

About the EU—Without Illusions

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György Heimer interviews well-known sociologist József Böröcz on the luster and pitfalls of the European Union, at a time when that institution has become the object of great polarization in Hungary and across the continent.

„We support the United States of Europe”—this is the message of the left liberal opposition. At the same time a government spokesman claims that the EU presents a security hazard for Hungary. What is your view?

I am not a politician, it would be a mistake for me to enmesh myself in party politics this way. However, as a historical sociologist, it is hard not to notice that pretty much the entire EU-integration process thus far—the creation of the single market and its legal framework, the euro as a common currency or the freedom of cross-border movement—are all indications of a large-scale, historic shift toward supranational quasi-statehood. A federal EU, however, is totally unacceptable to the European extreme right—among them the party that rules Hungary today. In their effort to safeguard their petty influence and vested interests in maintaining their hold on Hungarian society, they are averse to any further sharing and pooling of power with “Brussels.”

At the same time, the Hungarian public is unable to form a realistic image of the EU—probably due to the government’s propaganda condemning Brussels.

On top of the caricature-like, vulgar and hysterical anti-EU rhetoric of the government of Hungary, what makes the public even more confused is that the EU is a rather strange animal: It is, clearly, not a state but it behaves as if it were one. It has a flag, an anthem, a president, it maintains diplomatic missions world-wide, and it appears in the world political arena in at least two ways, displaying Janus-faced image. With all of its member states being members of the UN, the EU has, in effect, 28 votes in the UN General Assembly. Meanwhile, where the decision rules are different—e.g., in world trade negotiations—the EU presents itself as a single bloc, comprising over twenty percent of the world economy.

It may also be baffling to see that the general directorates of the EU’s center in Brussels resemble ministerial bodies of nation states—even though they have essentially no executive apparatus of their own. Tasks normally performed by the executive branches of states are subcontracted to the relevant offices of the member states, or to other international organizations that the EU-member states participate in. A perfect example of the latter is the area of defense: to a great extent it has been outsourced to NATO, an organization in which very significant *non-EU-members* play a decisive role. The result, with respect to the EU, is that it is an extraordinarily “lean” organization: the proportion of the EU budget is kept below 1% of the aggregate GDP of its member states—while the relevant spending of all modern states in the world, including the EU’s own member states, exceeds 30%. From its inception, the EU has aimed to coordinate, organize and subsume the various interests of its members. One of the sources of its strength is the total economic weight of its members—that is what makes the EU an important factor in global competition.

Sounds like a great idea! On a more elevated tone, it is an historic achievement that by now the EU has reached profound integration, it is in the vanguard of world trade, and as a result we have had peace in the continent for 70 years. This is worth every cent.

Definitely for Big Capital in western Europe. Also, EU-citizens—Hungarians among them—undoubtedly enjoy some benefits provided by their state's membership in the EU: They have the right to live, work, study, or do business in the member states almost without barriers—assuming of course that they can afford to do so. However, when it comes to other, more complex matters, such as assembly plant production regimes geared exclusively for exports, foreign direct investment, repatriation of profits by foreign owners, some basic features in the organization of domestic and EU-wide markets, or the distribution of wealth and incomes, the opportunities and the costs, the advantages and the disadvantages can be distributed in much more complex ways, often creating grave inequalities. The burdens of such costs and other disadvantages seem to be carried especially by the new member states in east-central Europe, including Hungary. Experience suggests that, in spite of the flood of foreign direct investment in the post-state-socialist era, notwithstanding the subsidies from the EU and despite the ever increasing flows of remittances from our region's citizens working in the western Schengen area, the economic inequalities between the western and eastern halves of the EU do not seem to diminish.

In your book, [*The European Union and Global Social Change: A Critical Geopolitical Economic Analysis*](#), you make a very strong statement: The EU is not the embodiment of goodness but an elite treaty of sorts. How did you come to this conclusion?

As a social scientist, my concern is to analyze the world in its complexity. Of course I, too, am appalled by the deluge of obvious political and economic crimes committed by “national” political and economic “elites” and by all the social injustice that the post-state-socialist period has made us accept as the new normal. Of course, all those crimes and injustices tend to manifest themselves on the local level. However, basic professionalism requires us to see that the EU is not the empire of “Good” (nor of “Evil”) but an organization that was established by specific actors with a particular rationale grounded in those actors' interests with respect to global geopolitical power, in the context of the transformation in the ways in which global economic accumulation is organized. It is hardly the purpose of the EU to “uplift us”—or anyone else for that matter. When I set out to studying the EU, the main question I asked was how it was possible that the nation states of Western Europe—especially the two rivals, France and Germany—that had been engaged in war making, strategies of imperial expansion and overall rivalry for centuries—all of a sudden sat down and created an organization based on the idea that, to a great extent, they would give up their most treasured possession: their sovereignty as “nation-states.” It is also notable, if we regard the EU from a global perspective, that most of its six founding states were colonial powers, societies that had kept much of the world outside Europe under their rule for centuries. With the later EU-accession of Britain, Portugal and Spain, this list became complete. The EU is the meta-state of the erstwhile colonial powers of the world. It is common knowledge that the obvious historical “successes” of erstwhile colonial powers—rapid increases in the quality of life, technological progress, the steep rise in life expectancy—all took place to a large extent by depleting the colonized territories, treading on the political and overall human rights of societies outside Europe, and justifying it all in a breathtakingly racist ideological framework. In the economic sense China, the Indian subcontinent and Africa were the biggest victims of this process—even though in the pre-capitalist era these regions played a decisive role in global value production and trade, and had been, for millennia, far more important than that rather “underdeveloped”, marginal part of the world which is called western Europe. By today, much of colonial rule has been defeated in its crudest form—but the global structures of dependency inherited from the colonial past still prevail, and the beneficiaries of that global system live on, mainly under the auspices, and as core

constituents, of the EU.

