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The World’s Image of Austria

Introduction

To conceive of a single image that reflects the world’s views of Austria, or of any country, seems illusory. The observer can report only an individual perception, and broaden that to how one imagines that Austria might be viewed by others in the world. Fragments of such an image are mainly drawn from inference: observing change in the world, change in Austria, and reasoning by such inference to the likely relationships between these and their possible effects.

Perception is a dynamic two-way process. As we carry on our lives in a neighborhood, not only we, but our neighbors too change, and so does the neighborhood as a whole. Our neighbors see us differently not only because we change, but because they have evolved and the whole neighborhood has altered the context in which are seen.

Austria’s External Environment — Views from the Neighborhood and of Specific Neighbors

The most obvious change has been in the number of recognized nations: fifty states founded the United Nations, only a few more joined before Austria regained her sovereignty in 1955. The world body now counts 185 member states, a dramatic increase, bound to alter the way any one member is seen. It makes a difference whether one belongs to a club of fifty, or one approaching two hundred. Most of the newer members are small, and even the sense of small vs. large has changed.

Also, since 1955 the meaning of power among states has evolved, due to technological change, and as result of historical process. The current arrangement has been dubbed by some the American Century, referring to the uniqueness of American power and influence. While the United States perhaps had a special meaning for Austria from the start, it has at least for the present assumed even greater importance.

The Cold War, symbolized by the Iron Curtain across Europe, defined an important attribute of states from its inception to the dissolution of the Soviet Union in 1991. The first question one asked about a state was where it stands in the Cold War, in which camp? The states of Western Europe have continued significant progress toward their unification, and the absence of the Iron Curtain removed important inhibitions on that process.
The importance of Europe in the world was heightened by the Cold War. With the end of that conflict, Europe’s role in the world, though still unique in many ways, was reduced. Moreover, the significance of countries’ locations, previously defined in some degree by their position relative to the Iron Curtain, is once again determined by the more usual concerns, perhaps also less related to security or great power influence. Yet the drastic changes to the east and south of Austria create in some cases virtually new relationships.

Some shifts may be subtle, others radical. Viewed from Paris, neutral Austria at the very edge of the Iron Curtain was one thing; Austria as just another country in east-central Europe, is quite another. Viewed from a newly independent Ukraine or from Belarus, the formerly neutral Austria, likely to remain minimally armed and unlikely to fully join NATO, may play a modest role within the limits of economic constraints. For Slovenia and Croatia, and perhaps too for the rump-Yugoslavia, Austria would seem a crucial player.

**The Neighborhood: Austrian Profile in Europe**

Austria is remarkably prominent on the European horizon. The last half of 1998 saw Austrian Chancellor Viktor Klima preside over the Council of the European Community, a distinction which even if automatically rotated among members, is more than the procedural symbolism one might expect. The member state that takes the chair must have the office of its head of government be prepared to assume important full leadership in Brussels, including agenda setting and responsibility for all arrangements. Mr. Klima’s term of office ended with his chairing a European summit conference. Enlargement of the European Community to the East was designated by Austria as one of the main issues on the table, though the Austrian people are said to be concerned about the full economic implications of open borders with the East. (The Economist, 1998; Guttman, 1998)

The cyber-era is no longer burgeoning, it has fully arrived. Austria’s prominence on the European scene is easily determined in the „virtual“ net world that flickers across the computer screen. Paradoxically, it is the „old-fashioned“ paper/print, or „hard copy“ world that is most easily researched in that modern electronic medium. The office of the Chancellor of Austria maintains an openly accessible archive of the international press reaching well over a year into the past on electronic media available from computer terminals worldwide. Even a cursory search of this archive reveals that each month at the very least some 200 articles dealing with Austria appear abroad, mostly in European newspapers and weeklies.

Most of these press items report on Austrian domestic politics, the interplay among the parties, elections. Nor is the focus of the selected articles in any obvious way determined by common interests, i.e. by the shared borders with the country where writer and publication are based. The journalistic attention is characterized by serious interest in the role that Austria plays in Europe: control of borders, Right-wing politics, restitution of works of art, economic and financial
policy. Nor is the Austrian cyber-presence limited to, or even remotely typified by the press clippings which the Austrian government posts on its Web site. The press is only a modest fragment.

