

An Idea and an Object

The Euro and its Effect on European Identity

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Lokaverkefni til BA-gráðu í mannfræði Félagsvísindasvið



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Excerpt

The European Union has recently been through one of the most severe financial crises of the past century. Predictably the upheaval caused widespread debate about almost all aspects of European fiscal governance, especially the euro. The euro serves as more than just as a means of enabling trade. It's highly symbolic of the wider political, diplomatic and cultural integration that has been taking place in Europe over the past half century. European integration is based on the idea that there is a common European identity, one that can unite the many and varied member-states under the same banner. In this thesis I explore the effect (if any) the euro has had on European identity. What is a European identity and why does it matter? I compare two European countries, Germany and Greece, using poll results from before and after the Eurozone crisis and anthropological theory to gauge these two countries' sense of European Identity and how it might have changed during the financial crisis.

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"Si c'était à refaire, je commencerais par la culture." – Jean Monnet

"Democratical States must always feel before they can see". – George Washington

Introduction

"Most anthropologists don't like money and they don't have much of it (pg. 1)." That's how economic anthropologist Keith Hart (2005) begins his short essay; Notes towards an anthropology of money. In this same essay he ascribes anthropologist's dislike of money to it's part in globalization, but another possibility he puts forward (which I personally find more credible) is that if anthropologists dislike money it might have more to do with a subconsciously Western-European worldview which has dominated anthropological thinking since its conception and paints money as being detached, impersonal and morally suspect (Hart, 2005). Hart himself as well as other scholars who study the role and nature of money have noted the Western-European cultural predisposition towards distrusting money and viewing it as morally suspect. Stretching back to antiquity, European folklore has pegged money as a corruptive influence, capable of destroying the strongest bonds. It destroys "traditional" and "natural" ways of life. Viewed objectively though, there's no convincing reason *money* should be as bad as European "common sense" would make it seem. Money, after all, is no more than a medium of exchange (Graeber, 2012, Helleiner, 2003). It has no objective material quality. It's an abstract, virtual concept; even paper money, while materially real is still digital in that the papers actual value is almost nothing – it is the numerical value it represents that makes it valuable. It does however make a handy scapegoat for those who make unpopular or immoral decisions when they have the power money can bring. Its existence is based on trust between market participants. In a modern economy trust has become a more institutionalized affair to deal with the size of currency zones. That is to say that a personal, intimate relationship of trust between people who use the same currency is not necessary; a broader sense of belonging and faith in the market is enough. This is not to say that money's influence is unreal in some way. Simply that money is neither good nor bad even if the thing's people do with it are (Hart, 2007).

In his book, *The Memory Bank: Money in an Unequal World*, Keith Hart argues quite convincingly that the dual nature of money is both as a means of enabling trade with multiple unrelated commodities ("the fraternization of impossibilities" as Marx put it) as well as being

a sort of social memory (Hart, 2000). This is not a new theory although it has not received the attention it deserves. The word *money* comes from the name of the Roman goddess Juno Moneta who was the goddess of memory and the Roman word moneo is derived from the same name that means to remind (Hart, 2000). The linguistic origins of the word illustrate how countries that were influenced by ancient roman financial institutions (i.e. most of the modern world) have inherited this idea. John Locke and other enlightenment thinkers were deeply interested in the role of money in maintaining social roles and stratification. In a world without money, where all possessions are material, the accumulation and inheritance of wealth is considerably more difficult. Civilization as we recognize it today could not exist without the social memory that is money.

Anthropology's aversion to money might go some way towards explaining anthropology's grudging relationship with economics. Many anthropologists, who emphasize holistic cultural research, view the assumptions made by economists about human needs and desires as grotesque oversimplifications (Gluckman, 1964). Many economists, on the other hand, view anthropology as a "soft" science, idealistic and superficial. In truth however, both disciplines have much to offer each other, especially when it comes to researching a society whose foundation is largely economical, such as the European Union. Although the EU was originally founded mainly as a political union its power lies mainly in its economic strength. In my dissertation I focus on the nature of the euro from an anthropological perspective, drawing on the works of influential economic anthropologists such as Keith Hart and Cris Shore before delving into the tangible effects the EMU has had on two quite different member states, Germany and Greece. The single currency has become one of the EUs main symbols and when you look for what it is that unites the many and varied nations of Europe, belief in the market economy is one of the most noticeable factors. The numerous European nations display a wide range of cultural attributes after all and it can often seem as though there is more that divides them than unites them. What else do these groups have in common? Even today, at a time of steadily increasing European integration, a very important question remains unanswered: what exactly is Europe?

The Concept of Europe

Although a truly ancient idea and one that people use often, the exact boundaries of what (and who) is or isn't European are unclear (Bruter, 2005; Macdonald, 1993). The European Monetary Union might change this but how? Will people's allegiances change? Does a

supranational identity preclude a national or local one, or can they coexist? It would seem to be a logical assumption that with greater political and economic cooperation and easier transport and migration between countries that peoples "local" loyalties would relax and be replaced by a new more inclusive sense of identity. This is seldom the case however (Macdonald, 1993). In times of social and political change people often cling even tighter to notions of their former identity as a way to deal with the insecurity of a new world. Identities can and (frequently) do change (Jenkins, 1996; Eriksen, 2002; Keunen, 2007) however, which is really the reason why this thesis is being written. Has the euro changed European's sense of identity and if so, how?

In 1998 Jacques Santer, then president of the European Commission had this to say about the euro:

...a powerful factor in forging a European identity. Countries which share a common currency are countries ready to unite their destinies as part of an integrated community. The euro will bring citizens closer together, and will provide a physical manifestation of the growing rapprochement between European citizens which has been taking place for the past forty year or more (Shore, 2012).

