

## The 'Other' Europe At Century's End

When the Soviet Union loosened its grip on Eastern Europe in 1989, observers of the region tempered euphoria with caution. Would the national and ethnic conflicts that have long plagued the region resurface now that the communist lid was off? Would the challenge of rebuilding collapsed economies prove overwhelming? As we approach the second anniversary of the fall of the Berlin Wall, historian John Lukacs uncovers some surprising developments in the "other" Europe.

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*by John Lukacs*

Europe is of one piece only when people look at her from the outside. There were few Europeans in 1939. The national differences were profound. From Albanians and Andorrans to Serbs and Turks: there were more European nations than there are letters of the alphabet." I wrote these sentences 20 years ago.\* What I said about Europe then is also true of Europe today, with one important difference.

The nations of Europe have become, in their social composition, Americanized. Some time around 1920 something happened in the United States that has no precedent in the history of mankind. Previously, the structure of every society resembled a pyramid, with the relatively few rich and powerful on the top, the impoverished and, by and large, powerless masses on the bottom, and the middle class, or classes, somewhere in between, within the tapering sides of the pyramid. By the 1920s, how-

ever, the shape of American society resembled not a pyramid but a huge onion or balloon, with a huge bulge in the middle. American society was—superficially—a homogeneous society, with one vast middle class (although the very word "middle" began to lose its original meaning), a small upper class (the point of the onion), and a somewhat larger but no longer fundamental "root end" of the poor (who will always be with us, as Jesus said). I think—and fear—that such balloons will explode sooner or later, and something like the old pyramid will return. But that is not my point here.

My point is that the social shapes (but only the shapes) of the nations of Europe—all "democracies" now—resemble that of the United States, and this may be even more true of the "new democracies" of Eastern Europe than of the democratic nations of the West. All *nomenklaturas* (political upper classes) notwithstanding, 45 years of communist rule contributed to the homogenization of their societies. The old proletariats have been disappearing fast. As

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\*In the introduction of *The Last European War, 1939-1941*.

