RUSSIAN ACADEMY OF SCIENCES ST. PETERSBURG INTELLIGENTSIA CONGRESS

ST. PETERSBURG UNIVERSITY OF THE HUMANITIES AND SOCIAL SCIENCES

under the support of the Ministry of Foreign Affairs of Russia

# GLOBAL WORLD: SYSTEM SHIFTS, CHALLENGES AND CONTOURS OF THE FUTURE

## The 17th International Likhachov Scientific Conference

May 18-20, 2017

The Conference is held in accordance with the Decree of President of Russia V. V. Putin 'On perpetuating the memory of Dmitry Sergeyevich Likhachov' No 587, dated from May 23, 2001 The conference, originally called 'The Days of Science in St. Petersburg University of the Humanities and Social Sciences' is the 25th in number and the 17th in the status of the International Likhachov Scientific Conference

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St. Petersburg 2017

#### Scientific editor

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This collection contains materials of the Plenary Session, Panel Discussions and the Round Table of the 17th International Likhachov Scientific Conference held on May 18–20, 2017 in St. Petersburg University of the Humanities and Social Sciences in accordance with the Decree of the President of the Russian Federation V.V. Putin "On Perpetuating the Memory of Dmitry Likhachov". On the list of the participants of the 17th Conference were guests from over 20 countries.

Among the 61 authors of the collection are outstanding Russian scientists, members of the Russian Academy of Sciences: Al.A. Gromyko, A.A. Guseynov, A.S. Zapesotsky, V.L. Kvint, G.B. Kleiner, V.A. Lectorsky, A.G. Lisitsyn-Svetlanov, V.L. Makarov, V.V. Mironov, A.D. Nekipelov, V.S. Styopin, Zh.T. Toshchenko, V.A. Chereshnev and others; directors of academic institutions and research centers, representatives of higher education institutions, media leaders, well-known state and public figures: M.V. Shmakov, Chairman of the Federation of Independent Trade Unions of Russia; K.I. Kosachov, Chairman of the Foreign Affairs Committee of the Federation Council of Russia; G.A. Hajiyev, Judge of the Constitutional Court of the Russian Federation; G.M. Gatilov, Deputy Minister of Foreign Affairs of the Russian Federation; A.A. Pankin, Director of the Department for International Organizations of the Ministry of Foreign Affairs of the Russian Federation; V.A. Sevrikov, Deputy Plenipotentiary Representative of the President of the Russian Federation in the North-Western Federal District: A.V. Yakovenko, Ambassador of the Russian Federation to the United Kingdom; M.S. Gusman, First Deputy Director General of TASS Russian News Agency; H.M. Reznik, Vice-President of the Federal Chamber of Lawyers; A.I. Ageev, Director General of the Institute for Economic Strategies of the Russian Academy of Sciences; A.S. Maksimov, Chairman of the Committee for Science and Higher Education of St. Petersburg Administration; V.T. Tretyakov, Dean of Higher School of Television of Lomonosov Moscow State University and many others.

Among the foreign authors of the collection are: A.A. Akayev, President of Kyrgyzstan (1990–2005), academician; Egemen Bağış, Minister for EU Affairs of Turkey (2011–2013); J.J. Wiatr, Minister of National Education of Poland (1996–1997); Ch. T. Gadio, Minister of Foreign Affairs of Senegal (2000–2009); G.W. Kolodko, Deputy Prime Minister, Minister of Finance of Poland (1994– 1997, 2002–2003), academician; M.A. Moratinos, Minister of Foreign Affairs of Spain (2004–2010); J.A. March, Ambassador of Spain to the Russian Federation (2008–2011); members of foreign academies of sciences: E. Agazzi (Italy), V. Prodanov (Bulgaria), P.P. Tolochko (Ukraine); professors: A. Bebler (Slovenia), L.C. Bresser-Pereira (Brazil), C. Varga (Hungary), P. Dutkiewicz (Canada), V. Ingimundarson (Iceland), H. Köchler (Austria), R. Matthews (Great Britain), V.V. Popov (Canada), V.I. Rossman and B.J. Silver (USA), T. Türker (Turkey), J.A. Scholte (Sweden) and others.

President of the Russian Federation V.V. Putin highly appreciated the role of the Likhachov Conference, noting in his welcoming address that "the organizers and participants of the Conference keep the established traditions alive and pay the most serious attention to challenging pivotal issues of development of civilization and dialogue of cultures."

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## DECREE OF PRESIDENT OF THE RUSSIAN FEDERATION 'ON PERPETUATING THE MEMORY OF DMITRY SERGEYEVICH LIKHACHOV'

Given D. S. Likhachov's outstanding contribution to the development of the home science and culture I enact:

1. the Government of the Russian Federation should:

- establish two personal grants in honour of D. S. Likhachov at the rate of 400 roubles each for university students from the year 2001 and to define the procedure of conferring them;

- work out the project of D. S. Likhachov's gravestone on a competitive basis together with the Government of St. Petersburg;

- consider the issue of making a film devoted to D. S. Likhachov's life and activities.

2. the Government of St. Petersburg should:

- name one of the streets in St. Petersburg after D. S. Likhachov;

 – consider the issue of placing a memorial plate on the building of the Institute of Russian Literature of the Russian Academy of Science (Pushkin's House);

- guarantee the work on setting up D. S. Likhachov's gravestone in prescribed manner.

3. According to the suggestion from the Russian Academy of Science the Likhachov Memorial Prizes of the Russian Academy of Science should be established for Russian and foreign scientists for their outstanding contribution to the research of literature and culture of ancient Russia, and the collected writings of the late Academician should be published.

4. According to the suggestion from St. Petersburg Intelligentsia Congress the International Likhachov Scientific Conference should be annually held on the Day of the Slavonic Letters and Culture.

VLADIMIR PUTIN,

President of the Russian Federation Moscow, the Kremlin, May 23, 2001

## GREETINGS OF VLADIMIR PUTIN TO THE PARTICIPANTS OF THE INTERNATIONAL LIKHACHOV SCIENTIFIC CONFERENCE

### **Dear Friends!**

I'd like to welcome you on the occasion of the 17th International Likhachov Scientific Conference that opens today.

Your meetings have become an important, expected event in the public life of St. Petersburg and the whole country. It's encouraging that in all those years organizers and participants of the Conference have been keeping alive the established traditions, paying most serious attention to important, basic issues referring to civilization development and dialogue of cultures. They follow the precepts of the great humanist and educator Dmitry Sergeyevich Likhachov.

I'm sure that this forum will work creatively and constructively, will be remembered for interesting, productive discussions, informal and really friendly atmosphere.

I wish you every success.

President of the Russian Federation V. PUTIN May 18, 2017

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## Dear Friends!

Greetings to you all on the occasion of the opening of the International Likhachov Scientific Conference, which has been held in our Northern Capital for many years now.

Your authoritative forum, bringing together the elite of the Russian and global intelligentsia, prominent scientists and cultural figures, has truly become a cornerstone event and grand tradition in the country's public and spiritual life. Importantly, the meeting agenda always tackles the most pressing humanitarian and civilizational problems that are of such critical importance to Russia's present and future.

Today, you have convened to discuss such a fundamental topic as "Modern Global Challenges and National Interests", share your experience, and tally the results of joint projects. I am confident that the proposals and recommendations formulated in the course of the Conference will further the careful preservation of our national cultural heritage and the advancement of the humanitarian ideas of Dmitry Sergeyevich Likhachov.

I wish everyone productive, mutually-beneficial discussions, much success and all the very best.

President of the Russian Federation V. PUTIN May 16, 2016

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### **Dear Friends!**

I am happy to welcome you in St. Petersburg and to congratulate you on the opening of the 12th Likhachov Conference.

Your forum is an important event in the social life of Russia and of a number of foreign countries. It traditionally brings together representatives of scientific and artistic communities and competent experts.

Under globalization, the issues of extending the dialogue of cultures, preventing ethno-confessional conflicts are of paramount importance. There is compelling evidence that the humanistic ideas of academician D. S. Likhachov, an outstanding Russian enlightener and public figure, are still up-to-date.

I am convinced that the suggestions and recommendations drawn up in the course of your meeting will be sought after in practical terms.

I wish you new achievements and all the best.

President of the Russian Federation V. PUTIN May 17, 2012

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## **Dear Friends!**

I would like to welcome participants, hosts and guests of the 11th International Likhachov Scientific Conference!

Your forum, traditionally gathering the cream of the Russian intellectual community, prominent scientists and public figures from all over the world in St. Petersburg is an outstanding and remarkable event in the international scientific and cultural life. It is crucial that the topics of the Conference precisely reflect the most urgent and acute humanitarian issues, the main of them being promotion of the dialogue of cultures and civilizations in the modern world, establishment of moral and spiritual foundations of the society. And certainly, one of the priority tasks for you is preserving the invaluable legacy of Dmitry Sergeyevich Likhachov, which is as relevant and significant as before.

I wish you fruitful and constructive discussions, interesting and useful meetings.

Chairman of the Government of the Russian Federation V. PUTIN May 5, 2011

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### **Dear Friends!**

I am sincerely pleased to see you in Saint-Petersburg and open the 10th Anniversary International Likhachov Conference.

This reputable forum is always notable for the substantial membership, comprehensive and effective work, and wide spectrum of issues to be discussed.

I am sure that the today's meeting devoted to the dialogue of cultures and partnership of civilizations should be one more step forward in promoting interconfessional and international communication to bring people closer to each other. And, certainly, again we can see so many prominent people together, among which are scientists, public figures, intellectuals, representatives of arts community, everyone who shares notions and opinions of Dmitry S. Likhachov.

I wish you good luck and all the best!

Chairman of the Government of the Russian Federation V. PUTIN May 11, 2010

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I want to extend my welcome to hosts, participants and guests of the 8th International Likhachov Scientific Conference.

Holding this scientific forum has become a good and important tradition. It helps not only to realise the value of humanistic ideas of Dmitry Sergeyevich Likhachov, but also to understand topical issues of the modern world.

That is why the agenda of the Conference involves problems vital for everyone, like personality and society in a multicultural world; economics and law in the context of partnership of civilizations; mass media in the system of forming the worldview; higher education: problems of development in the context of globalization and others.

I am sure that a lively discussion closely reasoned and utterly transparent in its exposition and logic will contribute to the development of the humanities, steadfast and righteous moral norms.

I wish the hosts, participants and guests fruitful cooperation and all the best.

Chairman of the Government of the Russian Federation V. PUTIN May 22, 2008

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I should like to welcome the guests, participants, and the organization that is holding the 6th International Likhachov Scientific Conference.

I note with satisfaction that for many years this forum has been carrying out a very noble and important mission of preserving, analyzing and popularizing Likhachov's scientific works. The International Likhachov Scientific Conference has become a very important forum where people can exchange ideas and discuss the topical issues of the present time. Likhachov's spiritual legacy is an integral part of our science, of the science all over the world. And we are proud to see Likhachov's 100th anniversary, this memorable event, being celebrated on a great scale in Russia and abroad. I wish a successful discussion to all the participants and guests of the conference.

> President of the Russian Federation V. PUTIN May 25, 2006

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I should like to welcome the guests, participants, and the organization that is holding this remarkable event, the International Likhachov Scientific Conference.

The most influential and outstanding representatives of intellectual elite – scientists, artists, political figures – participate in this conference to keep up with the tradition. It affords me deep satisfaction to see this forum acquire an international standing. I note with pleasure that its agenda contains the most significant and topical issues of our time. This year you are discussing one of the fundamental problems – impact of education on humanistic process in the society.

The fact that this forum is organized regularly is a great tribute to the memory of D. S. Likhachov, an outstanding scientist, citizen and patriot. His spiritual legacy, scientific works dedicated to the problems of intellectual and moral development of younger generations, has great significance. I wish you a fruitful discussion.

> President of the Russian Federation V. PUTIN May 20, 2004

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I should first like to welcome the participants of the International Scientific Conference "The world of culture of academician D. S. Likhachov". The most prominent scientists and political leaders come together to discuss at this conference the most important issues of the scientific, moral and spiritual legacy of the remarkable Russian scientist D. S. Likhachov. I strongly believe that this tradition will be followed up in the future and the most distinguished successors will develop Likhachov's humanistic ideas and put them into practice while creating the Universal Home for all people of the 21st century.

I should like to express my hope that the Likhachov scientific conferences will be held in all regions of this country as well as in St. Petersburg, and we will feel part of this remarkable tradition.

I wish you a fruitful discussion and a good partnership that will bring many useful results.

President of the Russian Federation V. PUTIN May 21, 2001

## WELCOME ADDRESSES TO THE PARTICIPANTS AND GUESTS OF THE 17th INTERNATIONAL LIKHACHOV SCIENTIFIC CONFERENCE

# To the participants and guests of the 17th International Likhachov Scientific Conference

## **Dear Friends!**

I'd like to welcome everyone who is present today at the International Likhachov Scientific Conference in St. Petersburg.

There are well-known philosophers and men of letters, politicians and public figures, clergymen and teachers among you, united by Dmitry Sergeyevich Likhachov's ideas. This outstanding thinker left a very rich creative legacy. His fundamental works will never stop being timely and important as there are not only well-known academician's ideas in them but words of a sincere and indifferent man. His thoughts about the future of the humankind, further development of our civilization.

