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Re-negotiating European Identity at Times of Crisis

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Abstract

This paper analyses the recent debates on the euro-area crisis, particularly the Greek bailout discussions, with the aim of shedding light into ongoing constructions of a collective European identity. Discourses and the politics of representation surrounding the Greek debt crisis show us the invalidity of characterization of the EU as a post-modern collectivity. What is observed is the return of clear, rigid constructions of the inside/outside and Self/Other, contrary to the premises of post-modern collectivity characterization of Europe. The dominant leadership role of Franco-German ‘couple’ in recent developments and the new institutional mechanisms through which the EU interacts with its member states show us that the EU is not a true ‘multiperspectival polity’ characterized by the lack of a single center of power.

In this respect, this paper shows how Greece is differentiated, or distanced to, if not excluded from, the collective Self, particularly by means of binary oppositions and discursive structures. The paper presents a set of binary oppositions that serve to break the homogeneity of the EU in-group, establishing power relations, a hierarchy between the core – the center, the ‘truly European’ – and the periphery – the ‘lesser Europeans’, ‘Other(s) within the Self’ – which include indebted, economically troubled, Southern European members of the Union.

Keywords: Euro –zone crisis, Greek debt crisis, collective European identity, mode of differentiation, self/other relations

Introduction

It has been almost twenty years since Ruggie (1993) defined the European Union (EU) as “the first truly postmodern international political form” and a “multiperspectival polity”. Following Ruggie, many students in International Relations defined the EU as multiperspectival, post-modern, post-Westphalian political community. The recent EU-wide debates on the Greek sovereign debt and the euro-zone crisis, however, provide empirical support for claiming the failure of a post-national European order. Discourses and the politics of representation surrounding the crisis show us the invalidity of characterization of the EU as a post-modern collectivity. What is observed in current renegotiations of identity and borders is the return of clear, rigid constructions of the inside/outside and Self/Other, contrary to the premises of post-modern European polity. The dominant leadership role of Franco-German ‘couple’ in recent developments and the new institutional mechanisms through which the EU interacts with its member states show us that the EU is not a true ‘multiperspectival polity’ characterized by the lack of a single center of power.

Following the Greek sovereign debt crisis in 2010, heated discussions on diverse rescue plans and scenarios to prevent a full-blown euro-zone economic crisis have emerged. These discussions quickly gained the character of an EU-wide debate, not only on alternative plans to save Greece and protect the Euro-zone, but on the substance and meanings of European integration. The EU has turned, once again, into a real community of communication, talking about itself, its fate and future. Debates over crisis go to the heart of the EU integration and the idea of a collective European identity. Greek debt crisis has already come to represent dangerous times of European integration. This symbolization of crisis has far reaching implications for the collective European identity. The Greek crisis and the economic turmoil in the euro-zone uncovered not only the weaknesses and vulnerabilities of economic governance of the euro area, but also the fragility of the idea of a collective European identity.

In the past two years, the EU considered several alternative strategies to cope with the threat of contagion -- from the formation of a ‘European Monetary Fund’ in the line of International Monetary Fund (IMF), to the creation of a European fiscal union and revision of the Lisbon Treaty -- and saw new institutions. Successive financial support facilities and rescue programs have been initiated meanwhile. The institutional mechanisms started with the European Financial Stability Facility (EFSF) -- an emergency funding facility which was initiated on 9 May 2010 -- which was followed by the European Financial Stabilisation Mechanism (EFSM) -- a temporary funding program initiated on 5
January 2011, which depends on funds raised in financial markets, under the guarantee provided by the European Commission -. Both EFSF and EFSM would be replaced by the European Stability Mechanism (ESM) which will provide a permanent rescue funding program for the European Union, after ratification by the member states representing 90% of the capital commitments, scheduled as of July 2012. At the beginning, the European Commission and the European Central Bank were reluctant to resort to the IMF for a solution to the Greek sovereign debt crisis. The early reluctance of the EU to accept any financial support from the IMF quickly waned, and the Greek bailout could only be realized with the participation of the IMF. Today, the Greek bailout which is made conditional on the adoption of harsh austerity measures by the Greek government is being managed by the ‘Troika’, composed of the European Commission, European Central Bank (ECB) and the IMF.

