remained absolutely anonymous while their works were assessed. It was the texts that were competing, not the connections. The contest has been successful in achieving its goals: the creative skills of debuting authors are praised, and the subsequent anthologies of short stories provide further motivation for writing.

An acknowledged Slovak author can be acclaimed by the public or by the experts. Book-of-the-year surveys have the form of a public plebiscite; they are organized by bookshops such as the largest Slovak internet bookstore: Martinus. The Panta Rhei Awards are prizes for the best-selling authors in the Panta Rhei

3 QUESTIONS FOR KATARÍNA KUCBELOVÁ

Slovak poet and critic Katarína Kucbelová is one of the organizers of the Anasoft Litera literary prize. Since 2006, this award has caused quite a stir on the Slovak literary scene.

interview by MAREK SEČKAŘ

What exactly spurred you to start the Anasoft Litera award? There were so many other awards in Slovakia...

All literary prizes, except the Dominik Tatarka award, were rather stuffy from a media point of view. In the first place, we wanted the readers to learn about the winning books and to turn the awarding ceremony into a media event. Another reason was that the existing prizes were not interesting financially. We wanted to come up with a prize which would offer a significant amount of money to the winning author. At the moment, the prize money is 10,000 euros.

Did you draw inspiration from any foreign prize while pondering the award's system?

The Anasoft Litera award started about 4 to 5 years after the inception of the Magnesia Litera Award in the Czech Republic. We were thrilled by how it boosted interest in local literature. We were also inspired by the prize's title, including a sponsor's name: we hoped the Czech example would attract possible partners in Slovakia. And indeed, corporate sponsorship made it easy to find a partner. On the other hand, we knew that Anasoft Litera would never reach as broad a scale as its Czech counterpart; that's why we dismissed categories. We decided to focus on fiction – this brings us closer to various awards for novels, such as The Man Booker Prize or The Goncourt Prize. We also wanted to provide more time between the announcement of the shortlist and the award ceremony itself. Slovakia has a small media milieu, especially as far as culture is concerned, and we need more time to acquaint the public with the books. Many promotional activities, such as the Anasoft Litera Festival, are organized exclusively by ourselves. Slovak cultural periodicals are scarce and Slovak TV provides little space for cultural debate; for this reason, we do not get as much room for promotion as we would like to; on the other hand, we are quite successful in making use of what is available.

Do the results meet your expectations?

Anasoft Litera has really become a highly watched and influential award. To an extent, it helps to increase sales and readership; this is quite plausible, but there's still a lot to do. What we lack is more powerful feedback – on the level of literary criticism, debates concerning the jury's decisions, more sophisticated discussions in the media. And we would also like the people to understand what the prize is about: so we do not have to keep explaining why we do not award commercially interesting, but less valuable titles.

bookshop chain. It's based on book sales and its purpose is to provide fresh marketing support for the most commercially successful titles.

In comparison with customer polls, expert surveys yield quite different results. In Slovakia, surveys are primarily conducted by the dailies: *Pravda*, *SME*, and the magazine *Týždeň*. All these periodicals use the same methodology: in early December, they ask several dozen writers, publicists, critics, people from theaters and film-makers, which book they have found most interesting in the past year. Rankings are created based on the replies. As the taste of these people is quite heterogeneous, sometimes five or seven votes are enough to win "book of the year". Of course, the prize is not associated with any prize money or other reward for the winner.

As in other areas such as culture, the minister is supposed to be the greatest expert. Every year, the Minister of Culture Award is conferred in Slovakia. Usually five important figures from different areas of the arts receive it and there is always a writer or translator among them. The prize laureate for 2011 was Daniel Hevier, for his collection of poems

Vianočná pošta (Christmas Mail) and for "important activities in the promotion of reading in children and youth." A year earlier, the Minister of Culture Award was received by Ján Paulíny for a complete translation of *One Thousand and One Nights*. Obviously, when this prize is conferred and received, the promotion of a work (of the author) merges with the self-promotion of a politician (the Minister). That is why the media rejoice when a laureate does not turn up to receive the prize in person, which offers an opportunity to speculate on the explicit lack of interest in shaking hands with the Minister.

Like the Minister of Culture Award, the Dominik Tatarka Prize is also conferred on one or two authors for a book published in the previous year, but also with consideration of lifelong work and attitudes which must be in line with the legacy of the controversial dissident and prose-writer D. Tatarka. It is not an award for young artists, and in the end, it is not strictly a literary prize, although its organizer, the M. R. Štefánik Conservative Institute, has named it so. To date, only one half of its laureates have been poets or prose-writers. The other winners have written books on history or the arts. The past two years for example, this "literary prize" has been awarded to art historians (who happen to be relatives) – in 2009, it was Juraj Mojžiš for the book *Voľným okom II* (With the Naked Eye II) and in 2010, Iva Mojžišová for the book *Giacomettiho smiech?* (Giacometti's Laughter?).

From the moment it was established, authors, readers, and the media have been greatly interested in the Anasoft Litera prize. The jury, which consists of literary critics and publicists, chooses from all prose by Slovak authors published in the past year (as the first edition). And beginning this year, Slovak translations of books by writers from the ethnic minorities that live in Slovakia will also be included. Hence, among the current favorites to win the Anasoft Litera is Hungarian-writing Péter Hunčík, as the Slovak translation of his novel *Hraničný prípad* (Borderline Case, Határeset) was published in 2011. However, the book has first to make it among the ten finalists to be announced in the spring, out of which the jury selects the laureate in the autumn. The public can choose their book from the shortlist as well, by voting on the *SME* daily webpage – that is why the award, which is conferred during the main Anasoft Litera ceremony, is called the SME Readership Prize. This seeming restriction, where the broad community of readers chooses only within the bounds of ten titles, pre-selected by the expert jury, protects the fine reputation of this literary award from being defiled with books by Slovak clones of Dan Brown or Danielle Steel. The social prestige of the Anasoft Litera has also been increased by the regular May festival aimed at promoting the ten finalists. Other Slovak literary awards ignore these methods of promotion, perhaps because they are limited to certain groups. Unintentionally, Anasoft Litera is also a publisher's competition. Every spring, the publishers try to get at least one of their books among the ten nominees. Up till now, the most successful publisher has been the aforementioned Koloman Kertész Bagala with three victories (2007 – Marek Vadas, *Liečiteľ* [Quack] – collection of short stories, 2010 – Stanislav Rakús, *Telegram* – collection of short stories, 2011 – Monika Kompaníková, *Piata loď* [Fifth Ship] – novel). Backstage, some express doubts about the literary merit of each year's winning book; however, the winner is certainly happy with the prize of 10,000 euros. Nor does the winner of the SME Readership Prize leave the stage empty-handed – he or she receives a nice bouquet.

At the beginning of this article, we mentioned French literary awards. The award of the Prix Goncourt in the autumn opens the pre-Christmas book market and books by laureates sell in big numbers immediately after the prize is announced. The situation in Slovakia is also different in this respect. The publicist Rado Ondřejíček recently criticized Anasoft Litera, arguing that the selection is too intellectual and elitist – not even "middle class readers" are interested in the winning books. Such criticism could be directed at any Slovak literary prize, but Anasoft is truly opinion-forming, and its sophisticated media policy promotes the sales and readership of the winning books. If there is a problem, it is not on the part of the award's jury or organizer, nor on the part of the "middle class readers", but on the part of the publishers and booksellers. One time Anasoft Litera manager Katarína Kucbelová actually had difficulties in securing some of the books for the jurors – they had sold out and even the publisher did not have any available copies. And it's almost a rule that at the time of the autumn ceremony, the winning book is sold out. The public is informed of the jury verdict in the media, but cannot buy the book.

A specific feature of a literary prize as a form of feedback is the seeming objectivity of assessment. The three or five critics, who express their subjective opinions in reviews – so that the reviews are more telling about the reviewers than about the works reviewed – turn, after their appointment to the jury, into an institutionalized arbitration body that issues rulings about the "real" values of the works. A literary award is a source of prestige not only for the laureate, but also for the juror. In Slovakia, the egotism of jurors built in this way can reach ridiculous dimensions. For example, Jaroslav Šrank, a member of the national jury of the Bank Austria Literaris Eastern European prize, complains in an article about the "disharmony or even discrepancy" in the assessment of different expert panels, as the book selected by the three-member jury of which he was a member, was "passed unnoticed" by the other awards. The frustrated juror would only be satisfied by some kind of prize that superseded all others. But we have a prize like that in Slovakia as well! *Rak* magazine organizes and confers the Award of Awards. All books that have received any literary prize in the past year are automatically nominated for it. Paradoxically, the Award of Awards is not the culmination, but rather an appendix of the Slovak prizes as it lacks both a *raison d'être* and *niveau*. The jury, consisting of the members of the editorial board of the magazine, also chooses from books that most jurors cannot even read as they are written in languages of ethnic minorities – in Hungarian (the winners of the Imre Mádach Prize), or in Ukrainian (the Ivan Franko Prize).

The importance of literary awards for literary life should not be made light of nor demonized. The merit of a literary work is independent of them, it resides in the work itself, and cannot be increased by the prize awarded – at the most, the work can receive more attention from the public. And... that is not unimportant. /

Translated from Slovak by David Klimánek.

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CONSERVATIVE CONFIRMATION OR PROGRESSIVE LOTTERY?

The World of Czech Literary Awards

The small Czech language community has lost its literary authorities. Czechs don't have time to read fiction; on the other hand, there are more fictional books being published than ever before. The contemporary situation in literature is generally perceived as that of a crisis or chaos. And the existing literary prizes play a considerable role in all of this.

