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0521630371 - Economic Change and the National Question in Twentieth-Century Europe

Edited by Alice Teichova, Herbert Matis and Jaroslav Pátek

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Introduction

Alice Teichova, Herbert Matis and Jaroslav Pátek

The twentieth century has been called ‘the age of extremes’¹ as well as the cruellest and bloodiest century in the history of mankind. Its course was crucially influenced by nationalism combined with racism. During its history, nationalism, intrinsically connected with the national question, manifested itself in diverse forms in various countries and regions at different times. While there are a good many publications on nationalism, including its political, cultural and religious background, the economic dimension of the national question has been little examined. In the last analysis there lurks the demanding problem of mediation. That is, essentially, the problem of identifying and comprehending the interconnections between political, ideological and economic spheres.

The problem has very rarely been addressed and this volume attempts to draw attention to the need to study it. There can be no doubt about the enduring significance and the immense historical impact of the national question,² which, we realise, concerns European as well as non-European populations. But, in order to achieve a feasible geographical scope and timescale, this volume deals with the national question in the light of economic change in European countries in the twentieth century. It contains twenty case studies on nations and nationalities in countries spanning Europe from west to east – Ireland to Russia – and south to north – Greece to Estonia. Applying a multifaceted approach by taking into account such aspects as the state, national identity, language or religion, the authors investigate the relationship between economic activity and the national question in the twentieth century.

The political landscape of Europe does not permit a neat division of countries into those with a nationally homogeneous population and those with nationally mixed populations. Such divisions have, indeed, never existed as states are dispersed throughout Europe either with linguistic and ethnic majorities, or small ethnic minorities, or bilingual, multilingual and/or multiethnic populations.

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In countries of western Europe the national question has, generally, not been accompanied by frequent eruptions of violence. The exception is Ireland, discussed in Alan O'Day's essay. The changing contours of Irish nationalism are examined in the framework of Britain's capitalist development and its situation as a world empire and centre of international trade and finance to which, as O'Day argues, historically Ireland has belonged – even after Southern Ireland's independence in 1921 – down to the present day. Throughout, the strength and violent features of the national question have not abated.

Beginning with the western countries of continental Europe, Erik Buyst analyses the history of the close interplay of economics and politics in Belgium that affected the seesawing relationship between the two large language groups, the French speakers in Wallonia and the Dutch speakers in Flanders. He convincingly shows how changes in economic performance in both regions profoundly affected power-political issues. That is, until the 1950s the economic performance of French-speaking Wallonia had been more significant; however, since the 1950s Flemish economic growth has strengthened the political influence of Dutch speakers, leading to linguistic, administrative and fiscal equivalence.

In the case study of divided post-Second World War Germany, Jörg Roesler implicitly poses the question of whether Germans living under different socio-economic systems in the Federal Republic of Germany (FRG) and the German Democratic Republic (GDR) developed separate national identities. Taking German–German trade as a touchstone, he examines periods of strong trade links, which tended to strengthen unifying elements against the official policy of political separation, and periods of virtually complete economic and trading separation followed by frozen political relations. Although two separate German national identities had not developed by 1990, when unification occurred differing economic structures in East and West stymied the process of overcoming social and mental differences.

Quite different was the fate of the small Slav enclave of the Sorbs in pre-1945 Germany and in the post-1949 GDR, which is examined by Eduard Kubů. Before 1945, in the setting of the numerically and economically overwhelming power of the German population, the Sorbs were unable to resist relentless Germanisation in the face of urbanisation and industrialisation. After 1945, even with official support during the decades of the GDR regime, a question mark was hanging over the continuing existence of Sorbs as a separate ethnic and language community.

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Various authors show that the pressures of the market economy tend to sharpen national conflicts and bring them to the surface where they latently exist. In Switzerland considerations of national issues appear as an act of political pragmatism. Thus Bruno Fritzsche maintains that Switzerland is not a multinational but a multilingual state, whose population has acquired a Swiss identity. Historically decisive was the reality of linguistic and administrative autonomy. While national prejudices and economic reasons for conflict have not been absent and regional economic differentiation has always existed, economic levels on a cantonal basis have been fairly equal, and there has been no concentrated economic backwardness in any linguistic region. This is shown in detail in Fritzsche's chapter. During the twentieth century, differences due to industrialisation and migration more strongly affected social antagonisms than cultural or national conflicts.