The aim of this study is to highlight the implications of the Greek debt crisis for a collective European identity. For that aim, this study examines continuing EU-wide debates on Greek debt crisis and rescue plans, with a particular focus on political elite’s discourse. As part of the analysis, this paper also elaborates on the changing institutional structures of the EU. It should however be noted that our aim is not to explain the causes of the crisis, or to review policy responses to the crisis up to date; we will limit our analysis to explore the identity indicators of the crisis.

As Neumann (1998) argues “collective identity is a relation between two human collectives, that is, it always resides in the nexus between the collective self and its others” (p. 399). With its exclusive focus on the present identity crisis of European political community, this study would also provide us valuable information regarding the changing Self/Other relationship and modes of differentiation in the EU, as well as the EU’s changing relationship with its member states. This study adopts a social constructivist stance for studying the competing identity narratives in the EU. Social constructivism provided a major turn in IR theory concerning the relationship between identities and the performative constitution of identities through discourse. In Emanuel Adler’s (1997) widely quoted words: “Constructivism is the view that the manner in which the material world shapes and is shaped by human action and interaction depends on dynamic normative and epistemic interpretations of the material world” (p. 322). Constructivism perceives social realities as shaped in discursive contexts through continuing contestation and negotiation. In a standard constructivist fashion, this study accepts that representations and discourse play an important role in identity constructions. It is through language that identity negotiations are first accomplished. Following Neumann (1998), this study further assumes that identities are not only fluid across time and space, but also bound by context. Crisis conditions, therefore, are assumed to have the power to restructure identity negotiations, and the way the Self is defined in its relations with Other(s).

The primary contention of this study is that debates on the future of the Euro are becoming scene to continuing identity (re-) negotiations. I argue that political leaders’ declarations on Greek debt crisis and a possible break-up of the euro-zone, the reasons behind the crisis, as well as the ways to sort out of the crisis all have a crucial impact on the collective European identity formation. Today, both the ordinary EU citizens and political elites have become highly concerned with existential questions like: What is the EU and what should it be? Who is the ‘European’? What makes ‘Us’ Europeans? To what extent as ‘Europeans’, ‘We’ are responsible for each other? Where does our responsibility for our fellow European (Greek) friends end?

Focusing on the Greek crisis case, this study somewhat provocatively argues that the construction of a collective European identity has reached a new turn. The perception of community, sense of belonging and mode of differentiation in the EU have recently become subject to rapid change. There is a continuing redefinition of the European in-group today, which is associated with a noticeable degree of differentiation of the Self, a process that is contrary to the homogenization of the European in-group, which has been achieved in the last couple of decades, particularly after the Maastricht Treaty (1992). This shift can also be seen in the recently formed institutional context in which the EU interacts with its member states. Suggestions such as North-South split of the euro-system, permanent external monitoring of the Greek economy, IMF involvement in the crisis and the pressures for further austerity measures placed on Greece by the ‘Troika’, do not only reveal an economic differentiation but also expose a divide in collective European identity construction. A process of layering of the European in-group, which was once constructed in discourse as homogeneous, is taking place. This is a new process in which the identity constitutive entities are not the outsiders, the natural, established Others such as Turkey or Russia, but internal entities, members of the EU in-group. This new practice of differentiating the Self is associated with a process that can be termed as ‘inward’ or ‘internal’ Othering. The ‘true/genuine’ European or the ‘core’ Europe, is defined by those that are in the centre of EU political community, with reference to those members of the EU which are seen as ‘lesser’ or ‘secondary’ Europeans.
European Integration, Identity and Crises

Crisis periods accelerate change in norms and institutions, forcing political communities to redefine themselves and their surroundings, and generating a lasting impact on identity constructions. The case of European integration is not an exception. Crises have often played important roles in European integration, as “engines of integration” (Kühnhardt 2009, 4-5).

In fact, the EU was born out of a crisis; a crisis Western Europe has faced at the end of the Second World War, with important economic, security, and political dimensions. The idea of an integrated Europe emerged in this period as a way out of the crisis (see Moravscik 2000, Parsons 2002). The EU has been highly innovative in designing new institutional frameworks to cope with economic and political crises. These institutional changes shaped due to challenges provided by crises had an enduring impact on how European identity is defined. The pace of European integration in the aftermath of Maastricht Treaty, achievements and choices of the EU in this period which saw the completion of the European Monetary Union, and the Eastward enlargement all had a definitive impact on European identity.