EVA KLÍČOVÁ

The Czech Republic is a country with a relatively small book market; in spite of that, more than twenty literary and book prizes are awarded every year, of course excluding the daunting number of regional, genre and amateur prizes. My guess is that almost nobody in the various literary circles would be able to enumerate them all. If the current situation in literature lacks transparency and readers find it confusing, then this also applies to literary prizes. Of course certain awards are more respected and enjoy more publicity than others, and writers themselves truly crave them. Here we will focus on the top prizes and some of their interesting circumstances.

Exile, underground and big publishers

Some of the contemporary awards have existed uninterrupted for decades. For example, the State Prize for Literature (Státní cena za literaturu) has been awarded, with a few breaks, since the dawn of modern history as it was founded two years after the formation of Czechoslovakia in 1918. Another example would be the Tom Stoppard Prize (Cena Toma Stopparda) which is an initiative of the exile circles and was established by the Charter 77 Foundation in Stockholm in 1983; or the Jaroslav Seifert Prize (Cena Jaroslava Seiferta) which was started in 1986 by the same foundation. On the other hand, the Revolver Revue Prize (Cena Revolver Revue) has underground origins – the journal *Revolver Revue* was formed in 1984 as a samizdat magazine with underground poetics, which still exists today. The prize's policy covers not only writers, but also critics, philosophers, translators, musicians, visual artists and "secret organizations."[1] Another important literary prize – actually a survey – is The Book of the Year (Kniha roku), which is bestowed by the conservative daily *Lidové noviny* and is based on the votes of a host of intellectual celebrities. Its focus ranges from novels to memoirs and essays.

Winners of these prizes enjoy a substantial increase of critical response, but the prizes themselves have little more than a limited impact on the readers who don't belong to the small intellectual community. There are, however, two prizes which are often criticized for shameless commercialism. These are the Magnesia Litera Award and the Book Club Prize (Cena Knižního klubu). The winners of the former are selected by boards consisting of nearly three hundreds literary personalities (writers, critics, publishers, theorists, etc.). The final awarding ceremony is broadcast live on TV and the show is usually moderated by one of the most popular and sexiest Czech actresses. Thanks to its wide medial support, Magnesia Litera can indeed increase sales and helps to promote contemporary literature. The Book Club Prize is organized by one of the biggest publishing houses oriented towards commercially successful fiction, and the winner – possibly a rising star – is chosen among hitherto unpublished manuscripts. We can't omit the Jiří Orten Prize (Cena Jiřího Ortena) which is intended for young authors under the age of thirty.

The winners include more than one, presently respected author –as well as lots of those whose books were a little more than youthful attempts.

Two ways of evaluating literature

In the most recent Czech history, i.e. the twenty-two years following the Velvet Revolution, literary awards have played a very ambivalent role. In general, we can distinguish two basic strategies. On the one hand, we expect the revelation of new trends or authors (the "progressive" awards: the Jiří Orten Prize, Magnesia Litera, the Book Club Prize); on the other hand, we only appreciate living legends (the "conservative" awards: the State Prize, the Seifert Prize, the Tom Stoppard Prize), i.e. writers representing unquestionable qualities who had been excluded from the official Czech literary circles before November 1989. This illustrates two tendencies. First, we are trying to repay a historical debt which was formed during the communist era. With some exaggeration, we can say this is the task of the "conservative" awards. The awardees represent outstanding achievements in literature, but presently the prizes are often seen as awards for earlier merits, for the author's previous works and political attitudes during the twenty years of normalization. This makes sense as some kind of dealing with the past. Literary prizes, however, need to function in the real contemporary world. Literary contests should work, at their best, as a link between writers, publishers, reviewers and readers; they should point out tendencies, emphasize values and quality and last but not least, promote literature in the context of other media.

Strengths and weaknesses

The most threatened species among Czech literary prizes are the "conservative" ones. There are two reasons for this. First, the relationship between jury members and the authors has been recycled many times – the jurors are frequently former or future awardees. This provides something like a private party. And second, prospective awardees are becoming scarce. This is reflected in the case of the poet Karel Šiktanc, who was awarded the Seifert Prize for the second time last year. Does it mean that current literature is gasping for breath, at least when compared to former generations? Or is it just that the criteria is changing? Will the "conservative" prize committees prove bold enough to step out of the safety of their authors' circles?

On the other hand, the generally bolder "progressive" awards are often struggling as far as quality is concerned. As if their juries were at their wits' end, unable to decide whether they want to seek new talents, or just look for an interesting story for the media. This is the case of Lan Pham Thi – a young Vietnamese female student who was awarded the Book Club Literary Prize in 2009. The fact of a Czech literary prize being awarded to a young Vietnamese sounded extremely unusual and a great uproar was expected. However, the hoped-for sensation didn't take place and the affair was exposed as a hoax: Lan Pham Thi was no Asian beauty, but the pen-name of a not-so-attractive second-rate author called Jan Cempírek. An undisputed weakness of commercial prizes is their ambition to create attractive and bestselling writers. Czech critic Petr A. Bílek calls this phenomenon "one-year authors" – which is essentially a showbiz principle. The idea of a reliable touchstone of literary quality belongs to the realm of dreams. Another thing is that a second-rate writer can grow young, acquire some exotic beauty and join a minority group of the society – thus securing the interest of the media for himself, and even gain some literary acclaim. Such a situation only deepens the gap between critics and readers. But what is more important – while faltering critics long for some kind of multicultural revival, and at the same time strive to serve as prudent guardians of true values, everybody realizes how elusive and incalculable contemporary literature is. We are still recovering from the Normalization of the seventies and eighties which all but killed this country's literary life. Our situation in literature is like that in politics, or the economy, where it seems that a transparent and incorrupt democracy will be much more difficult to achieve than it had appeared in the nineties. But the cures are also similar: a connection must be restored – between the state and the citizen in the realm of politics, and between literature and the reader in the realm of books. Literary prizes are one of the instruments we can use while trying to achieve this aim. /

The author is a Czech literary critic. Her articles appear in several periodicals, including *Respekt* and *Host*.

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1. The artistic group and secret organization B. K. S. (Bude konec světa – Doomsday is coming) was awarded the Revolver Revue prize in 1993.

BOOK OF THE YEAR MAGNESIA LITERA AWARD

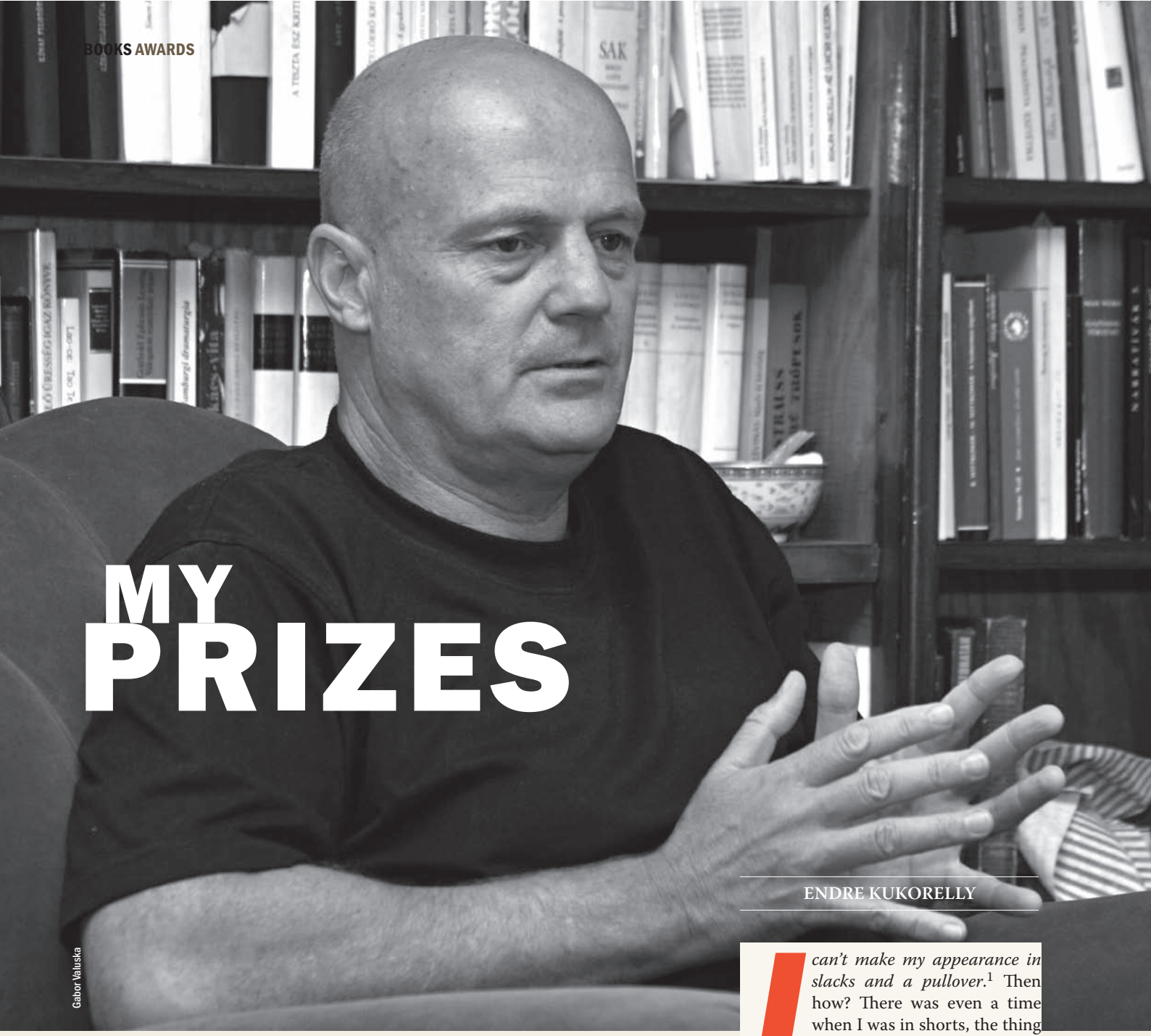
During its 11-year long history, the Book of the Year Magnesia Litera Award has only been awarded four times to an original Czech fiction book. The prize's scope ranges from historiography to children's literature, artistic publications and even translations.