There is no reliable and objective measure of comparison, but the overall Austrian presence on the Web appears to be very substantial. Apparently all concerned, from federal government down to private individuals, consider the cyber-sphere a unique opportunity to overcome smallness, lack of visibility, and even traces of isolation. Moreover, the Austrian tradition of high literacy, high education levels, technical skills, and some flair for design, make themselves felt and are well exploited for this purpose.

Specific Neighbors: Hungary, Almost a Family View?

Austria borders on eight states, a large number of immediate neighbors. They range from Switzerland, the prescribed model for Austria’s neutrality, to Hungary and the Czech and Slovak republics, formerly a single hard-line Soviet Bloc state. The opening of Hungary's Austrian border set off the chain of events that collapsed the Iron Curtain. The human rights (freedom of travel) obligations that Hungary had assumed under the Council of Europe served as formal grounds, but did not specially relate to Austria. But, Hungary, then still a Sov-bloc state, valued its relationship with neutral Austria in a special way.

An essay about Hungarian attitudes toward Austria published in 1998 asserts „Currently a wave of nostalgia for the Habsburg Monarchy is clearly perceptible in Hungary – and not only among the older generation.“(Federal Chancellerly, 1999).

„Many people,“ it is observed, „think that it was through the old Austro-Hungarian Empire, especially after the Great Compromise of 1867, that Hungary was able to link up with Western culture, i.e. Europe...“ And „apparently Hungarian media love to report about the Habsburgs and they frequently do so not historically but in a thoroughly contemporary light.“

Austria, and specially Vienna, is a favorite and obviously convenient travel destination for Hungarians. Vienna’s airport is said to become „a vital hub“ for business travelers across Eastern Europe (Goldsmith, 1998).

Price and currency differentials attract Austrian cross-border shoppers seeking bargains. Austrian border guards are on watch for Hungarians illegally seeking work in Austria. And Hungary attracts a substantial amount of Austrian investment. Like any relationship, these interactions cause some problems, but apparently none are of major or unusual quality or proportions.

As viewed from Hungary then, Austria continues to be a desirable and helpful neighbor, and though less necessary than in Cold War times, still a convenient doorway to the rest of Europe.

Specific Neighbors: Italy

Italy is, after Germany, Austria’s most important neighbor. Much of northern Italy was once part of Austria, some of the northern region’s people are of
German-speaking, and of Germanic ethnic heritage, and there is a complex history of shared events.

Italian images of Austria had in the past to be filtered through thick lenses of history, custom, and popular myth. Over time these lenses have ranged from mere prejudices at best, to the demonizing of all German-speaking into an oppressive, even hated enemy.

The focal point of Austro-Italian relations was South Tyrol. In recent years this situation has improved dramatically. Johanna Ortler, a scholar who stresses that she has „grown up in South Tyrol,“ describes the relationship as „relaxed to the point where South Tyrol has become a worldwide example of how to successfully resolve conflicts with ethnic, national, or other minorities.“ (Johanna Ortler, review Berghold book, Austrian Studies Newsletter, Winter 1999, Vol 11, No.1, p 13).

The original scholarship discussed by Ortler probes the overall relationship between Italy and Austria in terms of underlying attitudes held by individuals. Published in 1997 by Joe Berghold, a social psychologist based in Vienna, it is a penetrating study of how Austrians and Italians perceive each other. The subtitle „From Arch-enmity to European Opening“ is aptly descriptive, the history of antagonism documented with care (Berghold, 1997).