The new institutional mechanisms built to save Greece or euro-zone are now giving a new shape to the European Union, changing its present organization, and most importantly, setting norms that would limit/alter the ways in which self conceptions will be formed. These norms and changing institutional settings also have an impact on relations of the Self with Other(s). The so-called 'Troika' -- the EU Commission and European Central Bank, two European bodies, in cooperation with the IMF, a Bretton Woods institution, pressuring Greece to adopt harsh austerity measures -- provides a good example of the recent institutional change in the EU. Troika also represents a radical change in the ways in which the EU interacts with its members and creates new hierarchical power relations in the EU.

Constructing European Identity: The Internal dimension

“The euro is Europe… we will never let the euro be destroyed. It is not simply a monetary or an economic issue. It has to do with our identity as Europeans. [The results of a collapse of the euro-zone] would be so cataclysmic that we cannot even think of it, nor even play around at thinking about it.”
President Nicolas Sarkozy, World Economic Forum Annual Meeting, Davos, 27 January 2011

“Europe will fail if the euro fails. Europe wins if the euro wins.”
Chancellor Angela Merkel, German Parliament, 27 February 2012

“It's clear that question has to be on the European future of Greece: does Greece want to stay in the euro? We hope it does, but it's up to Greek people to pronounce on that.”
President Nicolas Sarkozy, G 20 Summit, 2 November 2011

In search of the European identity in political debates on the Greek debt crisis, the major strategy this paper identified is the discursive deconstruction of the European in-group. European political elites negotiating rescue programs for Greece and for the euro-zone are involved in breaking down the homogeneity of the EU in-group, which has long been constructed as homogenous in European political discourse. Deconstruction of the European in-group is achieved in political discourse, first and foremost, by means of the discursive construction of a clear-cut Us/Them dichotomy.

The construction of in and out-groups is a major discursive strategy with a well-known constitutive function in the formation of collective identity. The construction of the in- and out-groups is accomplished through the strategic use of pronouns, and most specifically the selective use of first person plural pronoun ‘We’. The selective use of pronouns We/Us and They/Them serve speakers in not only perspectivating their discourse, but also in distancing themselves from the out-group. So, when French President Sarkozy declares “Our Greek friends must decide whether they want to continue the journey with us” he involves in a strategic construction of Us/Them dichotomy. The Us/Them dichotomy repeatedly employed in political elite’s discourse on the ‘Greek default’ serves to accentuate better the differences
within the in-group, deconstructing the European in-group in a finely controlled manner. This way, the ‘European’ in-group, once constructed as homogeneous, is being reconstructed as heterogeneous.

What is remarkable in these discursive constructions is that political elites define the euro-zone as Europe, and Europeanness as belonging to the euro-zone. Declaring that Greece has to decide on its “European future” in one of the three excerpts above, the speaker defines membership to the euro-zone as a pre-condition of Europeanness. This way Europe is reduced to the euro-zone, and ‘Europeanness’ to the membership of euro-zone. Euro therefore appears as the bearer of European identity; to tell it in the words of French President, “the euro is Europe”.

Here it should be noted that the line of political thinking French President belongs to is well-known to place the emphasis on “the Greek heritage” as the civilizational basis of the European identity (see Tekin 2010). There is an obvious shift in discourse from civilizational/cultural heritage or roots of the European Union to the needs of a properly functioning, genuine market system. The ‘European future’ of Greece is represented as a matter of choice; as if Greece decided to quit the euro-zone, it would cease to be European. Just like Neumann (1998) has argued, identity definitions are bound to context, and shows significant change across time and space. In times of economic turmoil, therefore, references to a common cultural heritage, which once served to the homogeneity of the in-group disappear, and give way to a new set of identity indicators based on market values. In our case, the cherished Greek ‘heritage’ is replaced with a new emphasis on “market values”.