In 2007, the best Czech book was a translation

The year 2007 proved to be especially "successful" for Czech literature. The Book of the Year Prize, awarded as the main one among the Magnesia Litera awards, was bestowed to the novel *Simion the Liftite* by the Romanian author Petru Cimpoeşu – to much critical despair. The amount of 200,000 crowns was subsequently bestowed to the translator Jiří Našinec. Jan Šavrda, editor of the publishing house Dybbuk which had published the book, noted that the amount should probably be split up between the translator and the author. This objection was rejected by the award's board, saying that the prize was specifically awarded for translation and not for the work itself.

Best Czech book of the decade

Last fall, the association Litera, organizer of the Magnesia Litera award, declared the best book of the first decade of its existence. Quite deservedly, the prize was awarded to the collection of short stories *Možná že odcházíme* (Maybe We'll Go) by the late Jan Balabán. The book was published in 2004 and was awarded the Magnesia Litera prize for prose in 2005.



Gabor Valuska

MY PRIZES

ENDRE KUKORELLY

Hungarian poet and novelist – **Endre Kukorelly** – recalls his personal account of prizes and awards. We all know how much recognition a writer gets once receiving those awards. But has anyone asked the award winners about what they think of the prizes themselves?

I can't make my appearance in slacks and a pullover.[1] Then how? There was even a time when I was in shorts, the thing had happened so unexpectedly. I have quite a few prizes, I received them, they were bestowed upon me, I was glad about it, there wasn't a time when I wasn't, I was glad about them even if they came with no money attached. If they came with money I would have been much more pleased, but the moment I heard my name and had to show myself, shake hands, and so forth the thing that went round my head was not how much was how much that was worth but I was unable to what it was. In all likelihood nothing, an atavistic, swirling gladness similar to rapture. "*I'm a money grubber, I myself am also an unprincipled pig.*" You get to your feet, button your jacket, go up, not slowly but definitely not fast, you don't

particularly look around but by and large your entire organism is looking around, you pay no attention to anyone, you shake hands with the person concerned, give your thanks, turn round, make an awkward little bow, your eardrums are throbbing but you hear the *sparse* applause, you return to your seat, you see little of what's going on around, but you spot the occasional odd smile, someone grips your hand, then it's already someone else's turn. Even if you are the sole person being awarded a prize, it is someone else's turn. Not you. Not you. You sense how *ineptly* you walk, all but march, even that comes to mind, you can almost picture yourself, no, not almost, but really picture yourself so you then strive to step naturally, and that totally does not come off. Never mind, after three or four minutes you are going to chuckle to yourself that the other blockhead will be marching out in an even more stilted manner onto the whatsit, the podium, and up to those who hand it over, i.e. to those official handshakers, who no doubt from the very outset are bored stiff by the whole routine, which is not surprising since it is indeed deadly boring.

Except when you were being hailed.

You were flustered enough then. Natch! But I've already said that. What a bonehead you are for having got so wound up, you thought what's up pal, are you going to come a cropper on the steps?

There were no steps anyway!

Or there were steps, but why would you come a cropper!

That's neither here nor there, "*I had a feeling my knees really were trembling*," this is it, a prize, found money, "*I am not inclined to refuse it*," it will be shown on TV, it will be handed over publicly, that little attractive all-smiles bird reporter will immediately come over to interview me, though of course if I were to walk over to her on the main road what a face she'd pull! On the other hand, there'll be a reception where I hope they'll not serve the usual cheap, pisspot wine and their sawdust scones but they'll be pouring out champagne, good thing I didn't come with my own car.

I'll now give a list of the kinds of prizes I have won, I have never sorted them out like this before. Apart from anything else, they all get their name from a Hungarian male literary figure, you can check them out via Wikipedia. They deserve it, the poor sods! First up is the György Bölöni Prize, which I was awarded in 1984 for my first volume. The Prize for the Best First Volume, I was greatly pleased by that, it was a prize that was given once and once only. A Nobel Prize any number of times. Bölöni himself was a fairly complex figure,[2] a descendant of Ferenc Kölcsey, a friend of poet Endre Ady from an aristocratic family in Transylvania, Hungarian ambassador to the Netherlands in 1919, a member of the French Communist Party while in exile in France, again ambassador under Rákosi at the end of the Forties and early Fifties, art historian associated with a group of painters known as the *Nyolcak* ("The Eight"), a socialist realist writer, and the first editor-in-chief of the cultural weekly newssheet *Élet és Irodalom* ("Life and Literature"): no man should be such an omnium-gatherum. The head of a grotty old guy on a grotty medal. The sort of head from which plaques are largely produced. Yet, in the end, they have an air of something fine about them. If you are awarded one, they somehow improve in their looks. If you are not awarded one, they somehow improve in their looks even more; indeed, they are handsome from the start, however ugly a customer may have been. Zsigmond Móricz, A great writer. Book of the Year Prize that as in 1991, a bit of an exaggeration but never mind. Both giving and not giving someone a prize is equally always an exaggeration. The following year was the high-water mark. When I received the Crystal of Vilenica award in Slovenia, I was honestly in shorts. Chosen from among some 200 participants for a reading, the award came with flowers. In 1993, it was the Attila József Prize. He was truly a great poet and *did not receive too many* awards. "*Those who were before me in receiving that so-called*"— my mother inserts the name —"*and right there and then*" no one "*came to mind*." In 1994, it was the Sándor Weöres Prize and in 1995, the award of the Kelemen Mikes Circle in the Netherlands (*émigré* Hungarians) and the Tibor Déry Prize. It seems that when I was younger I picked up an award just about every year, sometimes two.

A big, ornate, academic sheepfold.

I arrive in good time. There is a fair sprinkling of people. They have come on my account. I am not recognized. No one is waiting for me.

I hang around disconcertedly. Hang my coat up, go to the lavatory, wash my hands, and pretend I am waiting for someone, and I am genuinely waiting for someone from the organizers who will recognize me and, with a broad smile on their face, usher me with expansive gestures by the arm to the middle of the front row.

But no one.

So I take a grip of myself, enter the hall, and take a seat somewhere around the tenth row.

The eleventh.

"*Now all the so-called guests of honor have taken their seats, though naturally the celebration has not commenced.*"

There were a bunch of others as well, but I won't list them — a Márai Prize, Poet Laureate, Knight's Cross, and so forth. A lot. Fewer would have been enough. Less is more.

"*Up front on the platform excitable gents rushed around to and fro at ever-shorter intervals as if they were searching for something. As indeed they were: as a point of fact, me.*"

One is enough, but in that case let everyone search for me and fail to find me. /

Translated from Hungarian by Tim Wilkinson.

The author is a Hungarian poet and novelist.

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1. Italicised fragments have been taken from Thomas Bernhard's volume *Meine Preise* (publ. 2009).
2. György Bölöni (1882-1959) was a great-grand-nephew of poet Ferenc Kölcsey (1790-1838, who in 1835 wrote the poem later set to music by Ferenc Erkel to form the Hungarian national anthem). He was briefly accredited Dutch ambassador under the government of Mihály Károlyi in 1919 then again in 1948-50.

LITERARY PRIZES IN HUNGARY

A short survey

The Hungarian world of literary prizes has always interplayed with politics. Recent developments have brought even more political elements to the question of who and how to reward one's use of literary talents.

ORSOLYA KARAFIÁTH

It is a general truth that there are as many literary prizes and awards as there are literary magazines and organizations. The amount of recognition is countless, which mostly does not come along with financial recognition, let alone popularity and honor for the prize-winners. Needless to say though, that this sea consists of more than mere drops: it is possible to find prizes, some of which are relatively new, that have a non-negligible positioning effect as well as great prestigious value. As I do not intend to enlist all the prize-winners, I would like to note, that the selection process is limited to a smaller circle, and the actual awardees are appointed due to aspects other than literature itself.

A comparatively new, but still rather significantly prestigious (and financially considerable) award is the AEGON Art Prize, founded by AEGON Hungary Co. Ltd. in 2006. The award serves a double purpose: firstly, to reward a fine literary work published the previous year, and secondly, to popularize the literary writing for the greater public. So far, Zsuzsa Rakovszky, György Spiró, and János Térey have been awarded with this prize, among others. The awarded writer subsequently appoints a fellow arts person from any attendant art field, who receives the AEGON Attendant Art Prize. The highly stylish award ceremonies usually receive great media attention: the audience is introduced to the writers and artists in the framework of theater events. Since the Attendant Art Prize is awarded six months after the Literature Prize, this is another golden opportunity to trigger and stir some media presence. The advisory board consists of 5 delegates; their decision is free of politics (at least so far).