Southern European countries of the Mediterranean peninsulas display remarkable parallels of political and economic nationalism in historic perspective but, towards the end of the twentieth century, the European Union played an integrating role. Portugal is one of the few European countries where the population is ethnically almost homogeneous and to which the term 'nation state' can effectively be applied. Nuno Valério distinguishes between two periods in the course of the twentieth century. The first half of the century was dominated by the perception of a threat from Spain, which seems to have been a reaction to Portugal's long-lasting economic decline in the wake of the loss of its empire. However, from the late 1940s this traditional pattern was changing when the Portuguese, turning towards European integration, brought forth economic recovery and growth.

Although the threat from Spain, as perceived in Portugal, never materialised, strong Spanish nationalism is, according to Gabriel Tortella and Stefan Hout, a twentieth-century phenomenon; it developed almost parallel to Catalan and Basque nationalism, which was brutally suppressed. This was accompanied and supported by Spanish economic nationalism in its extreme forms during the dictatorships of Miguel Primo de Rivera and Francisco Franco. Nationalist interventionist and protectionist policies were slightly loosened during the endphase of Franco's fascist hold on the economy and society and only finally disappeared as late as 1986, with Spain's admission to the European Union.

Spain's membership of the European Union has not solved the Basque national question. As one of Europe's serious violent movements, Basque nationalism has long historical roots. These are traced

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from its beginnings to the present by Montserrat Gárate Ojanguren, who emphasises the importance of economic factors such as Basque participation in key sectors of the Spanish economy since the late nineteenth century, the dramatic impact of the world economic crisis and the decline of heavy industry, which increased social grievances and fanned the Basque nationalist movement.

As to Italy, it was the legacy of territorial fragmentation and relative economic backwardness that affected the national question there. Luigi De Rosa shows that there existed a strong and unceasing relationship between nationalism and the economy in the course of the twentieth century. Fascist chauvinism was accompanied by extreme economic protectionism and military campaigns aimed at colonial conquest in the first half of the century. Italy's participation in the process of European co-operation in the second half-century was not bereft of nationalist tendencies, eager to assert national interests within the European Community.

In Greece, as in Italy, memories of a glorious ancient past were prone to be misused to foster the irredentist dream of a 'Great Greece', as Margarita Dritsas remarks. But her concern is with the historical process of nation-building, national integration and economic development, in which commerce played a larger role than industry in comparison with Italy or Spain.

Turning to central and south-eastern European states – Austria, Czechoslovakia, Hungary and Yugoslavia – which arose on the ruins of the Habsburg Monarchy, we are confronted with great diversity: such as a west–south–east gradient of relative economic backwardness and ethnic dispersion intensified by wars, national strife and migration.

In nationally largely homogeneous Germany the striving for a common national market, in the nineteenth century, furthered the national unification process culminating in the establishment of a nation state. In nationally heterogeneous Austria-Hungary the existence of a common market did not prevent its demise in the wake of its defeat in the First World War. The unsolved national question in a multinational empire, inhabited as it was by twelve ethnic groups with different languages, various religions and diverse cultures, and at different levels of economic development, proved to have had the explosive force of dynamite. After the dissolution of Austria-Hungary in 1918, the national question reappeared variously in the newly formed small states of central and south-eastern Europe, which had inherited the west–east and, in the case of Yugoslavia, also the north–south gradient of economic development from the former empire.

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The German-speaking Austrians living after 1918 in a shrunken state that remained from a large empire in which they had been the dominant national group did not, for a long time, see themselves as a people with a national identity separate from that of the Germans. They also doubted the economic viability of their new state. Herbert Matis pursues these issues through the twentieth century and guides the reader through the stages from ‘the state that nobody wanted’ to the post-Second World War period when the decisive economic upswing supported a common feeling among Austrians of being ‘a distinct Austrian nation’.

At the same time as Austria became nationally a largely homogeneous state, the Czechoslovak Republic, founded on 28 October 1918, remained, as Jaroslav Pátek writes, a kind of miniature Austria-Hungary. His detailed analysis of the national and social composition of the Czechoslovak population leads the reader towards a deeper understanding of the internal and external forces that, in a relatively successful economy, enhanced national strife and brought about the fateful Munich Agreement in 1938, followed by the dismemberment of the only remaining democracy in Central Europe.