D. S. Likhachov always put culture in the first place, according to him, it "is the main essence and the main value of existence of both separate nations and small ethnos, and states. Their independent existence beyond culture has no meaning". Because of that, today, in the environment of global instability, it's important to take care of keeping and developing the dialogue of cultures. It's necessary to strengthen humanitarian cooperation, scientific and public ties, and the International Likhachov Scientific Conference serves a vivid example of them. I think that it will again provide you a good opportunity to share opinions, experience and outline joint projects.

I wish you interesting and fruitful discussions and I also wish vivid and unforgettable impressions of the time spent in the Northern capital of Russia to participants from abroad.

Chairman of the Government of the Russian Federation D. A. MEDVEDEV Moscow, May 18, 2017

To the organizers, participants and guests of the 17th International Likhachov Scientific Conference

### **Dear Friends!**

I'd like to welcome you on the occasion of the 17th International Likhachov Scientific Conference.

The Conferences are an important scientific and public venue where useful discussions of humanitarian issues of pressing concern have been taking place for many years. Proposals and recommendations worked out in the course of the Conferences are practically important including for law making.

I'm sure that discussion of the topic "Global world: system shifts, challenges and contours of the future" will take place in line with scientific creativity and humanistic ideas of the outstanding Russian scientist Dmitry Sergeyevich Likhachov.

It's important that a forum for senior schoolchildren has been organized for ten years as a part of the Conference. They are winners of the annual contest aimed at popularization of D. S. Likhachov's legacy among the young people.

I wish you successful and fruitful work.

Chairman of the State Duma of the Federal Assembly of the Russian Federation V. V. VOLODIN May 17, 2017

## To the organizers and participants of the 17th International Likhachov Scientific Conference

### **Dear Friends!**

I'm happy to welcome participants and organizers of the International Likhachov Scientific Conference in St. Petersburg!

Over the years of its holding, this representative forum has taken an important place in public and cultural life of our city. The participants discuss issues that are of pressing concern today, basing of the richest creative and scientific legacy of the greatest educator of the 20th century – academician Dmitry Sergeyevich Likhachov.

Today, the whole world is living in challenging times. The mankind has to deal with new challenges the scales of which are not limited by one country or one continent. And it's extremely important to make plans for the future in this environment, acting for the benefit of all national cultural systems and maintaining the balance of interests of individual states and the world community as a whole.

I'm sure that academician Likhachov's lessons will become a guiding light and a source of inspiration for all who strive for peace, good and mutual understanding.

I wish the participants of the 17th International Likhachov Scientific Conference creative enthusiasm, fruitful discussions and new achievements!

St. Petersburg Governor G. S. POLTAVCHENKO

# To the organizers, participants and guests of the 17th International Likhachov Scientific Conference

I'd like to sincerely welcome organizers, participants and guests of the 17th International Likhachov Scientific Conference.

Your regular meetings in St. Petersburg certify that the academia and groups of experts, large sections of the population in various states are inclined to actively help searching for optimal solutions of numerous issues of the modern times in order to maintain trust and mutual understanding of nations. Your meetings are invariably characterized by the impressive composition of participants, hard-driving, varied agenda.

The topic of the present forum is fairly urgent. In the environment when old crises and conflicts remain and new originate, it's required to unite efforts to overcome them politically and diplomatically on a firm basis of international law. Any unilateral steps, attempts to thrust one's will, values, development models on the others, on the contrary aggravate the world situation which is already turbulent.

Consequently, we proceed from the fact that progressive development and flourishing of all humankind is impossible without real democratization of international life, arrangement and setting straight of mutually respectful, inter-civilization and inter-cultural partnership. Russia continues working on strengthening healthy principles of world affairs, on the whole formation of sustainable polycentric world order consistent with the requirements of the time.

I wish you interesting discussions and all the best.

Minister of Foreign Affairs of the Russian Federation S. V. LAVROV Moscow, May 18, 2017

To the organizers and participants of the 17th International Likhachov Scientific Conference

## **Dear Friends!**

I'm sincerely happy to have an opportunity to address and welcome organizers and participants of the 17th International Likhachov Scientific Conference!

Dmitry Sergeyevich Likhachov was one of the best minds of the 20th century, an outstanding symbol of not only Russian but world culture as well, a real moral orientation point for the present and future generations. He was an unquestionable authority in science and a very cultured and educated man, and that left an unforgettable footprint in the memory of those who had an opportunity to communicate with Dmitry Sergeyevich personally.

I'd like to emphasize that the Likhachov Scientific Conference invariably taking place in the St. Petersburg University of the Humanities and Social Sciences, every year unites outstanding representatives of the Russian and world science. This important forum properly serves conservation of our cultural heritage, for many years proposing new ways for promotion and development of Russian culture.

I wish you further creative achievements in your honorable service to the Russian culture with all my heart!

Minister of Culture of the Russian Federation V. R. MEDINSKY

To the Rector of the St. Petersburg University of the Humanities and Social Sciences, organizers and participants of the 17th International Likhachov Scientific Conference

### Dear Alexander Sergeevich! Dear Colleagues!

I'd like to sincerely welcome members of the Organizing Committee and participants of the 17th International Likhachov Scientific Conference on behalf of the Ministry of Labour and Social Protection of the Russian Federation and on my own behalf.

Year after year, outstanding scientists, statesmen and public figures confirm the indisputable value of scientific thinking and ideas at the St. Petersburg University of the Humanities and Social Sciences venue – the forum is held for the seventeenth time already.

The opening Conference is unique because it is a special incubator of thoughts, ideas and solutions assisting thorough and complete understanding of the processes taking place in the today's world. Your work helps successful movement and development notwithstanding the challenging economic environment.

I wish successful and fruitful work to organizers and participants of the Scientific Conference!

> Minister of Labour and Social Protection of the Russian Federation M. A. TOPILIN

# To the organizers, participants and guests of the 17th International Likhachov Scientific Conference

I'd like to welcome participants and guests of the 17th International Likhachov Scientific Conference on behalf of the Russian Academy of Sciences!

Over the past years, the Likhachov Scientific Conference has become a recognized and important venue for scientific discussions of the today's key issues. Now, your scientific forum focuses on such important for everyone topics as "Contours of the world order in the 21st century", "The crisis of civilization: the future of man and humankind", "Economy and law: system shifts, challenges and contours of the future". Comprehension of the main global development trends based on the creative legacy of D. S. Likhachov and his humanistic ideas will help searching for efficient answers to common to all challenges. The Likhachov Scientific Conference invariably interests Russian and foreign scientists, statesmen and public figures united by their understanding of system shifts that took place in the global world and striving to determine the contours of the future.

I wish fruitful scientific discussions, personal and professional achievements to all participants of the scientific forum.

Acting President of the Russian Academy of Sciences, Academician V. V. KOZLOV

## To the organizers and participants of the 17th International Likhachov Scientific Conference

I'd like to welcome organizers and participants of the 17th International Likhachov Scientific Conference on behalf of the Federation of Independent Trade Unions of Russia.

The elite of the Russian and world humanities and culture assembles in the University for the seventeenth time, demonstrating the importance of constructive dialogue that helps to comprehend the cardinal changes taking place in the world, and form the unique spiritual environment for socializing and networking. The tasks that men of culture and science have to solve are development of the dialogue of cultures and civilizations in the global world, identifying the place of Russia in the context of geopolitical challenges of the period. Creative environment at the International Likhachov Scientific Conference helps to search for answers to the issues of pressing concern for the international community.

It's difficult to overestimate the importance of your forum dedicated to such an issue of pressing concern, very well understood by Russian trade unions. Russian trade unions are for development and support of the rights of the working people, adequate social living standards, and they invariably adhere to the principles of international solidarity, strengthen cooperation and unity.

I wish organizers and participants of the Conference fruitful work, high spirits and every success in creative activities!

Chairman of the Federation of Independent Trade Unions of Russia M. V. SHMAKOV

# To the organizers, participants and guests of the 17th International Likhachov Scientific Conference

For 22 years, the International Likhachov Scientific Conference has been a fruitful forum to enhance global scientific cooperation – in homage to the leadership and legacy of the great Russian Academician and scientist, Dmitry Sergeyevich Likhachov.

Dmitry Likhachov's life was a continuous ground of experimentation of scientific principles at the service of cultural expressions. Likhachov thought of science as a medium to strengthen the correlation between culture and nature. His ideas and values are more relevant than ever today. Science, culture and innovation stand at the heart of the United Nations 2030 Agenda for Sustainable Development and the Paris Agreement on Climate Change. We need to nurture every source of innovation and creativity, to craft a more inclusive, sustainable and just path to the future. This vision resonates at the heart of UNESCO's mandate to strengthen international scientific cooperation and make the most of human ingenuity – our ultimate renewable energy.

This 17th edition of the International Likhachov Scientific Conference is an ideal platform to discuss solutions and encourage more people, especially girls and women, to pursue careers in science – to multiply our collective scientific capabilities. I wish to express my gratitude to the St. Petersburg University of the Humanities and Social Sciences for this initiative and I invite all of partners and governments to do everything to support, nurture and harness the full power of science to shape a more inclusive and sustainable future for all.

Director-General of UNESCO I. BOKOVA May 18, 2017

## ABOUT THE INTERNATIONAL LIKHACHOV SCIENTIFIC CONFERENCE Information

The International Scientific Conference at St. Petersburg University of the Humanities and Social Sciences first took place in May, 1993. It was timed to the Day of Slavonic Letters and Culture. It was initiated by academician Dmitry Sergeyevich Likhachov. Since then the conference has been held every year. After academician Likhachov had passed away this academic forum received the status of International Likhachov Scientific Conference from the government (by the Decree of President of the Russian Federation V. V. Putin 'On perpetuating the memory of Dmitry Sergeyevich Likhachov' No 587, May 23, 2001).

The co-founders of the Conference are the Russian Academy of Sciences, St. Petersburg University of the Humanities and Social Sciences, St. Petersburg Intelligentsia Congress (founders: J. I. Alferov, D. A. Granin, A. S. Zapesotsky, K. Yu. Lavrov, D. S. Likhachov, A. P. Petrov, M. B. Piotrowski). Since 2007 the conference has enjoyed the support of the Ministry of Foreign Affairs of the Russian Federation, in 2013 had the support of the European Academy of Sciences and Arts (Salzburg).

Traditionally, the most universal debatable challenges of the present time are put on the agenda of the conference: 'Education in terms of the new cultural type formation', 'Culture and global challenges of the world development', 'Humanitarian issues of the contemporary civilization', 'Dialogue of cultures under globalization', 'Contemporary global challenges and national interests', 'Global world: sistem shifts, challenges and contours of the future' etc.

Every year greatest figures of Russian and foreign science, culture and art, public and political leaders take part in the conference. The following academicians of the Russian Academy of Sciences have taken part in the conference in recent years: L. I. Abalkin, G. A. Arbatov, N. P. Bekhtereva, O. T. Bogomolov, V. N. Bolshakov, Yu. S. Vasilyev, S. Yu. Glazyev, M. K. Gorshkov, R. S. Grinberg, An. A. Gromyko, A. A. Guseynov, A. V. Dmitriyev, T. I. Zaslavskaya, M. P. Kirpichnikov, M. I. Kleandrov, G. B. Kleiner, A. A. Kokoshin, A. B. Kudelin, V. A. Lektorsky, A. G. Lisitsyn-Svetlanov, I. I. Lukinov, D. S. Lvov, V. L. Makarov, V. A. Martynov, V. V. Mironov, N. N. Moiseyev, V. V. Naumkin, A. D. Nekipelov, R. I. Nigmatulin, Yu. S. Osipov, A. M. Panchenko, N. Ya. Petrakov, V. F. Petrenko, E. I. Pivovar, M. B. Piotrovski, N. A. Plateh, V. M. Polterovich, E. M. Primakov, B. V. Rauschenbach, Yu. A. Ryzhov, N. N. Skatov, A. V. Smirnov, V. S. Styopin, M. L. Titarenko, V. A. Tishkov, J. T. Toshchenko, V. A. Chereshnev, A. O. Chubarian, N. P. Shmelyov, B. G. Yudin, V. L. Yanin and others. Academicians of the Russian Academy of Education who have taken part in the conference are the following: S. A. Amonashvili, V. I. Andreyev, G. M. Andreyeva, A. G. Asmolov, A. P. Beliayeva, M. N. Berulava, I. V. Bestuzhev-Lada, A. A. Bodalev, E. V. Bondarevskaya, G. A. Bordovsky, V. P. Borisenkov, G. N. Volkov, Yu. S. Davydov, A. V. Darinsky, E. D. Dneprov, S. F. Yegorov, V. I. Zagvyazinskiy, I. A. Zimniaya, Yu. P. Zinchenko, V. G. Kineliov, I. S. Kon, A. S. Kondratyev, V. G. Kostomarov, V. V. Krayevsky, A. A. Likhanov, G. V. Mukhamedzianova, V. S. Mukhina, V. A. Miasnikov, N. D. Nikandrov, A. M. Novikov, O. A. Omarov, A. A. Orlov, Yu. V. Senko, A. V. Usova, Yu. U. Fokht-Babushkin, G. A. Yagodin, V. Mitter (Germany) and others. Such public and state figures as A. A. Akayev, F. A. Asadullin, N. S. Bondar, A. E. Busygin, G. A. Hajiyev, G. M. Gatilov, Al. A. Gromyko, M. S. Gusman, A. K. Isayev, S. L. Katanandov, K. I. Kosachov, S. V. Lavrov, E. I. Makarov, T. A. Mansurov, V. I. Matviyenko, V. V. Miklushevsky, A. A. Pankin, V. N. Pligin, H. M. Reznik, K. O. Romodanovsky, A. L. Safonov, A. A. Sobchak, E. S. Stroyev, V. Ye. Churov, M. V. Shmakov, A. V. Yakovenko, V. A. Yakovlev have also participated in the conference. Among the figures of culture and art who have taken part in the conference are the following: M. K. Anikushin, N. V. Burov, A. A. Voznesensky, I. O. Gorbachov, D. A. Granin, N. M. Dudinskaya, Z. Ya. Korogodsky, K. Yu. Lavrov, A. P. Petrov, M. M. Plisetskaya, M. L. Rostropovich, E. A. Riazanov, G. V. Sviridov and others.

