I have for a long time wanted to bring this particular Shakespeare play to Palermo. It is not one of his best known, but for me it is his most magical and things happen in the present whenever I am involved with it, and I hope to show you its relevance to this conference and how it addresses a situation which can end tragically or alternatively may allow for a happier and more creative outcome.

What I want to do in this presentation is relate several themes from our workshop to those of Shakespeare’s The Winter’s Tale. Not least, but not only, since one of its two principal locations was Palermo, at the court of Leontes, King of Sicily. The play was written in 1610 in London seven years after King James of Scotland had succeeded Queen Elizabeth as King of England. Shakespeare meanwhile had completed his great Tragedies following Hamlet and in The Winter’s Tale he is combining tragedy and comedy over longer periods of time – by contrast with his near to last play The Tempest, which covers little more than a day.

In The Winter’s Tale Shakespeare is recalling the dying jealous fury towards him in 1592 of another writer - Greene - generated when Shakespeare was first presenting his Henry VI plays in London to huge acclaim. Two-person envy and three-person jealousy were Shakespeare’s near constant companions and he returns to this theme by transforming Greene’s 1588 story Pandosto: The Triumph of Time into the masterpiece of The Winter’s Tale which initially directed my own path to Shakespeare and his relevance to psychoanalytic work with individuals, groups and families.

The two brothers in the The Winter’s Tale are kings of countries far apart – Leontes is king of Sicily and Polixenes king of Bohemia. They both married and had sons at the same time. King Leontes and his wife Hermione are about to have their second child while king Polixenes already has stayed nine months in Sicily as their guest. Polixenes, fretting at his absence from Bohemia, wants to get back home. Leontes fails to get him to stay even one more week. But Hermione, Leontes’s queen does so, prompting a psychotic delusional jealousy in Leontes who convinces himself that the child to be born to Hermione was fathered by Polixenes who has to avoid being killed by escaping with Camillo, Leontes’es personal secretary, back to Bohemia. To Leontes, the escape confirms Hermione and Polixenes’s guilt. He imprisons Hermione who has her daughter Perdita in prison attended by Paulina, her closest lady-in-waiting. Paulina’s husband Antigonus, to save the newborn Perdita’s life, takes her to Bohemia but where he then is killed – confirming Leontes’ desire for punishment – although by accident rather than design as he is killed by a bear.

Hermione is put on trial. Leontes asks for a pronouncement by the Oracle at Delphi which sends an innocent verdict. But Hermione then is carried off, and then declared dead, after news of their young son Mammilius’s death. Leontes is left abandoned, mourning both losses, indefinitely.
The play then jumps ahead 16 years. Perdita has been brought up by shepherds in Bohemia, where she is discovered by Florizel, the son of Polixenes. They fall in love and Polixenes and Camillo, in disguise, find them at an annual country sheep shearing festival. The scene ends with a second (twinned) royal explosion of rage – in this case Polixenes’s two-person envy of his son and three-person jealousy of the young lovers. The couple have to escape. Camillo advises a second (symmetrical) flight, this time from Bohemia to Sicily, and he then follows them with Polixenes. But this case leads to a final resolution in Palermo where that which is lost is found in Perdita and the families are restored to reconciliation, joy and creativity by the new generation. Camillo and Paulina are married while king Leontes finds his queen Hermione again when the statue of her is miraculously metamorphosed back to life.

From our psychoanalytic perspective it could well be that we see the 16 years difference between the earlier and later parts of the play as both transgenerational – Perdita is now a young woman – and allowing the therapeutic possibilities of time. Visiting Queen Hermione secretly, her closest friend Paulina helps her to overcome the loss of her children. Paulina also visits Leontes concerning his sense of loss of his children as well as his dead wife and prepares for them later to become reconciled and re-united, while in Bohemia Camillo has given good counsel to Polixenes before they both return to Sicily.

