

## **BLAHÓ, András: CENTRE-PERIPHERY TENSIONS REGARDING CENTRAL AND EASTERN EUROPE<sup>1</sup>**

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### **1. Introduction**

Security issues have played an important role in widening the European Union with eight Central and Eastern European economies. The time since have proved these concerns to be correct. The present North-South tension within the Euro-zone highlights even more the West-East tensions inherent in the international relations since the Eastern enlargement. Various divisions – political and economic alike – have already been felt throughout the whole period of 2004-2012<sup>2</sup> (Balázs, J.1985, 1993, 1995, 1996). The worldwide economic crisis of 2008, however, has revealed even more the hidden tensions in these relations. The political events after the 2010 election in Hungary, those in Romania in 2012, the continuous anti-EU declarations of the Czech president present ample evidence to the fact: the enlargement has been based more on political wishes and will than on firm economic reasoning. The outcome is constant struggle between the parties to keep face and save the state of the European Union. Ongoing political and economic struggles around Greece, Portugal and Spain are other forms of fundamental problems within the European Union. It is worthwhile, hence to study the almost forgotten centre – periphery relations in this respect.

It goes without saying that proper understanding of the very causes and underlying forces of strained centre-periphery relations might contribute to a proper political response to the challenges involved. Notwithstanding, the world economic crisis has caused immense damage for Europe as a whole and for the individual member countries, as well. These harsh effects, however, have shed lights on the improper preparation of the European Community, the overemphasis put on the security and political aspects in the 1970s, 1980s and the neglect of other forms of capital, explained below. Four years in the crisis is a long time. Long enough to generalise the experiences, to draw the conclusions on which a more prosperous system of relations could be established between West and East.

The metaphor of centre and periphery can and has been used for describing mutual – perhaps unequal – relationships between two different entities. True, its contemporaneous form was given by economists specialised in development inequalities (Amin, 1973, Wallerstein, 1974).

The concept has registered a particular success at the global level, as an equivalent of the “developed world / underdeveloped world” or “North / South”, “European centre/ Eastern periphery” pairs. This concept has thus been mostly used in the context of third-worldist thinking. This is an excessively restrictive use of a much more efficient notion. To think

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<sup>1</sup> The present paper is a modified and enlarged version of the author’s study „*Centre-periphery relations between Western and Eastern Europe*” , prepared for the closing conference „*Centre-periphery relations in a global world*”, organised by Sorbonne III., Paris, December 12-13 1012.

<sup>2</sup> Judith Balázs has called for proper attention of economy as a security elements in her early publications. See especially Balázs, J (1985, 1993, 1995, 1996)

in terms of centre(s) and periphery(ies) allows reflecting on **interactions** between places in the World : links of reciprocal dependency where inequalities are the rule, but which are not working one-way. Symmetrical and asymmetrical interactions are part and parcel of world economic relations (Szentés, 2002), among them of those between Western and Eastern member states of the European Union. In this paper we confine ourselves to the relations within the European Union, between old and new member countries, neglecting the already mentioned frictions between the Northern and Southern member states.

As Szentés has argued (Szentés, 2002) relationships between two types of parts of the world economy, thus flows and these relationships are asymmetrical. The centre is central precisely because it benefits from this inequality and, in turn, the periphery(ies) is(are) characterised by a deficit which maintains its(their) dominated position. The hereby described system is auto-regulated : the centre reproduces conditions for its centrality and the periphery does the reverse. However, precisely because it is based on logic of (unequal) exchange, the system is dynamic. Whereas some peripheries may become “dead ends” (they are then said « abandoned »), others may benefit from their situation (advantage on the long-run because of a greater size, of a location in contact with the outside of the spatial system); this can generate either polarity reversals in a logic that remains globally identical or the system changes.