Since 2007 in the framework of the Conference there has been held Likhachov forum of senior high-school students of Russia, which gathers winners of the All-Russian Contest of creative projects entitled 'Dmitry Likhachov's Ideas and Modernity' from all over Russia and abroad.

Since 2008, supported by the Ministry of Foreign Affairs of the Russian Federation, the Diplomatic Programme of the conference 'International Dialogue of Cultures' has been implemented. Ambassadors of foreign states present their reports and give their opinions on acute challenges of present time.

Since 2010 the complex of Likhachov events has been supplemented with an All-Russian culturaleducational programme for senior high-school students entitled 'Likhachov Lessons in Petersburg'.

In 2001, 2004, 2006, 2009–2012, 2016, 2017 the hosts and participants were greeted by Presidents of the Russian Federation V. V. Putin and D. A. Medvedev, in 2008, 2010–2017 by Chairman of the Government of the Russian Federation.

Every year volumes of reports, participants' presentations, proceedings of workshop discussions and round tables are published. The copies of the volumes are present in all major libraries of Russia, the CIS countries, scientific and educational centres of many countries in the world. The Proceedings of the conference are also available on a special scientific website 'Likhachov Square' (at www.lihachev.ru).

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## Evandro Agazzi<sup>1</sup> A SYSTEMIC WAY OF THINKING FOR APPROACHING THE PROBLEMS OF GLOBALIZATION

The notion of globalization has been originally introduced with an economic, or better a financial, meaning, that is, as stressing the fact that what happens, for instance, at the stock market of Hong Kong or Tokyo has almost immediate impacts on Wall Street, London, Moscow or Paris., and similar effects accompany the fluctuations of the different currencies (dollar, pound, ruble, euro, etc.). This phenomenon was (correctly) considered as the consequence of the astonishing progress in communication technology that allows for real-time exchange of information all around the world. In this sense, it was only a particular aspect of that 'contraction' of the geographic space produced by the increase of communications that Marshall McLuhan had qualified as the reduction of the world to a "global village" already at the beginning of the 1960s.

During the last decades the flow of information has been accompanied by a parallel and unprecedented flow of goods and commodities, thanks to which, forinstance, all kinds of fruits are available everywhere at any season, or clothes and shoes produced in China or in Italy can be purchased at different prices almost in all countries, and so on. This second stage, which we can qualify as the improvement and acceleration of communication and transportation, concerns the movements of material things and services, and points towards the global village becoming a global market.

The improvement of communication and transportation facilities has also concerned the mobility of persons that has tremendously increased, not only regarding travels of business people, scholars and workers, but especially regarding the impressive development of mass-tourism: thousand and thousand of people visit foreign countries and make a quick and rather superficial acquaintance with sites and persons belonging to other cultures: their motivation is usually curiosity, but it opens the minds to the idea that there is much in common among humans in spite of several differences.

In the last years the phenomenon of human mobility has taken a different and more radical aspect, the aspect of migration, in which not single persons, families or small groups, but entire communities try to settle in foreign countries, to find there a life-space, a stable 'home'. In the past history this happened occasionally when nomadic populations 'invaded' with violence the territories of weakened states unable to defend their borders, or when certain communities were expulsed from their homeland for religious or racial reasons and were accepted in other countries. Today migration has become a rather 'regular' phenomenon involving large groups of people, entire communities that abandon their native countries in order to settle in a new country that should become their stable homeland. The reasons pushing these people to migrate are often dramatic situations of war or political persecution, but very often simply the condition of extreme poverty at home that pushes them to go where they hope to find better life conditions, especially in those countries where they are ready to accept jobs or kinds of humble work that are socially needed but are disliked by local people. A significant difference in comparison with the past is that this migratory trend is 'peaceful': the migrants come to the unknown foreign country with no weapons, but simply relying on their condition of extreme vulnerability that should give them the moral right to be helped.

If the portrayal of the present migratory flow were sufficiently expressed by the above description no problem would appear: every country should open the doors to the incoming migrants. Unfortunately we know that this is not the case, and it would be superficial to attribute to an egoistic mentality or to an irrational feeling of xenophobia the increasing negative attitude regarding the acceptance of migrants that we note in our populations.

The real situation can be better analyzed from a systemic point of view. A given country can be considered as a system in which different subsystems are interrelated and mutually interacting, so that a global homeostatic equilibrium is preserved. If something 'comes in' from the environment of the system, this equilibrium is temporarily affected, but the internal 'mechanisms' are normally able to recover a new homeostatic equilibrium in which the external 'input' is so to speak 'assimilated'. This input can be, for example, the introduction of a new technology that can negatively affect the exercise of certain jobs, or the opening of a new market that stimulates the production of certain goods for export, or can also be the arrival of foreign persons with their needs, their capabilities, their culture and customs. In this case too the internal social mechanisms can often 'assimilate' the new persons, if the number and frequency of the new incomers remain limited. Otherwise the situation becomes uncontrollable, and fierce competition with the 'indigenous' people can explode.

A way out of this difficulty that is often proposed or realized essentially consists in measures that prevent the entrance of the migrants (such as constructing walls) or try to send them away (by repatriation or by distributing them in different countries of a given political community). Both

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strategies are doomed to failure, because they try to solve a *global* problem through *local* measures and, in addition, because they follow the logic of 'assimilation' that is sufficient for the acceptance of single persons or small groups, but not for large groups or communities.

The correct solution must start from the awareness that nobody is normally willing to migrate, to leave his/her own homeland, unless one is forced to this choice by external factors that can be reduced, today, essentially to wars, political persecution and poverty. Therefore, if we want to eliminate or reduce the dimensions of migration (that is in itself not negative within certain limits), we have to remove its causes.

This needs the adoption of a systemic way of thinking, in which the whole world is conceived as a system that must attain a homeostatic equilibrium whose fundamental requirement is the absence of internal wars, but 'internal' with respect to the entire world simply means the serious promotion of a policy of peace. Progress in this direction has been made because the idea of a 'global war' comparable with the two world-wars occurred in the 20th century seems to be alien to the political way of thinking today. Local wars, however, are still active in different parts of the planet and are produced by a variety of 'local' causes. Nevertheless, it is well known that such 'local' wars can go on for a long while because 'external' political powers try to take advantage from those wars for their geopolitical strategies, and this means that only the sincere decision to avoid wars - taken at a global level – can cope with this phenomenon. Is this utopian? It is certainly utopian to a large extent, not so much because it is very difficult that big and powerful countries really give up any 'imperialistic' dreams, but especially because too many *interests* (industrial, economic, political) lie behind the military business all over the world. Again a huge problem that can be approached oly globally and through a complex network of intra-systemic action of communication, education, moral suasion, passionate commitment.

Only a little less difficult is the issue of eliminating political persecution as one of the causes of massive migration. This has obviously to do with the problem of promoting the disappearance of despotic violent dictatorships around the world, and the development of more democratic ways of functioning of the political life. This is a slow process that, however, seems irreversible because the number of democratically ruled countries is increasing in the world and(what is very important) even those regimes that are concretely oppressive try to show the appearance of a state following the rule of law, and this is the effect of a systemic influence of general politically correct approaches on the single states.

The third major cause of massive migration, that is, poverty, is still far from being adequately approached, be-

cause poverty is perceived as a 'local' bad condition of single countries, whereas it is a global issue that can be managed only if a gigantic common effort is realized with the view of attaining a homeostatic equilibrium also as far as standard living conditions of populations are concerned. This requirement is certainly founded in a general ethical principle of justice, but it has also this systemic dimension which should impulse the wealthy countries to accept the economic burden necessary for such a redistribution of wealth from which a general benefit (including their own benefit) would follow.

We shall conclude our sketch of a systemic analysis by considering the problem of the 'assimilation' of the migrants, which we have considered positively in certain foregoing reflections. We have maintained that this assimilation is positive only if it concerns single individuals or small groups. The reason is that every human being requires a social environment for the display of his psychological, existential and relational needs, and - if he has left behind his original environment - has a great advantage if he can insert himself in the new environment. The situation of large collectivities is different: if they are essentially homogeneous, in the sense that they belong to the same culture, they rely upon a great amount of shared customs, moral principles, values, traditions, religious beliefs, conceptions regarding the family structure, apart from practical skills, historical memories and general worldviews. All this is the ground for the 'identity' of the community and also of its individuals and it would be a real loss if this genuine 'wealth' were lost due to a 'dilution' in the new environment of the foreign country. This simply because the original unity was in fact a system and no system can be dissolved and diluted without ceasing being what it is.

The consequence of this reflection is that the idea of a future global society as a 'melting pot' in which the ethnic and cultural differences should disappear is by no means recommendable as an ideal. Such a society would be one of disoriented individuals, without roots and values. The image of the future global world that deserves being promoted is rather that of a great system in which several subsystems - constituted by large geographic and cultural areas - interact harmoniously, like the different organs in a living organism (each having specific structure, properties and functions, but all interrelated and cooperating to the health of the whole organism) - The fundamental condition for the realization of this idea si an attitude of tolerance, the positive engagement in a dialogue, and the sincere disposition to recognize that pluralism is not equivalent to skepticism or relativism, but amounts to recognizing that we can learn much from what is different from us.

## A.I. Ageev<sup>1</sup>

## "SCOURING THE ATTRACTOR", OR STRATEGIC TASKS OF RUSSIA IN THE HEGEMON CHANGE EPOCH

## **Global Risks and Management Strategy**

The global competition is strengthening and reflects in the rapidly increasing turbulence of international relations, and that takes place in the environment of the quickly unfolding technological revolution, described as digitalization and industrialization 4.0. Combination of these processes with the well-known "demographic transition", migration and transformation of mass worldview and behavioural stereotypes provoke shifts of the key global risks to the "orange" and "red" zones.

The state of affairs is aggravated by unbelievable rates of changes, rapid shortening of time between conceiving ideas and their bringing into life. The world economy stratifies into three sectors of the cross-boundary character: production of traditional goods, financial sector and super-profitable "information economy", closely coming to mass production of forms of virtual conscience and respective tools and platforms. At the same time the global competition's focus is shifted to the management models sphere and systems of civilization values and cultures standing behind them. These changes have a direct impact on basic characteristics of the world economic system, going back to the monetary and financial hegemony.

The point is that at present we're speaking about the anthropological challenge, the essence of which is quick formation of powerful technological opportunities for formatting the desired target condition of mass conscience like society and its technological basis. Consequently, competition of actors for development of this desired condition of the society is quickly unfolding as well as anticipating creation of advantages in future.

The today's special feature is that after some period of allergic reaction to such, in essence, social design, the goal to create a new-type human and human-like systems is openly put forward on the expectation of control over the full human lifecycle and such systems. Designing technologies for new types of conscience are connected with the domineering role of nonmaterial assets in the success of the leading world corporations as well as appearance in the near future of artificial systems with self-consciousness and imitation of the sensual sphere. Though we're speaking about a possibility to realize such projects on global and sub-global scales.

The annual assessments by the World Economic Forum<sup>2</sup> show increasing concerns of the political, business and expert elite about unpredictable consequences to which the wave of technological innovations, especially in cyber-

space, leads. Mobile Web, Internet of Things, cloud calculations, progress in genetics and biotechnologies, radical change of labour and workplaces, integration with the human nervous system, use of new kinds of energy, formation of target identities via games and various kinds of subcultures — all that makes the nucleus of the breakthrough that is taking place and not only presenting great opportunities but also fraught with serious risks. Technological risks are closely interlaced with social and geopolitical. The threat of the world financial system's collapse, water and food deficit, expected natural disasters - and all that with world instability, multiplying local conflicts and keen competition of integration megaprojects as a background. The multiple undermining of the international legal system and intensive use of hypercompetition methods, shaking the very market bases and giving new monopoly privileges for certain players to the disadvantage of the majority of other interested parties make the state of affairs more dramatic.

All that sets new requirements for the quality of management of socioeconomic, scientific and technological development and long-term strategic risks. Solution of these tasks is on the agenda of the leading states, integration associations and systemically important corporations. All these problems are urgent for Russia as well. Many approaches and institutions, which seemed efficient in the past, are already not in conformity with either today's risks or available opportunities (including information and technological), or public moods and expectations.