One of the themes I am suggesting from the play is that while Shakespeare does not state explicitly that the two brother kings Leontes and Polixenes are twins, their closeness is such that they share key features of twin sibling dynamics. A further theme is another interest of mine - what most makes for murderousness. My analytic work convinces me that two-person envy and three-person jealousy operating in tandem need elaboration both in horizontal investigation of sibling dynamics and in vertical inter-generational history of both sides of families.

Shakespeare needs to be studied not only for his acute knowledge of the functioning of envy, enviability, jealousy and allied feelings, but also for an understanding of psychotic phenomena characterised by splitting and projective identification. In our day this also can and does happen in a family of nations, and it needs teasing out just as in Leontes’s Palermo family in his day.

From its start, this dynamic in The Winter’s Tale is not only important but dominant. It suggests that where there is closer affection and love there also may be more exposure to envy, jealousy and rage and it also suggests that inter-sibling dynamics may operate by extension in any one, two or three of us. This also relates to the themes of our workshop such as identity, identifications, and misidentifications in the relation of the self to the other, interpersonal and intersubjective exchange, similarities and differences in gender, sex and both primary (royalty and family) and secondary (attendants and friends) groups, as well as the further transgenerational and transpersonal themes of the workshop in possibly creating new meanings, as well as how envy and jealousy - if reconciled - may prove constructive rather than only destructive and with emotional surpluses rather than only deficits.

What I also want to do is to relate this to something both implicit and explicit in the play – distance – and the concept crucial to the themes relating to globalisation in our workshop, of centre and periphery. Centres and peripheries in The Winter’s Tale need context. Leontes
consults the oracle at Delphi, which clearly locates the play in the classical period in which Sicily had been colonised by Greece and several city-state kingdoms.

Shakespeare’s geography however was also contemporary. Bohemia was an important state in his own time, and shortly to become a fulcrum of the murderous Thirty Years War since James I, King of England at the time, had consented to the marriage of his daughter Elizabeth to Frederick the Protestant Elector (Prince) of the Palatinate, whose capital was Heidelberg and who shortly after was to accept an invitation to become the Protestant (Calvinist) king of Bohemia.

There may have been an element of wish fulfilment in The Winter’s Tale, since it is only the move of the main actors to Bohemia which reconciles the conflict in Sicily, an island kingdom as much at the southern periphery of Europe now like south Italy under Spanish rule as England was its north. The implicit logic is that Shakespeare knew in writing The Winter’s Tale in 1610 that the marriage of James I’s daughter Elizabeth with Frederick the Elector Palatine in 1612 was probable and that it might be possible, as many at the time hoped, that this would stabilise the Palatinate through the marriage link with the British crown - periphery to centre – whereas Catholic Austria and the southern periphery of Europe at the time were dominated by the Hapsburgs. It then transpired that later in 1619 Calvinists were to offer the throne of Bohemia to Frederick.

This is where the difference between The Winter’s Tale and Greene’s Pandosto (twenty-two years earlier) is most marked and the former’s volte face may have been politically intentional. For Greene Bohemia is not the source of reconciliation but the location of a tragedy, as was eventually to be the case for Elizabeth and her husband Frederick when later her father James I did not support Frederick’s acceptance of the crown of Bohemia by asking parliament to vote funds for him, though it was willing to do so, and when Elizabeth and Frederick then were defeated by combined Catholic forces at the Battle of the White Mountain in 1620 after which the same forces sacked Heidelberg. It coincidentally marked the end of the theatre which Elizabeth had built in Schloss Heidelberg to stage Shakespeare’s plays. These events led on to the Thirty Years War, so that England can be said to have played some part and have some guilt in relation to the onset of the Thirty Years War whose affects on the subsequent history of Germany, not just Bohemia in its centre, were incalculable.

But there also are parallels in terms of centres and peripheries, attributions, misattributions, envy, guilt, transgenerational tragedies and transgenerational metamorphosis. I am suggesting that a Kleinian perspective on Shakespeare’s play can inform splitting and projective identification, malignant mirroring, symmetries and asymmetries which is happening in a family of nations today - the European Union - as it did in the case of Leontes’s Palermo family. The first half of The Winter’s Tale reflects a seemingly irreconcilable situation where there is a gradient of envy which appears doomed to destruction, just as many recently have prophesied the destruction of the Eurozone. There is also a striking parallel where a transgenerational guilt in today’s greater Bohemia (Germany) is split and denied and then projected to the European periphery (Sicily included in southern Europe, Greece, Portugal and also the island of Ireland).

