

Germany's European Empire

AN INTERVIEW WITH
WOLFGANG STREECK

TRANSLATION BY
ZACHARY MURPHY KING

In today's Germany, Wolfgang Streeck argues, politicians laud "Europe" – while quietly using EU structures to advance German national interests.

INTERVIEW BY

Loren Balhorn

One of the best-known critical sociologists in the German-speaking world, Wolfgang Streeck, has seen his work receive growing attention from the international left over the past few years.

His most recent books have focused on the structural crisis of capitalism and the increasing extent to which it stands in contradiction with democracy — a contradiction to which he sees no immediate resolution, prompting him to ask how much longer capitalism can survive.

Jacobin's Loren Balhorn spoke with him about the prospects of the European Union, the role of the nation state, and the specter of populism.

Let's start with a simple question: what is your evaluation of Germany's grand coalition after its first one hundred days? Is it a necessary evil, or would you have preferred something else?

LB

WS | No, no preferences. Maybe if there were any prospect that the left wing of an SPD [Social Democratic Party] in opposition would find itself forced to engage more with the non-sectarian elements in Die Linke, so that something new might emerge in the intersection where the Left could have something approaching prospects for taking power. But that would have been unlikely to happen even under a “Jamaica” government [i.e., a coalition between Angela Merkel’s Christian Democrats, the Greens, and the Free Democrats].

Are you worried about the possibility of new elections, given the ongoing dispute between Angela Merkel and her right-wing coalition partner, Horst Seehofer? | **LB**

WS | No, not at all. It would make no difference, except that the SPD would fall below fifteen percent, and the Greens would replace the CSU [Christian Socialist Union, the Christian Democrats’ Bavarian affiliate] in a “Merkel V” government.

Let’s zoom out a bit. You argue that a return to democratically regulated capitalism, one which takes the material interests of the majority into account, is only possible within the framework of the nation-state. | **LB**

At the same time, you have denounced the German tendency to regard “Europe” as the embodiment of political morality, in supposed opposition to the destructive nationalism of previous centuries – despite the fact that EU policy, for the most part, advances German interests.

Would it not be possible to impose limits on German hegemony, such as through uniform wage and tax regulations among all member states? Until the late 1990s this demand was made by many social-democratic parties, including the SPD.

WS | Where would “uniform wage and tax regulations for all member states” come from? The problem is the variety of national economic and social structures, which developed over a long time. What you are suggesting would require a uniform and simultaneous revision of centrally important institutions, which would then fit quite

differently into national economic capacities and domestic interests. No political leader, and especially no politically accountable leader, could try something like that.

And incidentally this would do nothing to end the “German hegemony” you correctly bring up. It exists because Europe’s common currency regime, as a hard currency regime, fits the German economy (and a few other northern economies) but does not work for the economies of the Mediterranean and France.

That sounds fairly plausible, but most progressive forces in Germany would probably reject a nation-state strategy. Where do you think that comes from?

LB

WS | Here you refer to a rather complex problem. After the war, West Germany was not fully sovereign for a long time and considered this to be both a deserved punishment and a generally desirable state of affairs. On the one hand, Germans had been punished for German “nationalism,” while on the other, they tried to recommend the denationalization of politics as the ideal of a new world order for everyone else.

Paradoxically, this helped gradually to restore German national sovereignty, culminating in reunification, while no other country in Europe had ever considered putting its national statehood on the table.

Since the 1990s, matters have taken yet another turn as European supranationalism effectively gave rise to a German empire. That is why, in Germany today, one can oppose nationalism and the nation-state and at the same time pursue German national interests without having to admit it. A very comfortable ideological situation — just look at Angela Merkel.

The European Union began as an attempt to end the rivalry between France and Germany by linking up French diplomatic power with Germany’s economic strength. One could argue that the structure of the Union has, for the most part, been continuously structured along this compromise.

LB

Do you think that Emmanuel Macron’s proposals for “refounding Europe” have the potential to cement these national fault lines in the long term? Or

is the logic of national interest too deeply rooted in the structure of the EU itself?

WS | Macron's proposals are nothing of the kind. He is completely vague when one gets down to the details. How big should the special budget of the Eurozone be? What criteria should be used in distributing it? What kind of "investments" does he mean? Why a "European finance minister"? And this is supposed to overcome our "national fault lines," as you call them? In my opinion, these are not fault lines but borders that we can and must work with, not by top-down dictates but through agreements between equals.