At times of economic stress, and under a perceived high risk of economic calamity, right-wing political discourse (French, German, or Dutch) on European identity resumes to the ‘market speech’. Belonging to the European in-group, then, is more about sharing the values of a liberal market economy, values such as ‘rationality’, ‘respect for the rules of the market or of the political game’, ‘good governance’, ‘commitment to fight corruption at all levels’, or ‘accountability’. In this strand of discourse, adherence of Greece to this set of distinctly European values is questionable. This is the real reason behind the ‘Greek default’; this is why there is a need for a strict, permanent monitoring of Greece:

When you look at the derailments in Greece which have happened several times now, it's probably necessary that there is some kind of permanent presence of the Troika in Athens not every three months but on a permanent basis. (Jan Kees de Jager, Dutch finance minister, 20 February 2012)

Dutch Finance Minister De Jager is not alone in his call for strict monitoring of Greece; many other North European political leaders have made similar calls. The rationale behind monitoring is to ensure that Greece does not create a moral hazard problem and fulfill its promises. Thus it is not a matter of simply securing that Greece respects the market values but also securing that “words lead to deeds”:

“Basically we witnessed and are witnessing problems with the implementation of Greece’s reform programs. We repeatedly saw that words didn’t lead to deeds, that Greece didn’t fulfill its promises. In order to stop this, the commission will increase our monitoring of the country.” (Chancellor Angela Merkel, German Parliament, 27 February 2012)

The rise of a power hierarchy between the core and periphery

The categorization of people in in- and out-groups is not value-free but definitely loaded with ideologically based applications of norms and values (Van Dijk 2000a: 221). More than often, the in-group is compared and contrasted to the out-group and found superior in terms of ‘values’. After decomposing the European in-group into its ‘core’ and ‘peripheral’ components, speakers are involved in emphasizing differences within the group in a way to highlight unequal power relations. This primarily takes the form of binary oppositions, which serve to accentuate better on the differences between the members of the in-group and Others. According to Derrida (1976) these binary categories, which are not neutral, shape meaning and create hierarchical power relations. The use of binary oppositions in our case serve to claim superiority of the core EU (Northern-rich) over the peripheral EU (Greece, and to some extent, the other highly-indebted Southern members of the EU).

The German popular and elite reactions in the early days of the Greek debt crisis provide a typical case in which hierarchical power relations are constructed by means of binary categories. Long before any actual transfer of funds are made to Greece, in May 2010, Josef Schlarmann and Frank Schaeffler, two eminent names of the right-wing German coalition government, called the Greek government to take radical steps and sell its property, uninhabited islands, and historical artifacts, as those who are in insolvency have to sell all their possession to pay creditors. These views have quickly become widely publicized through the German mass media. The following open letter to Greek Prime Minister was published in Bild, Germany’s best selling newspaper, the day after the declarations made by Schlarmann and Schaeffler.
Dear prime minister, If you’re reading this, you’ve entered a country different from yours. You’re in Germany. Here, people work until they are 67 and there is no 14th-month salary for civil servants. Here, nobody needs to pay a €1,000 bribe to get a hospital bed in time. Our petrol stations have cash registers, taxi drivers give receipts and farmers don’t swindle EU subsidies with millions of non-existent olive trees. Germany also has high debts but we can settle them. That’s because we get up early and work all day. We want to be friends with the Greeks. That’s why since joining the euro, Germany has given your country €50bn. (Bild, Open letter to Prime Minister George Papandreu, 5 March 2010)

The politics of representations as exemplified above attributed Greece a subordinate position. Typically, the ‘Greek default’ was constructed as primarily resulting from problems deeply rooted in Greek political system, if not culture. In this context, Greek politicians are blamed for systematically concealing information from the EU institutions, for conducting patronizing policies, exploiting the EU funds and solidarity, or violating the basic principles of a liberal market economy. The popular argument that ‘everybody’ knew that Greece did not meet the necessary criteria to join the Euro-zone at the very beginning, but for political reasons they were let in the euro-zone, served to essentialize the problem. In these constructions, Greece is often explicitly or implicitly compared and contrasted with the core Europe to be found ‘peripheral’ in many respects. The following is a list of binary categories frequently employed in political discourse.