The history of the financially significant Artisjus Literary Award also began in 2006. Six authors are awarded every year: the Grand Award is given to the author of an outstanding book (it may be a volume of poetry or a novel) published the previous year. The five other awards, comprising a somewhat humbler sum, which is granted monthly similarly to scholarships, are awarded to authors with a convincing life's work. The financial resource of the Award is the ten percent of the radio and television broadcasting royalty fee collected to the advantage of literary authors. To date, Zsófia Balla and Ádám Tábor have been given the Grand Award, whereas Krisztina Tóth and Dénes Krusovszky have been granted the Scholarship.

Out of the national literature awards, three should be highlighted. The Kossuth Award is the highest national award possible, and is presented by the Prime Minister on March 15th (or for the first time in history, March 14th this year) in the Parliament. This is not merely a literary award: any significant and outstanding art representative can receive it. For example, András Lovasi, an alternative rock musician, was one of the awardees this year. The award itself equals the quintuple of the minimum wage and the amount is not liable to taxation. It is awarded for a life's work, and as each political regime's standards differ, there are always debates over who should be considered to bear extremely significant values. Since it is awarded by the current government, it could easily be called a political award, but let me add that seldom does the public feel perplexed by the board's decision. And this only occurs when the awardee is evidently a "party agitator."

In this respect, the Attila József Award cannot be left unmentioned. In this case, the nominees are delegated by the authors' associations. The advisory board consists of professors of literature, writers, poets, playwrights and juvenile literature authors from both political wings. Up until now, the members were meticulous to nominate and award authors from both sides in order to avoid any scandals. This year, however, the under-secretary of state in the Ministry of Culture breached the unwritten rules and arbitrarily removed certain names from the shortlist, and replaced them with the authors who are closer to his own personal taste and standards.

The Hungarian Republic's Laurel Wreath Award can be placed somewhere in between the Attila József Award and the Kossuth Award; it is meant as an acknowledgement and recognition of significant artistic careers.

Among the many smaller awards, two are worth mentioning. The Sándor Bródy Award is meant for literary debuts (both collections of short stories and novels), and is intended as an incentive for the writers, to keep them in the profession. Another one is the Belletrist Award, organized by the Belletrist Association, which has been awarded in the past twelve years in the categories of poetry, prose, or essay/critical writings. /

Translated from Hungarian by Metta Karafiáth.

The author is a Hungarian writer, poet and publicist.

LITERARY PRIZES IN V4

NIKE JURY AWARD
2008 Olga Tokarczuk *Bieguni (Runners)*
2009 Eugeniusz Tkaczyszyn-Dycki: *Piosenka o zaleznosciach i uzaleznieniach (Song about dependency and addiction)*
2010 Tadeusz Słobodzianek: *Nasza Klasa (Our class)*
2011 Marian Pirot: *Pioropusz (Plume)*

JÓZEF MACKIEWICZ AWARD
2008 Jarosław Marek Rymkiewicz: *Wieszanie (Hanging)*
2009 Bronisław Wildstein, *Dolina nicości (Valley of nothingness)*
2010 Paweł Zyzak: *Lech Wałęsa – idea i historia. Biografia polityczna legendarnego przywódcy "Solidarności" do 1988 roku (Lech Walesa - the idea and history. Political Biography of the legendary leader of "Solidarity" in 1988)*
2011 Wojciech Wencl: *De profundis*

ANGELUS PRIZE
2008 *Péter Esterházy: Harmonia caelestis*
2009 *Josef Škvorecký: Příběh inženýra lidských duší (The engineer of human souls)*
2010 *György Spiró: Messiasok (Messiahs)*
2011 *Svetlana Alexievich: У войны не женское лицо (The unwomanly face of war)*

ANASOFT LITERA
2008 Milan Zelinka: *Príbehy z Karpát (Carpathian stories)*
2009 Alta Vášová: *Ostrovy nepamäti (The immemorial islands)*
2010 Stanislav Rakús: *Telegram*
2011 Monika Kompaníková: *Piata loď (The fifth ship)*

JAŠÍKOVE KYSUCE
2008 Anna Vlčková: *Migove*
2009 Iva Polczik: *Woodoo panenka (The voodoo dolly)*
2010 Mathej Thomka: *Fragmenty zo životnej púte šocheta Šóbu (Fragments from the life journey of the shochet Shoba)*
2011 Soňa Uríková: *S prvou hviezdou (With the first star)*

DOMINIK TATARKA PRIZE
2007 Milan Lasica: *Bodka (The dot), Jozef Jablonický: Samizdat o disente (A samizdat about dissent)*
2008 Ján Buzássy: *Bystruška, Mikuláš Huba: Ideál – skutočnosť – mýtus. Príbeh bratislavského ochranárstva (Ideal – reality – myth. A story of Bratislava's environmentalism)*
2009 Juraj Mojžiš: *Voľným okom II (With a free eye II)*
2010 Iva Mojžišová: *Giacomettiho smiech? (Giacometti's laughter?)*

MAGNESIA LITERA FOR PROSE
2008 Martin Ryšavý: *Cesty na Sibiř (Travels to Siberia)*
2009 Ivan Matoušek: *Oslava (Party)*
2010 Martin Ryšavý: *Vrač (Vrach)*
2011 Marek Šindelka: *Zůstaňte s námi (Stay with us)*

STATE PRIZE FOR LITERATURE
2008 Ludvík Vaculík, for existing literary work, taking account of the biographic prose *Hodiny klavíru (Piano lessons)*
2009 Zdeněk Rotrekl, for life work
2010 Antonín Bajaja, for the novel *Na krásné modré Dřevnici (On the nice blue Dřevnice river)*
2011 Daniela Hodrová, for the novel *Vyvolávání (Calling out) and other literary activities*

BOOK CLUB PRIZE
2008 Martin Sichinger: *Cukrový klaun (Sugar clown)*
2009 Lan Pham Thi: *Bílej kůň, žlutej drak (White horse, yellow dragon)*
2010 David Jan Novotný: *Sidra Noach (Sidra Noah)*
2011 Josef Hejzlar and Taťün Hejzlarová: *Na Řece (On the river)*

AEGON ART PRIZE
2008 János Térey: *Asztalizene (Table music)*
2009 Tamás Jónás: *Önkéntes vak (Voluntarily blind)*
2010 Vilmos Csaplár: *Hitler lánya (Hitler's daughter)*
2011 Péter Esterházy: *Esti (The evening)*

ATTILA JÓZSEF AWARD
2008 Károly Alexa
2009 Zoltán András Bán
2010 Attila Balazs
2011 Imre József Balázs

KOSSUTH AWARD
2008 Zsuzsa Koncz, Ferenc Baranyi, György Rába, Joseph Utassy
2009 Egon Schmidt, László Végel, Szabolcs Várady
2010 András Ferenc Kovács, Péter Lengyel, Zsuzsa Rakovszky
2011 Agota Kristof

Since the reconstruction of nations in the region, art galleries and museums have had a significant role in the nation building process. Therefore, the recent development of several modern art museums in the region has been very important in defining the condition of culture and society. Our guest editor –Miklós Székely – invited two insightful authors in the topic.

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Kristina Norman "After War" (2009)

MARGARET TALI

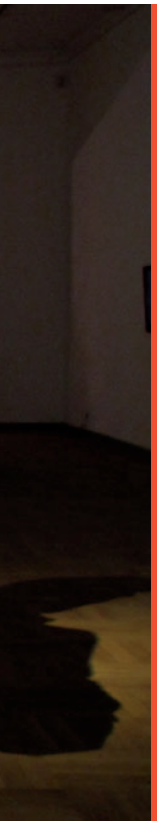
The coming of globalization and neoliberalism has challenged local practices of belonging in post-Soviet Europe in various ways, creating new fears and threats that are shared by Eastern and Western European societies alike. The kind of fears that I want to touch upon relate to migration. It is through representation that migration becomes a political issue for and within museums. The new challenges that it poses to museums require a great sense of critical consciousness and knowledgeable agency in order to be tackled. Although the idea of a homogeneous nation state has been dispelled by now, nationalism continues to raise troublesome questions for museums that bring us back to exclusion, on the basis of rights and presence.

I discuss two examples of public artworks that tackle questions of rights through differences that are drawn between people, through voice and the daily practices of exclusion that they turn visible through a disruption. Both of those works – "Foreigners out – please love Austria" (2000) and "After War" (2009) – arise from particular spatial and social contexts. My own understanding of them is related to my remoteness and closeness to them as well. Having experienced one in Estonia as local resident, and encountered the other through the eyes of a migrant scholar first in an academic context in Munich, and later in the Bak Gallery in Utrecht where it was publicly narrated for the first time. Those works are meaningful in the context of nation building since they engage with art's potential for resistance in a new way, turning the reactions of the audience into the very core of their essence..

BITTE LIEB ÖSTERREICH!

The project of Christoph Schlingensief (1960-2010) under the name "Ausländer raus – bitte lieb Österreich" was realized in the central square of Vienna during the summer of 2000. For one week, 12 asylum seekers were brought to the center of the Austrian capital and housed in a container. While they were being "held hostage" next to the State Opera, a reality-TV style show was screened about their life in the containers, encouraging the public to interact and vote the most unsympathetic of the asylum seekers out of the country. According to the concept the one who would gather the most votes, would be able to stay in Austria. Two of the least popular residents of the container were sent back to their country of origin every day, based on the votes received through phone calls and the Internet. The course of events was covered daily by numerous publications, quiz and talk shows aired on TV, while simultaneous real life manifestations pro and contra the project took place in the square around the container.