However, understanding deep-lying features of contemporary world system, the genealogy of which dates back to the key events and processes of the 20<sup>th</sup> century is of principal importance in this environment of quick changes and working out possible ways of management.

### **Monetary Hegemony Problem**

The currency emitted by the most powerful economically country and the one around which the whole subjected to it structure of the world monetary system is formed, is the most influential in world economy. In the 19th century, it was the system based on the "gold standard", "hard line for the rate of exchange" and, most important, British technological and economic supremacy and, consequently, pound sterling. In 1913–1945, the period marked by re-division of spheres of influence in the course of World Wars, the USA came forward to take the role of the world monetary hegemon<sup>3</sup>.

R. Mundell, Noble Prize winner in Economic Sciences, emphasized that most political changes taking place in the 20<sup>th</sup> century, were generated by still poorly comprehended perturbations of the international monetary system, which in their turn were a consequence of the USA rise and miscalculations of their financial lever — the Federal Reserve System<sup>4</sup>. However, one should mention that not all "miscalculations by Fed" were a mistake.

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<sup>2</sup> See: The Global Risks Report 2017. URL: https://www.weforum.org/re-

<sup>&</sup>lt;sup>2</sup> See: The Global Risks Report 2017. URL: https://www.weforum.org/reports/the-global-risks-report-2017: The Inclusive Growth and Development Report 2017. URL: https://www.weforum.org/reports/the-inclusive-growthand-development-report-2017.

<sup>&</sup>lt;sup>3</sup> See in detail: *Ageev A. I.* Hegemon Change: War and Economy. Moscow: Institute for Economic Strategies, RUBIN, 2016.

<sup>&</sup>lt;sup>4</sup> Van der Vee G. History of the World Economy. 1945–1990. Moscow: Nauka, 1994.

In the correct opinion of Van der Vee, rapid increase of the USA economic power in the beginning of the 20th century allowed them to establish control over Western Europe already by 1919: the USA were to take the place of the UK as "the head of the world"1, coordinating world trade, investments and settlements of payments. In essence, it was required from the USA to effect "stabilizing leadership". Not only the mindset of the influential part of elites on isolationism hindered realization of this maturing mission of the USA, but also resistance and confrontation of other, still powerful at that moment countries — first of all England and France, the principle of "self-determination" of small nations that generated a lot of consequences as well as the so called problem of Russia. But the main knot of contradictions at that decisive moment, which could provide evading the prospect of a new war, was tied by two absolutely definite questions: preservation of the colonial system and reparations from Germany, including redistribution of its colonies2. The Treaty of Versailles which imposed a lot of obligations on Germany, at the same time became a delayed action bomb forecasting inevitability of retaliation<sup>3</sup>.

It was required to cardinally solve several important issues in order to stabilize national economies as well as normalize and restore the growth of international trade. First of all, it was required after coordination of fairly contradictory economic interests, to create acknowledged by the world community tools and institutions which could provide regulation of tariffs and trade and allowed to grant credits to countries to evade repetition of inflation's export. And, most important, it was required to find a solution to provide payment means and world reserve means for international trade as well as work out such a system of exchange rates which could be efficient for a fairly long period of time, at least 25–30 years.

As numerous international conferences and talks held between the two World Wars, including the experience of the League of Nations, demonstrated, the ability of the leading powers to find mutually advantageous solutions left much to be desired.

The conditions were required to make governments of the leading countries have not only fruitful and constructive discussions of the key issues of international relations, trade, settlements of payments and investments but also set up really capable to act international institutions that could reflect the domineering economic role of the USA.

The most important economic result of World War II is formation of coalitions of winners, including with limited participation of the USSR, the system of supranational institutions of the new generation. The main of them was the United Nations Organization (UN). The Bretton Woods Agreement (1944) also provided for setting up such institutions as the IMF and IBRD (1945–1946), GATT (1947) and the system for international settlement of payment resting on the US dollar as the main world currency for payments and reserve currency. Currency rates were fixed within certain limits, the main currencies' connection with the US dollar was restored and its fixed price was established. By 1945, the USA accumulated, according to various estimations, from 70% to 85% of the world gold reserves. In this environment the Federal Reserve System of the USA was becoming the emitter of the world payment currency and in essence the central bank of the world economy. The FRS incomes accumulated both from emission of cash for the whole world system of payments (as a difference in the cost of one banknote's production and its nominal value, the so called seigniorage) and payment of interest on the granted loans on world scales.

According to most rough estimations, the task of the USA was development of about 40–50% of the world economic space in addition to the space they had controlled before the War. This revolutionary shift was absolutely clearly expressed by F. Roosevelt who said that the main American postwar interests were then not only in maintaining supremacy in the Western hemisphere but also prevention of the Eastern hemisphere's getting in the area of control of one potentially hostile power<sup>4</sup>.

This task was substantiated by the ideologeme for liberalization of the world market, meaning mostly elimination of barriers for access both to the markets of former enemies and their satellites, and the market under the colonial influence of the allies — the UK and France. In this situation, it was possible to neglect the provision of access to absolutely all markets for a certain period of time. And in this environment a possibility for development of the "second world" originated — socialist world with relatively isolated contours of economy. Empirically, a kind of limit for expansion of this fragment of the world market was evident as well - 20-25%. When the global capital fully "masters" its 75-80% of the market, there will be the objective requirement for absolute globalization. It will happen in the end of the 1980s. And that "globalization drive" will last till the beginning of the 21st century.

## Real World Status of Russia and Management System's Tasks

Russia is relatively deeply in-built in the world economic relations, global information space and geopolitical configurations. This excludes particularly autarkic decisions but puts a question point-blank as to the character of provision and degree of economic self-efficiency, cultural identity, especially in the environment of sanctions, and information and political pressure. The numbers and heterogeneity of threats experienced by Russia and opportunities are laid upon high social heterogeneity and its prerequisite and consequence — heterogeneity of its purpose and value focuses, behavioral stereotypes and interests of the key groups of the Russian society<sup>5</sup>. As a result there is long-drawn-out effect of "scouring the attractor" in the selection of the strategic development line. And the costs of dependent position in the world configuration of economy and politics and their comprehension started growing already in the end of the

<sup>&</sup>lt;sup>1</sup> Van der Vee G. Op. cit. P. 16.

<sup>&</sup>lt;sup>2</sup> A. I. Utkin clearly presented the essence of the controversy: "Really, the embittered winners just wanted material aid from the USA, but even more they wanted material compensation at the expense of Germany. The allies were indignant because the country that was the last to join the war and had the last losses in comparison with the others, tried to dictate its terms and conditions". (See: *Utkin A.I.* Woodrow Wilson. Moscow: Cultural Revolution, 2010. P. 448.)

<sup>&</sup>lt;sup>3</sup> About the Treaty of Versailles problems see in detail: *Keynes J. M.* A Revision of the Treaty. N.Y.: Harcurt, Brace and company, 1922.

<sup>&</sup>lt;sup>4</sup> Cited by: Utkin A.I. Roosevelt. Moscow: Logos, 2000. P. 275.

<sup>&</sup>lt;sup>5</sup> See in detail: Makarov V.L. Social Clusterism: Russian Challenge. Moscow: Business Atlas, 2010; Aganbegyan A.G. Strategic Task of Russia — Acceleration of Socioeconomic Development // Economic Strategies. 2013. No. 7, 8; Maevsky V.I., Chernavsky D.S. On Rational Behaviour of Real Consumer // Economic Issues 2007, No. 3; Polterovich V.M. Elements of the Theory of Reforms. Moscow: Economics, 2007.

1990s. By now, this process has not ended and that defines the preserved complexity of social choice.

Characterizing the maturity of the system of management of the socioeconomic, scientific and technological development according to the topological scale ("solved tasks level" and "resource base" criteria), it's possible to single out four management types: 1) corresponding the task scales and resource potential; 2) laying claims to achievement of large-scale goals but not duly using the available potential; 3) not setting large-scale tasks but focused on complete utilization of the potential; 4) not setting high-level tasks and not focused on full utilization of resource potential.

Two explanatory notes are required — about the scales of solved tasks and the character of management of the resource potential's utilization.

First, about the scales of tasks solved by the management system. The issue is far from abstract as it has been one of the most burning issues of international rhetoric since 2014, directly connected with imposing sanctions on Russia and assessment of its international status. We are speaking about the rank of Russia as a power. States are classified according to the integral power as "superpower", "great power", "regional power", "small state"<sup>1</sup>. Historically, each concept has an empirical equivalent. Today, only the USA have the superpower status, and the European Union and China are approaching it. At present, Russia in this context has integral power in the middle of the great power scale, and the management factor level is in the lower part of the scale, inferior to relative values of a number of other parameters<sup>2</sup>.

Imposing sanctions on Russia was declaratively given reasons with reference to its status of as if a regional power. Historically and in contemporary diplomacy reference of another country by a strong party in the international relations system to this or that category means an attempt to unilaterally or forcefully fix the league of values of admissible (assigned to it) behaviour. In this case negation of the objective status of Russia as a great power with the proceeding from it rights and responsibilities in international relations excludes projection of its force outside and significant role in determination of the global agenda. Respectively, not only international conflicts but also one of the main challenges to the system of management inevitably originate from this gap between Russia's self-assessment and its assessment by the USA and their allies.

The essence of this challenge is the scales of tasks which Russia can allow itself to solve and if they can go beyond the limits of the status it is referred to by other centers of power. There are fierce debates inside Russia and international debates over this issue. The official course of Russia was worded as "strengthening economic sovereignty"<sup>3</sup>. The scenarios of "One's own center of power", "Transit and raw material bridge" and "Prolonged status quo" were worded in the development forecast up to 2030, worked out by the Eurasian Economic Commission<sup>4</sup>. Though in real space events are still more likely unfolding in the space of the second and the third scenarios, Eurasian Economic Union's turning into one of the most influential world centers of power seems not only desirable but also an attainable variant. This concept is supported by the aims of "interlinking Eurasian integration and economic belt of the Great Silk Road" and putting forward the idea of "Big Eurasia". The necessary condition for its realizing is building development management institutions corresponding to this aim. We should pay attention to the closeness of today's strategic challenges and the circumstances that preceded the formation of the USSR and the Great Patriotic War.

Ultimately, the strategic choice for actors with objectively high world status comes down to ability and readiness: (1) to be the leader in the target sector of activities; (2) to play the role of province; (3) to be satisfied with the role of world outlying districts or (4) out-of-the-way place — technologically, economically, socially, culturally. This choice refers to the country as a whole and its regions, corporations and finally each resident. Staking on the leadership in target segments of world economy and successful actions to achieve these aims are a sign of solution of largescale management tasks.

Second, the attitude of the management system to resource potential is actually graded for its development, use and exploitation — more or less pitiless up to annihilation. The latter is not a theoretical hypothesis at all, history knows a lot of examples of "scorched earth" as a result of human activities. The management system setting tasks corresponding to the objective scales of the country and expectations of society, is inevitably aimed at increase and not decrease of the long-term resource power of the country, including demographic, scientific and technological.

In the offered topological scale the management system present in Russia today generally combines the properties of the second and the third types. Only a few subjects (corporations and regions) act in accordance with the logic of the first management type and have strong competitive positions. As a result, the state is a fairly heterogeneous economic space, in which waves of innovations and institutions of various generations co-exist, including coexisting focally behavioural cultures<sup>5</sup>. This makes attempts of uniform solution of all problems obviously ineffective and even more so the dropping of their solution in the area of market's selfarrangement. Solution is originally viewed as plural and requires high culture and adequacy of management.

### Conclusion

Now, both the state and the Russian society live in the intensive period of self-consciousness. But strategic choice has not been made yet though it is predetermined in many aspects. Outdated fictions of a possibility to follow the old economic model and geopolitical paradigm are preserved in elites and the society. That paradigm comes down to comprehensive integration into structures of the West, delegation to it of a part of its responsibility for one's own civilized development, preferring a primitive model of statemonopoly arrangement of economy.

<sup>&</sup>lt;sup>1</sup> See substantiation in: *Ageev A.I., Kuroedov B.V., Matthews R., Sandarov O.S.* The Methodology of Strategic Matrix. Moscow: Institute for Economic Strategies, 2004.

<sup>&</sup>lt;sup>2</sup> Ageev A.I., Kuroedov B.V. Special Features of Application of the Methodology of Strategic Matrix when Forecasting States' Development (with Russia and China as examples). Moscow: Institute for Economic Strategies, 2008; Global Rating of the Integral Power of 100 Countries / Edited by Prof. A.I. Ageev (Russia), Prof. G. Mensch (Germany), Prof. R. Matthews (UK). Moscow: Institute for Economic Strategies, 2012.

<sup>&</sup>lt;sup>3</sup> Minutes of the meeting with the Chairman of the Government of the Russian Federation of December 1, 2015. No. ДМ-П13-101-пр. URL: http://government.ru/orders/20957/

<sup>&</sup>lt;sup>4</sup> Long-term forecast of economic development of the Eurasian Economic Union up to 2030. Moscow: Eurasian Economic Commission, 2015.