Yves de Silguy, the EU Commissioner for Economic and Financial Affairs called the adoption of the euro "the most important event since the Second World War" (Shore, 2012). Surely the euro has impacted the lives of European citizens as well as countries that are reliant on European trade but how has the common currency affected European culture and identity? Has Europe gotten any closer to the utopian vision of a culturally and economically cohesive union? Without a corresponding political identity, the European Union has no legitimacy to use force, the strongest tool available to any political entity (Bruter, 2005). After the recent financial crisis the future of the "ever closer union" seems insecure.

The euro, other than being just a currency used for commercial transactions is laden with symbolic meaning. Originally a purely virtual money of account, when the currency materialized in the beginning of 2002 as notes and coins the transition was relatively painless. National currencies such as the franc and the deutschemark decorated with pictures of national heroes and commemorating historical victories were replaced with a federal currency that was sterilized of any potentially offensive imagery. The post-war deutschemark had been decorated with Bismarckian-era cultural innovators and thinkers rather than political heroes to distance Germany's image from the violent regime of the Second World War. In a way this new, united currency gave them a chance to avoid troublesome historical allusions in the

imagery used on their money. Bridges in different European architectural styles were supposed to symbolize a reunification. Europe's history is often seen as having been riddled with strife and squabbling since the Pax Romana and a greater level of interdependence and cohesion was the carrot that a monetary union promised. The bank notes could however just as easily symbolize the further digitalization of money and the loss of a human element (Hart, 2005).

An Anthropology of Europe

Before we continue we should take a moment to contemplate how and why an anthropological study of Europe should be performed. While "Europe" defies easy definition, the very existence and tenacity of the concept would seem to justify viewing Europe as some sort of (loosely connected) unit. There are two other and more specific reasons that I think Europe could be a viable subject of research. One is the fact that the social sciences as we know them today, and of which anthropology is one, became a reality in an industrialized, capitalistic Western Europe. This heritage has shaped anthropology and I feel that acquiring greater objective knowledge of its origins is necessary to avoid ethnocentrism – a constant concern for those engaged in ethnographic research. The second reason is that, in addition to the social sciences, nationalism and the idea of the nation state were born in Europe. Nationalism has come to influence the entire globe but according to the modernist view is still a fairly new philosophy and one that reflects a great deal of Western values and moral judgments (Motyl, 2001). There are also practical reasons for studying Europe as a unit: increased economic, political and social interaction and interdependence mean that whether a purely social construct or not, Europe as a unit has become a political reality and deserves attention (Goddard et al., 1996).

These two factors are immensely important in any study of Europe, but it would seem that for a long time anthropologists studying Europeans often fell into the trap of looking for "exotic" Europeans; isolated and rural societies instead of "mainstream" cosmopolitan Europeans. Ralph Grillo argued in 1980 that "Anthropological research... in Europe has often turned its back on precisely those issues on which a "European" anthropology might be constructed" (pg. 4). His book: "Nation" and "State" in Europe, Anthropological Perspectives, delves into the question of supra-national identities.

While anthropologists have become more aware of the limits to their objectivity, the very broad notion of the "West" is still used as a meaningful criterion. Even in Edward W.

Said's work *Orientalism*, where he draws to light and criticizes the western worlds erroneous view of the far and middle east, he plays an active part in the construction of two opposite categories into which he can fit the entire human race; west and east (Said, 2003).

History of the EU and the Euro

"History doesn't repeat itself, but it does rhyme" is a quote usually attributed to Mark Twain that comes to mind when researching European history. In his book *Citizens of Europe? The Emergence of a Mass European Identity* Bruter (2005) tells an anecdote relating to British Euro-skeptics:

...it can be noted that while the imperial weighting system is often flagged by Eurosceptics(sic) as another threatened and secular symbol of Britishness, it was no earlier than the mid-nineteenth century, that England chose to adopt the pounds/ounces system, instead of the metric scale that had been in use since the eighteenth century, that many nationalist intellectuals protested against the abandonment of the metric system, perceived as an ultimate "symbol of British identity"! (pg. 44-45)

This story is a good example of how symbols change and history is rewritten to adapt to new and altered identities. Another symbol of British identity, the Pound Sterling, is in fact not so different from the Euro in that it is a currency that is shared by different nations and is visually different in different areas (the Gibraltar pound, for example). Yet British Euroskeptics who are heavily critical of the common currency of the EU seem oblivious to the paradox.

Although many of those in favor of the EU describe European integration as inevitable, the current march towards unification is in fact relatively recent and can be seen as a direct consequence of the two World Wars. After the second war a Europe devastated by the radical nationalism that had been symptomatic of continental politics for the first half of the twentieth century saw European integration as an escape from the division and strife brought about by nationalism. The first real step towards a politically united Europe was the founding of the European Coal and Steel Community (Tupy, 2008). The community's goal was to make further aggression between European countries almost impossible by bringing heavy industries that were seen as vital for the conduct of war under the control of more than one state. The founding members of the ECSC, France, West Germany, Italy, Belgium, Luxembourg and the Netherlands, continue to be seen as the "core" European countries, with

the most influence within the EU (Staab, 2008). These same founder-states subsequently signed the Treaty of Rome, thereby creating the European Economic Community. In 1979 elections to the European parliament were held for the first time and as more countries joined the European community the Schengen Agreement, signed in 1985, made it possible for European citizens to travel between member states without going through border control and passport checks (Staab, 2008). The European Union was not formally established until 1993 however, when the Maastricht Treaty was signed. By this time the Iron Curtain had fallen and formerly Communist countries were now undergoing integration. The EU currently has 28 member states and has undergone a change in the Lisbon Treaty – which changed the legal structure of the EU and gave it more power (Pinder & Usherwood, 2007).