If I understand correctly, you suggest that the EU is the product of the capitalist world order and that that system continues to involve a severe global competition—perhaps in a more civilized way, according to the liberal rules of capitalism?

Just like its rivals, the EU is an organization that represents, first and foremost, the collective interest of west European multinational capital. It was not designed for charity. If anything, the fight for global resources, for power and for areas of influence is increasing on a global scale. Over the past 30 years, China achieved sensational progress in this competition. The EU and the US—and recently, the People's Republic of China—each have an approximately twenty-percent share in the world GDP. For thousands of years before 1820, China had 25-30% share in the gross world product. It was a “poor country” only for a brief moment—something that lasted roughly 150 years—so its current, breathtaking upswing is nothing but a return to the previous position it held for millennia. In this sense China's advancement cannot be stopped, and this is the heart of the ongoing structural transformation of the world. To a large extent the future of humankind depends on the ways in which global actors will be able to accommodate that old-new phenomenon, China's global prominence. West European Big Capital, and its representative, the EU, would not want to lag behind in the competition in this old-new world order. One of the innovations in this global game of position seeking is that the EU is essentially asking us, the societies of the world, to believe that it is the embodiment of some eternal, trans-historical kind of goodness. The emerging new distribution of roles, according to this schema, seems to be that the US is the gendarme of the world and the EU is the angel of peace and “civility.” There are some very big problems with that imagery. West Europeans also take an active part in NATO's global position making wars, and the US war machine, even if it acts unilaterally, also represents the global strategic interests of west European capital.

But the EU is a democratic organization with a wide base of decision making in which EU citizens are involved. You have just explained how successful the EU is in harmonizing particular interests. Why do you say that the state and capital are the bride and groom? Are west European multinationals following the same business techniques as their predecessors in the colonial era?

In the EU's core—the west Schengen area—Big Capital is by and large willing to accept without any major fuss that the state channels a significant part of their profit back to society (i.e., where it came from). What Big Capital gets from the deal is a reasonably healthy, well educated and trained, and remarkably disciplined, strike-averse labor force. However, in the EU's poorer regions, the same west European capital acts somehow less reasonably. No need to go very far, let's take [Hungary's recent slave law](#) as an example. The government, which wins the elections with an ultra-nationalist, anti-EU rhetoric, plainly, ruthlessly serves the interests of west Schengen investors against Hungarian society. Interestingly, there does not seem to be any conversation that west Schengen capital might at some point consider returning a certain portion of its considerable east-central and east European profits to the societies of east-central and eastern Europe. One wonders—why not?

Don't you think that despite the anti-EU attitude of the government by joining the EU semi-peripheral Hungary may get closer to the Western European center?

The current government of Hungary is not against the EU at all. They just want a neoliberal pan-European market with zero civil rights, and unlimited “nation-state”—more precisely, prime ministerial—sovereignty in all other areas. As for the metaphor of catching up, it sounds really nice. In our part of the world, that's what we have been talking about for four centuries now. The trouble is, it makes no sense. For all historical periods we have economic performance estimates for, Hungary's overall income has never left the range of 120-140% the gross world product *per capita*.

That leads me to conclude, the Hungarian “national” economic performance—fixed seemingly forever above the world average—is not bad, not bad at all. Two-thirds of the world’s population would be forever thankful if they had it. As a matter of fact, “catching up”—a high modernist dream of the societies of east-central and eastern Europe—is an exceedingly rare phenomenon in the world at large. Since the early nineteen-fifties, only six countries have managed to achieve such success, under rather unique geopolitical circumstances. My point is this: Hungary’s biggest problems are not those caused by the insufficiency of its national income. The real problem is the grossly, and increasingly, unequal distribution of the incomes that are already generated in these societies. Of course, a few percentage points’ increase in the GDP would be “nice”—but the effect of this on people’s lives would dwarf in comparison to the consequences of a different, more equitable and socially (and environmentally) conscious distribution of income. How can we create a public sector that actually serves society? How is it possible to have better social services, hospitals and schools, and provide those left behind with a better share of goods? I am convinced the country’s already existing gross national income is amply sufficient to allow its citizens to live a nice, decent and predictable life of dignity. However, as long as the neoliberal state outsources public service functions to profit-oriented private companies so that corporate profits are made even on institutions whose purpose it is to decrease social inequalities, and as long as even those profit making opportunities are monopolized by a small circle of domestic clients of the government or omnipotent west Schengen transnational corporations, even the rather modest competitive advantages resulting from our EU membership vanish.

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P.S.

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