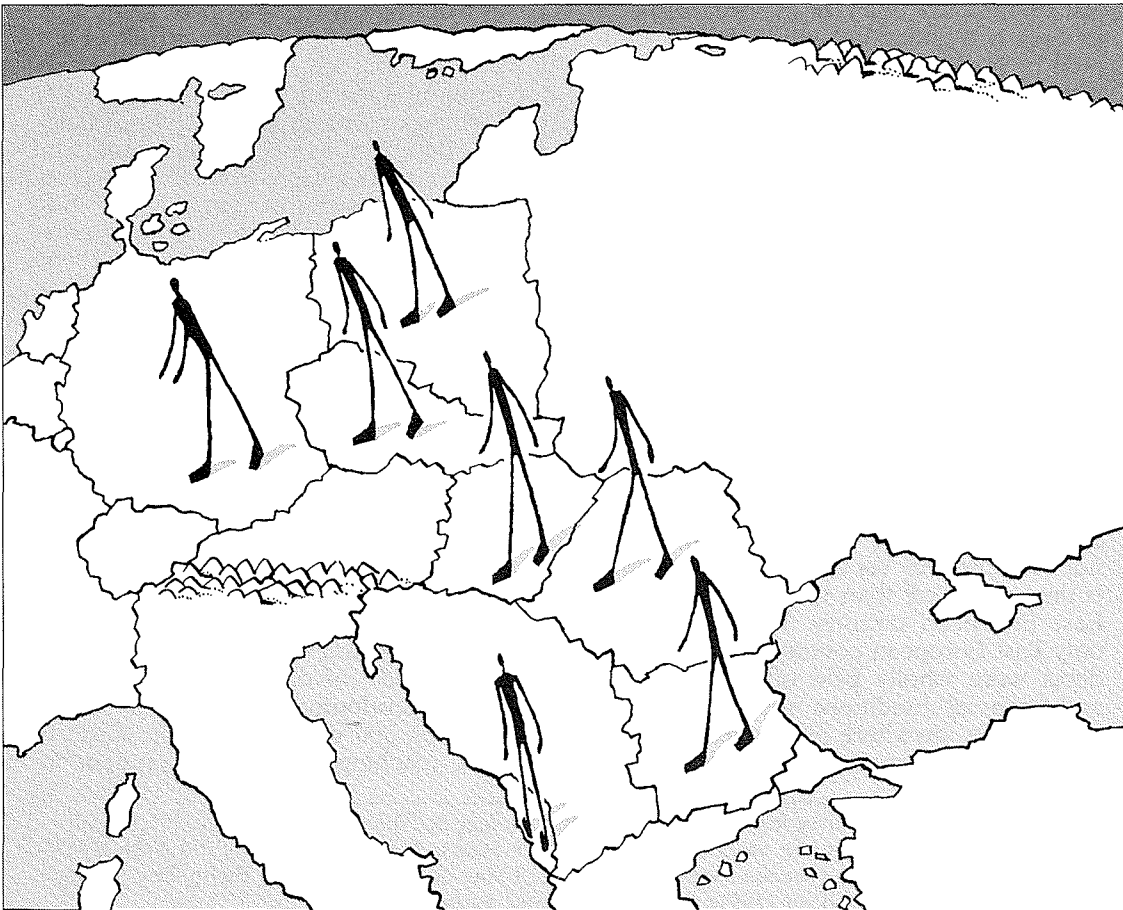
in the United States, there is no longer any meaningful difference between "workers" and "bourgeois," between the working class and what we might call a lower middle class. There is some, but not much, difference between a lower middle and an upper middle class. But, as in the United States, that difference is less financial or material than it is cultural, and—in the television age—this difference is diminishing. There are the few rich on the top, but an upper class, in both the traditional and functional senses, hardly exists at all.

This is one of the reasons why the prevalent view of Eastern Europe in the West is wrong. According to this view, the deep crisis in Eastern Europe is economic, and the uneven progress toward liberal democracy is a consequence of that crisis. By and large, the opposite of that *idée reçue* is true. The great and enduring problems are politi-

cal, not economic. They involve the lust for power, not money. (But then this has been true of mankind ever since Adam and Eve, and misunderstood by Adam Smith as well as by Karl Marx.)

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The material problems (I prefer the word *material* to *economic*) are serious. The universally accepted idea is that they are the results of 45 years of communist mismanagement. While there is much truth to that, it is not the entire truth. The material conditions in the lives of most East European people are less different from those of the peoples of Western Europe than they were 45 years ago. (Romania may be the only partial exception.) In every East European country the great majority were peasants 45 years ago, whereas there is no



country today (with the possible exception of Albania) in which more than a minority are engaged in agricultural work. All over Eastern Europe people to whom such things were beyond the dreams of avarice 45 years ago now possess, in spite of communism, their own automobiles, refrigerators, television sets—not to mention access to electricity, upon which many of these necessities depend.

What remains true is that communist governments delayed—and compromised—these developments considerably. Had there been no communist regimes in the East European countries, their populations would have reached their present material standards 25 or 35 years earlier. Even so, the standard of everyday life in most East European countries would still have lagged behind those of, say, Finland or Austria—the former mutilated and impoverished by the war and then compelled to adjust its national interests in some respects to those of Russia, the latter partially occupied by Soviet troops until 1955. National conditions and, yes, national character remain as important as before, notwithstanding the uniformities declared by “communism.” Yugoslavia pronounced its independence from the Soviet bloc in 1948, it opened its borders soon thereafter, and began moving toward a “mixed” economy more than 30 years ago. Yet even then Budapest was more of a Western city than Belgrade, and of course so it is now.