The Schliengenslief container in the center of Vienna triggered an immense amount of attention. It hardly cooled the active engagement of the public that the event was held during the Vienna International Festival (2000). It might have been the opposite. The container was marked with flags of the extreme right FPÖ party (*Freiheitliche Partei Österreichs*) and the billboards of the local yellow tabloid *Kronen Zeitung*. While saying "yes" to the right wing politics of exclusion in an overtly exposed manner ("ausländer raus"), it made (along with the tabloids) overtly visible figures of



IRRITATION, UNREST AND THE POLITICS OF QUESTIONING: THE EVENTFUL RELATIONSHIPS OF ART AND NATIONALISM

real people who were present in containers. The title of the project "Foreigners out – please love Austria" captures the neoliberal paradox of migration politics: while people are excluded and marginalized daily on the basis of origin, internationally the will to make the country seem sympathetic is communicated. The power dynamics that it visualized was the radically different position of the citizens towards the asylum seekers as the excluded, the ones left without a voice. Schliengenslief's project exposed the nationalist attitudes in Austrian society and divided people through stirring opinions in a way that was far from safe.

WAR IS OVER IN ESTONIA?

A decade later Kristina Norman realized her public project "After War" (2009) in Tallinn. Two years after the conflict that burst around the removal of the Second World War memorial from the city center commissioned by Estonian government, Norman erected a golden replica of the memorial in its original location. The Bronze Soldier had been removed in spring 2007 on the premise of establishing "the safety of the country". It was never clear what precisely the danger was about, but the violent events, during what has locally become known as the Bronze Night, led to the death of a youngster, and the setting up of active police surveillance at the location.

Locally, this event touched upon a memory conflict based on two radically different interpretations of the Second World War and its consequences – whether or not Estonia had joined Soviet Union on a voluntary basis. Interestingly, when the statue was removed from the city center to a cemetery in the outskirts of Tallinn, the conflict turned against capitalism exercised through the looting of expensive brand shops.

When Kristina Norman erected a golden brother of the statue in its previous position, two years later, it was greeted with considerable confusion. The course of events from two years before were played out again: the artist and her statue were taken away by police by *major force* and the media burst with divided opinions. Like Schlingensief's container in Vienna, the work was perceived as offensive by several local intellectuals. National discourse prevailed in the accusations raised against the artist, who was, for instance, accused of provocation, lack of responsibility working for public money, and in an attack against the state. In her own discourse, Norman stressed her mixed family background. Having parents from Estonian as well as Russian origins, she resisted taking sides in the conflict justifying it with "the state of war" being over.

AFFECTIVE RESPONSE

While in the Estonian context the largest percentage of migration is owed to the former Soviet labor policies, it is mixed with everyday feelings of aversion and resentment towards those who are perceived as "not belonging". Continuous discrimination by the vast community of its Russian-speaking minorities of whom about 30,000 people, the so-called *grey passport holders* have ceased to hold any citizenship at all, is in full accordance with the local legal practices, but which is even worse perceived as "just" by many locals. Austria, in line with EU practices, marginalizes people who are waiting for a permission to stay, by locking them up and keeping them a safe distance away from the public realm.

The radicalism of those two eventful examples described above is embedded in *change*. Presenting dialogical accounts of the present, they call for, and provoke dispute. "Foreigners out – please love Austria" (2000) and "After War" (2009) are thus deeply embedded in local discussions, habits, and daily practices of people that they seek to interrupt and turn political. They have to do with minority rights and voice, which is the pressing issue that connects Eastern European societies with Western Europe. They call to notice not only the ridiculously strict procedures of citizenship or permissions to stay, but more importantly the politics of habits, and the covert ways that they are mingled with rights and nationalism. As those two projects demonstrate both countries, Estonia and Austria suffer from xenophobia, that goes unnoticed, not problematized, and what people can easily get away with.

THE AFTERLIVES OF QUESTIONS

The questions that they provoke and raise are different locally and internationally. Although the image that the Golden Soldier by Norman provided was not necessarily one supported by the cultural and political elites, the project was presented in the Estonian Pavilion of the Venice Biennial in 2009. It was later bought by the Kiasma museum to its collection in Helsinki, where it found a place as a part of the post-Soviet narration at a safe distance away from the discourses and practices of minority rights in Estonia. Thus, it relates to "aesthetics" rather than the critical politics of knowledge. What could be the form of narrating Schlingensief project anew in Vienna after 2000?[1] Would it be the container where the 12 asylum seekers were held? Or the Big-Brother styled TV-broadcasts that aired in the Austrian television? I also wonder what kind of questions would this troublesome container, that the filmmaker Allan Sekula has called the 'coffins of remote labor power' and a symbol of corporate economy[2], raise displayed in proximity to the square where it initially took place? The presence and mobile appearance of those projects raises questions about the links between neoliberalism and state-building – while expected to be provocative in an international context, locally art would better remain stable and mute. Questions over voice and belonging are contextually specific. The setting of perceptions of community creation in motion through the tactics of radical questioning art can affect routines and commonalities only in this specific context, that effectively force us to ask "where do I stand?". While nationalism in museums, as those two works make visible, is about the included artistic positions and narratives, it is also about the politics of questions that are posed. /

The author is an Estonian researcher, lecturer and curator currently working at the University of Amsterdam.

REFERENCES

1. To be clear, currently the project does not belong to any national or private collection. It only exists in the form of the documentary "Slingensief's container", realized by one of the participants of the project Paul Poet and is available through internet.
2. See the documentary essay "The Forgotten Space" (2010) by Alan Sekula and Noël Burch.

▼ Still from cinema documentary "Foreigners Out! - Schlingensiefs Container" (Austria 2002, director Paul Poet), chronicling the Schlingensief Installation in Vienna, DVD with English subtitles available through Monitorpop © Paul Poet.

ART MUSEUMS AMONG TECTONIC MOVEMENTS

GÁBOR RIEDER

The museum networks of the Central European region are on the move, as the geographical metaphor in the title suggests: we are witnessing the disappearance of an old tectonic plate and the birth of a minor new one. To speak about the future of Central European modern and contemporary art museums we should look into the special evolution of these institutions first. The great founders of the national art museums of this region belong to the intellectual elite of the Central European national states in the late 19th and the early 20th centuries. This elite belonged to the lower or upper class of the nobility (gentry and aristocracy), unlike in Western Countries, where the revolutionist bourgeoisie and the enlightened monarchs opened the first museums based on private royal collections.

Because of foreign rulers and their semi-colonized status, the collections of Central and Eastern European families were incomparable to western ones. Furthermore, the owners of the most fascinating collections were hit by the financial crisis of the 30s and the collections themselves were looted by the Nazi and Soviet armies in World War II. A unique collection which has survived is in The Czartoryski Museum in Krakow, a gem among Polish museums. Contemporaneous collections, built in the late 19th and the early 20th centuries, consist of work by respected artists following the more fashionable and less modern movements of that time. Being an important element of the nation state's agenda, art museums became a silent weapon of the hidden "Culture War" for national supremacy in Central and Eastern Europe following World War I [perhaps the most interesting of them all is Vytautas, the Great Museum of Culture in Kaunas, Lithuania]. Governments kept the focus on culture and art after World War II, switching ideologies from an (ultra)national identity to socialist propaganda. The new ideology resulted in Western-like developed museum networks mainly built in workers' districts and industrial towns which entirely transformed the former system. The second Marxist layer of the museum's networks was comparable to the new, anti-elitist ideology of the Western World (Herbert Marcuse, Hilmar Hoffmann, etc.).

However, on the luckier side of the Iron Curtain this new model was accompanied by the practice of blockbuster shows and museum commercialization, shocking leftist intellectuals with the idea of the "McMuseum" (a term used by Hanno Rauterberg in 1998 to describe the American-type museum with a private foundation and popular blockbusters). The McMuseum has become a reality, and even more, a question terrifying conservative art historians in our region in the new millennium. Before this paradigmatic shock, the museums of post-socialist Eastern Europe more or less enjoyed the relative freedom of "glasnost" and the democratic freedom of the 90s. With the weakening of socialist power, the museums and curators became freer, and were trying to emphasize a professional viewpoint instead of ideological directions to comrades. They forgot that the entire giant cultural system was erected on behalf of communist utopianism (and formerly of nationalist identity), and that there was no point in maintaining it any longer without a proper ideological background. We have to say that they were sitting on an old tectonic plate subducting under a brand new Western tectonic plate. This collision was festive, even though it meant the end of an era. Furthermore, art historians, curators, and artists were pleased with the new paradigm.

After the 2008 credit crunch, we should have all realized that there were no more financial resources to support museums without strong political reason or ideological utility. All post-socialist Eastern European countries have old-fashioned museum networks conglomerating the classical nationalist and Marxist layers without any real social support. They are structures formed by the party-state, now without the Party. The glossy new model of corporation-like Guggenheims did not even fit into the governmentally sustained Central and Eastern European structures. Bigger museums in the region (for example, the Museum of Fine Arts in Budapest) have gotten on the train with blockbusters, but there were only second class seats behind Vienna, the refurbished new museum capital of Central Europe. The fare is the same: exhibitions imported from Western Europe and North America: Emperors' treasures, Renaissance Old Masters, Impressionists and Picasso. The global menu is completed by regional work, especially modern art from the 20th century, which is not warmly received by exhibition lending partners in their homes. Regional modernism has been affected by the global (French and Anglo-Saxon) avant-garde narrative, creating isolated national footnotes disconnected from each other.