For ancient Rome, people from the north were the barbarians needing to be civilized. As the Holy Roman Empire came to be ruled from Vienna, the latter came to stand for colonial oppression. When modern, secular Italy emerged, Emperor Franz Josef would not visit Rome, lest the coup against the Vatican be legitimized. The highly popular Empress Elisabeth was assassinated by an Italian anarchist. With the advent of World War II, Italians saw themselves driven into the uncongenial arms of Hitler by the major powers’ attempt to reverse the invasion of Abyssinia. The result was disastrous from beginning to end, leading to a brutal occupation by German armies, and symbolized for many by the slaughter of Jews in caves near Rome, and the massacre at the Italian village of Marzabotto, under the command of an Austrian.

Berghold cites Italian journalist Ettore Petta referring to Austrians and Italians as peoples who know almost nothing about each other. Ironically, Berghold points out, Austrians were thought by Italians to be excessively disciplined and rigid, while Germans berated Austrians for deficiency in these very qualities. And it should be noted, Italians have habitually failed to differentiate between Austrians and Germans, and this only served to heighten and distort the mutual feelings. Yet, it had to be clear to virtually every last Italian that Austria could in no way be seen as a threat to Italy.

Nevertheless, through much of the post-Word War II period, Austria and its people were seen by Italians as intent on promoting, or at least supporting, the claim of the region of South Tyrol for separation from full Italian sovereignty. The dispute wore on, but for a brief period it escalated into violence and caused widespread alarm. Even the dynamiting „only“ of structures, rather than attacks on persons, was seen as utterly unacceptable in the midst of the central Europe of the 1960s.
The intense diplomacy now triggered at all levels including the United Nations brought an innovative solution: a “package” of protocols and agendas to be concurrently executed without requiring either side to sign another treaty. Attitudes on both sides began to mellow, culminating in a breakthrough state visit of President Franz Jonas of Austria to Rome. Jonas’ main address to his hosts was nearly bilingual – a powerful gesture – and Italian President Saragat responded by lauding Austria for its “peace mission,” – music to Viennese ears.

Many forces had been at play to bring the change. As European integration gained momentum, Austria came to see increasing need for arrangements accommodating its neutral status while facilitating Austria’s European trade. Italy as a member state of the European Community had veto power over dealings with Austria. Neutrality lost its critical role with the end of the Cold War. At the same time, generational change occurred – old mindsets faded, fresh attitudes emerged. Italians began to find Austria an attractive and very friendly holiday destination.

Austrians and Italians, we are told, now increasingly show friendly mutual understanding and appreciation. The South Tyrol has become an object of envy for its prosperity and successful multi-ethnic relations. The countries and regions concerned, including northern Italy had other regional concerns, including a separatist movement that relates to economics and differences in Italian culture, and has nothing to do with Austrians or German-language. Mainly, Italians now see Austria as a valued neighbor in the European community.

**Specific Neighbors: Germany and Austrian Identity**

As noted above, German newspapers routinely cover major events of Austrian political life. One might nevertheless ask whether there is such a thing as a German image of Austria. And, to what extent are the people of the rest of the world generally aware of Austria’s existence? The answers to the questions are complementary opposites. Germans are the one people who are totally aware of Austria; much of the rest of the world most likely remains unaware of Austria, despite the good work of the press.

The German awareness consists in good part of taking Austria for granted, in a manner somewhat similar to the attitude of Americans toward Canadians. „Yes, of course we know you exist. But you are just like us... so what’s the fuss about who you are?“ an American will say if asked about awareness of separate Canadian identity. (One might note, however, that an American dealing with persons outside of Europe, other than educated elites, most often finds unawareness of a difference between the USA and Canada, and ironically they then want to be differentiated.)

North Germans were in the past, and perhaps still are, inclined to harbor prejudice about the nature and culture of southern Germans, specially of Bavarians. That prejudice was felt by Austrian officers serving in the Nazi-period German army: they were not fully trusted, not considered reliable. The
original basis for these attitudes may have been the extent to which Austria (and to some extent Bavaria) remained more agrarian, less modern, less urbanized.

The reality of Austria has long been greatly at odds with this notion; for example, the medical training and health care associated with Vienna had a high reputation worldwide. Vienna was a great world capital before Berlin achieved that stature. Not only Viennese music and arts, but Austrian high culture for a time competed with Paris and London. The image of the somewhat backward Austrian country cousins, like most such stereotypes, was always a badly distorting caricature.