<sup>&</sup>lt;sup>5</sup> Glazyev S.Yu. Strategy of Russian Economy's Outrunning Development in the Environment of the World Crisis. Moscow: Economics, 2010.

The project for stabilization of the present status of Russia without profound integration of the post-Soviet space is still very attractive for a part of Russian elite. Russia as other states in the post-Soviet area still has not defined the vector and model of its evolution. The intensified deliberate demonstration of independence which is treated in a biased way in some places outside the Russian Federation as "imperialism", did not eliminate this contradiction in the Russian politics that fundamentally stays pro-Western in the mindsets and aims of the contemporary elite.

While this project is somewhat attractive providing an opportunity of selfish behaviour in relations with states in the post-Soviet area and space for maneuvering between two or three world-level centers, such raising the issue seems strategically outdated and incorrect.

In the environment of the 21st century, the "great power" status can be a temporary, transit state in movement either to the super power status at the expense of building one's own or cooperative trade and economic, and military and political blocs, or going down to the regional power status, considerable losses of territories and damage of civilization identity.

Big numbers of actors and their interests in the contemporary world supposes a number of development scenarios between the two extremes: big war and preservation of tension that today can be called "the New Cold War" only by a long shot. Not all bridges have been burned yet. There is still no critical mass of conditions and factors for a worldscale war. However, their accumulation goes on, similarly to "cauldron heating" between the two World Wars of the 20th centuries.

The state of affairs is complicated by the fact that the international situation requires from Russia to irreproachably play its role and be a guarantor (one of guarantors though critically important) and operator (one of them though critically valuable) of the system supporting world and regional economic balances, first of all in military and political, fuel and power, transport, space and a number of other sectors. The real potential Russia has as a great power allows to successfully oppose stirring up war in the majority of integral power parameters.

However, increased inclination of the managing Russian elite to unjustified foreign economic concessions, fraught with sacrificing oneself for alien geopolitical and geoeconomic intentions and plans, is a special feature of the long-term historical dynamics of Russia. Usually this selfsacrifice ends in a catastrophe overcoming of which again requires overexertion. Both turn into competitive advantages and profits for interested parties (opponents). And today one of the leading ideas of debates outside and inside Russia is pointing at "small scales" or "weakness", "dependence", "regional character", "provinciality", "backwardness" and other characteristics of Russia, called to nip in the bud the undesirable for a number of global players shift in favour of Russia's becoming a strategic subject.

No matter the well-known inconsistency of actions of the top political leaders of the Russian Federation, their strategic imperatives and understanding of the present moment were expressed fairly clearly and not once. However, there is some distance between the quality of understanding, taken decisions and efficiency of their bringing into life. In some cases this distance becomes insurmountable, leading to collapse of the state machinery which seemed all-powerful.

The group of BRICS states which originally seemed to many a convenient speculative and statistical construction, fairly quickly displayed a considerable ontological meaning. It does not only come down to the fundamental shift taking place in world economy in favour of developing countries, the vanguard of which is BRICS states and a number of other states (Mexico, Indonesia, Nigeria, Turkey — MINT group, as well as some others). The role of BRICS increases both in foreign relations and as a subject of sovereign policy, alternative to stirring up a new world war.

In this environment it's exactly the initiated by Russia activation of economic and military cooperation within the BRICS as well as the EAEU limits that is an alternative to their being dragged into a new big war.

## Askar Akayev<sup>1</sup>

## ON THE FUTURE OF SUSTAINABLE MULTIPOLAR WORLD ON THE BASIS OF CIVILIZATIONAL PARTNERSHIP

Al relatively stable geopolitical development in the decades after WWII was achieved due to an agreement between the three great allied powers (USSR, USA and Great Britain). The agreement signed in Yalta in February 1945 also helped avoid turning a number of regional conflicts (in Korea, Vietnam, Afghanistan) and the Cuban Missile Crisis into a new world war and a clash of civilizations. The end of the cold war had also contributed to this trend [Akayev, 2004].

However, the mistakes by Gorbachev and Shevardnadze, unilateral concessions to the West and NATO, dissolution of CMEA and the Warsaw Treaty, and then dissolution of the USSR undermined the basis of the Yalta Peace Agreement, and made the US and NATO think they could set up a unipolar world and turn Russia into a second-class regional power. The foreign policy course taken by Yeltsin and Kozyrev followed the US policy and ignored Russia's national interests. This has led to a dramatic decline in the quality of Russian foreign policy and its position in the geopolitical world order.

After Evgeny Primakov became Russia's foreign minister and then prime minister, this very erroneous policy was gradually corrected. Under President Putin foreign minister Lavrov focused Russian foreign policy on restoring its capacity as a world power. The independent foreign policy of Russia followed the national interests of the country and helped revive the Eurasian civilization. This independent policy, however, was fiercely resisted by the US and its NATO allies who wanted to keep their international hegemony, and create a unipolar world with no regard to the United Nations. These contradictions became especially pronounced in the mid-2010s, as a result of the Ukrainian crisis, after Crimea joined Russia, and the West applied sanctions on the country. The basis of geopolitical stability has been broken, and the specter of the Cold War once again haunts the planet. American military circles are on the new spiral of the arms race after starting a number of military interventions (in Iraq, Libya, Afghanistan, and Syria).

On the other hand, in the late 20th century the world entered the era of a historical fault, a long-lasting and deep global crisis due to the change of super-long civilizational cycles. The sun of the 200-years-old industrial civilization is setting, and a new humanistic noospheric integral new world civilization is appearing. The fourth generation of local civilizations that lasted for 500 years under the leadership of the West is being replaced by the civilization of the fifth generation, this time under the leadership of the East. Among other things, the global crisis is being manifested in sharp worsening of geopolitical contradictions between rising civilizations and leading world powers headed by China and Russia, that are standing on the forefront of the integral civilization and formation of the multipolar world, and descending civilizations headed by the US and the EU, that seek to retain the doomed industrial civilization and the unipolar world under Western hegemony.

Under these circumstances we need to urgently shape a new world that takes into consideration the changing balance of forces, with the civilizational activity moving eastward, with China and India in the lead and formation of BRICS and SCO clubs of nations. The measures for the setup of the new world order have been defined in BRICS and SCO documents. Russia has also initiated the "integration of integrations": the partnership within the Greater Eurasia to strengthen the foundations of the multipolar world. These goals are further supported by the program of the Silk Road Economic Belt declared by China. The new world order must be oriented toward dialog and partnership of civilizations in response to global challenges of the 21st century. This is the policy that has been consistently pursued by President Putin and Russian Foreign Minister Sergey Lavrov.

At the Seventh International Conference in Yalta, which was organized by Mezhdunarodnaya Zhizn magazine with support of the Russian Foreign Ministry in Yalta in October 2016, Professor Y. V. Yakovets and I suggested the model of Yalta World-2, a new model of sustainable multipolar world on the basis of dialog and partnership of civilizations. To this end we suggested to set up the Yalta Club of Scholars and Diplomats, with further discussion of this model at the Summit of Civilizations in 2020 (Yalta-2), and in the UN. The Yalta Club was created on December 22, 2016. The founding meeting was held at INES Institute of Economic Strategies in accordance with the proposal of the Pitirim Sorokin - Nikolai Kondratiev International Institute (MISK), approved on the 7th International Conference in Yalta on November 19, 2016. At the very first meeting of the Yalta Club Professor Yakovets and I presented our report entitled "On the Future of Sustainable Multipolar World on the Basis of Civilizational Partnership," where we outlined the contours of the new model of the multipolar world [Yakovets, Akayev, 2016]. Below I will briefly summarize the essence of our proposal.

## 1. Formation of the Yalta World and Its Main Contents

World War II led to creation of a partnership of three superpowers – the US, the USSR and Great Britain – who fought against the swift spread of the Axis powers of Berlin, Rome and Tokyo, who conquered almost all of Europe and a considerable part of Asia.

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The Yalta Conference, which took place on February 4-11, 1945, focused on issues of post-war world order. The main proposals on the structure of the post-war world order and creation of the UN were first considered at the meeting of ministers for foreign affairs of the three great powers. The USSR was represented at the meeting by the People's Commissar for Foreign Affairs Vyacheslav Molotov, his deputy I. E. Maisky and the Ambassador of the USSR to the United States Andrey Gromyko. The proposals drafted at this meeting were considered by Stalin, Roosevelt and Churchill, with the three leaders signing the corresponding final version of the documents. It was decided to convene an international conference in San-Francisco on April 25, 1945 to develop the UN Charter. The Charter was signed on June 26, 1945 and entered into effect on October 24, 1945.

Yalta became a symbol of post-war world order arrangement. The new multipolar world started with the creation of the United Nations, and the Yalta agreements helped keep a relatively stable world order for almost five decades. The Yalta accord supported the idea of a balanced post-war world, which took into account the interests of major geopolitical powers and victorious countries so as not allow the next world war to happen and keep the world stable.

While many would consider the post-war world bipolar in nature, it was indeed a multipolar world. China, India, and other countries that formed the Group of 77 in the UN, carried out their policies independently from the two superpowers, which headed opposing economic and military blocks.

The UN was created on the basis of unanimity, giving each of the five permanent members of the UN Security Council – US, USSR, Great Britain, France and China – the right of veto. This provision allowed to make sure that no union of Western states could force its will on the rest of the world. As the Cold War started, and a number of local conflicts began (wars in Korea and Vietnam, the Cuban Missile Crisis, the war in Afghanistan), the UN continued searching for dialog and compromise between the leading countries of the world, which allowed to avoid WWIII.

The UN worked on solving many issues of post-war world order, solved conflicts and found solutions to major international problems. The UN authored ten-year development programs, developed the sustainable development strategy and the strategy of environmental security. Many organizations within the UN had a significant impact on international development.

At the 70th anniversary session of the United Nations in September 2015, leaders of major world powers spoke highly of the UN's role in supporting the world order.

#### 2. Yalta World Order Destroyed

In the late 20th century, however, the role of the UN in regulating world order got significantly weakened as the foundations of the Yalta world order faltered. This happened due to many factors.

*Firstly*, development of the neoliberal model of globalization in conditions of overwhelming control of transnational corporations and banks with support of international financial and economic organizations (International Monetary Fund, World Bank) led to their desire to weaken international monitoring of their activities. Secondly, the collapse of the USSR and the world socialist system led to the weakening of the countries opposing the American dictate, and led the US government to believe in the illusion of the unipolar world, their exclusive right to determine the new world order. This position was most fully reflected in Zbigniew Brzezinski's book "The Grand Chessboard" [Brzezinski, 1998].

*Thirdly*, the US and NATO, not being able to overcome the independent policy and the right of veto of Russia and China in the UN Security Council, started carrying out aggressive actions bypassing the UN. This was evident during the bombing of Yugoslavia, interventions in Iraq and Libya, and the fuelling of the civil war in Syria.

These actions undermined the geopolitical balance in the world and precluded all possibilities for resolving major problems with consideration of interests of different countries and civilizations and led to a new geopolitical crisis which especially deepened after the US and their allies initiated a coup d'etat in Ukraine, and applied sanctions on Russia.

Thus, over the past quarter of a century, after abandoning the principles of Yalta World, political tensions increased, with growing geopolitical conflicts and threats of civilizational clashes. This requires developing new models of a global multipolar world in accordance with the conditions adequate to power ratios in the 21st century, which will allow to lower the threat of a new cold war and the WWIII, a destructive clash of civilizations [*Akayev*, 2004].

US Presidential elections in 2016 became a starting point for accelerating formation of a new world order, which will be based on interests between different states and civilizations, and using the mechanisms of dialog and partnership in response to the challenges of the 21st century. This trend will emerge gradually, as western governments will drift further and further away from the real interests of peoples of these countries. This will create preconditions for the future model of a sustainable multipolar world, which will correspond to the realities of the 21st century.

## **3.** Objective Considerations for Transition to a Future Model of Multipolar World

As we study the future of the new model of sustainable multipolar world on the basis of dialogue and partnership of civilizations (Yalta World-2) we must take into account deep transformations that are happening and will continue happening across civilizations in the 21st century. These transformations have been studied in works and reports by leaders of the modern Russian school of civilization research over the past 25 years [Yakovets, 2013].

What are these deep transformations like?

*Firstly*, the end of the 20th century saw the completion of the 200year long industrial capitalism cycle of the world civilization, which had started with the industrial revolution in the end of the 18th – early 19th centuries, and the end of the five-century long fourth generation of local civilizations, dominated by the West. This serves as the main content of the global civilizational crisis of the late 20th – first quarter of the 21st centuries.

*Secondly*, since the beginning of the 21st century vanguard countries (especially China) started building the foundations of the integral world civilization, with a differentiated and active fifth generation of local civilizations under the leadership of the East. These processes will be more fully developed in the second quarter of the 21st century. The historic pendulum is shifting from the West to the East; this will become more evident in the second quarter of the century and undeniable in the third quarter. Further differentiation of the world of local civilizations will continue, with them become major players on the international geopolitical arena.

In the long term, their number is expected to grow due to differentiation of the Muslim civilization into several local civilizations.

*Thirdly*, the relationship between civilizational progress factors will change as well. If previously the decisive factors included population growth and growth of workforce, with use of new cheaper natural resources, due to depopulation and exhaustion of a number of natural resources and growing environmental expenses, in the 21st century we will see demographic, natural and ecological factors become barriers to economic growth. The leading position will go to innovative, technological and socio-cultural factors.

