CHAPTER 30

Europe in a Globalizing World, 1991 to the Present

CHAPTER OUTLINE

I. Eastern Europe after Communism
   A. Russia from Foe to Partner
      1. Boris Yeltsin was fired in 1987 but back in parliament in 1989; in 1990, he created a Democratic Platform group, and by 1991, he was popularly elected president of Russia, dissolving the Communist Party.
      2. Politicians in the West celebrated the victory of the United States over the USSR.
      3. A multitude of political parties, many undemocratic, replaced the communist monopoly; measures to transform the state-controlled economy into a market-driven economy benefited a narrow stratum of people, leaving the rest impoverished.
      4. Political parties represented small groups, such as newly enriched businessmen and nationalists; the lack of political parties offering solutions to the economic and social problems resulted in a privatized economy and increased criminal gang activity.
      5. In 1998, the Russian stock market completely collapsed; many lost their life savings and trust in the banking system when the World Bank and the International Monetary Fund forced Yeltsin to devalue the ruble, a move he had promised never to do.
      7. After a decade of political, economic, and international challenges, Yeltsin handed over the presidency to Vladimir Putin, his most troubled legacy.
   B. The Dismemberment of Yugoslavia
      1. In the 1990s, Yugoslavia was torn apart by a series of bloody civil wars.
      3. The Slovenes and Croats reacted by declaring independence in June 1991 (followed by Bosnia in 1992); while the Slovenes were granted independence, Croatia and Bosnia became engulfed in civil war.
      5. After UN-approved NATO air strikes, the war ended by December 1995 and all parties signed the Dayton Agreement, recognizing both an independent Muslim-Croat federation and a Serbian Republic in Bosnia, with a UN peacekeeping force in place.
      6. In 1999, the Kosovo War began and NATO began air strikes against Serbia, but instead of weakening Milošević, the NATO campaign had the adverse result of mobilizing more Serbs because patriots decided to defend their country against a foreign invasion.
      7. In 2002, a popular revolt in Belgrade removed corrupt Milošević from power.
   C. Postcommunist Transitions in Eastern Europe
      1. The transformation of eastern European countries, other than Yugoslavia, from the communist bloc to the European international community has been more successful.
2. In Czechoslovakia, referendums in 1992 voted to split it into Czech and Slovak republics; unlike Yugoslavia, the political leadership (Vaclav Havel) refused violence.
3. Hungary was successful in maintaining a talented labor force, attracting foreign investments, and improving the quality of life.
4. Poland proceeded quickly with privatization and implemented reforms that brought economic growth; in social and cultural policies, Poland clung to the past.
5. The Czech Republic, Slovakia, Hungary, and Poland (the Visegrád Four) implemented democratic reforms, engaged in regional cooperation, and developed competitive capitalist economies; key to their success was agreement among political leadership, public support, and economic and administrative infrastructures that were compatible with reform.
6. The people of the Baltic States (Latvia, Lithuania, and Estonia) have been relatively content with stable democracies.
7. Romania and Bulgaria failed to become fully functioning democracies, limited their transition to privatization, and discouraged foreign investment.

II. European Integration
A. From Community to Union
1. Europeans transformed the loosely connected European Community into a more centralized and coordinated market called the European Union (EU).
2. The European Monetary Union moved to a single currency, the euro (€), in 2002.
3. Challenges to unity included fears about the growing powers of the Union at the expense of national governments and the growth of the German share of the Common Market.
4. Starting in 1995, most EU members became part of the Schengen Agreement, which eliminated the need for citizens of signatory states to obtain visas to travel and work inside the Schengen space.
5. In 1992, the Common Market foreign ministers signed the Maastricht Treaty, thus creating the European Union in 1993, the most important unity milestone since 1951.

B. The European Union in Operation
1. The EU consists of the European Council, the Council of Ministers, the European Commission, and the European Parliament.
2. An important development is the change in the European Parliament from a symbolic body to a legislative assembly with all-encompassing European powers; its representatives sit not according to their national flags, but rather according to their ideological platforms.
3. By February 2003, eight of the postcommunist countries (the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia) were finally accepted into the Union, along with Cyprus and Malta, bringing the number of member states to twenty-five.
4. French and Dutch rejection of the EU constitution in 2005 slowed EU development.
5. NATO member Turkey’s bid for admission is delayed because of the definition of European civilization; although many Turks consider themselves European by geography, politics, culture, art, and lifestyle, Europeans reject them as non-European Muslims.

C. Nation-States in a New Context
1. The EU still has rifts, even among the older member countries.
2. In Britain, Germany, and Spain, right-wing governments have been replaced by left-wing governments.
   a) In Britain in 1997, the Labour Party returned to power, with Tony Blair as prime minister; he pursued business-friendly internal policies and a commitment to the EU.
b) In Germany in 1998, the Social Democrats came into power with Gerhard Schroeder as the German chancellor; he ruled in coalition with the Greens.

c) In Spain in 2004, the Socialist Workers’ Party made Spain the leader in political reforms.