There are attributions and misattributions in language itself which also are relevant to the
themes of our workshop. For the German for debt – Schuld – also means guilt. Whereas its inverse ‘twin’, borrowing as credit, shares the same stem as the strongest and first word in the Christian creed - Credo – or ‘I believe’ while belief that the Eurozone not only should be saved but can be saved is relevant not only to ‘salvation’ in the sense of redemption from guilt but vital for a metamorphosis from its current risk of destruction, reconciliation between the EU family of nations and transformation of the current crisis into resolution and new creativites, such as was the ending of The Winter’s Tale.

It is also not taken into account that those thinking in other European languages are unaware of this German language fact that puts together two such important but different emotionally charged words with different histories over the last 100 years as debt and guilt. Equally it poses a different problem for German speakers, particularly in differentiating these meanings, often at different levels of consciousness, especially now, when this crisis is so important – even if often unconscious for all of us in Europe.

Given that guilt and debt are the same word in German, there is a splitting of war-guilt on the one hand and debt, which may or may not be a projection of guilt, on the other. The debt may be a punishment for guilt that is not consciously reflected on but expressed unconsciously as punishment. For example, the current financial crisis of the Eurozone is the first occasion on which Germany has been able to project any guilt onto the rest of Europe. Yet it still has difficulties in recognising its own guilt for causing two world wars. For example, before 1914, as the historian Fritz Fischer showed in the early 1960s by researching imperial archives, Germany under the chancellorship of Bethman Hollweg planned World War 1 including the annexation of Belgium, part of France and part of European Russia and was waiting only for an excuse to do so, which came with the assassination of an archduke of Austria – though not the heir to the throne since he had married a commoner - in Sarajevo. Yet the surfacing of this from the imperial archives by Fischer prompted rage verging on murderousness. He faced not only ostracism but also death threats. For most Germans, it was painful enough to accept that Germany had planned World War 2, as evident from the Allies finding the 1937 Hossbach memorandum minuting a meeting by Hitler with for the general staff confirming this, but unacceptable to recognise that it had planned World War 1, which was still widely regarded as a war forced upon Germany by its encircling enemies.

After World War 2 came the need to recognise the cataclysmic guilt for the Holocaust. But whereas this could be deemed an asymmetric ‘once off’ due to the seizure of power by Hitler in 1933, transgenerational guilt for Germany, having planned both World War 1 and World War 2 on symmetrical and twinned lines - occupying Belgium and part of France, and then attacking Russia - was harder to recognise, with denial prompting the murderous threats against Fischer.

Successive German Chancellors since Helmut Schmidt have declared that it is time to ‘bury’ the past and thereby allow a ‘break’ between generations. But it is only with the current financial crisis that Germany has been able to split in Kleinian terms from her ‘family of nations’ responsibility for what earlier was known as The European Community, with a majority of the German public deeming that Greece should be exiled from the Eurozone, echoing the former German finance minister Theo Weigel earlier that Italy never should have
been allowed to join it, projecting herself as ‘good’ since in surplus, and splitting from the ‘bad’ of a deficit European periphery. Thus debt has recently taken primacy over guilt in Schuld as demonstrated by recent attempts to reduce debt in Germany’s constitution.

Yet this also involves denial since one country’s surpluses have to be others’ deficits. Nearly two thirds of German exports are to other EU countries, and mainly those of the Eurozone. If the Eurozone disintegrates this will be the end not only of a single currency but also of Germany’s export surpluses other than to China. The Chinese are not going to let these exports of machinery for industry lie idle rather than combine with lower than German wages and social benefits, integral to German self identity since Bismarck introduced state and private co-financed pensions in the 1880s.