As I said, no one in Europe is really entertaining the notion of renouncing national sovereignty — the Germans only pretend to. In any case, national sovereignty is first and foremost a weapon for small countries to use against big ones, and it is the big countries that are bothered by it (not by their own sovereignty, of course). If the US respected the national sovereignty of small states, many people would have been spared a lot of trouble.

And Macron constantly talks about a "sovereign France in a sovereign Europe" — not about ending the French nation-state, but about expanding it to Europe. Other countries will have to find a way to live with this, and this is possible unless one has got drunk on the idea of supranationalism.

European Commission president Jean-Claude Juncker said at a recent press conference that Greece would soon be a "normal country" again. He and other European technocrats are trying to sell Greece as a Eurozone success story — proof that the structure remains strong and resilient. **LB**

How do you see this, especially given the critical situation in Italy?

WS | That's the usual empty talk; nobody takes it seriously. The structural problems in Greece and other Mediterranean countries have always been understated while their debt problems have been exaggerated; but that's putting the cart before the horse. Even if Greece can now borrow again — and we would have to see that happen first — its institutional and economic structures remain unsuited to a hard currency.

What also remains is the decade of austerity that has damaged an entire young generation, costing them precious life time, not to speak of public service infrastructure, education and training. This is not offset by the fact that the Greek state is now considered trustworthy again on the financial markets, if indeed it is.

The same applies to Italy, which is much larger than Greece however, so that not even a Troika-style (ostensible) debt settlement could work. The Jean-Claude Junckers of this world are like lemmings — or at least like the myth about lemmings; in fact, lemmings are much cleverer than the Eurocrats, who march into the abyss with their eyes open, always looking forward until they hit the ground.

I noticed that in a recent article, "Europe under Merkel IV: Balance of Impotence," you always place the term "populists" in quotation marks, mostly in relation to Die Linke and the Alternative für Deutschland, but also when you talk about comparable forces in other European countries. Was this a conscious decision on your part, and if so, why? LB

WS | A conscious decision, yes. For me, the term is meaningless, not verifiable, a propaganda weapon. In the language of the established centrist parties, everyone who could be dangerous to them is a "populist," from Corbyn to AfD. They complain that "the populists" "simplify the problems" — while Merkel contested the second to last election with the slogan, "You know me."

What's "complex" is for us to decide; what we define as "complex" is too "complex" for the "populists"; and there is no alternative to the "solutions" that we have so laboriously developed for your complex problems. ("There is no alternative", etc.)

One of your more recent books, *Buying Time*, suggests that growing structural conflict between capitalism and democracy will lead to Europe's increasing "Hayekization." Since then, right-wing parties have won a number of elections across Europe and Donald Trump was elected President of the United States. Do you see yourself confirmed in your prognosis? LB

WS | By “Hayekization” I mean the purposeful, long-term institutional decoupling of the economy, or the market, from democratic, i.e. egalitarian, interference. Right-wing parties are not necessarily neoliberal in the sense of being non-interventionist or anti-redistributive, at least in their rhetoric. What they actually do in practice is another question.

Your predictions on the future of the EU and capitalism in general appear to have become gloomier in the last few years. | **LB**
 I remember an event in Berlin last year where you described yourself as a “passionately destructive thinker,” and in *Buying Time* you explicitly state that theorists do not have to offer solutions. But do you at least see any possible economic solutions that remain, for the moment, politically obstructed?

WS | If it were so simple that I could give you a solution, there wouldn't basically be a problem. By “destructive” I mean that I would like would like to fight against unrealistic hopes pinned on any Prussian cavalry, who like at Waterloo will show up at night to turn the tide of battle. What we need in a situation like ours is the clearest, most sober realism possible.

I am convinced that politics as usual will not help us and that today's politics is, almost without exception, not much more than elitist, technocratic, professionalized, highly paid impression management. We do need a good measure of disruption, not just in the economy but also and especially in politics. Anything less and we will fail to restore the collective control over our lives that we so urgently require.

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ABOUT THE AUTHOR

Wolfgang Streeck is a director at the Max Planck Institute for the Study of Societies in Cologne, Germany. His most recent book is *Buying Time: The Delayed Crisis of Democratic Capitalism*.

ABOUT THE INTERVIEWER

Loren Balhorn is a *Jacobin* contributing editor in Berlin, Germany, where he is a member of Die Linke.

ABOUT THE TRANSLATOR

Zachary Murphy King is a writer and translator based in Berlin.

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