The Euro has become one the most powerful symbols of European integration, perhaps not surprising given the immense importance monetary independence is awarded as a symbol of national independence. The name and aesthetics of the common currency were decided at the Council of Madrid in 1995 (Bruter, 2005). Interestingly, the name *euro* tested poorly in polls done before the new currenct was adopted when compared to ECU (the name of the euros precursor is an acronym for European Currency Unit, although it also alludes to the word écu which is an old type of French coin). Despite this, 69% of those polled responded favorably about the new name after the launch of the new currency (Bruter, 2005). I suggest that the reason for this is that superficial symbolism, while important, is of secondary concern to the citizens who are supportive of the very concept of a single currency itself. Although the front sides of euro coins are all the same, each country mints its own with national decorations on the back side. The banknotes however, as decided in Madrid, all look the same and have no "national" side, unlike the coins. These two decisions, a new name that doesn't favor any language and a look that doesn't celebrate any nationally specific heroes or achievements, are indicative of a common desire to look forward to a unified future, rather than to a fragmentary past. The council of the European Monetary Institute summed it up in in 1996 when they said: "The euro's graphic style symbolizes the birth of a new, unified Europe,

the agent of a common cultural heritage as well as a the vision of a future community for the next century."

Although the exact percentage has fluctuated, the majority of those who live in the European Union have been and remain in favor of the euro. This is despite negative media coverage and the repeated attempts of certain politicians, most notably in the UK and Sweden, to discredit the common currency. It would seem that with time, Europeans started to think of the euro less in technical terms and rely more on a "gut feeling" connecting the euro (positively) with freedom and efficiency and (negatively) with price increases and a loss of national sovereignty (Bruter, 2005).

European Identity

How to Define a European Identity?

Without a sense of European identity, the EU's only raison d'être would be that it is economically beneficial. We know that this is not the case however. Unification is now predominantly political and support for further political integration has not lost much support and it is in many respects more popular than economic integration. Support for European integration is not necessarily the same as identifying with the European Union. But how should we go about defining what a European identity is? According to Bruter (2003; 2005) and Krzyzanowski (2010) there are two main approaches when it comes to academic research on the question of a European identity. They are the "top-down" and "bottom-up" models. The prior is primarily about Europe's common cultural and moral heritage, attempting to find an "objective" and "natural" set of criteria by which to measure Europe. In these models European identity is something that is formed and molded by authority figures and cultural elites. Examples of this model can be seen in Habermas' (1992) paper "Citizenship and national identity: Some reflections of the future of Europe" and Shore's (1993) "Inventing the "people's Europe": Critical approaches to European community "cultural policy" in which the focus is on how official policy can shape and alter identity. The second, "bottom-up"

¹ "Le graphisme des Euros symbolize la naissance de la nouvelle Europe unifée, dépositaire d'un heritage culturel commun ainsi que la vision d'un avenir commun pour la siècle prochain." (pg. 90)

approach is more concerned with how people *feel*. Who feels European, why do some people feel European while others do not and so on. This model emphasizes the power of the general public to influence policy and legislation. This model has gained considerable popularity in recent years as can be seen in Bruter's (2003; 2005) and Wessels (2007) work. The first option is problematic for a number of reasons. Especially so since the concept of Europe is often so politically and emotionally charged as to make an unbiased view almost impossible. This is also not the only thing that has to be considered when trying to gain a clear view of what European identity is.

European identity can be viewed from a number of angles and there are numerous influences, such as media, political communication and symbols (Wintle, 1996). Most scholars searching for European identity have equated support for the European Union as the main unit of measure when researching European identity and have relegated the question of identity to the sidelines. In her article Kritzinger (2005) divides identity into the realm of the affective opinions of citizens and support for the EU into utilitarian opinions. Affective opinions include "trust, legitimacy, values and also identity, emotional attachment and a sense of community" (pg. 52). The two types of opinions influence one another and her work indicates that citizens' impression of whether or not the European Union is helpful in a utilitarian sense impacts the formation of a European identity. If its institutions are expected to be able to respond to its citizens needs and wants by way of policy a positive feeling is more likely to form. This would seem to support the idea that identity is as much an economic as well as a cultural reality. Interestingly, the actual efficiency of the EU seems to be secondary to perceived efficiency when it comes to feelings of "Europeanness" (Kritzinger, 2005).

How to Define a National Identity

Further complicating the issue of how to define European identity is the question of how to define national identity. There are a number of possibilities in this regard. Firstly national identity can be described as loyalty towards a nation-state or it can be described as being part of, and supporting, a certain form of political system. National identity is viewed by some as being necessary for the survival of any democracy (Castano, 2000). According to this school of though citizens will only sacrifice certain liberties if they can identify with the political structure and with other citizens. Regarding the current state of European identity formation there is some disagreement as to where or whether we are on the road to greater

feeling of European identity. Those who consider a common language and culture as necessary preconditions for a common identity would consider a European identity as an impossibility of sorts — and therefore would view a centralized European government as unrepresentative of the European public (Wessels, 2007). Others, more inclined to think of identity as a constantly changing social construction might believe that the integration process, rather than happening despite Europeans wishes, is in fact identity formation in progress. A short, but powerful common history of post-war cooperation and view of the EU as being a progressive step towards better government could be the foundation of a European identity. What remains to be seen is how European identity will evolve.