Germany therefore, is presuming that it is Ein Feste Burg in the sense of Luther, yet risks a Bunker mentality, facing another Untergang or ‘going under’ with the insistence that the rest of Europe cut its deficits, threatening her own trade surplus. Many Germans would welcome a smaller more central Eurozone of a few member states in which they did not have to support those whom they regard as profligate. But if this occurred by their ‘killing off’ the peripheral Eurozone by a combination of desire and neglect, the exchange rate of a smaller, leaner, more central Eurozone would soar and the reduced remnant of the Eurozone around Germany would find its own self righteous competiveness thereby becoming profoundly compromised.

If the Eurozone disintegrated this would mean not only the end of a European single currency, which only was initiated in 1999, but of the postwar European project which, since the Coal and Steel Community project of 1952, has been founded on the premise that another war between Germany and the rest of Europe, in the terms of the Schumann Declaration that year, would be ‘not only morally unthinkable but materially impossible’.

There also are other transgenerational differences which, now, at the end of July 2011, are preventing metamorphosis of the Eurozone crisis and its resolution. For the current German Chancellor Angela Merkel is the first who did not directly experience the murderous horror of Nazi Germany before and during World War 2. She is a different generation from Adenauer, Erhardt, Schmidt and Kohl who did. Each of them also supported a Social Market Economy in which market forces were matched by the State to ensure social rights. Brought up in the German Democratic Republic, Merkel saw too much State and too little market, which has influenced her to look for market solutions to the Eurozone crisis. She is now also bullied by the far right fighting for its 5% life and, since the beginning of last year, by things such as voluntary debt write downs by private banks - when there may be none.

There also is a presumption within the Lutheran debt-guilt context of Schuld in German that debts have to be repaid. This is another case of Kleinian transgenerational splitting since the Marshall Aid which financed German economic recovery after WW2 was not a miracle such as Hermione’s statue coming to life – through deemed at the time an economic miracle or Wirtschaftswunder – but the outcome of a gift through the grant rather than loan finance of the Marshall Aid programme. The reparations after WW1 that helped Hitler renounce Versailles and promote WW2 never needed to be repaid or ‘redeemed’ unlike the heavy debt that UK had to pay the USA for their help in winning World War 2.

Yet there also are further sets and sub-sets of meanings ranging from the conscious to the
unconscious in a Matte Blanco manner. For there are different perceptions of debt as guilt and credit as belief even within German culture which relate also to the Protestant and Catholic divisions of Europe of which Shakespeare in his time was so aware.

Angela Merkel is the daughter of a Protestant pastor. For Luther, and in the Reformation, there was no intermediary triangulation between man and God – and therefore no such intermediation as now is vital in resolving the Eurozone crisis - rather working alone than seeking redemption from guilt in the eyes of God in one’s own lifetime. By contrast, in southern Germany – and also Bohemia – a Catholic culture still prevails in which guilt can be redeemed by a finite penitence, and absolution, within days, weeks or months through the triangular intermediation of a priest.

Intermediation and resolution of the Eurozone crisis has been proposed by bonds – fixed interest borrowing which could be determined by the Eurogroup finance ministers at low interest rates for all Eurozone economies. The word for bonds in some Latin based European languages is obligation – not guilt (French obligations; Portuguese obrigaçãoes). But in Spanish, it is boni, and in Italian buoni - both clearly implying good rather than bad, twinning with the Credo of credit and belief and trust in others, rather than the Schuld of guilt, splitting and denial.

There was, therefore, no subsequent punishment of Germany after the Second World War. She was absolved with the intention also of being redeemed without punishment by the Truman Administration which had gained the confidence to grant redemption by its own experience of borrowing through bonds to invest in social programmes in order to create the success of the American New Deal. This was pragmatic rather than ideological or theological. Although compromised for two years in which Roosevelt had resorted to pressures to balance the US budget, as Germany now is claiming that the rest of Europe should do, the US recovered when Roosevelt gained a second term, and ‘twinned’ bond finance to shift savings into investment with what now is deemed by Germany as anathema – Keynesian deficit financing.