Due to geographical proximity, the great physical attractions of Austria, and their prosperity, Germans have all along been the majority tourists, as well as majority investors in Austria. But since the 1950’s, Austria has undergone dramatic development and modernization. Austrian universities, and Austrian education in general, are fully reestablished from the ravages of World War II and four-power occupation. Special academies, e.g. the Salzburg Seminars, have achieved world fame, and seats at major musical events are once again in the highest demand. Austrian mathematicians and science teachers are being hired by New York City’s public high schools. None of this can have escaped the consciousness of the informed and aware German citizen. But, whether typical Germans know there is a third United Nations headquarters in Vienna, or know that Austrian uniformed personnel take part in United Nations peace operations, is of course another story. (Again, Americans are largely unaware of similar facts about their Canadian Neighbors.)

One may infer, finally, that the current German image of Austria has become normalized into a matter-of-fact acceptance of a close European relative and neighbor. Yet in the long run, a difficult history remains to be shared between the two societies. Since the Waldheim debacle, the press has reminded us that Hitler, Eichmann, Skorzeny, and a disproportionate number of Nazi concentration camp commanders were Austrians. That tragic history binds the relatives, but not necessarily more closely so than the tragic commingling of spilled blood on French, Polish, or Ukrainian battlegrounds. There is enough challenge in building a stable new Europe, and the distortions of the past are happily left behind. Here again perhaps very importantly, generational change may become the determining factor; rather than adopting images handed to them by their elders, young people develop new attitudes of their own toward others in the world.

Swiss Image of Austria: Finding More in Common?

Switzerland is in the unique and somewhat curious situation of having served as the explicit and formally prescribed model for the practice of Austrian neutrality. Somewhat perversely, as that neutrality is becoming obsolete and essentially irrelevant, so the Swiss neutrality, and with that, the essence of Swiss national identity, is being questioned. Whether this bears on the Swiss relationship with Austria, and how so, is questionable (Jenny, 1995).

Most recently Switzerland has seen itself under unprecedented attack for
the behavior of its banks, as well as its government, during World War II. Funds deposited by Jewish families for safekeeping during Nazi persecution, were not returned, and the Swiss cooperated with the Nazi war machine in unsavory ways. In some respects, it has been as though Switzerland were having a mini-Waldheim debacle now. Although there is no comparison whatever of the issues involved, here too, issues that might have been promptly cleaned up in the immediate aftermath of the war, were instead swept under the rug. The Swiss may thus be looking at Austria somewhat humbled, somewhat more understanding, certainly in a different light than only a few years before. As noted below, however, Austria itself is very belatedly again dealing with Jewish property restitution issues.

Moreover, Austria has been a fully engaged, even enthusiastic player in international organization from the start, at the United Nations as well as, albeit ambivalently, in European integration. Thus the Swiss might now show more interest in Austria, not as a model, but for ideas about where to go with a neutrality-based identity when there seems nothing meaningful left to be neutral about.

**Other neighbors**

Relations with other Austrian neighbor states are once again nervously delicate on the subject of border controls. In an unfortunate turnabout resulting from the momentous changes of the last decade, there has been a reversal of policies. Previously the issue was the unwillingness of Soviet Bloc states to permit normal access to Austria from their territory, the problem now is to control that access on the Austrian side to the extent that it constitutes a flow of asylum seekers, refugees, and potential illegal immigrants seeking work. Not only Hungary is seen in this light, but also Italy because of traffic from Albania. And most importantly, the implementation of an accord designed to virtually eliminate routine border controls between Austria and Germany was delayed on the same grounds.

There is a clear tension between the post-Cold War pronouncements about human rights, freedom to travel, and open borders, and the realities of terrorism, of asylum seekers from civil wars and large scale political oppression, of mass flight from natural disasters and simply poverty and lack of resources.