Just as with national identities, the picture people draw of their own or others nationalities are always skewed (Goddard et al., 1996; Eriksen, 2001; 2002). When European culture is being described, rationality, scientific prowess and democracy are often mentioned (Eurobarometer 63, 72; Moore, 2009). If this is indeed true was Europe during the dark ages when rationality and scientific prowess weren't in great supply some how "un-European"? What about the fascist states of the 20th century? No one would say that Germany under Hitler was not European despite a severe lack of democratic rights. The idea that there is a distinctive, measurable, common European heritage built on the foundation of Greek, Roman and Judeo-Christian philosophy as well as democratic principles and the free market is not completely without merit (Callebaut et al., 2011; Graeber, 2012). But the question of whether or not this idea is realistic is too big for this thesis and so I will focus instead on European identity as being an individual experience, viewing oneself and being viewed by others as European and adapting this identity to new realities.

Identities constantly change and adapt to changed circumstances as depicted very well by Thomas Blom Hansen (2001) in his book on Marathi nationalists, *Wages of Violences*. It would seem that an increase in the EUs institutional power and influence has led to an increase in European identity although this has not resulted in a lessening of national identity. This increase indicates that the EU's use of European symbolism has been at least somewhat effective. The fact that there seems to be a correlation between the length of time a country has been in the EU and positivity towards the EU also supports this notion. Bruter divides European identity into two parts, civic and cultural (Bruter, 2005). These two parts are connected but not entirely the same. Civic identity is concerned with a European citizen's political and legal rights as such, institutions and economic concerns. Cultural identity has more to do with flags, anthems, dress and so forth. The euro could be interpreted as a symbol

of both civic and cultural identity due to its economic and symbolic nature. While there certainly is a connection between support for the EU and a European identity the two are not the same thing. Identities of course do influence political attitudes, but a Chinese national could for example be in support of greater European integration without feeling the least bit European. The way in which the media covers the European union, and it's victories and defeats, can also influence the way citizens perceive the system and the degree to which they identify with it (Bruter, 2005). Media is usually influenced by the desires of its consumers, as with any other commodity but is unique in that news outlets usually claim to report only the truth. Which "truth" is chosen though might depend on what the consumer wishes to be true. Museums and other "heritage" sites, which have in recent decades become more popular and more frequently privately owned display an idealized version of history, in order to avoid controversy since these places need to make money (Goddard et al., 1996).

Euroskepticism

In the first decade of the new millennium euroskepticism has been on the rise (Eichenberg & Dalton, 2007; Wessels, 2007). But what is the relationship between euroskepticism and European identity? Euroskepticism can take a number of different forms, from being critical of policy to being completely opposed to the entire notion of European integration. Euroskepticism could threaten the future of European integration. Opinion research on European integration has often focused on support for (or opposition to) European policy (Bruter, 2003). Opposition to the very concept of a united Europe is not the same as opposition to certain policies or demands for improvement. But why would euroskepticism be on the rise? It might have something to do with the rapid enlargement of the EU, especially when economically weaker countries that had formerly been on the eastern side of the Iron Curtain joined (Turpy, 2008).

The spread of European membership eastward did awaken concerns amongst the Western-European public. A decrease in support for integration following the signing of the Maastricht treaty in 1992, often referred to as the Post-Maastricht blues is an indication of why euroskepticism is on the rise (Eichenberg & Dalton, 2007). In his paper Wessels (2007) argues that self-identification as European can work as a deterrent to euroskepticism. This self-identification depends in large part on the amount of time that the country in question has been exposed to pro-European symbols, institutions and propaganda, that is to say how long they have been an EU member. As I mentioned before Wessels also differentiates between

different degrees of euroskepticism. There are those that he refers to as "skeptical Europeans" who identify as European but are critical of EU policy and want political change and then there are "adamant skeptics" who do not identify as European and are opposed to integration, in some instances wishing for a reversal of any and all integration that has thus far happened. Euroskeptics in general are politically less informed, less involved and less educated than average citizens (Wessels, 2007; Eurobarometer 63, 72). Although they are a sizable portion of the population (the exact percentage can differ widely between countries) for the time being they lack the political clout and resources to pose a serious challenge to integration.

The question of Turkey's potential membership is an interesting example of the relationship between European identity and Euroskepticism. Many of those opposed to Turkey becoming part of the EU consider Turkey and the rest of Europe "culturally incompatible". The main factor here is usually that despite being a secular country with freedom of religion it is a predominantly Muslim country. Islamophobia has become more commonplace in Europe since the turn of the century, in large part due to the increase in immigration from Islamic countries which began during the latter half of the 20th century and also because of the September 11th terrorist attack on the United States of America. This is interesting because by most ordinary standards Turkey has most often been considered a part of Europe, both geographically and culturally (Aktürk, 2007). This allocation didn't seem to cause much debate until the possibility of a political union (and uninhibited immigration and import) became clear. Turkey is too close to being part of the Islamic Middle-East in some peoples opinion, the *other* that many Europeans distinguish themselves from. This is not to mention Turkey's opinion on becoming part of the EU, which has become increasingly negative (Aktürk, 2007).

Anthropologists have increasingly turned their gaze towards supranational organizations such as the EU, rather than focusing on smaller units of research as was common in the early days of the subject. The study of nationalism and nation building is no longer left only to political-scientists. Othering, symbolic expression, classification and rewriting history are all important parts of nation-building and of great interest to anthropologists (Eriksen, 2002).

Money and the Nation-state

Money serves not only as an economic practicality but also as a symbol of unity and political power. But if national identity continues to dominate a Pan-European identity why would countries be willing to adopt a common currency and thereby sacrifice a symbol of

national sovereignty? This question in fact leads to a larger "chicken or egg" type question about the relationship between currency and identity. Does the euro exist because of a European identity or is the euro a precursor for European identity? I propose that the relationship is a reciprocal one. Currency is a political tool that can be used to help construct identities, but without at least some semblance of collective identity beforehand the currency will almost certainly be doomed to failure. That is not to say that the identity has to be a national identity per se. Through history governments have not always monopolized minting and other basic goods such as crops or furs have often competed with money as a medium of exchange (Helleiner 2003; Graeber, 2012).