<table>
<thead>
<tr>
<th>Self</th>
<th>Other</th>
</tr>
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<tbody>
<tr>
<td>Rational</td>
<td>Irrational</td>
</tr>
<tr>
<td>Hardworking</td>
<td>Lazy</td>
</tr>
<tr>
<td>Efficient</td>
<td>Inefficient</td>
</tr>
<tr>
<td>Competitive</td>
<td>not Competitive</td>
</tr>
<tr>
<td>Trustworthy</td>
<td>Fraudulent/Corrupt</td>
</tr>
<tr>
<td>Responsible</td>
<td>Irresponsible</td>
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</tbody>
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Concluding Remarks: ‘New Europe’, ‘New fault lines’

No one has the right to send an entire nation to the firing squad overnight. Northerners don’t understand our mentality… Greeks are proud people… It’s hard for foreigners to grasp the idea of offering to pay for someone’s meal, and they will never race you to pay the bill first. If an uninvited guest came round, our parents would have shared their meal with them.

Haris Alexiou, Greek Singer, 28 February 2012

The way the Greek sovereign debt crisis came to be framed today shows that the EU is not only subject to economic crisis but also to an identity crisis. Discursive deconstruction shortly described above and the continuing institutional reform in the union risk bringing in an irremediable destruction of the EU in-group sameness. This creates new fault lines in the EU that are not less dangerous for European integration than the threat of a full-fledged euro-zone debt crisis. Austerity measures forced upon Greece, and derogatory remarks of ‘north europeans’, caused deep frustration in this country. Haris Alexiou’s words voice Greek discontent with this ‘hostility’ found in attitude and discourse of EU leaders, which is seen as resulting from a major incompatibility of Greek (Southern) and ‘Northern’ values.

This work suggests that the EU has recently developed a new mode of differentiation. A collective European identity is built in the dichotomy between the ‘Europe/European’ and the ‘non Europe/non European’. Waever (1998) argues that in the post World War II period the ‘non-Europe’ (or the ‘less-Europe’) was rather found “in Europe’s own past, which should not be allowed to become its future” (p. 90). This “temporal” mode of differentiation which is obviously self-reflexive as constitutive difference is located temporally in Europe, has played an utmost role in European integration from the very beginning. Following the resurgence of geographic and cultural forms of Othering in the 1990s and onwards, however, this “temporal” mode of differentiation has been losing in importance (Diez 2004, 328). Constitutive difference became once again relocated spatially; European identity has started to be defined again with regard to ‘outsiders’, the established geographical and cultural Others such as Turkey, or Russia.

This paper argues that a new modality of Othering is gaining in importance today, in parallel to the temporal and geographical forms of differentiation. The way the ‘Greek default’ is represented today shows us that Greece appeared in European political discourse as some kind of an ‘internal Other’; a ‘peripheral’ entity, which is constructed not in
total contrast to the Self, not radically different, but still as lacking some indispensable values to be considered as part of core Europe. In this new ‘internal’ form differentiation, an entity within the in-group is temporally attributed a liminal position as it threatens ‘Order’ in the community. The threat or danger comes from this entity’s weak adherence to the set of ‘values’ upon which Europe is founded. Just like the Europe’s war-torn past served once as the primary mode of differentiation in European integration, in the present times of crisis, a new mirror through which the Self identifies itself is found in debt-laden Greece. The Greek crisis has shown us the fact that there are spaces in which different liminal figures might reside, even within the in-group. Distinctly European values crystallize today not when Europe is contrasted to the established, radically different Others, but to entities within the Self which are attributed a liminal position. Here what is noteworthy is that for self completion, and appraisal, these liminal entities, secondary to the Self, is needed.

Whatever the nature of the Otherness recently attributed to Greece be, it is clear that the crisis destroyed sameness of the EU in-group, generating hierarchical positions in EU. This subordinate position attributed to Greece today might be temporary, but we can’t be sure that permanent modes of Othering disappeared forever in Europe. The present divides in Europe might turn to be permanent, triggering a new, mental borderline within the EU community, between North and South. The Greek crisis risks creating a permanent North/South split.
References


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A post-modern collectivity can be defined as a community in which “self/other distinctions are blurred not only within the community but also in relation to its outside” or “one that does not perceive or represent others as threats to the identity.” (Rumelili 2004, 46).

This proposal of a permanent monitoring mechanism is not only similar to the IMF stand-by agreements but also reminiscent of the ‘Duyun-u Umumiye’ (Public Debt Service), a system in Western European lenders built on Ottoman soil after the Empire’s default, in order to supervise and directly control collection of taxes.

Rumelili (2004) argues that the temporal and geographic differentiation practices often coexist (p. 46).