The centre/periphery model has thus a robust heuristic potential, provided it is not overused. Its use should be reserved to formalisation of any system based on inequality relationships. However, abstract references of the reflections below to the ‘centre’ and the ‘periphery’ defined for example – using the language of Pierre Bourdieu (Bourdieu 1986, Bourdieu 1998) – in conventional ‘fields’ of social interaction, seem also to be possible. Traditional ‘centre-periphery’ models usually focused on one of the selected dimensions of spatial relationships: economic, political or cultural. Classical economic theories include for example ‘the world system’ theory by Emanuel Wallerstein (e.g. Wallerstein 1974), which divided the world into four basic categories: core, semi-peripheries, peripheries and external areas not included in the world system. In his theory, Wallerstein emphasised the economic dominance of the core over the peripheries as well as the weakness, non-stability and dependence of the latter on the core centres. Another area of the studies on the centre-periphery relations which is important from a theoretical point of view includes research concerning the emergence of modern nation-states and development of their political systems. Stein Rokkan is a classic researcher in this field, known for many theoretical papers on centre-periphery cleavages perceived in terms of political and cultural dimensions (e.g. Lipset, Rokkan 1967). The centre here is understood as the centre of political dominance which uses the state machinery to subordinate the entire territory of the country (region) to itself. Provinces/regions resisting these activities are the peripheries proper. In his studies, Rokkan also emphasized the important cultural dimension of the centre-periphery tensions. A modern nation-state makes an attempt to subordinate the sphere of culture to itself. In particular, it standardises the national language, and has ambitions to control the media. These aspirations are resisted by peripheral regions disagreeing to give up their cultural and religious distinctiveness. Significantly enough, the culture and religion spheres are largely of an instrumental character for the modern state, however, they are usually the key social resources for peripheral regions. (See Rokkan, 1970.) Another field of research concerning cultural relationships includes studies on the rebirth of regionalisms in postmodern nation-states. They highlight the significant role played by the cultural identity of periphery inhabitants and their occasional strong perception of the centre’s

cultural dominance (Keating, 1988.) The intention of the model presented here is to demonstrate the combination of the very relationship between the centre-periphery relations and theoretical concepts drawn from other areas of social sciences.

This paper aims at answering one question: what are the main motivating forces behind the centre-periphery relations between the Union and Central and Eastern Europe in a theoretical framework. In our approach the European Union, as the most important political and economic institution of the 27 countries in Europe will be seen as the “whole”, consisting of the centre – the 15 “old” member states -, and the periphery, 10 countries so far<sup>3</sup>. The theoretical underpinning is not quite transparent, indeed. The European Union, though has all three branches of power, cannot be identified as a “state” in itself. The European Parliament is restricted (limited) in its legislative power: the main decisions come from the European Council. Hence, the decision making power of the European Union is not democratic (this is the so called “non-democratic deficit” principle). The historical development of the Union, however, developed certain types of relations between the centre – the institutions of the Union – and the periphery. Especially important in this respect are the “common policies”, where national decision-making is not possible<sup>4</sup>. Hence in these fields of intra-European Union relations the decisive role is assured for the central institutions of the Union. The uniqueness of these relations lies in the fact that the peripheral states themselves are part and parcel of the “centre” decision. That is to say, the centre-periphery relations have two distinct dimensions: first, centre-to-periphery relations in the common policies, and second, a “joint” centre-periphery/periphery-centre type of relations. In the latter the so called “divided decision-making powers” play important role.<sup>5</sup> Needless to say, due to this multi-faceted nature of mutual relations between the centre and periphery in the European Union a multidisciplinary approach is only capable to shed lights on the fundamental, though not always equal inter-relationships.

## **2. VARIOUS FORMS OF CAPITAL IN CENTRE-PERIPHERY RELATIONS IN THE EUROPEAN UNION**

Pierre Bourdieu’s theory, and in particular his concept of the three basic forms of capital, may seem to be the common ground of various research fields concerning the centre-periphery relations discussed in the paper. Next to the classical economic capital, he also distinguished social capital and cultural capital (Bourdieu 1986). He defined the social capital as: the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalised relationships of mutual acquaintance and recognition or in other words, to membership in a group which provides each of its members with the backing of the collectively-owned capital, a credential

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<sup>3</sup> Cyprus and Malta are not considered here as part of the Eastern periphery.

<sup>4</sup> The European Union enjoys exclusive decision-making power in the following fields: customs union, competition rules needed for the internal market, monetary policy for the euro-zone countries, common fishery policies, common trade policy. This exclusiveness regards the signing of international agreements, as well when this is prescribed by European common law, when this is needed for harmonious functioning of the Union, and finally, when this concerns common internal rules or their possible changes.