The idea of money as a symbol of locality as we know it today can be traced back to the 18th century when governments started using national currencies, bound to certain territories, to promote a sense of national and communal belonging. Although minting coins with pictures of monarchs on them is a tradition that stretches back to antiquity, the romantic and decorative imagery of national leaders, heroes and exploits that we have become used to seeing today also has its roots in the same era. This was no coincidence and was part of the state endorsed historiography (Helleiner, 2003; Kaelberer 2004).

The linking of money to specific territories has declined in recent times, with more currency trading and strong currencies such as the dollar and euro being accepted in various other parts of the world (European Commission, No Date). The euro seems to be only one example of a shift in the global monetary system. It is easy to think of a currency as being a national phenomenon. That is because for most of modern European history (from the beginning of the eighteenth century), national governments had complete control over their monetary affairs. But if you look at money on a worldwide historical scale it soon becomes apparent that there is no reason national currency is the most natural form of money. The US dollar, for example, has the interesting status of being the most widely held reserve currency in the world, despite the USA's staggering debts. This is because, as I have mentioned before, money is all about trust. When people trust that a country's economy, political institutions and military forces will remain strong that country's currency becomes more valuable. This also applies to international currency markets. Loss of faith in a country's stability or power leads to a lower exchange rate for that country's currency.

Truly the European example has more to do with the political efficiency and power of European nation states in the last three centuries than the causal attributes of money. But even in a time of mercantilism and a great belief in self-sufficiency, completely self-contained

national markets never existed. Also, although we often accept the idea of money as a national symbol, money is not always a useful way of creating a collective identity. Money does not differentiate between groups, for one (Hart, 1986; 2007). And although the strong and stable deutschemark was considered a powerful piece of German post-war national identity, other more volatile and weak currencies such as the Italian lira and the Greek drachma were not considered positive national symbols (Kaelberer, 2004). After all, who would want to associate their national character with weakness? Another issue with the idea that nations and currency are inevitably intertwined is that money itself is a way of getting around local relationships. Two people don't have to know each other, or ever even meet, to be able to conduct business and benefit from the fruits of each others labors due to money. There is therefore no real reason money should be tied to a specific territory (Kaelberer, 2004).

Short summary of financial crisis and role of Euro

The financial crisis of 2008, which I will hereafter refer to as the Global Financial Crisis (GFC) is considered by experts to be the worst financial crisis since the Great Depression and was one of the biggest obstacles the EU and the euro have faced since their conception. A crash in stock prices, unemployment and government bailouts caused widespread discontent and disillusionment with some directly blaming the single currency for its supposed role in the recession (Lapavitsas, 2012). In 2006 the United States "housing bubble" burst and securities tied to real estate prices fell drastically in value. This coupled with a series of poorly thought out policies and regulations that assumed real estate prices would continue to rise and shady trading practices resulted in a credit crunch (Lapavitsas, 2012). A chain reaction of loss of faith and a decline in international trade ensued.

Although the GFC was felt worldwide it manifested itself more specifically in Europe as the Eurozone crisis that continues to afflict the Eurozone. When the GFC reached European shores it caused a sovereign debt crisis amongst some countries. Economic wellbeing was unevenly distributed throughout the Eurozone and some countries needed aid from richer partners to refinance their government debt. This was one of the first signs of trouble for the EU. The Maastricht Treaty had bound member states to limit their spending and debt, but by the time of the Eurozone crisis some states had obviously ignored these commitments, using dubious practices and accounting to avoid raising eyebrows. Although the exact cause of crisis varied country to country, the structure of the Eurozone had a part in the deepening the crisis (Owen, 2012).

European opinion of Germany and Greece/German and Greek opinion of Europe prior to financial crisis

Background

One of the most perseverant and well known European stereotypes, is that of the frigid, rational northerner and the passionate, irresponsible southerner (Abélès et al., 1993). Examples of theses prejudices are endless and while such wide generalizations seem absolutely ridiculous when spoken of in a scholarly setting that is not to say they are not important. These ideas thrive because so many people believe them on some level, maybe even subconsciously. Despite not being grounded in fact the ideas can still have a very real influence on peoples attitudes. Many German stereotypes can be traced to the Franco-Prussian war of 1870. Before this time the German states such as Prussia and Austro-Hungary had been considered artistic nexuses and Germans in general were considered intellectual, philosophical and sensitive, bordering on effeminate. After the war this changed. France at this time had a long and distinguished military history and when Napoleon III declared war on the German states most French generals expected to win. The Prussian forces were more disciplined and made better use of modern technology, managing to capture Napoleon III and his entire army, gaining large swathes of territory from France such as Alsace and Lorraine and uniting Germany (Clark, 2008). This astonishing victory changed the balance of power in Europe and turned Germany into a united, industrialized empire in its own right. This new, powerful and dangerous Germany was not on par with the old view of Germans as sensitive poets and thinkers and they now became "superhuman in efficiency and subhuman in indelicacy of feeling" (Firchlow 1986: 41). Some French historians even went so far as to write the Germans out of French national history altogether.