This brings me to the anomalies and contradictions inherent in all economic “facts”—or, rather, in those categories, defined by economists, which have scant relevance to the realities of everyday life, including its material realities. In Poland—alone in the Soviet bloc—agriculture was not collectivized. Yet agriculture in Poland is now worse off than in almost any other East European country. Romania is the only East European country whose foreign debts were wholly paid off. Yet material and financial conditions are worse in Romania than anywhere else in Eastern Europe. In Hungary material conditions are

visibly improving, and the Hungarian national currency is now very close to Western standards of international convertibility. Yet opinion polls as well as personal conversations show that Hungarians are among the more pessimistic peoples of Eastern Europe—a condition which has nothing to do with the Hungarian Gross National Product but quite a lot with the prosody of Magyar poetic diction, characterized by its ever falling tone.

The 20th century was a short century. It lasted 75 years, from 1914 to 1989. The entire landscape of its history was dominated by two world wars, the consequences of which—very much including the division of Europe—lasted until 1989. This 20th century is now over. As we move into the 21st century, Western and Eastern Europe will become more alike, as far as material conditions go. Foreign investments in Eastern Europe will assist in bringing this about. But—again, contrary to accepted ideas—they will not matter much in the long run, one reason being that all French or German or American investors in Eastern Europe want to gather their profits in the short run. For the moment Eastern Europe attracts foreign investment by the still-low cost of its labor, but labor costs are bound to rise, sooner rather than later. People tend to confuse international finance with economics. The first is—at least in the foreseeable future—truly international, with monies flowing freely across frontiers (those of the Soviet Union remaining an exception). But, then, capital has become increasingly abstract, and the more abstract money becomes the less durable it is. Economics, on the other hand—in its proper, old, original meaning—refers to the husbanding of one's household assets, in the biblical, Greek, and even German (*Wirtschaft*) senses of the word. To believe that Slovaks or Bulgarians have now “entered” or “re-entered” the capitalist phase of their historical development is nonsense. Capitalism took 300 years to ripen in Western Europe, reaching its full development in

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the 19th century. Capitalism resulted from particular conditions—social, religious, political, and intellectual—that barely existed in Eastern Europe in the 19th century and barely exist there today. Capitalism, like parliamentary liberalism, was a 19th-century phenomenon that has little relevance to the 21st, with its current material realities being obscured by the vocabulary of economists, whose definitions mean less and less.

An example of such obfuscation is the current use of the term “privatization.” Bloated industries, bloated bureaucracies, inadequate or even fraudulent accounting practices have been the results of the “socialist” order—or, more correctly, of the party state. At the same time, there has occurred in much of Eastern Europe a remarkable growth of truly private enterprise. In agriculture this involved more than the energy and production within the so-called household plots. It involved the fact that, in many ways, collective farms were collective in name only. On many collective farms, particular families took care of particular fields for planting and harvesting or elevage, and a fair portion of the profits have come to them. To parcel up most of the collective farms, to return to an agriculture in which the average peasant family possessed not more than five or ten acres, is largely useless. (But then is “agribusiness,” as practiced in the United States, “private enterprise”? Hardly: It is ruled by corporations, and its profitability is entirely dependent on government subsidies.) Meanwhile in Hungary, Czechoslovakia, Poland, fewer and fewer people work in agriculture. What is growing—in Eastern Europe as well as in the West—is the so-called service sector. There private enterprise came into being decades before the political transformations of 1989–1990. Even the communist state has for many years tolerated the existence of individual suppliers of services, and even where official permits were not issued, people have been paying separate monies to people whose services they need, whether bricklayers or doctors.