<sup>5</sup> These joint - European Union and national states – powers are as follows: internal market, issues of social policy delegated by the Treaty on the European Union, economic, social and regional cohesion, agriculture and fishery, environmental issues, defence of the customer, transportation, trans-European networks, energy issues, space based on freedom, security and law, common security risks in the field of public health. See especially the paper of Erzsébet KAPONYI in this respect.

which entitles them to credit, in the various senses of the word. Needless to say, how well this concept fits to the European Union, as a centre. The Union provides the member-states a “credential” – this is exactly the fact of membership – based on which various hopefully mutually advantageous relations are possible. Cultural capital comprises three main subtypes: ‘*institutionalised*’ cultural capital in the form of formal education; ‘*embodied*’ cultural capital in the form of internalised cultural norms, including aesthetic competencies, manners, knowledge of high culture forms, etc, and ‘*objectified*’ cultural capital in the form of objects having cultural value. The three types of capital distinguished by Bourdieu are also the dimensions in which social status and hierarchy of two distinct regions – Western and Central and Eastern Europe - can be described. They seem to correspond to the dimensions of hierarchies between central and peripheral areas. Iván Szelényi has utilised the concept of the three forms of capital to describe the divergences between individual societies and their evolution. Especially in his well-known book entitled *Making Capitalism Without Capitalists*, (Eyal, Szelényi, Townsley 1998), Szelényi drew attention to the fact that individual societies may be described from the perspective of hierarchies of various types of capital. Along with the evolution of societies, the relative importance of these capitals as determinants of social status within the society will also tend to evolve. These forms of capital can be changed into each other. Consequently, in certain periods and in certain social systems, the possession of specific forms of capital (e.g. economic, cultural or social) may result in special advantages, while in other societies and other periods, the same forms of capital will have a marginal value, and persons treating them as the main resource will not be able to acquire any significant social position. Using these forms of capital we can describe the divergences between individual central member-states and those of the periphery of the Union and their evolution.

Using Bourdieu’s and Szelényi’s works centrally planned countries could be described as fields with a dominant role of political capital which in Bourdieu’s theory is defined as a sub-form of social capital. However, collapse of the socialist systems may be described as replacing the political capital by economic capital. The role of the latter became particularly important after liberal economic reforms had been implemented in the countries of Central and Eastern Europe. Whether economic capital became the dominant capital in the societies of the region is still a controversial issue. As it seems, it definitely remains subordinated to the political capital in Russia and in several of the countries in the region. It is a fact, that due to the two-decade long transition, important changes have been implemented in the relations between political and economic capital *within* these economies. Large, substantial capital transfers between the Union (centre) and the Central and Eastern European member states notwithstanding, the dominant form of capital in this relation seems still to be the political capital. Eyal, Szelényi and Townsley (1998) emphasise a particularly privileged role of cultural capital in the countries of Central Europe, especially in Poland and Hungary. They believe that, for example, the conversion of political capital into economic capital (commonly known as ‘seizing the property rights to formerly state-owned assets by the nomenclature’) never occurred there in a pure form. Cultural capital was the catalyst of the process and only owners of this capital managed to effectively exchange their privileged social positions defined by the ownership of political capital in the communist era for significant economic resources after 1989. Cultural capital in this sense was the motivating power behind the new elite (Szalai 2007) in its strive for larger international role. The new political elites are the result of the combination of system-changing intelligentsia and the liberal, economic technocracy from the old system. (Szalai, 2011.) In order to establish the “real owners”, both groups

supported dynamic capital export from the centre, mostly from the European countries. By the mid 2000s, however, this group has firmly established its place and opposed the income-redistribution by the state in favour of foreign, mostly European capital. In short, owners of this cultural capital managed to improve their privileged social positions: they had started to grasp political capital, as well. In parallel to this change, the new elite started to oppose foreign direct investment in their economies, including large flows from the European Union. The real question is, however, will the new capital class be able to enliven local economies, or not. The results so far in this respect are not convincing, at all. The economic development in the region has not changed the semi-peripheral status of these countries: the foreign and domestic capital dominated sectors are separated, and even the domestic sectors are not vertically integrated into the national economy. Due to these multiple separations the various sectors of the economy cannot support each other.