Pátek’s survey of the geographical and occupational distribution of nationalities provides a necessary background to understanding Christoph Boyer’s essay on the complicated issue of competition between indigenous German-speaking and Czech-speaking entrepreneurs in the economy of interwar Czechoslovakia. Contrary to some contemporary assertions, Boyer shows that there existed neither a pure Czech nor a separate German economy within Czechoslovakia. He finds both partnership and rivalry in which nationalistic and chauvinistic arguments were used, influenced strongly by National Socialism since its rise in Germany in the 1930s.

Slovakia’s economic development, and particularly the Czech–Slovak relationship through all stages of political changes, from Austro-Hungarian times to the present receives attention from Roman Holec. He elucidates a little-known chapter in the history of the two nations and throws light on the separation of Czechoslovakia into two separate republics in 1992 when, as he says, all differences, including the levelling out of the disparate economic development, were less contentious than at any time during the existence of Czechs and Slovaks in a common state.

Slovaks constituted themselves ethnically within the Hungarian state and politically as a nation during the nineteenth century. They are included in Ágnes Pogány’s account of national minorities in Hungary,

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where the content of the national question rapidly changed with the break-up of Austria-Hungary. Magyars found themselves in a majority accounting for almost 90 per cent of Trianon Hungary's total population. Nevertheless, Magyar nationalism was made use of by Hungary's ruling elite to bolster revisionist demands at the same time as, in an atmosphere of suspicion and aggressive nationalism, ethnic minorities became a weapon in economic competition against neighbouring successor states.

Since its foundation in 1918, multinational Yugoslavia – which, not unlike Czechoslovakia, inherited its uneven economic development from the Habsburg Monarchy – has been a country of economic contrasts, from the relatively industrially advanced Slovenia and Croatia to the poorest and economically most backward Kosovo. Neven Borak presents a historical survey of the changing political scene and an analysis of economic changes. He discusses the causes and consequences of events that led, in the course of the post-1945 decades, to the revival and growth of destructive nationalism and the violent dissolution of Yugoslavia in the 1990s. While the economic situation has been misused as a potent instrument for mutual nationalist accusations about 'exploitation' among federal units, the divergent pace of democratisation in different parts of Yugoslavia and the vacuum left by the dissolution of the communist system played an equally, if not more important, role than economic factors in the country's disintegration. The violent consequences of these dramatic events have been witnessed in the last decade of the twentieth century.

Lastly, the relationship between the economy and nationalities are explored in states that arose on the territory of Wilhelmine Germany after its defeat in the First World War and of tsarist Russia after the victory of the Bolshevik Revolution in 1917 and following upon the disintegration of the Soviet Union after 1989.

Jerzy Tomaszewski deals with the considerable socio-economic, national and regional differences in the post-1918 Polish Republic, whose territory had been divided between the three neighbouring powers – Austria, Prussia and Russia. Within Poland, where the dominant Polish-speaking population held a two-thirds majority, the geographic boundaries between nationalities were, similar to Czechoslovakia, seldom clear-cut. This is shown in Tomaszewski's survey, in which he confronts economic statistics with the regional distribution of nationalities from Poland's population censuses. The author states that, generally, historians stress the political aspects of the national question in Poland; against this opinion he puts forward evidence that backs up his conclusion that

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national conflicts could only be solved by fundamental changes in the economic and social structure of Poland accompanied by economic growth and diminishing differences between economically advanced and backward regions.

Among the Baltic peoples, Estonians perceived foreign domination, immigration and low demographic growth as the main threats to their survival as a nation. These aspects are addressed by Anu Mai Kõll in her discussion of the ethnic division of labour and the economic and ethnic policy of successive governments in Estonia. She details how the social structure of the Estonian population, which came to consist overwhelmingly of workers and employees, was strongly affected by economic change.

Remarkably, Riitta Hjerppe and Juha-Antti Lamberg find, on the basis of analysis of foreign trade, that economic developments seem to have had no significant impact on the national question in Finland. In spite of discontinuities, similar to those in Estonia, Finland was able to withstand Russification and Sovietisation in the course of the twentieth century. Also, the equalisation of Finnish and Swedish as official languages seems to have prevented the rise of national antagonisms on a mass scale. The authors conclude that Finland gained independence not as a result of nationalism but rather because of the chaotic developments in Russia.