Austria signed the Schengen agreement to remove border controls between the most European states. Several of its partners, especially Germany however, held back on full implementation, complaining that insufficient Austrian controls toward the external border of the agreement were permitting too much illegal access (Patridge, 1998).
A truly new Austria suggests change in ways not related to neutrality, culturally and socially, as well as in the economic sphere. A major characteristic of Austria’s national image in the past has been the role played by the Roman Catholic Church.

An Austria viewed from abroad may appear most clearly in the context of international institutions, where discernible and structural events and forces are identified with specific ideas and directions. The Church of Rome is such an institution. It has been a major force in Austrian politics at least from the beginning of the Habsburg reign, and Austria, in turn, has been a bulwark of Catholicism. There is striking irony in a way, and perhaps good reason as well, in Austria’s current emergence as a major force in the struggle for church reform and modernization.

As in some of its larger neighbors, notably Germany, the Church has been a significant actor in the political party system and Austria’s political history. The Volkspartei has been closely identified with, if not defined by, the Church, and events that are crucial to the social and institutional fabric of the Church must serve foreign observers of Austria as vital signs. For example, that the Austrian government, by treaty with the Vatican, continues to act as finance agent for the Church through the exercise of the power to tax, remains extraordinary, and nearly incredible, certainly from an American perspective.

Though it is not unique (the Crown, for example, remains the head of the Church of England), this meshing of ostensibly secular state power with religious institutions (as a concession to modern fairness, the church tax is also collected for other denominations) casts some doubt over the notion of a fully developed modern state. The redeeming thought may be that this has become a somewhat perfunctory arrangement, and that as noted below, it is even credited with enabling or motivating greater grassroots criticism of church authoritarianism and backwardness.

The “Dialogue for Austria,” a national assembly of Austrian Catholics, met in Salzburg for three days in late October 1998 to proclaim and plan support for more progressive social policies. The specific goals were radical by the standards of Pope John Paul: optional celibacy for clergy, a local role in selecting bishops, more democratic governance, a less condemnatory approach to sexual ethics, and the possibility of ordaining women. And surprisingly, the event was officially sponsored by the Austrian bishops conference. Rome’s green light for the conference came after a tense exchange over the participation of the reformist “We Are Church,” movement.

Reporting from Salzburg for the prestigious American National Catholic Reporter, John L. Allen, Jr. writes that while the votes in this Dialogue for Austria carry no canonical weight, “many observers see it as a potential watershed event that could energize progressive Catholics around the world.” (Allen, 1998). “It will give the whole structure of reform an important push,” Elfriede
Harth, coordinator for the international „We Are Church“ movement in France, commented according to Allen.

„Even if it is not possible to change things legally, the bishops coming out of this session will understand pragmatically there have to be changes,“ Harth is further quoted by Allen. „All over the world this will encourage bishops to try to run their dioceses on their own without caring so much about is said in Rome, because they know where the people are. “

We are told that Catholic discontent in Austria is „deep and wide,“ as shown by more than half a million signatures, almost half the country’s estimated 1.2 million Mass-goers, under a petition demanding reform. Austria is labeled a „world-wide model for church reform groups.“ Allen cites Dan Daley, co-director of the Chicago-based „Call to Action,“ asserting that this „deserves more news and analysis than it’s been given. “

Loretto Sr. Maureen Fiedler, director of the Washington-based „Catholics Speak Out“ – the American contact for the international „We Are Church,“ movement – reportedly referred to Austria as having probably the strongest Catholic reform presence in the world. „Certainly if you measure activists per square foot, it’s an extremely important movement“.

Ms. Fiedler should know: Allen writes that in 1997 she attempted to duplicate the success of the Austrian petition drive, setting a goal of a million signatures in the U.S. The actual result was 37,000. Asked to explain, Fiedler mentioned the Austrian church as one important reason, asserting that as baptized Catholics are required by law to finance the church, „they are less afraid to criticize. “

Fiedler asserted that „Austria is a critical example to the world,“ writes Allen, comparing the defiance of a bishops’s orders in Sankt Pölten, with the resistance of a progressive parish in Rochester, New York. „They’re operating on the Austrian model. “

The struggle over church relations touches on Austria’s ideological fault line and brings one to the issues antisemitism and Right-wing political forces.