In the most developed Western societies (that is, in the core areas of the world system), the relations between economic and political capitals are rather ambiguous. The relation between the sphere of politics and the sphere of money is still disputed. Bourdieu claimed that the field of power was a dominant field in all societies since it could verify the principles of operation of all other fields. However, there are also opinions that the abovementioned statement by Bourdieu is no longer valid in the globalisation era since the phenomenon of globalisation may in particular be regarded as a revolutionary process whereby the importance of economic capital is increasing and the importance of political capital is decreasing, a symptom of which includes the dwindling strength of modern states versus multinational corporations. Interestingly enough, the Central and Eastern European states seem to move against this general trend, at least for now. Disillusioned by the meagre results of the two-decade long transition, several countries opted for an enhanced role for political capital, including in some economies (like Hungary) new etatism (partial renationalisation). Political capital is used in these cases clearly to change the rules according to which the economic field operates.

### **3. COMPENSATION AMONG VARIOUS FORMS OF CAPITAL**

In view of these considerations we can say that economic capital in the theoretical model outlined here, especially in the globalisation era, may be defined as the dominating capital and also as the key resource of the world's core regions. The contemporary centres are areas of a strong concentration of economic capital, and their social stratification system is characterised by the dominance of economic capital over other forms of capital as determinants of social status. In other words, the logic of economic capital may be described as the dimension of dominance, in particular the dominance of central areas over peripheries in geographical terms. At the same time, it could be argued that the peripheries very often use the strategy of compensation for their weaknesses to offset their dependence on the centre, in the economic dimension taking the form of advantages given to other forms of capital. In particular, one may discuss the reference to cultural and social capitals, mentioned earlier. For example, in the case of Poland cultural capital constitutes its key resource supposed to compensate for the peripheral status of the country and its deficit of economic capital in relation to the centre. On the other hand, contemporary Russia seems to be a country where political capital still remains the key capital compensating for the peripheral status and dependence on the central countries. Hungary, where economic capital has played an important role up until the 2008 world economic crisis, political capital started to "regain" fields of influence, regarding both

domestic and foreign owned parts of the economy. State power is enhanced in the interest of appropriate status and influence in the Union and in the world for the country.

Here, one may draw attention to one important aspect of the compensatory privileges of individual forms of capital. Privileged capitals will play a key role in external relationships of the peripheries both with central areas and areas located lower in the global hierarchy. In particular, one may indicate cases where the subsequent forms and sub-forms of capital are used by the subsequent levels of peripheries in order to compensate for their weaknesses against stronger partners and domination over weaker, subordinated regions. Russia and earlier the Soviet Union may serve as an example, which, as it has been mentioned above, may be described as a peripheral region in relation to the West, compensating for its weakness by an extremely strong privilege assured for the political capital position. Hungary is a particularly good example in this respect since it attempted to build its partial independence in the socialist period, mainly in the substantially changed economic dimension. The trust in the power of the Hungarian economic power, its status as a modified centrally planned economy, may be analyzed here as an ideology of compensation for the dominance of political capital by means of economic capital.

In this context, it is worth emphasising that classical compensatory capital, that is cultural and social capital, are characterised by a lower degree of liquidity in comparison to economic capital, as well as by limited possibilities of conversion and a longer accumulation period. Economic capital, in turn, is by definition characterised by a maximum degree of liquidity and an immediate potential for exchange. At the same time, according to many economists observing the way the world economic system operates, peripheral areas are characterised not only by lesser resources of economic capital but also by a significant level of instability. Perhaps even the stability of economic systems would be a better measurement of the position of the centre and the periphery in the hierarchy than the mere degree of economic affluence. This observation is extremely important seeing the drastic changes in the euro-zone of the European Union, where members of the centre – such as Ireland, Greece, Portugal and Spain – could not preserve the much needed economic stability due to the world economic crisis of 2008. This way or another, fluctuations of the world economic system cycles include instability of economic capital resources in the peripheries, followed by instability of the economic elites in these parts of the world. Therefore, a way to ensure the stabilisation of the social position in such a structure is reference to capitals which are significantly less exposed to crises and sudden devaluation: in particular to social capital and cultural capital. Elites in peripheral countries (regions), building their status on these forms of capital, can ensure its stability in a much better way, since they are exposed to a lesser degree to economic cycles. This kind of development is visible during and after the financial crisis in Central and Eastern Europe. Relations between the new member-states and the Union have been strained by the unfolding crisis coming from the euro-zone. Not only face these countries additional hardships – such as downgrading by international credit rating institutions – because of the deep crisis in the centre but their domestic political capital has been affected, as well. The political elite fears further weakening of the economic capital gained in the last decade and voices unwarranted state support for foreign economic entities. At the same time, it can be said that the hard economic realities in the West have helped the amalgamation of local elites, especially in the sense of political capital. The criticism concerning crisis solution attempts in various central countries of the Union is

only one side of the coin. On the other side one must see the strengthening call for “national solutions” as if they were some panacea for globally initiated problems.