*Fourthly*, the accelarated integration and globalization processes have shifted the center of gravity in determining the fates of the civilizations to the supranational level, the level of local civilizations and their unions and the global level. This is where the nodes of contradictions that determine the historical trends of future development are located.

*Fifthly*, geopolitical and geocivilizational relationships in the second quarter of the 21st century will be determined by the leaders of the 2020s, and in the third quarter – leaders of the 2050s. There's a growing gap between generations and a threat of losing the most part of the accumulated scientific, cultural, and socio-political heritage during changing generations. This moves to the forefront the problem of methods of transfer of civilizational heritage to new generations.

Sixthly, the accumulated arsenals of nuclear arms and other weapons of mass destruction and rapid improvements in technology make it almost impossible to use the means of resolving intercivilizational and geopolitical contradictions by means of conventional warfare. It is vitally important for the global community to devise ways to demilitarize the economy and the society, and exclude wars and terrorism from the geopolitical practice. We must transition to other methods of solving contradicting interests of civilizations and states. This makes especially significant the problem of using the accumulated military and technical potential for managing natural and technological disasters, and formation of the global system for regulating these process under UN leadership. The role of aggressive military unions like NATO must be considerably reduced or they should be disbanded altogether.

These factors make it necessary to build the new model of the multipolar world (Yalta World-2) on a set of different principles, considering the experience of Yalta world formation, and the new objective conditions and trends of civilizational development.

### 4. Principles of Forming Yalta World-2

The following main principles and parameters of the new multipolar world on the basis of dialog and partnership of civilizations can be defined. *Point one,* this model has *a civilizational character*. The model is based on the assumption that the 21st century is the century of local civilizations that become principal actors on the geopolitical arena, replacing the nation states and superpowers which dominated the international scene in the 20th century. The number of recognized and unrecognized sovereign states is currently reaching the figure of two hundred and twenty. These states include giant countries like China and India with more than 1 billion people, and many smaller countries with several tens or hundreds of thousands of residents who do not have the capacity necessary to reproduce their population on their own.

At present there are twelve local civilizations of the fifth generation on the planet: three European civilizations: (Western European, Eastern European and Eurasian), six civilizations of Asia and Africa (Chinese, Indian, Japanese, Buddhist, Muslim, and African), and three civilizations of America and Oceania that had recently split with the Western civilization: North American, Latin American and Oceanic civilizations.

By the middle of the 21st century, due to differentiation of the Muslim civilization, it may split into five or six local civilizations: Arabic, Persian (Iran), Indian Muslim, Pacific Muslim, European Muslim, and, possibly African Subsaharan Muslim civilizations. The six civilizations of the Christian world will be opposed by five or six civilizations of the Muslim world [Akayev, 2015]. We can also distinguish two Hinduist-Buddhist civilizations (Indian and Buddhist), and two Confucian-Taoist civilizations (of China and Japan).

Each of these worlds will include states that constitute these local civilizations and their enclaves in other civilizations, and their diaspora worldwide. The civilizations will be mixed further, and civilizational contradictions will increase not only among civilizations but within separate civilizations as we see it now happening in Western Europe [Yakovets, 2015].

To this end, the main problem we have to solve today is to find optimal conditions for development of rational relations between local civilizations, and prevent possible confrontations, which, with present-day mass destruction capabilities can simply destroy the entire world. [Moiseev, 2003].

Point two, in the long term, relationships between civilizations must be based on the principle of multipolarity, equality and consideration of various interests, and resolution of all contradictions on the basis of compromise and consensus. The attempts to build a unipolar or bipolar world, dominated by leading civilizations (superpowers) would be quite dangerous and self-defeating. The future will be the time of equality and consideration of unique interests and attributes of each civilization, with the global diversity intact. We need to take into account the fact that local civilizations will be considerably different, both in terms of their territory and the number of their population, the amount of their natural resources and their economic and socio-political form of government, level of development of science and culture and religious and civilizational values. The resilience of the humankind will depend on our ability to preserve, enrich and transfer to the next generation this civilizational diversity. We will also need to consider conflicting interests in the process of interaction and inevitable conflicts and local altercations, and solve these problems taking into consideration their cultural specificity. All decisions must be based on consensus.

Point three, growing risks of civilizational development, especially environmental and technological, will require radical global solutions and optimal distribution of competences between three levels: global (UN and other international organizations), regional (integrational and civilizational unions) and nation states. As the importance and responsibility of regional and global levels is growing, and nation states retain their sovereignty, we must remember that as the number of sovereign states will increase, we will need to avoid the mistakes made by the European Union with its strict integration and excessive competencies of the EU leadership. Meanwhile, increased interdependence and risky nature of global development will require a stronger role and responsibility of global bodies, especially the UN as the central link representing the interests of the entire humankind, all civilizations and states. This will require further reorganization of the United Nations and will increase its role in the new model of the multipolar world [Akayev, 2004].

*Point four, manageability* of contradictory process dynamics *must be improved* at all level of civilizational and national dynamics. We need to develop, and gradually implement science-based forecasts and strategies of civilizational development in close cooperation between different levels of decision-making: global, regional, and national. There will be a need to improve the competency and responsibility of all decision-makers at all levels.

Point five, the general public must have stricter control over the activities of regional and global government bodies, transnational corporations and banks and monitor the process of overcoming continuously emerging risks. In these conditions NATO's existence (as the existence of other local military and political unions, provoking the arms race and heightening intercivilizational contradictions) will become meaningless. At the same time, there will be a need to develop the global security system and gradually lower the threats of military conflicts, with the UN Security Council playing the pivotal role in the process.

*Point six*, considering the complex nature of long-term contradictory processes of civilizational development, it is necessary to increase the science-intensive factor in regulating global civilizational processes. Government bodies today are far removed from the achievements of science, and therefore may fail to have a strategic vision of management effectiveness. The first step in expanding the science-intensive factor is the creation of scientific consulting committee under the UN Secretary General. A system must be created to encourage active participation of scholars in development of long-term and super-long term forecasts and the process of substantiation of strategic priorities at all levels global, regional, and national. This process will be aided by the development of a new social studies paradigm, corresponding to the realities of the 21st century. Such a paradigm is being actively developed by Russian schools of thought with participation of scholars from other civilizations. One of the examples of the future scientific vision is the promising new model for sustainable development of a multipolar world on the basis of the dialog and partnership of civilizations.

*Point seven*, an important condition for creation of a sustainable multipolar world is the ability to overcome the

large gap in economic, social, energy and ecological imbalance between different civilizations, countries, social strata, and generations, which leads to deep geopolitical contradictions, and a rise in migration flows. Creating equal conditions for life and development throughout the planet must become the central point in the work of the UN, other unions of countries and separate states.

## 5. Stages of Formation and Development of the Multipolar World

It is obvious that radical transformation of the current system of geopolitical relationships, which has been shaped over many centuries, cannot be carried out within a short historical period. It will take several decades and require a very gradual approach to implementing the aforementioned principles of multipolar world order on the basis of dialogue and partnership of civilizations, resolving a great number of contradictions that have accumulated. The new generation of national and international leaders will help move this process forward.

I suggest the following stages of shaping and development of the suggested model of the multipolar world [Yakovets, Akayev, 2016].

This model will be defined for the period of the second and third quarters of the 21st century, with the integral, humanistic and noospheric civilization of the fifth generation of local civilizations

At the first stage (2016-2020) the Yalta Club will work on the sections of the report entitled "On the Future of Sustainable Multipolar World on the Basis of Civilizational Partnership." This report will be prepared in 2017 by a group of scholars, diplomats, and politicians representing all civilizations. The text of the report will be discussed at working group sessions and at the meeting of the Club in Yalta in October 2017. After the amendments are introduced, it will be submitted to the Board of Trustees of the Yalta Club in February-March 2018. Further on, it will be reviewed at the round table discussions at the 72nd session of the UN General Assembly together with the project of the UN Resolution on declaring the decade from 2020 to 2030 the Decade of Civilizational Partnerships, The Summit of Civilizations will be held in 2020 (on the year of the 75th anniversary of the Yalta Conference) to discuss the strategy of arranging a multipolar world on the basis of civilizational partnerships and the Strategy Road Map.

These documents will be translated into the major world languages, published online and delivered to the governments of Russia, China, Kazakhstan, Iran and other interested countries for inclusion in the agenda of the General Assembly of the United Nations.

It will take another ten years to discuss and develop the main principles and mechanisms of the model. It will then be discussed at summit meetings dedicated to separate strategic priorities. After that the UN will be reorganized into a system of international organizations. After that the law will be enacted.

This will create the necessary conditions for achieving the Goals of Sustainable Development Through 2030, approved by the UN Summit in September 2015. Concurrently, a system of new goals and strategies for achieving these goals will need to be developed. This system will have to meet the requirements of new terms and conditions of civilizational development through 2050.

The third quarter of the 21st century will most like be spent in conditions of a full-scale model of sustainable multipolar world, which will thrive on the dialogue and partnership of civilizations, and regularly amended with consideration of substantial changes in conditions of development and other changes in the world of civilizations.

If this optimistic scenario is implementing by the leaders of the 2020s and the 2050s, and if it is supported by the majority of the human race, the last quarter of the 21st century will be the time of sustainable multipolar international cooperation through dialogue and partnership of civilizations. This strategy will help us find answers to new challenges, which will inevitably appear in the in the coming decades and require joint work of all civilizations, states, social strata and generations.

Russia will play a leading role in developing the new model of the multipolar world on the basis of partnership of civilizations. This will help Russia emerge in the vanguard of the efforts to overcome the contemporary geopolitical crisis and form a sustainable geopolitical climate. This, in turn, will help implement the goals of sustainable development adopted by the UN summit in September 2015 for the period through 2030.

In conclusion, I would like to call upon all interested scholars and diplomats, public and state figures, representatives of all local civilizations to take an active part in the work of the Yalta Club to promote the evidence-based report, entitled "On the Future of Sustainable Multipolar World on the Basis of Civilizational Partnership" and presenting it to heads of leading countries of the world, various civilizations and the UN, and then assist in considering the Strategy of Sustainable Multipolar World Order on the Basis of Dialog and Civilizational Partnership at the UN General Assembly and its practical implementation by the UN.

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## Anton Bebler<sup>1</sup>

## THE BALKANS AND EUROPE'S SECURITY CHALLENGES

Sharing a number of problems and security challenges with the rest of Europe, the Balkans have been long a distinct region in several respects. The name itself, introduced by German geographers in the XVIIIth century and derived from a Turkish word *Balkan* (mountain), testifies to the lasting impact of up to five centuries of Ottoman rule. This name, initially used for European possessions of the Ottoman Empire survived after the Ottoman officialdom vanished from most of the area and has since been applied to the entire semi-peninsula. As the terms Balkans and balkanization acquired in the XXth century negative connotations, a value neutral and largely geographically overlapping term South Eastern Europe has become used in international discourse related to the region.<sup>2</sup>

### The historic background

There has been long a tangible interconnection between geopolitical developments in the Euro-Atlantic area and regional security in South Eastern Europe (SEE). On one hand the shifts in power relations among major extra-regional powers have influenced a (in)balance between conflict and cooperation within the region. Some real or potential threats to SEE security endanger also other parts of Europe as well as. In addition during the last two decades SEE itself has been a notable source of insecurity spilling over to other parts of the continent. Two features of SEE as region stand out – its extraordinary multifaceted heterogeneity and the high sensitivity of the elites to external influences. These are main reasons why SEE has never become a coherent region in cultural, political and economic senses, clearly lacking its own center of gravity. In these respects SEE has differed very appreciably from other European regions. Not incidentally the geopolitical fault-line stretching from SEE eastward, all the way to the Pacific was branded by Zbigniew Brzezinski the "Euroasian Balkans".<sup>3</sup>

The geopolitical instability in SEE has had deep historical roots. SEE overlaps partly with the Eastern Mediterranean, Central Eastern Europe and the Black Sea regions. For two millennia SEE has been at the cross-roads of East-West and North-South migrations of population, as well as of invasions and conquests by extra-regional powers. The region inhabited by ancestors of today's Greeks, Albanians, Romanians, Dalmatians et. al. has been conquered by the Romans and by 395 AB divided by Emperors Diocletian and Theodosius into the Western and Eastern Roman Empires. This border between the two along the Drina River is to-day still relevant in social, ethnic, religious and political terms. Later migrations to and through the area by

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<sup>&</sup>lt;sup>2</sup> For the purpose of this paper South Eastern Europe consists of the Balkans (which extend from Moldova to Greece and Cyprus), Croatia and Slovenia. It excludes Ukraine and the Southern part of European Russia.

<sup>&</sup>lt;sup>3</sup> Brzezinski Z. The Grand Chessboard. Baril Books, 1997. P. 7–25.

the Slavs, Avars, Huns, Visigoths, Turks, Jews, Armenians, Circassians et. al. have created its very distinct and colourful features. The central part of SEE – the Balkans has represented a unique and culturally, linguistically and religionwise the most heterogonous mixture of peoples and ethnic minorities in Europe. The ethnic and religious heterogeneity of population increased under Ottoman rule and has remained high in the Balkans in spite of several waves of subsequent ethnic cleansing and genocide.