Meanwhile, after the fall of the Wall, post-war art history has mutated. Socialist realism has been enclosed in theme park-like aesthetic ghettos (Grutas Parkas,

Lithuania; Memento Park, Budapest; etc.), and only a few museums have decided to show it as an ephemeral part of the story. Non-official art and the avant-garde circles have ascended, winning the most important rooms of the permanent exhibitions in modern art museums from Warsaw to Ljubljana. In effect, they have hidden away giant storage rooms packed with the official and semi-modernist ["soc-modern" i.e. socialist realism] art of the 60s-70s. This is the solid base of the old tectonic plate sliding under the new one, and on top of it you can find the new Contemporary Institutions. This type of Western art infrastructure – appearing like a research lab – was absolutely unknown before the 90s, and became an important key figure of the system because of the Soros Foundation, which created a network of national foundations in Eastern and Central Europe in the 90s. Different Contemporary Art Centers have been founded from Tallinn to Bucharest with the same aim: creating a new, democratic, and neo-liberal cultural elite through the Open Society Institute. The political mission of the Soros Foundation was accompanied by the support of neo- or post-conceptualist tendencies at Contemporary Art Centers. It has become an isolated and imported art base connected to the high mainstream of the global art scene and poststructuralist academic sphere (Gender Studies, Postcolonial Studies, etc.) but disconnected from local heritage. These institutions have played an important role in catapulting conceptual artists, new media artists, and socially engaged artists from post-socialist reality into the show rooms of the best international biennials. When various centers completed their missions, many were closed or transformed. Ultimately, George Soros and his neo-liberal economic theories are no longer welcome in art circles which are turning more and more anti-capitalist.

In the meantime, the global art scene has grown into a giant industry with great biennials and art fairs like the international world fairs of the 19th century, but dedicated only to contemporary and/or fine art. Huge national and private art institutes are growing in the Western World, and are enjoying the unique boom of the Anglo-Saxon and Asian art markets, as well as the support of private collectors and art dealers. Brand new private contemporary museums in Moscow, Kiev or The Emirates are following this global nouveau-rich tendency, but in Central Europe, only the (local) governments have opened new facilities (e.g. KUMU, Tallinn; MOCAK, Krakow; MODEM, Debrecen; etc.) to generate tourism. Meanwhile, private institutes remain rare: for example, the Kogart House, Budapest, or the Marton Museum, Zagreb. While these cultural investments are focused on reaching international visibility, they are in fact weak echoes of the famous Bilbao Effect in the dreams of the mayors.

Currently, we are standing at a crossroads: behind us is an old and oversized, but fractured, museum network not able to sustain itself. Beside us are entertaining blockbuster exhibitors and new museums facing the financial crisis, while in front of us are the non-national private museums with fine oligarchs to show goods bought from Basel and London (Pinchuk Art Centre, Kiev; Garage, Moscow; etc.). As I see it, the latest version does not fit into the Central European intellectual climate as old museum networks are permanently disappearing without new resources and new issues. New museum models have not been able to build a strong international professional standing and have been more like useful elements in city marketing. My personal prediction is that smaller places will identify with the Central European contemporary art scene in the near future, such as independent artist-run spaces and little moveable art galleries (Gregor Podnar, Ljubljana; Plan B, Cluj; etc.), but of course, only if they receive international attention. Modern and contemporary museums in the region – without world-known stars – will not be able to compete with the Western and Eastern museums showing the most expensive artworks from around the globe as long as we see the heyday of the biennials and the art fairs. They will not be a part of the international game, only the local entertainer of the tourists and citizenry (and the minority of the museum theorists) wrestling with the complicated and impractical layers: unsustainable socialist networks and miniature Bilbao remakes. It is the dismal part of the paradigm shift. /

The author is a Hungarian art historian and editor-in-chief of *Flash Art Hungary*.

MUSEUMS IN V4

number of museums

number of visitors

number of employees

funding

2,788,200
source: www.stat.gov.lt

43,974,011,1 LTL
source: www.culturalpolicies.net

3,088
source: www.culturalpolicies.net

916
source: www.kongreskultury.pl

106
source: www.stat.gov.lt

22,215,656
source: www.platformakultury.pl

195,000,000 ZŁ
source: www.platformakultury.pl

6,890
source: www.platformakultury.pl

2,660
source: www.egmus.eu

128,979,290 EUR
+ PUBLIC FUNDING

1,162
source: www.egmus.eu

164
source: www.stat.si

671
source: www.egmus.eu

10,123,438

335,774,708 EUR
+ PUBLIC FUNDING

2,882,440
source: www.stat.si

Social Innovation in the Limelight

Fritz Moser and Wanda Moser-Heindl, the founders of Unruhe Foundation, which awards the SozialMarie Prize, realized back in 2005 that whereas technological innovation was supported in many ways, social innovation was not recognized on its real merit. The SozialMarie is one step to change that.

JUDIT BARTA

Monica (63) a resident of Graz and a grandmother of three, had been taking antidepressant pills for years, and was in a stable condition despite being diagnosed with chronic depression. In the gloomy autumn of 2010, her condition began to deteriorate, and she was unable to go outside and later attempted suicide. Eventually, Monica was taken to a mental clinic, where she stayed for five months.

Before going back to her family, she lived for a year in a residential home, named "Swallow," with seven other women, who had also been treated in a psychiatric hospital for longer periods. In that safe intermediary world between the medical environment and the outside world, she grew strong and when the time came to go home, she felt she was ready to resume her roles as wife and grandmother.

Although the name and story are made-up, "Swallow" is a real place. The building is located in Styria, southeast Austria, run by seven women who suffered from mental illnesses. The house operates on a daily schedule from Monday to Friday, which includes gardening and kitchen work, as well as various opportunities for relaxation. This month, "Swallow" was one of the 1000 Euro-award winners of the SozialMarie Prize for social innovation, announced for the 8th time since 2005.

In 2012, SozialMarie received 233 submissions from more than 200 organizations, mainly from Austria, Hungary and the Czech Republic. Each year around 30 projects are shortlisted, and 15 programs are awarded. The first prize is worth 15,000 EUR; the second, 10,000 EUR; and the third, 5,000 EUR; while the remaining 12 winning projects receive 1,000 EUR each. It is the first year that the Austrian and Hungarian public could vote for projects, and the two winners got a 3 minute promotion video.

PHILANTHROPY IS NOT DEAD

Most social innovations are done by quixotic NGO's, less frequently by large companies with CSR dedication, and even less frequently, by socially concerned individuals. However, social innovators rarely receive the same recognition and fame as technological innovators like Facebook's Mark Zuckerberg, Apple's Steve Jobs, or Microsoft's Bill Gates. This is the void that SozialMarie seeks to fill. That this prize is still funded by private means, shows that philanthropy is not dead even during harsh economic times such as this.

WINNING SOCIAL INNOVATIONS: WHAT IT TAKES

"Swallow" is a good example of what social innovation should entail according to the SozialMarie Prize distributors. The major criteria are originality, creativity, and operability. This means that the innovation must demonstrate that it has been implemented for a while and has proved to be efficient at inducing change either in the lives of those concerned or in the attitude of wider society. The original idea back in 2005 was that any organization – an NGO, a local government, a company or an individual – can apply if they are operating within a 300 km radius of Vienna. But later that constriction was removed. "Borders were never an issue, it is outdated to think within the boundary of a nation state", says Nora Somlyodi, the project coordinator of the Prize. The four-language-webpage in Czech, English, Hungarian, and German also reflects its transnational focus. "The prize via the award-giving ceremonies and conferences and workshops dealing with social innovation with the participation of the Unruhe foundation also creates opportunity for leaders of the nominated and the awarded projects to meet, exchange ideas and meet with journalists", she adds.

Since 2010, projects from all over Hungary can participate, next year it is planned that the entire Czech Republic will be included in the compe-

tition. "There is no quota on how many Hungarian, Czech or Austrian projects should win, but the projects' originality is measured on a country basis, whether there have been similar projects implemented, or not. This year it turned out that the first three winners were all Austrians, while last year a Hungarian community building project was selected for the first prize.

EMPOWERMENT AND SOLIDARITY ARE THE GOALS

The projects entering the annual competition have been tackling a wide range of issues such as migration, homophobia, parenting, environmental protection, renewal of residential buildings, and poverty. The connecting themes that seem to run through all of them are empowerment and solidarity. A program entitled "Children of imprisoned parents", submitted this year from the Czech Republic, helps families with one parent in custody to keep regular contact. In September, they will start a Skype-based pilot project in one prison in Prague. Another selected project this year illustrating empowerment is called "When I think of home" coming from Salzburg, where fifteen homeless persons under the guidance of a professional writer, wrote autobiographical or fictional accounts of what "home" means to them.

PATRONS PAVE THE WAY

The Mosers came up with the bright idea that two patrons are appointed each year, one from Hungary and one from Austria, to choose a program from among the nominated ones. Milan Gauder (35), a regional director of MasterCard, who has assumed the role of the Hungarian patron this year, opted for a Hungarian project taking place at the Hétes-settlement of Ózd in northeast Hungary to help a poor Roma community. He was struck by the enthusiasm of the founder of the project and is also aware of the dire situation the impoverished Roma are in Hungary. "I see myself as a sort of interpreter", he says. "I know the language of the business world, so I can help the organization to communicate better with it to attract sponsors". "All the investors look for systems that work, where they feel safe to pour their money into. With the help of his network, he will try to enhance the visibility of the program. The other patron, the couple Susanne Schubert-Lustig and Francis Lustig support the "Swallow" program for women with mental illness.