European national identities can often be seen as binary oppositions of feminine and masculine and by this time Germany had become, in the eyes of other countries, decidedly masculine. Everything about Germany was interpreted as supporting this stereotype, from its role in the World Wars to its strong economy and role in the EU. And as I said before, even if the prejudices here can tell us more about their relationship with others than it can tell us about the Germans themselves these ideas do matter and continue to influence judgment at all levels of society to this day. One famous example of this would be the notorious "Ridley Affair" (Burdman, 1990). In July 1990 Nicholas Ridley, a British cabinet minister was quoted in a magazine interview, characterizing German economic power within the EU as being "all

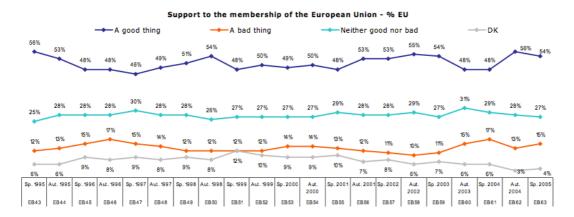
a German racket designed to take over the whole of Europe" (Burdman, 1990: pg. 39). When asked how monetary cooperation could be viewed as an aggressive move to take over Europe he responded "The deutschemark is always going to be the strongest currency, because of their *habits*" (Burdman, 1990: pg. 39). He went on to liken Helmut Kohl, then Chancellor of Germany to Adolf Hitler and described the German nation as "uppity". This was not the end of the fiasco however for shortly afterwards a confidential summary of discussions between politicians and academics about the "accuracy" of German stereotypes was leaked and showed a shocking belief in the veritability of these stereotypes. Aggressiveness, an inferiority complex, sentimentality and a capacity for excess were amongst the negative attributes awarded to them (Macdonald, 1993).

Greek stereotypes abound as a sort of decayed remnant of a once great culture. Much of modern European culture is attributed to the ancient Greeks. Their mythology, philosophy, mathematical discoveries and countless other innovations have served as an inspiration for countless generations of Europeans, and ancient Greek figures such as Socrates, Aristotle and Alexander the Great have become legends in their own right. The ancient Greeks have been put on such a high pedestal in the public imagination that it would be almost impossible for any country to live up to its standard. This, coupled with modern Greece's rocky history and economic hardships, have helped cement the stereotype of Greeks as irresponsible, corrupt and less advanced than other member states in Northern and Western Europe (Tzogopoulos, 2013).

Eurobarometer Results

In the 63rd edition of the Eurobarometer (performed in May and June of 2005 and published in September the same year) questionnaires and polls were used to gauge amongst, other things, support for membership, perceived advantages, trust in the EU and citizens image of the EU. The results at this time were considered "positive" by those who published the Eurobarometer, with a small majority (54%) of those questioned being of the opinion that membership was good for their country. There was a noticeable difference between member states however. Those countries that had been members longer and those that were parts of

the euro zone were considerably more positive towards the EU. New member states were either less enthusiastic or neutral².

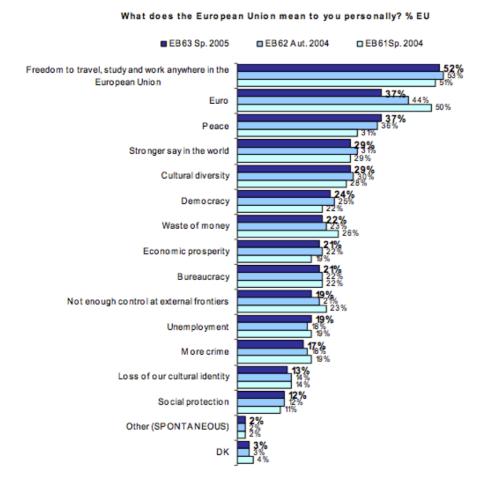


Graph: TNS Opinion and Social, 2005.

When asked what the Union meant to them, most responded "freedom of movement". This was not unusual since freedom of movement had been considered one of the main things citizens thought of when they thought of the EU for a number of years. 37% said the euro. While 37% is certainly a large portion it was a considerable downswing from preceding years. In seventh place with 22% came "waste of money", which was the first negative attribute mentioned. This is interesting given the overall positive image of the euro at this time. This was likely because respondents felt that bureaucracy and inefficiency were plaguing the Union rather than because they felt a single currency would be economically imprudent.

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² All graphs and pictures shown are from the Eurobarometer studies the chapters refer to.

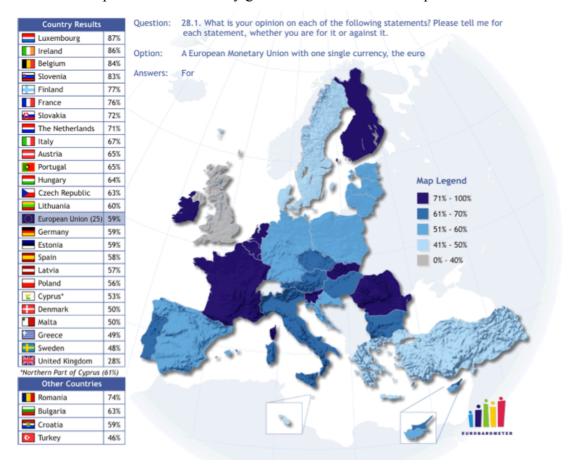


Graph: TNS Opinion and Social, 2005.

70% of Greeks felt safer as part of the Union, which was far above the European average of 51%. 60% said they felt that Greece was more politically stable (again, far above the average of 42%)but when asked whether they felt attached to Europe only 44% of Greeks responded in the positive as opposed to 66% of Germans. Although support for the Euro was substantial at this time it seems that support was most noticeable amongst a very specific demographic; young, educated men, who considered themselves "left-wing". Those countries most in support of the common currency were Belgium and Luxembourg whereas the three old Member states that were not part of the euro zone were the most opposed. 64% of those interviewed in the United Kingdom were against the idea.

When asked whether they felt attached to the their countries 97% of Greeks and 87% of Germans answered in the positive (the European average was 91%). When asked whether they felt attached to Europe however, only 44% of Greeks answered positively as opposed to 66% of Germans (the average was 66%). Some criticized the wording of the question as implying that a national attachment superseded a European one but it is clear nonetheless that

Greek citizens were less personally attached to Europe, placing more emphasis on the economic and political benefits they gained from EU membership.