Of course there is, and there must be, a considerable selling off of state or municipal businesses, which is, almost without exception, a good thing. The question remains, however: Who will staff them? In

most cases the same people. The services may improve, but not drastically. This is because the very words “employment” and “unemployment” are as inaccurate in Eastern Europe as they are in the West. The question is not whether “work” is available—there is, and plenty of it. But people are less in quest of work than they are of jobs—jobs with an acceptable and secure salary (and pension). Whether these jobs are arranged for them by the state bureaucracy or by a commercial one, by a “public” or a “private” company, is a matter of indifference to most Eastern Europeans. In cultural life—university salaries, theaters, publishing—the issue is not “privatization” but the diminution of government subsidies, and that has become a crisis indeed. It is, however, counterbalanced by the fact that under other titles—research and travel grants, for example—such government subsidies continue to exist. The underpaid professor of an East European university finds himself in the same situation as a somewhat underpaid minor business executive in America whose company pays his trip abroad. That there are two kinds of monies, private money and expense-account money, and that the management and the real value of these may, at best, overlap, while their meaning for their beneficiaries is quite different, is something that has not yet affected the formulas of economists either in the East or West; and I fear that it never will.

Housing is the great problem in Eastern Europe—and there, too, the question is not what is private or public “ownership” but the sense of possession. Most people in Prague, Warsaw, Budapest (but, then, also in Vienna, Berlin, Paris . . .) are renters of apartments, not the owners of houses (or even of condominiums). The difference is that in East European cities the rents are still low. (That difference is disappearing, too, with the governments having to raise all public-utility fees.) But we must consider two things. First, an Eastern European living in the same apartment for many years, often decades, has a far stronger sense of both permanence and possession than a houseowning American who moves every three years and buys and sells “his” house, usually on credit. The second is that the number of people in some East Euro-

pean countries who actually own real estate—mostly summer houses or condominiums—is much larger than it ever has been, and that people acquired most of these private possessions during the last 20 or 25 years of officially “communist” rule.

In Eastern Europe (as everywhere else in the world) the once-clear line between what is “public” and what is “private” is by no means clear. It has been obscured during this century. The irony is that in Eastern Europe (this is possibly true of Russia, too) people who do have some private property have a much stronger sense of the private character of their possessions than do people in the West. But this, too, is involved with the corroded and corrupt meanings of our still-standard economic vocabulary. What is “private”? What is “public”? What is “property”? What is “possession”? Indeed—what is “money”? (Actual money? Credit allowance? Expense-account money?) In sum, while the economic problems of East European countries in the 1990s are serious, they are not entirely different from those in the West, and these differences are bound to diminish. Where the problems are different, they are so because of different political customs and structures and habits. Those are the deeper problems—both apparent and latent.

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I have a friend who returned to Hungary permanently after 40 years in the United States. He was a young lawyer and a member of Parliament until 1949, when he fled from the rapidly advancing shadow of communist terror. He had a decent career in the United States. He passed the New York State Bar Examination and busied himself with lawyering and with emigré affairs. About a year ago he chose to return to Hungary for good, and because of the then existing (and by now waning) prestige of Hungarian emigrés who had made a name for themselves abroad, he is now one of the leading personages of one of the smaller parties that make up the government coalition. In May I read a passage from one of his speeches in the newspapers. “The opposition,” he said, “is the enemy of the Hungarian people.” Forty years of liberal democracy in the United States had melted

away in the heat of Hungarian political rhetoric. Earlier I read another statement by a member—indeed, a government undersecretary of state—of the same political party, not, mind you, an extremist one. “The enemy of the Hungarian people,” this man said, “is no longer communism. It is liberalism; atheistic liberalism.” I am neither an atheist nor a liberal, but I surely did not like what I read.

The main political reality in Eastern Europe—it is a reality and not a specter haunting it—is nationalism. The principal cause of the two world wars of the 20th century was nationalism, and both of these world wars broke out in Eastern Europe—as did the so-called Cold War, which is now over. Yet nationalism in Eastern Europe is as strong as ever.