GOOD PRACTICES CATCH ON

Partly due to social network sites such as Facebook, SozialMarie is gaining recognition; between two and three hundred projects are handed in each year. There is also growing evidence that it is conducive to the spread of good practices. A Czech project called "Next door family," which was launched in 2004 and won an award in 2011, has just expanded into a European wide international project spanning Belgium, Hungary, Italy, Malta, Slovakia and Spain. "Next door family" is based on a very simple idea, as all great ideas are. On a given day, local and immigrant families sit down to have their Sunday lunch together in order to get to know each other, and break down the walls built from ignorance, prejudice, and fear. This project seems to symbolize the credo of the SozialMarie Prize for Social innovation. Without mutual help, responsibility and solidarity, societies do not work, It is vital to realize that the walls people and communities erect between each other are mostly fake, they can collapse easily if people take the effort to look closer. /

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FIRST PRIZE

€ 15,000

went to the Viennese project Children's Hospice Network (Kinderhospiz Netz). Families with terminally ill children or adolescents are offered free medical and nursing care, as well as psychosocial care, and counseling for the financial and practical aspects of everyday life. According to the jury, "with its combination of services, Children's Hospice Network is unique in the Germanosphere! What is of central importance is that illness is not considered in isolation from its social context. Financed almost exclusively through private donations, the network strives to integrate children's palliative care into the public health system."

SECOND PRIZE

€ 10,000

Eltern.chat – Expert talk by parents for parents, a project from Vorarlberg, won second prize (10,000 euros). Roughly 100 times a year, parents and legal guardians gather in twelve communities in Vorarlberg for an 'eltern.chat' – a parents' circle, where they speak Turkish, the Vorarlberg dialect, or Russian. They discuss pedagogical topics introduced and moderated by a specially trained facilitator, topics such as how to make children strong, managing television, sibling relationships, bedtime, learning to speak, nutrition, sources of energy, and puberty. The jury appreciates: "This system is self-managing, built on a well-structured and well-equipped configuration, and it is easily expandable. It contributes to the practice of communal learning – one-eighth of communities in Vorarlberg already participate!"

THIRD PRIZE

€ 5,000

The project – Junior City Farmer Schönbrunn – was awarded the third prize (5,000 euros). In the heart of Vienna, under expert, age-appropriate guidance, children and pre-teens aged between 4 and 12 plant vegetables, harvest, cook and eat together, as well as play in a miniature (fairytale) pine forest, and frolic through nature among fruit trees. "Fallow land has been transformed into a garden – grounds for a collective experience for children and pre-teens from the city; in this way, untapped potential can be used to accomplish social, integrative learning," the jury stated.

SUMMER SCHOOL CENTRAL

Visegrad Summer School is a two-week long international educational program organized since 2002 by Villa Decius in collaboration with the Foundation Cracovia Express, the Association for International Affairs in Prague, the Center for the Research of Ethnicity and Culture in Bratislava, and the Institute Euroregio Ukraine in Kiev.

NATALIA SAWICKA

This initiative is directed to young people from the Czech Republic, Slovakia, Hungary, Poland, Ukraine, and other Central European countries – mostly to students or recent graduates, but also to young people who have just started their professional careers. Each year a group of forty participants is chosen from nearly 350-400 applicants. They have an opportunity to be guided by invited guests; well-known philosophers, sociologists and activists who are leading debates and panels. It is worth noticing that Visegrad Summer School provides room and board for participants, who are only asked to cover the registration fee and travel expenditures.

The program of the Visegrad Summer School includes debates, lectures, and seminars about current political issues or economic problems not only from a local perspective but also from a more global view.

A good example of this was in 2011, when the 20th anniversary of the Visegrad Group was celebrated. Participants had a chance to summarize and discuss the changes which happened in their respective countries over this period. An open space for discussion creates an opportunity to get acquainted with the opinions of the youth and give them chance to express their thoughts about the Visegrad group.

However, except for the historical analysis, every year most of the topics focus on current affairs – the most important political decisions, cultural transformations, demographic changes, the formation of new social classes or reconfigurations of political scenes. While Visegrad Summer School encourages looking at every issue from a local perspective, it also centers the debates on more general topics, such as the dynamics of the Visegrad Group, the cooperation between the countries, the prospects for each of them, and the further integration with the rest of Europe.

These kinds of initiatives aim at creating new spaces for youth, where they are able to improve an interdisciplinary approach. Besides the regular panels and debates, participants have the opportunity to take part in integration activities like various workshops, sightseeing trips to nearby sites, concerts or exhibitions, ect. Every year there is also a possibility to encounter participants from previous gatherings.

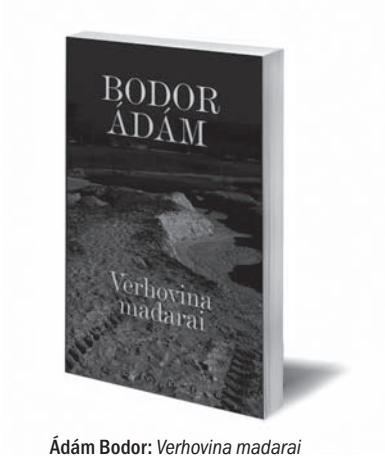
Visegrad Summer School enables young people to broaden their intercultural experience, break stereotypes, and learn how to build a sense of community. These kinds of actions are bound to add up, by creating a platform of cooperation and experience among those, who will shape the world in the future.

Maybe that is why Villa will be honored with the 2012 International Visegrad Prize. The celebration will take place in Prague at the end of May, during the meeting between ministers of culture of the Visegrad Group. /

SUMMER SCHOOLS IN THE REGION

	WHEN	REQUIREMENTS	WHO?	TOPIC
CENTRAL EUROPEAN UNIVERSITY BUDAPEST	Depends on the course	BA degree, and strong command of English– additional requirements for specific courses.	Students, junior faculty and researchers	Political and economic issues
CHARLES UNIVERSITY PRAGUE	September 8th –23rd	Knowledge of English	Students	*East Goes West – West Goes East?*
UNIVERSITY OF ECONOMICS BRATISLAVA	July 9th – 15th,	Knowledge of English and French	Graduate students	*Energie: des énergies traditionnelles aux énergies du futur*
COMENIUS UNIVERSITY BRATISLAVA	July 9th – 27th	None	Students, businessmen	Summer course of the Slovak language and culture
UNIVERSITY OF EDS ŽILINA	July 18th – 25th	Knowledge of English	Students	
EÖTVÖS LORÁND UNIVERSITY BUDAPEST	August 5th -31st	None	Mostly students	Language and cultural course
CENTRAL EUROPEAN UNIVERSITY BUDAPEST	June27th – July 8th	Knowledge of English	MA students, PhD students, researchers, and junior faculty	*The Politics of Ethnicity, Nationality and Citizenship*
EÖTVÖS LORÁND UNIVERISTY BUDAPEST	June 25th – 28th	Knowledge of English	Students	*Implementation of Health Technology Assessment in Middle Income Central Eastern European Countries*
WROCŁAW UNIVERSITY OF ECONOMICS, WROCŁAW	June 30th – July 14th	Knowledge of English	Students and graduates	International Entrepreneurship
SUMMER UNIVERSITY IN KŐSZEG	June 24th – July 6th	Knowledge of English	Students and graduates	*Emerging Realities and Potential Alternatives in a Global, European and Regional Context*

THE METAMORPHOSIS OF THE DISTRICT



Ádám Bodor: *Verhovina madarai (The Birds of Verhovina),* Magvető, Budapest, 2011

PHOSIS

GERGELY ANGYALOSI

"What can no longer be written is the proper name," wrote Roland Barthes forty years ago in his seminal work *S/Z*. Of course he was saying neither that there would no longer be novels nor that characters in novels would not have names. Rather, he aimed to suggest that the age-old "economic" function of the proper name would, going forward, be available only to traditional, "readerly" as opposed to "writerly" texts—that is to say, to prose in which a proper name conveys information about the social ranking, economic status, or ethnic identity of its bearer. Indeed, literature that set out to undermine the illusion of realism targeted the proper name early on, sometimes eliminating it altogether, as did Proust in the case of his Narrator.

In the case of the great Hungarian writer Ádám Bodor, it seems we bear witness to the opposite of what Barthes described. Much as in Bodor's earlier works, *The Birds of Verhovina* abounds in proper names—wondrous, even brilliant names that in some cases are obviously the product of the author's imagination, whereas others perhaps carry some meaning. (The only character whose full name we do not learn is precisely the one who, for the most part, serves as the narrator: we know him only as Adam.) What these names have in common is that they elude any attempt to identify their linguistic origins—playing host to a mix of Slavic, Romanian, German, Greek, and who-knows-what elements. Interestingly enough, not a single one has anything Hungarian about it at all—a fact whose import we will address later.

But if we think twice about it, Bodor goes about his naming technique precisely in the spirit of what Barthes described. Indeed, the reader is well-advised to proceed with caution before associating any social status or ethnic identity to names the likes of "Anatol Korkodus" and "Hamilcar Nikomuk." And yet it is precisely this mode of naming that becomes a pillar of this novel's world—that, coupled with Bodor's fantastical descriptions of the natural landscape. The setting is simultaneously isolated—situated as it is at the edge of a territory that is itself remote—and precisely on account of its isolation, it has the characteristics of a closed "district." While not the author's onetime home of Transylvania, a largely mountainous region lying immediately to the east of present-day Hungary which has been part of Romania for the most part since soon after World War I but which is still home to a substantial ethnic Hungarian minority, it is certainly close to it in mood as Bodor himself has acknowledged. It is an imaginary locale impossible to associate with any one ethnic group but possible to associate with many of them, and yet it can more or less be pinpointed on a map as somewhere in the eastern reaches of Central Europe.