3. By contrast, left-wing governments have given way to center-right ones in France, Italy, and Austria.

a) In France in 1995, Jacques Chirac, leader of the Rally for the Republic, won the presidential election, and in 2007, Nicholas Szarkozy became his successor.

b) Between 2001 and 2006, Italy was run by media mogul Silvio Berlusconi, until he lost elections to the center-left coalition of Romano Prodi.

c) In Austria in 1999, Jörg Haider’s anti-EU, anti-immigration, and antisemitic Freedom Party won elections; it won reelection in 2002.

4. In the postcommunist countries in eastern Europe, governments have shifted regularly between center-right and center-left coalitions; no single party has been able to rule without an alliance.

5. In Russia since 2000, Vladimir Putin has encouraged growing nationalist authoritarianism.

D. European Security and International Organizations

1. While the EU met the political challenges of the post–cold war era, it has been less effective in international security matters; the UN was influential in postcolonial security matters and tried to mediate between the superpowers, but it had not played a security role in Europe.

2. During the cold war, NATO defended western Europe from the communist East, but in the 1990s, with the Bosnian War, it transformed itself into a broader alliance to secure democratic Europe against external or internal threats.

3. In 1996, NATO admitted the Czech Republic, Poland, and Hungary.

4. U.S. funding and armaments remained central to NATO, and postcommunist countries in the East were happy to have American troops and military support in their countries because they were still concerned about Russia’s interests in the area.

III. Europe and Globalization

A. Economic Globalization

1. The most important supporter of globalization has been the World Trade Organization (WTO), created in 1995 to oversee the General Agreement on Tariffs and Trade (GATT).

2. The 149 member countries of the WTO benefit from reduced tariffs, preferential trade agreements, and access to international loans through the International Monetary Fund (IMF) and World Bank; this system gives the wealthiest economies more power than those members with weaker economies.

3. International organizations have been ineffective at dealing with global problems.

a) When states have tried to increase legal regulations against human rights abuses, multinational corporations have used the WTO to effectively lobby on behalf of deregulation in the name of free trade.

b) In response to global warming concerns, in 1997, representatives from 160 countries signed the Kyoto Agreement to cut greenhouse emissions by 10 percent, but without U.S. support, the agreement remains ineffectual.

c) Neither the UN’s direct aid policies nor the WTO’s advocacy for free trade has eliminated world poverty.

d) Another global concern is the persistence of malaria and the spread of the AIDS virus; although vaccines and treatments have been developed, most of the people who need these medicines are too poor to afford them.

B. International Security and Terrorism
1. Terrorism and wars in the Middle East dominated international relations.
3. Since World War II, Arab countries in the Middle East viewed the West with mistrust and Israel as a symbol of Western imperialism; Egypt, Syria, and later Iran and Iraq supported Arab nationalism.
4. In 1993, U.S. President Clinton orchestrated the Oslo Agreements to resolve the conflict between Israeli and Palestinian leaders.
6. The 2003 Iraq War split the European political leadership and population, while massive antiwar protests took place all over western Europe; the level of anti-Americanism in Europe has never been so high.

C. Instant Communication and the Internet
1. New technologies in communication, information exchange, and entertainment brought people greater freedom to relate to each other and brought greater power for those who create and implement these technologies.
2. Cable television, first introduced in the United States in the 1970s, became popular across Europe in the 1990s.
3. Since its inception in 1992, the Internet has become the most important means for information gathering and exchange; it is an equalizer, a resource for creating parallel communities for people with similar tastes and interests, and a facilitator for the imagining of multiple identities.

IV. The Future of the West
A. Old Institutions, New Directions
1. While nationalism continues to be strong, the multinational EU has created a new model for international political organization.
2. With oil controlled by the Organization of Petroleum Exporting Countries (OPEC), no single government can dictate the use of these resources, and small businesses are at the mercy of rising oil prices.
3. The United States is likely to remain the most powerful economic unit in the global economy, but China is a possible challenger.
4. Basic social and cultural institutions are likely to become greatly transformed, with challenges to marriage and religious institutions.

B. Who Is a European?
1. While Catholic institutions remain tied to Europe, Muslim institutions remain defined as non-Western.
2. The decreasing birthrate among secular and Christian Europeans, and the rising birthrate among Muslim Europeans poses a serious question about what being European might mean a generation from now.
3. European identity has been constructed around democratic governments and around highly urbanized societies that are educated, secular, and religiously tolerant.
4. Turkey’s bid for membership in the EU remains an important test for the question of European definitions of western civilization; if Turkey is rejected, it means that Europeans are unable to consider Islamic traditions and culture as an integral part of the West.
5. European distinctiveness is becoming more difficult to discern in the face of a shared popular culture. The lifestyle of the average person in Europe is increasingly similar to that of the average person in the United States.