**The Waldheim Debacle**

The Waldheim affair was of only limited importance in itself. But it came to symbolize Austria’s failure until then, to confront and fully deal with the historical guilt that must be shared with Germany. The exhaustive Bunzl study deals with the entire episode in a thorough, balanced, and sensitively nuanced way, and as noted above, it fully expounds the Austrian-American dynamics of the affair.

Yet, the essence of the matter still merits a brief recount here, as it was after all a crucial turn on the winding path toward Austria’s more positive image (Bunzl).

Kurt Waldheim, it will be recalled, came to be Secretary General of the United Nations after an almost meteoric career in Austrian diplomacy. But his World War II record in the German army reflected service under dubious circumstances suggesting at least complicity by immediate knowledge of serious war crimes in Yugoslavia. The manner in which he presented his life in his
official resumes was belatedly found to have been open to question. They seemed designed to leave the record murky at best, and to preempt detailed questioning about what he saw and did during that service.

There was no evidence, nor is there any serious charge to that effect, that Kurt Waldheim personally had blood on his hands. Yet it seems doubtful that if the questions had been raised earlier, he could have risen to foreign minister of Austria, not to mention Secretary General of the United Nations.

All the ambiguities of Austria’s past, and the special demands of Cold War diplomacy and of the United Nations of that time came together in Waldheim’s person and career. Challenges from abroad in Waldheim’s presidential candidacy predictably served to provoke basic Austrian nationalist instincts. Nationalism was already being fomented by other themes and the idea that outsiders are attempting to influence a national election presents an obvious problem.

The result was an Austrian image dominated for six years by a president who was on the list of persons ineligible to enter the United States by reason of involvement in war crimes, and who had repeatedly brought Austria into the front pages and headlines of the world press. almost invariably in a negative light.

Of Publicity, Bad or Good ...

What has been the effect of the Waldheim affair on Austria’s image? Two surveys were conducted in January and March 1988 to determine how informed Americans are about Austria and whether their political images of Austria are favorable. The polls were timed to measure the possible impact of the report of the International Historians Commission charged with evaluating the Waldheim story. It was found that while Americans were more generally aware of Austria than had been expected, esteem for Austria decreased significantly after the report was published. Even the evaluation given to unrelated qualities, such as Austria’s natural attractions or her low crime rate, was markedly lower in the second poll.

Thus one encounters the well known irony that bad news is in some ways more effective publicity than good news. The unpleasant odor of Mr. Waldheim’s personal carelessness at best, and deceitfulness at worst, about his Nazi-period and WWII record, brought Austria to the attention of millions of people who had been scarcely aware of the country’s existence, and among whom some still confused it with the home of kangaroos and wallabies.

The subsequent limelight, the embarrassment on one hand, and the nationalist backlash during Waldheim’s campaign for the presidency, thus brought greater foreign awareness of Austria. News magazines and opinion journals reported and analyzed how it came to pass that Austria had convinced itself, as some put it, that Goethe and Beethoven were products of Austrian culture, but Hitler and Eichmann were not. Janine Prader points out that after the March anniversary of the Anschluss and its attendant publicity, Austria disappeared from the news horizon.
A decade earlier, the popular movie musical of the Austrian von Trapp family, „Sound of Music“ had set forth a pollyanna-like vision, that some thought, or at least hoped, to have symbolized Austria. Yet more likely such cultural icons create worlds of their own, which mass audiences, certainly American ones, might have identified as a mystical „sound of music nation on the Danube“ rather than a historical reality.

On balance then, for at least one generation, any story that broke into the headlines of news reports as the Waldheim case did, had to raise general awareness of Austria. As this occurred at a time when anti-democratic and chauvinistic forces were drawing renewed scrutiny in France, world attention was perhaps more alert for similar forces elsewhere in Europe.