#### **4. THE DUAL SOCIAL WORLD OF THE PERIPHERY**

This strategy of the elite results in the creation of a dual social world in peripheral areas since the periphery creates its own systems of social hierarchies, which may be specifically described as systems privileging selected forms of capital with a compensatory function. However, social organisation logic is a dominant point of reference for the periphery.

The multi-dimensional social world of the periphery very frequently leads to social tensions between clashing systems of values and logics of social stratification. In the ‘critical’ perspective, most frequently connected with the leftwing social thought, such tensions are usually interpreted as an outcome of the dominance of the centre over the periphery, imposing the central system of values, institutions and language onto the peripheries. We will not dwell on this issue, we only indicate the existence of the above-mentioned conflict of the social organisation logic. Its nature may be diversified and cause differences in evaluation, but its existence seems to be more or less inevitable to a smaller or lesser degree. The conflict in question usually does not manifest itself in the form of tensions between representatives of the centre – in this case the European Union - and the periphery – countries of Central and Eastern Europe -, but more often it takes the form of disputes among the inhabitants of the peripheries themselves.

We may conclude that the social world of the periphery is characterised by a constant tension between various types of competing social logic. This tension often results in a dysfunction of peripheral institutions, which are frequently structured on the basis of examples drawn from the centre, sometimes simply copied from the ‘central’ context. In the peripheral context, in a different logic of social hierarchies and values, they often turn out to be dysfunctional or will unexpectedly modify their mode of operation, adjusting it to the environment. It sometimes turns out that they serve totally different social groups and other interests than those which should theoretically be the beneficiaries of a given organisational type. Sometimes, despite their partial dysfunction, they are kept as important elements of integration with central areas which formally require their existence or informally force the peripheries to maintain institutions compliant with the central standards.

#### **5. THE DISRUPTION OF PERIPHERAL ELITES**

The consequences of the above phenomena for peripheral elites are particularly interesting since it is these elites that can best perceive the multi-dimensional nature of the periphery’s social space. Ongoing relations between the European centre and Central and Eastern European periphery are loaded with important amplifications of various types of values. There is specific intermediation of social and economic life. In several findings some of the Central and Eastern European elites are much more eager to take over values from the centre than transmitting local values to it. This critical view of some of the Central and Eastern European elites could be regarded as one-sided; however, it shows the tension that is a part of life of the elites in peripheral countries. On the one hand, they act as the centre’s representatives in the periphery, and on the other as representatives of the periphery in the centre. These functions are performed by economic, political and

cultural elites in relation to the social fields which remain under their control. The periphery's cultural elites can also be described using Bauman's metaphor (1998) of 'translators' that is intermediaries in the explanation of the two worlds in question. They attempt to describe the world of the periphery in the language of the centre, and try to describe the social world of the centre to the residents of the periphery in a language that they can comprehend (and especially via the media that they have access to). As above, the notion of language should be primarily understood in an abstract sense, often described as "discourse". This involves a specific style, a sphere of social references and a certain linguistic and conceptual complexity. In addition to their 'ancillary' role, the periphery's cultural elites can be accused of supporting the centre in achieving a symbolic domination over the periphery, that is, of imposing the centre's cultural values on the periphery. In this function, the peripheral elites could be termed using the second of Bauman's metaphors that he applied to intellectuals in the same work, that is, the 'legislators' who impose values and cultural norms onto the periphery in the name of the centre.<sup>6</sup> In this way, the periphery can be perceived as an area which gives undue privileges to cultural. This is one of the several reasons why democratic institutions in the periphery can have a much more 'window-dressing' nature than in the centre.