As Bodor himself once put it, the key source of inspiration for his prose is the existential image of Eastern Europe as a region of "rudimentary morals and lethargic disposition"—that, plus the region's captivating landscape. In this half of the Old World, unrelenting brutality makes the bed for moments of mercy, yielding a mood that might be termed "fecund ambivalence." It was in his particular corner of this land that Ádám Bodor's literary sensibility long ago found its home. This ambivalence also explains why his works have not been "about" specific social issues or political oppression in a historically identifiable manner. Hence, those readers already familiar with *The Sinistra District* (forthcoming in English from New Directions, New York), or *The Archbishop's Visit*, will quickly get their bearings in Verhovina too. Bodor is, after all, a rather precise writer, and one might even venture to

call him "reliable." Once we've read half of his latest book, we could be dropped off in the dead center of its imaginary town, named Jablonska Poljana—that is, dropped off somewhere in the vicinity of the water authority brigadier's headquarters, the barbershop, and the public health clinic—and we would find our way about without a hitch. In no time we would spy Edmund Pochoriles's inn, arrive at Miss Burszen's house, or even the district's nine healing hot springs.

The writer's consistency in unfolding this narrative is key as, aside from certain salient aspects of the landscape's layout, nearly everything is in the shadows, uncertain, or half-hidden. And yet if the reader accepts the rules of the game, after a while the missing information and the surreal images are not nettling at all; the plot's ballad-like blur seems increasingly natural. The "district" swallows up the reader just as it literally does one of the characters—a photographer who enters unauthorized and is swallowed at the end by a murderous spring whose waters at once preserve everything and paint it all blue.

Dreadful things occur in this poverty-stricken wasteland of a region where people behave in a manner every bit as odd, every bit as baffling to city folk from the outside, as was the case in *The Sinistra District.* But even the Verhovina "district" has a morality unto its own; we might even say that the characters go about their business within a complex web of rules—rules that strike outsiders as either incomprehensible or invalid.

On this point we can identify one of the key differences between Bodor's earlier novels and *The Birds of Verhovina.* The district portrayed in his previous two works was every bit as deadly and oppressive, but fundamentally imperturbable and, in a certain sense, "undying." While most characters did perish under the weight of continuously emerging anomalies, the district itself in each case was repeatedly recreated, as it were. Those in the greatest danger were outsiders who strayed in, and of course, those "insiders" who broke the rules or tried to flee. (The narrator-protagonist of *The Sinistra District,* Andrei, did finally manage to escape.)

In *Verhovina,* however, something transformative occurs (or will occur) not only to the characters but also to the district itself. In the nearest cities, where the district's enigmatic authorities are based, forces are taking shape that will sooner or later dismantle the district's borders. . . and will presumably bring an end to this unrelentingly primitive world—a world that is somehow humane and livable all the same. (It should be noted that some of the novel's cities have real names, such as Lemberg and Csernovitz as per Bodor's Hungarian text—which is to say, the western Ukrainian cities of Lviv and Chernivtsi.)

And, in a radical departure from the earlier novels, not only do the characters inhabit *time,* but so too does the district. Indeed, it is already from the perspective of the catastrophe to come that we arrive at that chapter that describes the district's myths—the legend of the three-legged woman, the emergence of the hot springs. All at once the mysterious Czervensky family—prophesied to be the region's masters for a thousand years, so it is said—vanishes without a trace. "They alone, the Czervenskys, sensed that something had come to an end here among the Medwaya and Paltin hills. That everything would soon change here forever." Miss Burszen, who lives alone, further confirms this: "It's not out of the question that scheming has gone on behind our backs. We may live here, but the ground under our feet has not been ours for a long time."

We get only sparse, dubious information concerning the district's future prospects from the increasingly strange outsiders that arrive in Jablonska Poljana: there is talk of reopening the mines, building a missile silo, and exploiting the hot springs. Nothing is yet certain though, except the palpable sense of menace felt by the few dozen people living there, for whom the only acceptable turn of events would be to be left alone. But, increasingly, they each have a gut feeling that deadly changes are astir.

We never do learn what will come to pass. It is only the fate of the "water authority brigadier," Anatol Korkodus, which suggests the change is not to be a rosy one. At a certain point in the book he shows up in town, moves into the empty house once occupied by the legendary Czervensky family, and writes on the door: "Water Authority Brigade." No one knows who appointed him to

this post, and no one cares a whole lot. Indications are that the local authorities know about him and tacitly acknowledge his position; and yet at other times they do not seem to give him the time of day, not even reading the reports he keeps submitting. Rather, as we come to know, his reports are no longer being read by those he is addressing them to.

The Birds of Verhovina comprises interlinked chapters that often depart from chronological order, the first of which begins two weeks before the arrest of Korkodus, whose subsequent detention and killing occur in circumstances just as mysterious as everything in this region. Everyone—including Korkodus himself, it seems all but certain—knows what will happen, but his "sin" is perhaps precisely that he is unwilling to acquiesce to the destruction of a world he himself did much to build. What is it that he has kept himself busy with, then? So busy indeed that his constancy at the task has helped maintain, or at least represent, an order of sorts in Jablonska Polnaja. The utmost sign of this order? Korkodus's penchant for keeping a journal or reports—for *archiving,* as his unknown predecessors must also have done. He embodies the memory of the place. As observed by Jacques Derrida, "the meaning of 'archive,' its only meaning, comes from the Greek *arkheion*: initially a house, a domicile, an address, the residence of the superior magistrates, the *archons,* those who commanded. . . . On account of their publicly recognized authority, it is at their home, in that *place* which is their house . . . that official documents are filed." (*Archive Fever: A Freudian Impression*, University of Chicago Press, 1995.) Not only did the archons issue and safeguard documents though, they also had the right to *interpret* them.

Korkodus, too, is an *archon*, a lawmaker and an interpreter of rules who decides in matters of life and death—until which time it becomes clear that in the new-order-in-the-making there will be a need neither for him nor the rules he represents, not to mention the archive itself. After using a clever trick to get the brigadier to leave the house, Nikolsky Damasskin, procurator for public health, burns 143 years of records, gathering them in a pile and setting each of the four corners alight, "as customarily done with a city." But what do we learn in a later chapter? That it was Korkodus himself who burned the records while waiting to be taken away. Such instances of "inconsistency," such contradictory twists and turns of plot are integral to the workings of this text. The writer takes care to ensure that neither the characters nor the situations should "come together" in accord with the comforting rules of some psychological or narrative code. Thus, after burning his documents, Korkodus starts writing anew; he can't stop, though even he knows it isn't necessary, that no one is interested. It is this illogical behavior that, above all, shows he does not have a place in the new world—a world that aims to square accounts precisely with the past as it lives on in the form of writing. Those present at Korkodus's arrest—including Adam, who respects him like a father—understand this full well: afterward they speak of the event as if they had only heard about it. To know something precisely and, indeed, to be a witness does not bring luck in this community, where not long before even the train schedule had been abolished.

While Adam narrates most chapters, there are exceptions where we can't identify the person telling the story. But even Adam often relies on others' narratives, stories that don't always match up. For example, the case of the stabbing of Nika Karanika, the "demon" with healing powers, is presented in two variations that differ completely, depending on the storyline. Never do we find out whether one of this novel's most important objects, a book authored by Eronim Mox was a cookbook or a storybook or, perhaps, both. (It is in this magical volume, whose letters are illuminated, that the brigadier seeks an answer to his life's every problem, behavior that seems out of step with the times.) There is yet another mention of books: Miss Burszen, who has received a premonition that a Hungarian military officer will come for her from beyond the mountains, from Transylvania, consequently has others read to her in Hungarian even though neither she nor those who read to her *know* Hungarian—a language that is alive here only in being a part of the archives in this district that speaks an unidentifiable pidgin of sorts. (While there is nothing to suggest that the language is spoken in Jablonska Poljana is in fact a true pidgin, in being a necessarily simplified blend of other more complex languages, we never do learn just what it is or what it evolved out of; the extinct Hungarian language alone is mentioned by name.) But wonder of wonders, the Hungarian officer finally does arrive, frozen to the bone, only to learn of Miss Burszen's death and to complete his own life journey here in this strange district. This is a fairytale turn of events not unlike more than a few other surreal twists in *The Birds of Verhovina*. Another such motif is the murderous spring that coats (and preserves) all in its midst with a blue crystal and whose brilliant description greets us in the novel's closing pages. But the birds—or, rather, their looming absence—count as the most important motif of all. In the first chapters we learn that persons unknown have taken to toppling over their nests, in consequence of which Verhovina is home to not a single bird; indeed, even migrating birds avoid this ominous district. And so it is easy for Adam to reprove a character named Januszky who—when asked how he had the gall to go missing for four days and return without the notes on water levels he was supposed to have collected—replies, "Birds snatched him up while he was on his way to the lake, and if he remembers correctly, he spent a few days in their nests." The complete absence of birds seems indicative of the hostile relationship between Nature and the District. But in the final chapter, Adam notices a hushed rustling around the house: the redstarts have returned and begun to build their nests under the eaves. All this happens after Adam drowns the meddlesome photographer in the blue spring without so much as touching the man, and then has an orgasm, which feels to him "as if he had lost something."

Just what to make of the birds' return is another question, as the text gives us no hint in this regard—thankfully, it should be added. And so the entire storehouse of possible interpretations remains open. Perhaps the redstarts indicate that nature is willing to make peace with Verhovina, or perhaps that the presence of humans here must cease so that nature can once again take possession of everything. I prefer the latter: it is not that someone leaves the district, but rather that the district will cease to be, because it will not contain any people. It is this disquieting ambivalence that fills the reader on closing the pages of Ádám Bodor's magnificent book. /

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