Austrian anti-semitism also gives pause to many foreign observers. Austria surely has no monopoly on this special form of bigotry, but the obviously special historical connotation, draws special attention to its continued strength.

**Anti Democratic Trends**

While the role of parties is discussed elsewhere in this volume, Jörg Haider as a symbolic figure has attracted attention abroad and affected Austria’s image. What draws attention to Haider, firstly, is that his is a party widely seen as having important neo-Nazi characteristics even if it is not only that; secondly, it is relatively the strongest of such parties in Europe; and thirdly, that it has experienced exceptional growth in recent years. Moreover, for obvious historical reasons there is clearly greater outside interest in neo-Nazi influences in Austria than, for example, in Sweden (Judt, 1996).

Haider tried to moderate and broaden his personal image in 1997 by attending a six-week seminar at the Harvard University Institute for International Development. Widely known as an „unabashed Nazi admirer“ (New Republic, 1997), the 48-year old leader of the Freedom Party (FPÖ) has been a member of the Austrian parliament since 1979. He argues for the expulsion of immigrants and foreigners, and uses various euphemisms to rationalize and trivialize the Nazi crimes.

Haider’s manager during the US visit was Hans Janitschek, a personal assistant to Kurt Waldheim at the United Nations, who brought him into contact with such leading American political figures as Jack Kemp and Trent Lott, and thus to blur his extremist image (Jacob Heilbrunn, „Heil Harvard,“ *The New Republic*, Sep 1, 1997, v217, n9, p15).

**The „Clean-Up“ Must Continue**

A major aspect of the coming to terms with the Holocaust has been the disposition of property illegally, or at least wrongly, taken from Jews. Major Austrian institutions were notoriously slow and neglectful in honoring, or at least investigating the validity of various types of claims, and it apparently took the rude awakening of the Waldheim affair, to force a change in policy.
Recently the Austrian parliament passed a measure that would allow the return of hundreds of sculptures, paintings, and decorative works to Holocaust victims (Decker, 1999).

**Free Market Austria**

Having joined and been admitted to the European Union, Austria subscribed to the Maastricht Treaty implementing the Euro as its future currency. The European Commission found it necessary to issue Austria a call for stricter budgetary discipline, lest it breach the terms of the ‘stability pact’ on which Euro participation is contingent. In rejecting this warning, Austria earned the distinction of beginning the year with a Brussels-Vienna clash that could according to The Financial Times „be the first of a series between the Commission and EU countries.“ (Mike Smith, 1999)

Austria’s Iron Curtain location during the Cold War might have led one to expect a model of free enterprise; the reality for the outside observer, is in contrast, a more complex picture. Austria’s past of compromise between socialist and conservative camps, as well as a heritage of medieval guilds, has just what one might expect, an economic system of free enterprise at some levels, of state ownership and control at others, as well as deeply rooted controls on business in the local and small business spheres.

State ownership or state control remains entrenched in major infrastructure such as railroads, radio, and television, and, at the industrial level privatization has proceeded apace. Not surprisingly, major investors find Austria open according to European Union rules. In the United States, small business has been a major factor in recent economic growth and increased employment.

A classic American model for the birth of a small business is that of a high school student employed by his parents’ neighbors to mow the grass in the afternoon after school, or to repaint the house during the summer. This often leads to the involvement of one or two more young people, and before long the creation of a small landscaping business, or house painting and maintenance service. There are virtually no controls on such activity, and some banks are strongly predisposed to offer modest loans at affordable rates to such burgeoning entreneurs. That this scenario is next to impossible in Austria due to the control exercised by medieval guilds, and the attitudes of banks and authorities, seems remarkable and hard to accept to an American observer used to free enterprise.

**Austria and NATO**

Austria is a member of NATO’s Partnership for Peace, a perhaps surprising fact revealing how far the country has already moved from a pristine neutrality that nervously glanced over its shoulder for any displeased grunts from the Soviet Bear.
The heated contention in Austria about full entry is one of the subjects that draws substantial attention from Austria’s neighbors.