Graph: TNS Opinion and Social, 2005.

Analysis

This poll was taken in 2005, only 4 years after Greece joined the Eurozone. The results indicate that Greek opinion of their membership in the Union and indeed of the Union itself was mostly positive. Their motives seem to have been driven by a sense of civic identity rather than cultural identity however. They viewed membership as being beneficial but did not feel personally attached to Europe. German opinion was slightly more positive and there seemed to be a stronger sense of cultural identity when compared to Greece. This makes sense given that Germany is one the "core" EU members and had been subjected to pro-European propaganda and imagery for a longer period of time. Another factor in Germany's predominantly positive view of the EU could be the importance placed on *peace*. The memory of the Second World War, which led directly to the Steel and Coal Alliance, is still kept alive and well in modern Germany. If you compare Germany to the UK, which never had to deal

with the aftermath of a crushing defeat in the same way Germany did, you can see how the EU is mainly an economic consideration to British authorities rather than a cultural and diplomatic one.

European opinion of Germany and Greece/German and Greek opinion of Europe after financial crisis

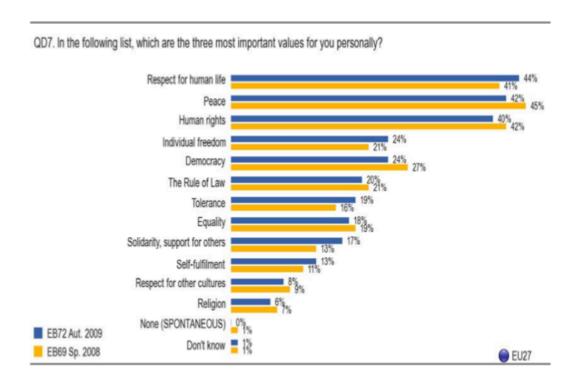
Background

A few years later the EU was facing the greatest economic challenge it ever had, the Eurozone crisis. Whereas peoples outlook had been predominantly positive prior to the crash, increased disparity in wealth and living standards between North-Western European countries and Southern and Eastern European countries led to more critical appraisals of the Union. The dominant attitude now was that the worst was yet to come and that governments, both national and supra-national, were ill equipped to deal with it.

Eurobarometer Results

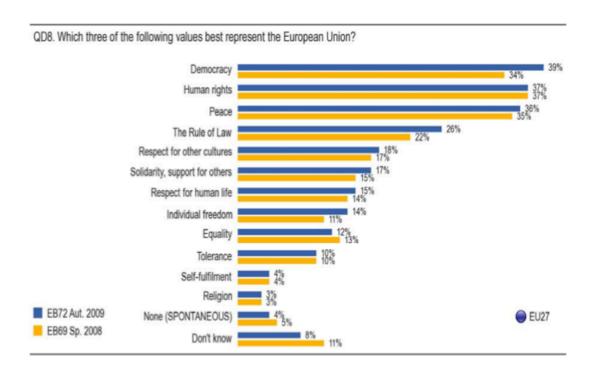
The 72nd edition of the Eurobarometer was conducted in 2009, by which time the GFC had peaked (the report stated that the European economy was finally starting to show signs of growth again) and economic insecurity had become a very real concern, dominating the media and social commentary. The crisis had by this time become one of the main factors influencing people's view of the EU. Supporters of the EU and the euro continued to be educated citizens from wealthier member states, perhaps unsurprisingly given that they were the least affected by the crisis, the real victims being the unskilled and unemployed. Greeks were the most likely to mention the economic crisis as being the top national concern (60%) whereas German respondents were starting to show signs of increased optimism. Whereas some experts said that without the euro the economic crisis would have had an even more devastating effect, there was a tangible sense of disillusionment amongst many Europeans, whose pre-crisis optimism was now a bitter memory. 45% of those polled said they felt that their country would have been better off if they had kept their former currency (47% disagreed with this statement). 49% of Greeks still believed that they would have been worse off with the Drachma and most believed the euro had helped mitigate the effects of the crisis. The majority of Germans on the other hand, did not believe that the euro had helped mitigate

the effects of the crisis.



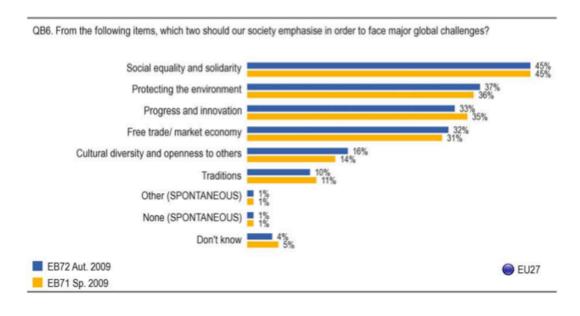
TNS Opinion and Social, 2009.

The financial crisis, while bringing certain concerns or issues to the forefront, did not seem to change the basic image most Europeans have of Europe. A sizable majority still supports the market economy and when asked what the three most important personal values were the response was "respect for human life" (44%), "peace" (42% on average, 60% in Germany), and human rights (40%). These results have been fairly constant over time and throughout the financial crisis. This would indicate that while most Europeans consider the GFC a very important event it hasn't changed the fabric of European society or culture. The fact that the results of these questions don't show any strong national differences is also interesting in that it indicates a common set of European values, if not a common European identity. These values are also usually consistent with the values Europeans feel embody the EU, although "democracy" replaces "respect for human life". This is likely because respect for human life is seen as individual behavior though and not something that can be easily applied to a political entity.



TNS Opinion and Social, 2009.

These values also remained almost unchanged throughout the GFC. Both Germany and Greece both put "peace" first with 54% and 53% respectively. Greece also emphasized "social equality" (59%) which also measured highly in Germany (48%). Despite some small differences, the results in fact indicate that Germany and Greece have a very compatible set of values and opinion of the EU.