As has been pointed out earlier (Zarycki 2000), one of the practically inherent features of peripheral areas is the division into a *pro-periphery* and an *anti-periphery* orientation, prevalent in most of the dimensions of their social space. In particular, this division applies to peripheral elites and is especially well visible in the sphere of politics. Unlike the core areas, in the peripheral areas disparities between social groups are defined in terms of the role of the external world (that is, the centre) in relation to the identification of their economic interests, cultural values and political concerns. In general terms, we could say that the 'anti-central' party in the periphery will by definition be a champion of enhancing the role of, and protecting those capitals which in a given region are regarded as the key resources, compensating for the region's weaknesses vis à vis the centre. On the other hand, the 'pro-central' party will be a more or less radical proponent of subordination to the social logic of the centre and recognition of the hegemony of the forms of capital prevailing in the centre. As mentioned above, in the global scale, this will usually mean the logic of economic capital, whereas political capital can be regarded as the dominating form of capital in other contexts; however, such a role is unlikely to be performed by cultural capital<sup>7</sup>.

## 6. COMMUNICATION CODES OF THE CENTRE AND THE PERIPHERY

We should bear in mind that tools which have been developed as part of the so-called discourse analysis (e.g. van Dijk 2007) can be successfully used in the analysis of tensions between thus defined centre and the periphery. As mentioned above, the 'languages' used by the centre and the periphery can be viewed as disparate codes of meaning. In such a context, and in the analysis of the discourse of peripheral elites in particular, the so-called code switching theory can be particularly useful. The dilemma

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<sup>6</sup> In this respect it is of special importance how the voluminous legislation emanating from Brussels is looked upon by the Central and Eastern European elite.

<sup>7</sup> An important exception could be argued for Hungary, where from 2010 on a deliberate attempt has been institutionalized to strengthen local political capital (and elite), against the rule-pressing European Union. The outcome has been strong and time-to-time harsh clashes between Hungarian and EU politicians with several infringement cases started by the European Union. However, having seen similar moves on the part of Romania (and partly in Poland), the Union lessened the pressure in this respect.



connected with the choice of language (i.e. code) in which members of peripheral elites are to communicate, quite well pertains to the area of this specific linguistic concept.

In view of the above, it is only natural that in the majority of contacts with representatives of the centre, members of peripheral elites will use the central code, and in contacts with representatives of lower social strata of the periphery, they will switch to the peripheral code as the only code which is understood by both parties of the interaction<sup>8</sup>. However, when members of the peripheral elite communicate with each other, the choice of language is no longer obvious. On the one hand, it is possible to recourse to the central code. Its definite advantage is that it leaves aside social hierarchies of the periphery, especially those defined in terms of social and cultural capital. If the parties involved in the interaction are not fully-fledged participants of the interplay in the social field of the centre, then the social hierarchies of the centre which are encoded in its discourse do not have any immediate applications to them. In such a situation, the discourse becomes in a sense an abstract neutral plane for communication, which in many cases can be regarded as its asset. On the other hand, differences might evolve in the degree to which the centre's discourse has been mastered, or, more broadly speaking, the centre's culture because it extremely seldom comes as wholly natural for members of peripheral communities. The individual who achieves a better mastery of the centre's culture, and especially its communication code, will automatically gain an advantage over all other individuals. In many situations, this will be an unfavourable circumstance which will hinder reaching an accord. However, in other situations it may prove to be an asset, especially when individuals who are relatively better rooted in the central culture will want to emphasise their advantage. In extreme cases, a member of the peripheral elite may address representatives of peripheral lower classes (especially those who are defined in cultural terms) in a refined central code, even if the latter are not able to comprehend any of the communicated message. The only pragmatic message conveyed will be the stressing of the cultural superiority of the speaker, and the fact that such a discourse is literally unintelligible will in this case be seen as an advantage.

Similar dilemmas appear when representatives of peripheral elites want to choose a familiar peripheral code for their *internal communication*. On the one hand, it can activate the entire spectrum of social and cultural indicators of social status in the local context. References to them, which are implied by the very use of the peripheral code, can create additional and unwelcome barriers to interaction. In certain circumstances, emphasising such social and cultural disparities may be intended in order to stress the social distance, especially when this is done by persons who are privileged in a given sphere. However, in many contexts the choice of the peripheral code may result in a reverse implication: it may reduce social differences and build a sense of community. It is so because reference to the peripheral code will automatically imply recognising the centre as the common '*meaningful alien*', which is often perceived more or less negatively. On the other hand, the peripheral code is a natural and fully internalised code for all representatives of the periphery, including peripheral elites. For this reason, using the code does not create such barriers as when communication is based on reference to an external code, which in many cases will be internalised by the members of a peripheral community to a varying extent.