In Eastern Europe nationalism is the only popular religion, by which I mean the only religion that still possesses a popular rhetoric. When I say to an American nationalist that being a good American will not necessarily get one into heaven, he may be startled but he will understand and presumably even agree. When I say to a Hungarian nationalist that just because someone is a good Hungarian does not necessarily mean he will get into heaven, he is startled and finds it difficult, if not impossible, to agree. Populist nationalism, as distinct from the now almost extinct varieties of the liberal nationalism of the 19th century, is a modern and democratic phenomenon. Old-fashioned patriotism grew from a sense of belonging to a particular country; it was self-confident rather than self-conscious, introverted and essentially defensive. Populist nationalists, by contrast, are self-conscious rather than self-confident, extroverted and aggressive, suspicious of all other people within the same nation who do not seem to agree with all points of the populist-nationalist ideology. Hence they assign them to the status of minorities, suggesting—and at times emphasizing—that such minorities do not and cannot belong within the authentic body of the national people. This is, of course, yet another manifestation of the potential tyranny of the majority, which, as Tocqueville observed, is the great danger of democratic societies in democratic times.

When, in 1931, the king of Spain abdi-

cated and a liberal parliamentary republic was proclaimed in Spain, Mussolini said that "this was going back to oil lamps in the age of electricity." He was right. Liberal parliamentarianism belonged to the 19th century, not the 20th. Indeed, in Spain it soon degenerated into a sorry mess and, after five years, into a civil war. But then came World War II and the demise of Hitler and Mussolini, reviving the prestige of communism (which is now gone) and of American-style democracy, which is not gone yet. For the latter we must be thankful, and its effects must not be underestimated. It is because of the prestige of the "West" that populist nationalism and the tyranny of majorities in Eastern Europe will constrain themselves within certain limits, for a foreseeable time. But this does not mean that parliamentary liberalism—including the habits of dialogue, compromise, and the sense of a certain kind of community shared by the kind of people who make up the parliaments—is, or will be, the dominant political reality in Eastern Europe. Parliamentary liberalism, like capitalism, belonged to the 19th century, when it was supported both by a certain climate of ideas and by a particular structure of society. That society was bourgeois—bourgeois and not merely middle-class. The bourgeoisie had a patrician tinge, and it was from this class that most administrators, governors, and professional and parliamentary representatives were drawn. Such societies, especially in Eastern Europe, do not now exist.

The communists (including Stalin) came to understand the powerful appeal of nationalism long ago. Well before 1989 the communist parties in Eastern Europe had two wings, each cordially hating the other: one internationalist, the other nationalist, with the former weakening steadily. Thus there is more than opportunism latent in the fact that many of the populists among the new democratic parties, and even governments, of Eastern Europe are former communists—of the nationalist wing, of course. For what happened in 1989–1990 was more than the end of communism in Eastern Europe. It was, as I said earlier, the end of a century largely defined by two world wars and their consequences. One important result of the end of World War II

was the anathema pronounced upon Hitler and the Third Reich. Yet national socialism, despite the terrible distortion Hitler gave those words, survived him. Most governments in the world have become welfare states of sorts, and those of Eastern Europe are no exception. We are all, to some degree, nationalist socialists. Only *international* socialism is a mirage. It is finance capitalism that is more international than socialism, which is why Hitler hated it and made it national—that is, answerable to German needs. That was easy, because money succumbs to the pressures of populist nationalism even faster than class-consciousness does.

In Eastern Europe today, there is a growing nostalgia for, and appreciation of, those nationalist regimes that existed in Eastern Europe both before and during World War II. This of course differs from country to country. Also, we must not forget that entire independent states in Eastern Europe—Slovakia or Croatia, for example—were created by Hitler. There are other nations, too, whose anticommunist and nationalist pasts were inseparable from their alliance with Hitler's Reich during World War II. In Romania, for example, streets and boulevards in town after town are now being renamed in honor of Marshal Antonescu, the Romanian "Conducator" (*Führer*) whose personality Hitler esteemed very highly. In Slovakia this hero-worship focuses upon the figure of Father Tiso, the nationalist prelate Hitler installed as the President of Slovakia and who was unusually eager to deliver his country's Jews to the Germans, even before the Germans pressured him to do so. In Hungary (by contrast with Romania, where the murderous Iron Guard now enjoys a resurgent wave of nostalgic prestige), there is no belated appreciation of the Hungarian National Socialist Arrow-Cross. Yet many people have come to regard the era before 1945 as a period of national greatness that Hungary should cherish and to which it might even return.