This multifaceted heterogeneity and the post-Ottoman authorities' deliberately divisive policies had provided fertile ground for perennial intercommunal tensions and conflicts. The degeneration, weakening and finally recession of Ottoman rule, coinciding with the rise of nationalism in all Balkan lands in the XIXth centuriy freed this supressed conflict potential. With regional upheavals, local, rebellions, revolutions, coups d'etat and wars the Balkans had gained the distinction as the most volatile part of the European continent. Since the assassination in 1831 of the first elected head of liberated Greece, Count Ioannis Kapodistrias, the Balkans have become and remained for more than a century also one of the most virulent hotbeds of politically motivated terrorism. The tally of its prominent victims included a score of kings, princes, prime ministers, interior ministers, governors, generals, deputies and other officials and politicians, in practically all Balkan states. By the end of Ottoman dominance in the region, the Balkans had become an object of competition among major continental powers and Europe's "powder keg". In 1908 the Ottoman Empire finally ceded Bosnia to Austro-Hungary and by 1913 lost most of its European possessions. Only about a year later, Austro-Hungarian Crown Prince Franz Ferdinand von Habsburg was assassinated in June 1914 in Sarajevo. The Ottoman ingredient was still clearly discernible in the igniting of a regional crisis which provoked the outbreak of the First World War. The Balkans became then one of its bloody theatres.

Tensions and conflicts between ethnic and religious communities, often marked by Ottoman legacy have punctuated the political history of the Balkans also throughout the XXth century. The bloodiest outbreaks of violence have taken the form of interstate and civil wars, partly coinciding with two continental wars and reflecting geopolitical shifts in relations between great powers and their respective alliances. The last wave of mass violence in the Balkans was stimulated by otherwise positive developments in the Euro-Atlantic area – the end of the "Cold War", the breakdown of Eastern European and of the Soviet communist regimes, the dissolution of the Warsaw pact (WTO) and the ensuing transition to towards liberal political systems and to market economies.

These developments contributed to the breakdown of communist Yugoslavia. Social tensions, economic difficulties and political unrest have very significantly contributed to an explosion of interethnic conflicts. Their severity have been further magnified by modern mass media and often exploited by ruthless politicians. The biggest number of victims during the wars of Yugoslav succession in 1990 – 1995 was caused by armed conflicts along the divide between the Muslims and Christians and related to interstate borders and administrative divisions inherited from the Ottomans. Most notable among them have been Bosnia's Western and Northern borders – one of the oldest in Europe. They were fixed in 1699 by a peace treaty signed at Sremski Karlovci as the borders between the Ottoman and Habsburg Empires. Prior to the proclamation of Bosnia & Herzegovina's independence in February 1992 these borders became contested and immediately afterwards were forcefully violated by Serbian and Montenegrin separatists, followed by Croatian separatists, all supported either by the Federal Republic of Yugoslavia or by the Republic of Croatia. Another former Ottoman border, this time with the Kingdom of Serbia, became in the late 1990's the venue of armed conflicts between the Federal Republic of Yugoslavia, Albanian Kosovar separatists and NATO. After 2008 the somewhat modified border was central in a political conflict between the Republic of Serbia and the self-proclaimed Republic of Kosova/Kosovo.

Political instability accompanied by violence has already led since the 1970's to the lasting or temporary fragmentation on Cyprus, in Moldova, two Yugoslavias (SFRY, FRY) and subsequently in three ex-Yugoslav republics (Croatia, Bosnia & Herzegovina, Serbia). The process of "balkanization" doubled the total number of *de facto* existing states in South Eastern Europe from eight to sixteen. The Balkan wars in the 1990s produced at least 130 thousand estimated deaths, with the most tragic results in Bosnia & Herzegovina, Croatia and Kosovo. In addition, they created two to three million refugees and displaced persons.

The Balkans have also won the distinction of the only region in Europe which has been the theatre of several UN peace-keeping missions and of the first NATO's "out-of-area" military intervention. In 1995, following unsuccessful attempts by UN, CSCE/OSCE and EEC/EU and only after considerable hesitation a coalition of Western powers decided to impose peace on the Western Balkans by force. By 2003, the end of armed violence was finally achieved and often superficial tranquillity established in Croatia, Bosnia & Herzegovina, Kosovo and Macedonia. However the security in the region has been negatively affected by the still present underbrush of political instability and by conflicts in the Near East and Eastern Mediterranean.

# Contemporary security challenges in and related to the Balkans

Some developments elsewhere on or close to our continent have affected the region's security and vice versa. The tectonic geopolitical shifts in the early 1990s and the crisis of neutralism and nonalignment led to a radical political and military realignment as practically the entire region has become politically and economically oriented towards the West. The end of the NATO/Warsaw pact confrontation, political fragmentation and the lack of large-scale mineral, energy or other natural resources led to a very considerable decline of the region's geopolitical importance. The Balkans have ceased to be an object of overt contests for political and military domination by superpowers. The region has gained instead the international notoriety as a source of troubles and a costly nuisance. Although much less intense than during the "Cold War" the political rivalry between USA and the Russian Federation for influence in South Eastern Europe has been partly revived. One expression of this rivalry have been subsidized or gratis deliveries of US heavy weapons to Croatia and of Russian heavy arms to Serbia (combat jets, helicopters, multiple rocket throwers,

howitzers, APCs, anti-aircraft rockets etc.). A brigade-size military outpost in Moldova, the Russian Navy in the Black Sea and a rotating squadron in the Eastern Mediterranean mark the considerably reduced Russian military presence in South Eastern Europe and its immediate vicinity, compared with the pre-1991 Soviet levels. The Russian Federation used to have two contingents of peace-keepers in Bosnia & Herzegovina and Kosovo but by 2003 withdrew both. The reincorporation of Crimea and Sevastopol in 2014 allowed the Russian Federation to substantially increase its defense and also, if needed, power projection capabilities near South Eastern Europe and the Eastern Mediterranean.

There are some US and Russian operational tactical nuclear weapons still present in or close to the Balkans. The US military presence has moderately increased due largely to the volatility in the Near and Middle East. In addition to the USN Sixth Fleet in the Mediterranean and the US Air Force's presence in Italy, Greece and Turkey the United States have built up a land base Bondsteel in Kosovo, acquired the rights to use military training and transit facilities in Romania and Bulgaria. The United States also placed at Deveselu in Romania a battery of Aegis antiballistic missiles as part of NATO's Theater Missile Defense presumably against potential threats from Iran. The Russian Federation views this development however very differently and as a strategic threat to it. Other foreign military units are present in the Balkans in the framework of two international stabilization missions, The NATO-led KFOR mission in Kosovo includes units from 30 countries, while European Union-led EUFOR in Bosnia & Herzegovina from 20 countries. Their total of about six thousand military personnel is up to ten times lower than was the strength of the NATOled IFOR in Bosnia & Herzegovina in 1996.

One important aspect of security in South Eastern Europe since the end of the "Cold War" has been a very considerable change at the levels of defense spending, military manpower, stocks of conventional weapons, arms production and exports. The wars of Yugoslav succession in 1991-1995 caused temporarily a great upswing in the total of mobilized forces of warring parties to about 530 thousand military personnel. This total exceeded about 2.6 times the pre-1990 level on the territory of the SFR Yugoslavia. In the process of liberal democratic transition all communist-ruled states reduced their defense spending, both for political and economic reasons. In Bosnia & Herzegovina the reductions were also mandated by relevant provisions of the Dayton peace agreements of 1995 and enforced subsequently under international supervision. The transition from universal conscription to professional armed force also contributed to the reductions of military manpower in the region. This applies not only to the two former WTO members (Romania and Bulgaria) but also to the former non-WTO states not included into the agreement on Conventional Force in Europe (CFE) - to Albania and to seven ex-Yugoslav states. In the latter, the drawdown resulted also in much lower inventories of heavy conventional weapons compared with those in the 1980s in the defunct SFRY. Compared with the pre-1991 levels the reductions of active armed forces in the region has been roughly by a half while those of the reserves and heavy conventional weapons by up to two thirds or more. On the other hand, the two older NATO members (Turkey and Greece) have continued with substantially higher defense spending due, i. a., to the unresolved disputes over Cyprus and the airspace over the Aegean Sea. The failed military *coup* in Turkey in July 2016 certainly did not contribute positively to regional security.

There are in the region two self-proclaimed and *de fac*to existing parastates whose legal status has been strongly contested – the Turkish Republic of Northern Cyprus and Republic of Transnistria in Moldova. The conflicts in and related to Ukraine, the civil wars in Syria and Iraq as well as internal developments in Turkey made more difficult resolutions of these problems. Since its proclamation of independence in 2008, the Republic of Kosovo has been recognized by a majority of UN member states, by three permanent members of the UN Security Council and 23 members of EU and NATO. However, it still lacks universal international recognition and full control over its borders, entire territory, air space and population. These unsettled situations undermine regional stability.

The underbrush of nationalism, intolerance and intercommunal hatred unfortunately still survives in the Balkans. Moreover, in some Balkan countries, the societies became more nationally and religiously segregated than they were a quarter century ago. This is particularly true of Bosnia & Herzegovina, Kosovo and Macedonia. Moreover, there have been public threats and accusations of secessionist intentions levelled against some prominent politicians and public figures in the Republika Srpska in Bosnia & Herzegovina, and also in Sandzhak and Voivodina in Serbia. In September 2016 the authorities of the Republika Srpska organized a referendum on celebrating the day in 1992, when its secession from Bosnia and Herzegovina was proclaimed. Inspite the verdict by the Constitutional Court of Bosnia & Herzegovina declaring the referendum unconstitutional the proposal was overwhelmingly approved by the voters. So the potential for interethnic conflicts and for further fragmentation in the ex-Yugoslav space might not have been fully exhausted. Moreover, among the six internationally recognized ex-Yugoslav states there remains a number of unresolved and very sensitive problems of succession, including contested segments of interstate borders on land, on the Danube and in the Adriatic Sea. Among them are notably segments of Croatia's borders with Serbia, Montenegro, Bosnia & Herzegovina and Slovenia.1

The security in the Balkans have been exposed to a number of other non-military challenges. Some of these have originated in the region itself, while some have been imported from or linked to similar phenomena in states outside the region. Since the end of the wars of Yugoslav secession and the separation of Kosovo from Serbia most of the Balkans have ceased to be a hotbed of political terrorism. There have been two exceptions - Bosnia & Herzegovina with several individual attacks and much more importantly the European part of Turkey. Terrorist attacks with numerous victims in Istanbul have reflected Turkey's failure to peacefully resolve the problem of the Kurds - its biggest national minority and its controversial relations with the "Islamic Caliphate" (ISIL). These two sources of terrorism have had only a limited impact on the security of the rest of Europe.

Prominent among other non-military challenges are organized crime and corruption, which have the potential of becoming the gravest threat to regional security. Follow-

<sup>&</sup>lt;sup>1</sup> Dimitrijević D. Državne granice nakon sukcesije SFR Jugoslavije. Beograd: Institut za međunarodnu politiku i privredu, 2012.

ing the breakdown of Yugoslavia and the wars of Yugoslav succession considerable illegal stocks of light arms and explosives remained in the region. They serve as an important source of supply on the European black market. Arms and ammunition of Yugoslav origin have been used by Islamist terrorists, i.a. in 2015 in the attacks in Paris. Organized crime in and from the Balkans, often in cooperation with other extraregional criminal organizations has been active in bank and post office robberies, in various forms of smuggling and illegal trafficking, including in women and children, human organs, drugs, arms, counterfeit goods, tobacco products etc. It has been estimated that about three quarters of heroin (mostly from Afghanistan) and a considerable part of cocaine (from Latin America) enter Western Europe via the Balkans. The region has produced close to 900 foreign fighters in the ranks of the "Islamic Caliphate" in the Near East and about 150 foreign fighters in Eastern Ukraine

In 2014–2015 the sovereignty of five South East European states and also of Hungary and Austria was violated and their security endangered by a huge wave of illegal migrants and refugees from the Near and Middle East. The unexpected wave created emergency situations on all borders along the "Balkan route" between Turkey and Germany. The stream of about 1.3 million migrants was managed by about a hundred criminal groups of traffickers in humans, many of whom have been active in smuggling of narcotics and arms. This operation was launched from the territory and with the full knowledge of state authorities of Turkey. The problem of several million displaced persons and refugees in that country was, to a large extent created by the invasion of Iraq in 2003 by the United States and Great Britain and by the subsequent policies of the US occupation authorities. The wave of refugees and migrants was encouraged by an invitation to Syrian refugees publicly announced by the German Federal Chancellor Angela Merkel. This otherwise commendable humanitarian gesture was not however accompanied or followed by the selection of asylum seekers in Turkey and by the provision of their air or sea transportation directly to Germany. The governments of the transit states by land were not requested and did not give their consent to the massive illegal crossing of their borders and were not warned ahead of time. Given the size of the wave other members of the Schengen system should have been, at least, consulted but they were not. The mass smuggling operation from the Turkish coast could not have been executed on such a high scale if Greece for years would not have ignored and failed to fulfil its obligation to guard the EU and Schengen external border.