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<sup>8</sup> Once again, more and more examples are to be found where the language of the local (country) elite is not well understood by the representatives of the centre. Local elites are pressing for the free and unconditional usage of their language and for a proper, unhindered understanding of it. The Hungarian case of 2012 shows this rather clearly, but important signs of this could be found in the attempts of the Greek local elite, as well.

These reflections could be summed up by a conclusion that communication based on the use of the central code will normally imply negotiations concerning status, relating to the extent the central culture has been internalised by the interlocutors. Communication based on the peripheral code will imply the process of a mutual evaluation of its actors in relation to the fields of compensatory capitals, mainly social and cultural capital. In practice, communication (especially between sophisticated members of the peripheral elites) will frequently be characterised by constant changes of the code, thereby stressing both the freedom of movement in the two social worlds and the distance towards the speaker's own, multi-dimensional and ambiguous, social status.

### **7.1. The centre as seen by the periphery**

As mentioned above, the centre will frequently profess its lack of prejudices or preconceptions vis-à-vis the periphery. In the centre, the domination of economic capital as a rule implies a much more impersonal attitude to member states in the periphery. This means that what matters in the centre is talent, skills and willingness for hard and competent work, and not social background. The centre, therefore, assesses the external world from the angle of economic capital. The centre's special focus on the logic of its dominant capitals can lead to a specific bias in the periphery's perception. In such a situation, the periphery is often viewed as obsessively clinging to its historical, cultural and social traditions. These dimensions of social life, especially in their peripheral manifestations, are the least attractive and regarded as insignificant in the world of the centre. This could reinforce the view of the 'backwardness' of the periphery and its 'parochialism', and activate many other stereotypes traditionally associated with peripheral communities<sup>9</sup>.

The social hierarchies and divisions in the periphery based on cultural and affiliation criteria are very frequently regarded by representatives of the centre as expressions of Marx's 'false consciousness'. For the centre, the only 'real interests' are interests which are defined in the economic field, while other conflicts of interest tend to be perceived as aspects of the former. This is the reason why defining divisions in the political arena in cultural rather than economic terms, so frequent in the peripheries, is seen by the centre either as a manifestation of peripheral ignorance, naivety or 'backwardness', or as a sign of deliberate manipulation of the peripheral communities by the elites in their attempt to divert their attention from 'real', that is economic, interests.

We could speak about the phenomenon of the '*economisation*' of the periphery coupled with its concurrent '*culturisation*'. Whilst '*culturisation*' would strive to focus the centre's attention on the cultural dimension of the periphery, yet depicting it in a disorganised manner as a certain 'curiosity' and an aspect of mysterious exoticism, '*economisation*' is an attempt at a complete marginalisation of the cultural dimension. Such an approach may lead to the production of an utterly one-sided description of the periphery's social reality, created in the language of the centre<sup>10</sup>.

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<sup>9</sup> In this respect it is worth mentioning the frequent criticism towards the Central and Eastern European countries while they aspired for membership in the European Union. The Union (the centre) was confronted by long references of historical, cultural values of the periphery, which seemed unrelated to the issue of membership. The peripheral countries, however, used this language exactly for stronger conviction.

<sup>10</sup> A well-known example of a study in one-sided analyses of the social world of the (semi)-periphery using the centre's language is the work by Mouzelis (Mouzelis, 1986). In it, Mouzelis points out that narrowing

Even if the way the periphery is perceived by the centre is not overly fraught with '*economisation*' or '*culturisation*', it can meet with critical reception in the periphery owing to the relativisation of the role of the periphery's social and cultural capitals, which turn the universally recognised values into objects of research and criticism. A particularly good example in the sphere of academic discourse involves works underpinned by the broadly understood postmodernist paradigm. On the one hand, these works, focusing mainly on culture and symbolic linkages, highlight the relationships which until now were rather unobvious, also those between the centre and the periphery, such as the '*culturism*' syndrome. They also help better appreciate the role of cultural capital (which is so significant for the periphery) in social science and beyond. However, while trying to enhance the status of the cultural field in academic studies or political debate, they do it in a way which mostly tends to relativise the periphery's cultural values and assets. It is so because although the '*deconstructed*' peripheral identities attract more attention, they are usually portrayed in the context which strips them of the status of absolute values they enjoy in the periphery. For researchers working from the centre (or members of peripheral elites who refer to the central discourse), peripheral identities are as a rule interesting social phenomena. Nonetheless, they tend to treat them as attention-grabbing illusions rather than entities having a real existence, comparable to that of economic capital, which has a much more 'objective' nature in the centre, unlike cultural identities. For residents of the centre, financial assets are the criterion which determines their social status. In such a context, the sphere of culture, as being of secondary importance, can be an arena of casual 'games' with identity, its deconstruction, reconstruction and mutations created at discretion and at will. Such 'games' are much more difficult in the peripheries, where cultural identity and group affiliation can be of a considerably more 'objective' nature than financial assets.