Then there is the prospect of the return of German power in the region. Not yet: The Germans have their hands full with East Germany, and will for years to come. Also—and this is more important—most

West Germans have come to terms with their history; to them, the idea of a renewed German expansion to the east is both frightening and repugnant. All the same, a great political vacuum exists in Eastern Europe, and it is reasonable to assume that much of it may one day be filled by Germany. As long as a German predominance in Eastern Europe remains economic or cultural, this hegemony will not be particularly worrisome. But it will not be possible, in the long run, to keep it within those limits. The smaller the East European states, the more they will depend on Germany. This applies to the political configurations within each nation, too. There will be certain political parties attracted to and willing to depend on German rather than on other West European or American political support. Keep in mind the prospective fragmentation of Eastern Europe: Slovenia, Croatia, Slovakia, the Baltic states, and the Ukraine are all natural allies of Germany—not least because of their nationalist memories of World War II. What is already happening in Eastern Europe (including the Yugoslav crisis, which unfolds even as I write) is not only the dismantling of “Yalta,” that is, of the results of World War II; here and there we can see the dismantling of “Versailles,” that is, of the results of World War I. Indeed, the 20th century is over.

These may be worrisome portents. But they are counterbalanced by other, larger realities. As I said at the outset, the societies of Eastern Europe are Americanized, not Germanized. If Tocqueville’s prophetic warnings about the tyranny of the majority are applicable to them, so is that other profound chapter in Tocqueville’s *Democracy in America*: “Why Great Revolutions Will Become Rare.” Revolutions are made by desperate men, and not many people in Eastern Europe are desperate enough to risk their painfully acquired and jealously preserved private possessions. Sixty or 70 years ago the present nationalist independence movements in the Baltics or in Yugoslavia would have erupted in great national uprisings. Today they don’t. Al-

though it is still too early to say for certain, it appears that the age of great revolutions and of great wars is over. That great wars between nations are being replaced by protracted, seemingly endless guerrilla warfare, not only between different nationalities but also between different sections of a population, is already a fact, not only in Eastern Europe but in many places in the West, including the United States. In the long run, the power of the state, of centralized government, will weaken everywhere, including in Eastern Europe. The erosion of the authority of governments has already begun, and that erosion almost inevitably results in the piecemeal erosion of power. This means a profound change in the structure of societies; indeed, in the texture of history. Whether that bodes good or ill is, as yet, impossible to tell.

The private aspirations of the East European masses to middle-class possessions and to some kind of a middle-class existence may not be particularly attractive or heroic, but they are an obstacle to the appeals of demagoguery, including those of extreme nationalism. Add to this the desire of Eastern Europeans to belong to “Europe”—something that means, among other matters, the desire for the approval of the “West.” How long this will last I do not know. There will not be anything like a united Europe in the immediate, or even in the foreseeable, future. But the differences between Western and Eastern Europe will decrease year by year. And this is why I am sometimes more optimistic about the prospects of Eastern Europe than I am about those of Western Europe. Precisely because the former is still behind the latter, precisely because it must catch up with some of the realities of the West, Eastern Europeans have not yet become aware of the troubling and often corrupting nature of some of those realities. For the West the time has already come to rethink the entire meaning of “progress,” a difficult and painful task indeed. Yet for the East, the difficult exactions of such a rethinking lie some years ahead. In that respect, the “other” Europe has yet to enter the 21st century.

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