Andrei Yudanov introduces a novel approach as he tackles the complicated case of multinational Russia by investigating entrepreneurship during the period of industrialisation in the Soviet Union and during the period of disintegration in post-Soviet Russia. The author's main concern is to approach national issues from the point of view of their impact on the functioning of the community of enterprises. He shows that the break-up of the multinational Soviet state and of the Union-wide web of enterprises that had contributed to unifying it caused a grave crisis in the economy when national conflicts and political power struggles contributed to destroying the centralised macroeconomic superstructure of Soviet enterprises. In conclusion he optimistically finds some evidence of a contemporary trend toward the regeneration of the historically shaped community of enterprises.

The subject-matter approached cannot be exhausted in one volume of essays. As indicated, its aim is to stimulate study and debate. This is essential if we wish to begin to understand, for example, the historical background of terrible events in Yugoslavia we see and read about as the book goes to press.

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NOTES

- 1 Eric Hobsbawm, *Age of Extremes: The Short Twentieth Century 1914–1991* (London, 1994).
- 2 Cf. Mikuláš Teich and Roy Porter, *The National Question in Europe in Historical Context* (Cambridge, 1993).

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CHAPTER ONE

*Nationalism and the economic question in
twentieth-century Ireland**Alan O'Day*

We believe that Ireland can be made a self-contained unit, providing all the necessities of living in adequate quantities for the people residing in the island at the moment and probably for a much larger number. (Séan Lemass, 1932)¹

INTRODUCTION

It is commonly suggested that the white-hot flame of Irish nationalism has abated gradually since the earlier part of the twentieth century. If so, this at least fits part of E. J. Hobsbawm's controversial declaration that nationalism at the close of the twentieth century is on the verge of redundancy.² Certainly it is true that nationalism in Ireland, especially in economic policy, has different contours now from a generation ago. Nationalism in Ireland has four significant ingredients: it is shaped by the archipelago's history, including its political and social structure as well as economic factors during the great age of capitalist development; it is contingent upon Britain's position in the pre-1914 era as the centre of international trade and finance and its continuing role in exercising these functions since then; it is formed by Britain's situation as a world empire at least up to the 1960s; and finally England, more specifically London, remains the hub of a multinational internal economy to which Ireland belonged even after 1921 and arguably down to the present day.

The experience of the area now incorporated as the Republic of Ireland – which is less than the island of Ireland, it is maintained – falls within the contending frameworks of current theories of nationalism. Because Northern Ireland, the area comprising the north and eastern part of the island, remained part of the United Kingdom, it did not have the option of running an economic policy distinct from that of the British government at Westminster. It is therefore given less attention in the present analysis. Ireland has gone through four stages: a modified

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economic nationalism of a variety inherited from pre-statehood leaders of the national movement from 1922 to 1932; more complete adoption of protectionism within an ideology of self-sufficiency after Eamon de Valera's government assumed power, 1932 to 1958; planned capitalism accompanied by more open trade and foreign investment, 1958 to 1973; and partial protectionism within the capitalist framework of the European Union, post-1973. None of the eras were self-contained, nor were the predominant strategies within any of the time-spans pursued exclusively; opportunities and constraints of a post-colonial economic reality had an impact on the options available. The goal of policy makers at all times is aptly expressed by Séan Lemass, quoted at the beginning of this chapter; the outcome was often different.

A theme examined here is one suggested by Liam Kennedy, who implies that broadly the economic policy of the Republic of Ireland has been consistent since the creation of the new state. He observes, 'mirroring its role in the nineteenth century as part of the British Empire, Ireland today is an integral part of the developed world. Through its involvement in various international treaties and frameworks, it defends its own interests *against* Third World countries.'³ 'The Irish state', Kennedy insists:

through its membership of the European Community actively promotes policies of agricultural protectionism which discriminates strongly against Third World imports. It also participates in schemes to dump European surplus output, produced under conditions of EC subsidy, onto world markets, thereby undercutting the prices of Third World producers.⁴

Coming from a younger economic historian, born in the Irish Republic but a member of the faculty at The Queen's University of Belfast, his thesis merits careful consideration for it takes issue with the predominant strain of thinking about Ireland's approach to economic development since 1958, most notably the presumption of a wider perspective and internationalism.

IRELAND: PRECONDITIONS OF ECONOMIC NATIONALISM

Irish nationalism has been a dynamic ideological movement for attaining and maintaining the autonomy, unity and identity of Ireland and her people; it was a vehicle for activating people and creating solidarity among them in the common quest for a cherished goal. Three ideas are fused – the collective self-determination of the people, an expression of national character and individuality, and the vertical division of the world into unique nations, each contributing its special genius to the