What can we say about the future changes in centre-periphery relations in Europe? There is, first of all a danger that peripheral (semi-peripheral) economies will be detached from the centre. There are signs already that even with strengthening internationalisation (or, for that matter, with growing protectionism) the centre will attempt to distribute the burdens (costs) of the crisis on the periphery, much more so than ever before. However, secondly the pressures exerted by peripheral countries and regions on the centre might – slowly but surely – modify the behaviour of the centre in the West-East relations.

Situation of the peripheral countries is further aggravated by their substantially weakened capital attracting capacity. This feature in this part of Europe is much weaker than in the centre. These economies do not have proper economic force to give security guarantees to the foreign direct investors, as this is requested by the latter.

Finally, several Central and Eastern European peripheral countries have opened their economies, have used up their internal reserves in such measure that even with the strongest demand creating economic policy they will not be able to regenerate domestic markets.

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the phenomenon of domination to the merely economic dimension is particularly inadequate in relation to countries which are outside the world's core areas. In their case, other modes of domination should be distinguished which could, arguably, correspond to Bourdieu's types of capital. Both authors concurrently called for expanding the Marxist analysis of social inequalities beyond the strictly economic dimension, and Mouzelis demonstrated that it was particularly necessary in the case of peripheral regions.

The situation of the European Union is insecure, as well. In the likely case that the leading elite will not refrain from utilising long gone neoliberal aspirations, Europe will immerse in a prolonged recession. Not only will forces integrating the Union from within weaken dangerously, but at the same time in the political and social structure of Europe unwanted changes might come to the fore. The same is true for Central and Eastern Europe. Here, not only is the defencelessness with regard to world economic developments greater but democratic traditions are much weaker than in the centre countries of Europe. A structurally – both in political and economic sense of the world – weakened Europe will not be able to instigate further catch-up processes in Central and Eastern Europe. This might bring severe consequences in both parts of the European Union.

We can state therefore that the habit of an ironic treatment of the one-dimensionality of the central social world by the periphery, and the reserve manifested by its representatives to the economic field as the key determinant of social status, are matched in the centre by the ‘*deconstruction*’ of peripheral identities. While the centre regards peripheral cultural identities as a secondary and relative reality, and they are seen as subjective social ‘*constructs*’ in the language of postmodernist social theory, the periphery – though it usually lacks its own independent and sophisticated language for social theory – tends to regard money as a relative social construct which tends to come and go, and yet the periphery’s basic social structures last on, regardless of economic crises and ‘ownership transformations’ in and outside the European Union.

In view of the above, representatives of the central elites, who live in a comparatively one-dimensional social world, not only are unable to understand the periphery’s communication code, but also frequently have serious problems with grasping the very idea of the multi-dimensionality of the periphery’s social world. This seems to be the crucial problem affecting the way the periphery is perceived by the centre. In consequence, they are often viewed as strange and mysterious areas, and this perception can also extend to the departers from the periphery. On the one hand, such mysteriousness can be regarded as a positive feature which attracts attention, one which is associated with a higher level of ‘spirituality’ and ‘deeper’ culture that can be encountered in the periphery. On the other hand, however, such mysteriousness can be associated with backwardness, irrationality of the peripheral world, pre-modernity and superstitiousness.

Accusations of hypocrisy, distrust, insincerity, inconsistency and reticence voiced by the centre against the periphery’s representatives can be seen as yet another consequence of the centre’s inability to comprehend the multi-dimensionality of the social world of the periphery. At their best, the utterances and social behaviours of the periphery’s inhabitants, referring to disparate communication codes, will be seen by the centre as incongruous. Naturally, this list does not exhaust all the communicative aspects of problems which can appear in contacts between representatives of the centre and the periphery. It is to be hoped, however, that the problems discussed above convincingly show the analytical potential of the theoretical proposition put forward in this paper.

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