TNS Opinion and Social, 2009.

The question of whether or not respondents felt attached to their country and Europe had been removed from the list of questions and was no longer in the Eurobarometer results. This is disappointing because it could have been interesting to see whether citizens felt more attached to Europe or not than they did in the last survey. Their were other questions posed however, which seemed to indicate that personal attachment had indeed grown somewhat. As I said before, support for the EU is not necessarily the same as European identity. But if we accept Kritzingers (2005) theory that there is a reciprocal relationship between civic and cultural identity we can surmise that an increase in support for the Unions institutions, in addition to the longer period of time these countries have been subjected to European propaganda, means that European identity has become stronger.

Analysis

The European media has not been gentle with Greece since the Eurozone crisis started (Tzogopoulos, 2013) and Greece's image has declined amongst many other member-states (Pew Research Center, 2012; Nixon, 2013) whereas Germany's reputation as a leader of the Union has strengthened. This has not seemed to darken Greek's view of the EU and Greek opinion continues to be predominantly positive. In general, hardline euroskeptics' predictions that the crisis would mark the end of the European experiment have proven to be without merit. Although there has been a noticeable increase in demands for greater fiscal regulation and control, faith in the market economy has not been much upset and globalization has not garnered increased criticism – quite the opposite in fact. More Europeans feel that the EU should play a role in regulating the financial sector and securing a "social market economy". This, along with an increase in the importance placed on "solidarity" according to the polls would indicate that most Europeans are more positive about further European integration now than they were ten years ago. Support for the euro however is a different story. Skepticism about the euro increased following the crisis and its reputation is still recuperating, although recent developments indicate growing trust in the common currency.

Summary

In the introduction to this thesis I asked whether the euro had changed Europeans' sense of identity as such and if so how. Judging by the poll results, reactions to the recent financial crisis, the political situation and conclusions of anthropological research it seems that the euro has indeed strengthened European identity as its creators intended. We can see increased support for the euro and the political institutions of the European Union (civic identity) as

well as an increase in people who self-identify as European (cultural identity). This is true of both Germany and Greece, countries who have quite different reputations, histories and statuses in the EU. Surely the euro is not the only symbol causing this increased European identity but the crisis has hammered home the important role it plays. European citizens experience a strong currency as indicative of a strong government and are more likely to identify with an institution they experience as strong. The more positive they become towards the EU, the more positive they become towards other parts of the European project, such as culture and diplomacy.

Anthropology has come a long way from the early days of Boas and Morgan and continues to make a valuable contribution to the understanding of social and cultural phenomena. In some ways the popular image of anthropology is still influenced by the old stereotype of white explorers researching distant and exotic groups of people. Anthropology's potential contribution to understanding larger and more "mainstream" subjects is vast however. Anthropology has a wealth of findings and research on the subjects of identity formation, cultural systems and symbolism. It has also undergone transformations and self-examinations that have strengthened the subject. One idea that has especially occupied me during the writing of this thesis is the idea of the ethnographic present. This style of writing, which was considered correct in the early days of anthropology came under considerable criticism during the second half of the twentieth century for a number of reasons (Clifford & Marcus, 1986) but most importantly for "trapping" the people who were being studied in a certain time period. People are continuously changing and adapting to new circumstances. The reason this particular concept grabbed my attention is because of the difficulty I have had finding a consistent definition of Europe that most scholars can agree to. I propose that the difficulty lies mainly in the fact that Europe is a constantly and quickly changing thing. It's difficult to classify something that is still and always will be in the process of creating its own selfidentity.

But despite the scholastic ambiguity of the term Europe, enough people identify strongly enough with it that the European Union has become one of the great political powers of the world. But it was not always so and the Unions future is not set in stone. The EU has often been accused of not engaging the European public at an emotional level. Many experience the EU as stuffy, bureaucratic and out of touch. Neglecting the emotional factor of identity would be a potentially lethal mistake. Numerous studies have shown the importance of emotion in people's decision-making process. We as humans may have the gift of logical

though but it's a gift that is often left unused (Moore, 2009). Attempts to construct a pan-European identity are nothing new. The European Champions League, Eurovision, the Erasmus foundation the list goes on and on. The euro is unique however in its level of commitment and trust. Nothing intertwines the interests of Europeans as powerfully as money, and money due to its very nature, is all about trust. It's a social contract of sorts. I accept payment in cash because I assume someone else would do the same and that I can therefore use that cash to buy things I need. If I don't trust the money or the authority that issued that money I will not accept it. This is the same everywhere, no matter the form of currency used, whether it be shells or gold. Money, as Keith Hart (2000) said, is always an idea and an object, virtual and real.

Money in itself is not enough to create a common identity. Some form of trust, of self-identification must already be present for money to be of any value. Money can however aid in the construction of a common identity, but its most powerful features are not its moniker or the images decorating it. It is precisely the fact that money is based on a common belief that gives it its real influence. Although money has been used to solidify national identities in the past, there has never been a country whose sole reason for being was a common currency. The very existence of the euro and continued support for its existence therefore seems to me to indicate that a European identity, while still relatively new, does exist and is powerful enough to support the further existence of the euro. The fact that this identity undergoes constant reimagination and therefore defies easy definition does not mean it doesn't exist.

A poorly managed or dysfunctional Euro might damage European identity. As I covered earlier, civic identity depends in large part on an identities perceived benefits. But it would be a mistake to assume, as many Euroskeptics did during the early days of the GFC, that European identity is so flimsy as to crumble at the first sign of trouble. An institution such as the European Union does not come into being without an incredible amount of work and willpower. The relationship between the Euro and European identity is a reciprocal one, where they both influence each other.

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