As Austrian opponents to NATO mainly, but not solely, continue to use neutrality as an argument against Austrian entry, Austria’s neighbors now tend to belittle this. They argue that since the collapse of the Soviet Union Austrian neutrality has insufficient relevance to serve as a serious objection. As Austrian abstention will leave an obvious gap in the new NATO „shield,“ her neighbors point out the irony in having former Soviet bloc states become members while Austria remains excluded (Beinart, 1998).

Yet Austria has been present in NATO’s main area of engagement, namely the former Yugoslavia. In 1998 Austrian diplomat Max Rohan headed a European Community delegation dispatched to Kosovo. Currently the Austrian ambassador to Belgrade is Wolfgang Petritsch, who uses his Slovene ethnic background effectively to act as the EU’s chief representative in the severe Balkan crisis.

**The Direct Evidence of Austria’s Image**

Vague as the notion of national image may be, it is to a great extent an issue of public opinion, and the „horse’s mouth“ for that is the opinion survey or „poll.“ In 1998 the Austrian Central Bank financed a survey of American public opinion of Austria; six such polls had been done over the past ten years. Overall, the Austrian image in the USA was found to be stable and largely positive.

All respondents had „heard of“ Austria (compared with 91 percent in 1992), and 84 percent were sufficiently informed to rate Austria on a „favorability scale.“ On that scale 78 percent, an all-time record, expressed a favorable opinion; this is thirteen times as high as the percent of unfavorables, and an unusually high ratio of its kind among all such survey research. Moreover, 93 percent of those considered Having an informed opinion assign a favorable rating.

Nine percent of respondents believe that Neo-Nazi ideas are on the increase in Austria, 23 percent aver that this could be the case, but a majority believe that anti-semitism in Austria is in decline. The 1998 information was separately released by the Austrian representation in the United States. The results of the previous polls were published as an Appendix in Bunzl et al. (*Austrian Information*, 1998).

General unawareness of and lack of interest in Austria is suggested negatively by the work of Gallup, the premier polling organization in the United States. Listing of Austria as a choice in questions regarding attitude (favorability) toward states is almost nil (Gallup Organization).

A singular exception occurred in 1980 when Austria was included in a list of thirty nations, and a national adult sample of 1602 respondents were asked to indicate „which five do you regard as most trustworthy.“ Austria was chosen by seven percent, in the same range as Belgium, Brazil, and Spain, compared with Japan’s twenty-two, Mexico’s 17, West Germany’s 28 (Gallup Organization, Question ID USGALLUP.1161.Q102).
Also, as late as 1988, six percent of a national sample of 1611 adults chose Austria as the country known for having lots of kangaroos (USGALLUP.88GEOG.R46).

**What will happen to Austria’s neutral image in the eyes of others now?**

The absence of potential major conflicts in Europe has trivialized both Swiss and Austrian neutrality. Ireland too finds it necessary to reconsider its neutrality stance (Clarity, 1998). While this may bring new doubts about national identity, it came none too soon for the Austrian dilemma in resolving the issues of European unity. Austria is extraordinarily dependent on Germany. As European togetherness seemed heavily burdened by German size and power, Austria’s complete adhesion seemed to some a surrender of independent decision making power that was inconsistent with pristine neutrality. Yet strong economic, political, as well as cultural forces, yes – another mystique perhaps – pulled strongly toward the European Community. As the neutrality issue is all but mooted, it should be natural and easy for others in the world to accept an Austria conforming essentially to the blueprint for the future foreseen by Anton Pelinka, „less Austrian and more European, less distinctive and more similar to other European countries.“ (Pelinka, 1998).

Americans had understood Austrian neutrality, and the image conforming with it, up to a point. Yet this was more the toleration of a necessary evil that harks back to John Foster Dulles’ original acquiescence. Deep down, Americans don’t feel quite comfortable with neutrality; the world is a football game, and you choose sides. Thus, when Austrians bring themselves to shed that neutral role, their image for Americans will, without nostalgia for the sound of music, be quite happily normal too.

**Sources**


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