Nor need debts have to be repaid within a lifetime if they are based on the credit of bonds rather than the debt or debit of overdraft finance. For example, in financing the Peninsular War which, from the south western European periphery rolled back Napoleon much as Russia did from its periphery on the East, the British needed to borrow more than they could finance from current taxation and did so by issuing bonds. But when they became due for repayment, their creditors – such as the Rothschilds – were content to roll them over, indefinitely, since as investors in them they were not interested in getting their money back rather than in gaining an ongoing revenue flow from interest on them. There still are UK Treasury bonds dating from the Napoleonic Wars which on a transgenerational basis never have been repaid rather than rolled over. The British, on the other hand, with typical pragmatism, dropped the ‘u’ from guilt and called their bonds ‘gilts’ with the metamorphosis that they were deemed as good as gold, which they have proved to be.

I am much indebted in this analysis - other than of The Winter’s Tale, which he admits that he has not even read, despite pleas to do so from me - to Stuart Holland, who recommended the case for European bonds to ‘twin’ a common currency with common financial instruments to Jacques Delors in 1993. And which Delors - perhaps the Delphic oracle for a metamorphosis
of the centre-periphery Eurozone crisis now - included 18 years ago rather than the 16 years
difference between the first and later parts of The Winter’s Tale - in his 1993 White Paper
on Growth, Competitiveness, Cohesion which, in his Memoirs, he regarded as the greatest
achievement of his ten year presidency of the European Commission.

The case for bonds then died within the next few years much as the son of Leontes and
Herminone died aged seven. By the time of the introduction of the euro in 1999 it merited
scarce a mention. But with the emergence of the crisis of the Eurozone when the rating
agencies which had deemed toxic financial derivatives in banks and hedge funds as AAA until
the day they were threatened with collapse, Eurobonds gained a comeback, much as Polixenes
and Camillo surfaced in Palermo after sixteen years.

Bonds then hit headlines in December last year since they were endorsed by the Italian
finance minister Giulio Tremonti and Jean-Claude Juncker, prime minister of tiny Luxembourg,
itsle peripheral within Benelux, yet who also chairs both the Ecofin finance ministers and the
inner Eurogroup of Eurozone finance ministers. Stuart also mobilised four former heads of
government and other European politicians to make the case for bonds in an article published
in the international edition of The Financial Times on July 4th in the lead names of Giuliano
Amato and Guy Verhofstadt, which was bi-laterally twinned again in national press and media
from the peripheries of Portugal and Spain through to Greece to Poland in the next few days.

What is transpiring as I write this may be still closer to the outcome of Greene’s tragedy
based on Europe’s centre on which Shakespeare based his Winter’s Tale, rather than a
transgenerational metamorphosis which can recognise past guilt and the need to transform
it in bringing the three contrasting groups of Southern Europe together like King Roger in
Palermo some four hundred years before Shakespeare and we are now in another crisis four
more hundred years on.. But allow me to end my presentation, before we move to discussion,
with the first twenty lines of The Winter’s Tale which mirrors the surplus nations at its core
not being able either to understand or to empathise with the deficit nations at its periphery.

Archidamus: If you shall chance, Camillo, to visit Bohemia, on the like occasion whereon
my services are now on foot, you shall see, as I have said, great difference betwixt our Bohemia
and your Sicilia.

Camillo: I think, this coming summer, the King of Sicilia means to pay Bohemia the
visitation which he justly owes him.

Archidamus: Wherein our entertainment shall shame us: we will be justified in our loves:
for indeed –

Camillo: Beseech you –

Archidamus: Verily I speak it in the freedom of my knowledge: we cannot with such
magnificence – in so rare – I know not what to say – We will give you sleepy drinks, that your
senses (unintelligent of our insufficience) may, though they cannot praise us, as little accuse
us.

Camillo: You pay a great deal too dear for what’s given freely.

Archidamus: Believe me, I speak as my understanding instructs me, and as mine honesty
puts it to utterance.

Shakespeare’s The Winter’s Tale ends on a positive note with Leontes forgiving Polixenes,