Another source of human insecurity in the region is at least a million planted anti-tank and anti-personnel land mines left by the wars of Yugoslav secession. Although demining activities have been quite successful there are probably still several hundred thousand planted and unexploded mines in several areas of Bosnia & Herzegovina, Croatia, Serbia, Kosovo and Albania. There are also thousands dangerous remains of radioactive cluster bombs in rural Serbia – the results of NATO bombing in 1999. Another aspect of regional security has been related to the existing nuclear installations. There are today five operating nuclear power plants in the region and a small number of nuclear research reactors. Although all South Eastern European states adhere Among real or potential non-military security threats which affect the Balkans one should mention also natural and ecological disasters and climate change. Parts of the region have suffered from devastating floods and forest fires. Another problem is the fragility of the region's energy security. The shares of imported oil are still higher and the already high dependence of the Balkans on imports of carbon fuels is likely to further increase.

Among touchy political issues in the Balkans one should mention some underprivileged ethnic minorities, particularly of the Romas, whose population has been fast growing, while the region as a whole has experienced a considerable demographic decline. This general trend has been due to a considerable economic regression and deindustrialization which resulted from the failure of economic model of autarchic industrialization in former communist-ruled Balkan states, transition to open market economies and also to Yugoslavia's breakdown. The closing down of numerous industrial plants and factories and the related decline of GNP p.c. have strongly increased unemployment and stimulated emigration to Western and Northern Europe, as well as to North America and Australia. Official data on unemployment rates indicate very difficult social and political conditions in the region – from 45 percent in Kosovo, to up to 30 percent in Macedonia, Bosnia & Herzegovina and Serbia. Particularly worrying are still much higher unemployment rates of the young -about 50 percent in Serbia and Macedonia, 60 percent in Bosnia & Herzegovina and above 60 percent in Kosovo.<sup>1</sup> No wonder that the region has witnessed in 2014-2016 mass unrest, violent demonstrations and vandalism provoked by economic troubles and political dissatisfaction. These events took place in Albania, Serbia, Croatia, Bosnia & Herzegovina and Greece. Moreover, there is in the region about a million refugees and displaced persons.

## South Eastern Europe and the international community

The international record of dealing with the sources of instability and insecurity in South Eastern Europe has highlighted the complexity of its problems which defy quick unidimensional solutions. The links between the region's security and the security in other parts of Europe have been also underestimated. The protracted political conflicts on Cyprus, in Moldova, Bosnia & Herzegovina, Macedonia as well as between Macedonia and Greece, Serbia and Kosovo and elsewhere have testified to the elites' low ability to find pragmatic solutions through compromise and mutual accommodation and to assure regional stability. The efforts to infuse from outside cooperation with and among the region's states have resulted since the 1990s in a extensive web of international organizations, exclusively or mostly Western in origin. This web has included the Stability Pact for South-Eastern Europe, CEFTA, SECI, NATO's Partnership for Peace, South East Europe Initiative, Regional Cooperation Council, et. al. Since 2008, the net of EU stabilization and association agreements has been extended to cover the entire region, except Kosovo.

These agreements have served as steps in bringing closer to and eventually admitting all remaining Balkan states

<sup>&</sup>lt;sup>1</sup> Teokarević J. Spoljnopolitičke sveske: Zapadni Balkan između geografije i geopolitike. Beograd: FUndacija Fridrih Ebert, 2016. P. 10.

into the ranks of EU members. Croatia and Albania entered NATO in 2009. In December 2015 Montenegro received NATO's invitation to join the Alliance, which provoked sharp political tensions in the country. In 2013, Croatia entered EU, while Turkey, after a very long waiting period became an official candidate and started pre-accession negotiations which were for some time stalled due largely to the Cyprus problem. Serbia and Montenegro entered the groups of candidates in 2012, while Macedonia's candidacy (both to EU and NATO) remains in limbo due to Greece's veto over Macedonia's name. Albania, Bosnia & Herzegovina and also Kosovo (within the context of UN Security Council Resolution No 1244/99) remain potential future candidates.

The implementation of the EU Thessaloniki promise to embrace in its ranks the entire Balkans has been however delayed due to internal difficulties of and the crisis in the European Union and to the enlargement fatigue among its old members. The process of EU and NATO enlargement has been widely viewed as the best hope for the progress of regional security in the Balkans. A note of caution would be however in order. The promised inclusion of the entire region into the European Union is not around the corner. Even if and when it happens it would be security-wise insufficient. The record shows that inspite simultaneous membership of both states in the European Union it took Great Britain and Ireland more than three decades to reach a symbolic reconciliation and to conclude the compromise Good Friday Agreement on Ulster. However, intercommunal tensions still persist in Ulster while Brexit makes questionable its full implementation. After a similarly long simultaneous membership in EU and NATO the conflict between Great Britain and Spain over Gibraltar remains unresolved. Sixty years of two countries' membership in NATO have not stopped the arms race between two other members - Greece and Turkey and did not bring closer a resolution of the Cyprus problem. The admission of the Republic of Cyprus in EU also did not advance its resolution and perhaps made it more difficult. Today, more than 60 years since the country's joining NATO and the European Communities the relations between the two main national communities in Belgium are worse than they have ever been. Etc, etc.

The present security situation in the region is certainly better than it was at the turn of the century, not to speak of 1914, 1941, 1971, 1981 or 1991. This improvement was due to a number of developments. The extra-regional sources of conflict in, over or about the Balkans have been reduced. The era of wars of religion, of ideology and of redrawing state borders in the Balkans seems to be over. Most countries in the region have undergone radical transformation of their political orders. Instead of authoritarian and, among them also totalitarian regimes of the late 1980s the region is composed today, in various degrees, of democratic political systems. And democracies generally do not fight wars among themselves. Moreover, the considerable demilitarization in most Balkan states has greatly reduced their warfighting capabilities. In order to break with the negative pattern of the last 150 years the Balkan elites needed to show much wiser and more responsible behaviour than their predecessors did. The Balkan elites have hopefully learned from the negative experience of the last two decades and of its harmful consequences. Unlike in 1990-1991 the hottest potential trouble spots in the Western Balkans are today under international surveillance in the form, i. a., of foreign troops, civilian controllers and two *de facto* protectorates in Bosnia & Herzegovina and Kosovo. In addition, the countries of the region are recipients of considerable financial assistance and developmental loans. There is also a web of the above-mentioned regional cooperation schemes, including those in security and defense matters. Compared with the early 1990s the relations between the ex-Yugoslav states have generally improved. The Balkan and other South East European states themselves contribute today their peacekeepers to a number of international stabilization and observation missions in Europe, the Mediterranean, Trancaucasia, Near and Middle East and Sub-Saharan Africa.

# The Balkans and some actual or potential treats to European security

As noted earlier, the Balkans for a long time have used to differ in one important respect from the rest of Europe and also from the Near East. Only in the Balkans and Transcaucasia there are today (four) European states whose believers are mostly Muslims. In Albania the Muslims constitute about 80 percent while in Kosovo about 90 percent of the total population. In one more Balkan country the Muslims make a 60 percent majority in the entire state and a still stronger majority in its biggest entity called the Federation of Bosnia & Herzegovina. It is not accidental that the sharpest intercommunal clashes in the Balkans in the XXth century have taken place along the Muslim-Christian divide in ethnically mixed areas. The bloodiest conflicts during the wars of Yugoslav succession in 1990s occurred in areas where the mixes of ethnic, religious and cultural communities changed most under Ottoman rule. In the rest of Europe, the opponents in practically all religiously colored intercommunal and interstate conflicts for centuries had belonged on both sides to Christian denominations (Catholic, Protestant or Orthodox). The Near East has experienced some sharp conflicts between the Muslims and the Christians (Lebanon, Syria, Iraq, Egypt). However the bloodiest confrontations with, by far the biggest number of victims have involved as opponents the Sunni and Shiite Muslims.

In the last five decades, the difference between the Balkans and Western Europe in religious coloration of existing or potential intercommunal conflicts has greatly diminished. It was due to the mass influx to Western Europe of Muslim migrants, mainly from North Africa, the Near and Middle East and also the Balkans. With new migrants crossing the Mediterranean the total number of Muslims in Western Europe is approaching twenty million having exceeded almost three-fold the corresponding number in the Balkans. The populations of Germany, Belgium, Austria, Sweden, Switzerland and Netherlands contain today Muslims at levels between five and ten percent of the total. Moreover, the intercommunal conflict potential along the Muslim - Christian divide has been enhanced by urban concentrations of Muslims, their marginalized social and political status, bellow-the-average income, lower education level and higher unemployment rates, particularly among the young. The influence of Islamic fundamentalism, the growth of domesticized Jihadism in some Western European states among the second or third generation of Muslim migrants and their connections with international Islamist terrorism has increased this conflict potential. It is

estimated that the out of 27.000 to 31.000 volunteers to the "Islamic Caliphate" in December 2015 about 5.000 came from Western Europe, primarily from France, UK, Germany and Belgium. This contingent exceeded roughly fivefold the corresponding number of volunteers from the Balkans. And so will be probably with the number of returnees. This threat to the security of some European states was brutally displayed in terrorist attacks in Madrid, London, Paris, Brussels, Nice, in several German towns and elsewhere. Arson and attacks on Muslim migrants in Germany and the growth of anti-Islamic extremism in several Western European countries have confirmed the potency of this challenge. So far no state has tried to act as an external protector of Muslim minorities in Europe, with an exception of Turkey on Cyprus.

Among Muslim migrants in Western Europe there is a sizeable, hundred thousands-strong minority of Shiites from Iran, Iraq, Syria and elsewhere. In the areas of their urban concentration there is thus a potential for Shiite - Sunni intercommunal conflicts. Since the 1960-1970s there have been also other imported intercommunal cleavages in Western Europe. The cleavage between the Muslim Arabs and the Jews, largely brought from Algeria and Palestine, has expressed itself in numerous terrorist attacks against the Jews, including on the Israeli sportsmen at the Olympic games in Munich, as well as the desecration of Jewish cemeteries, attacks on Judaic schools and Jewish shops, particularly in France. Another cleavage is between the Turks and the Kurds, who count altogether over five million persons. It has already produced some low-level violence in Germany and might well further escalate if the primary conflict in Turkey itself reaches the level of an outright civil war.

While a good part of Western Europe has become thus, in some respect "balkanized", former Eastern Europe has been largely spared of this phenomenon. This has been due to very different and restrictive demographic and immigration policies pursued since 1945 by its communist regimes and also by subsequent post-communist governments. The four states of the Visegrad group have openly and actively resisted the pressure of migration from the Near East and opposed the policy adopted by the German federal government and the tardive measures proposed by the European Commission.

The residual Ottoman legacy, supplemented and partly modified by the impact of post-Ottoman rule has remained an important to notable ingredient in intercommunal and interstate tensions and conflicts in the Balkans also in the XXth century. The Muslim - Christian divide still remains troublesome in Bosnia & Herzegovina, Kosovo, Macedonia and on Cyprus. This hidden conflict potential still exists but its importance as a threat to European security has been greatly reduced. Since the end of the "Cold War", the Balkans ceased to be one of Europe's "powder kegs". Following the termination of wars of Yugoslav succession the Balkans are also not anymore a hotbed of European terrorism. One of the main challenges to Europe's security in the form of Islam-related terrorism comes today primarily from Western Europe and not from the Balkans. The imposition and maintenance of two international protectorates in the Balkans have assured the results of regional pacification. All this provides good reasons for moderately optimistic expectation that the Balkans will eventually become a region of democracy, prosperity and stability, enhancing and not diminishing the security on and around the European continent.

## Luiz Carlos Bresser-Pereira<sup>1</sup>

## HOW TO NEUTRALIZE THE DUTCH DISEASE NOTWITHSTANDING THE NATURAL RESOURCES CURSE

This paper discusses two interrelated concepts– the Dutch disease and the natural resource curse, the first an economic, the second a political and institutional problem – and focus in the first one.

The Dutch disease is a serious obstacle to industrialization and growth. Corden and Neary (1982, 1984) were the first to formalize it, but their model has proved insufficient to include this long-term overvaluation of the exchange rate in the core of development economics. It involved an economy with three sectors – the tradable commodity sector, the tradable non-commodity sector, and the non-tradable sector, – from which one could not deduce the policy to neutralize he major competitive disadvantage that, paradoxically, the countries benefited from abundant natural resources confront. Instead, economists have been attracted by the political problem – the rent-seeking involved in the natural resource curse. In 2009, Bresser-Pereira introduced a second model of the Dutch disease, which, instead of concentrating in the disequilibrium among the three sectors, focused directly in the long-term overvaluation of the exchange rate that it causes, and deduced from it a simple (but politically difficult to implement) neutralization policy. This model was improved in the following years and end up constituting a developmental macroeconomics where the exchange rate and the current-account deficit play a central role.

Ten years ago, two books discussed the Dutch disease and the natural resources curse – *Escaping the Resource Curse*, by Macartan Humphreys, Jeffrey D. Sachs and Joseph Stiglitz, eds. (2007), and *Natural Resource: Neither Curse nor Destiny* by Daniel Lederman and William F. Maloney, eds. (2007). This last one is radical on the matter. The two editors make clear in the introduction that there is not a natural resource curse or "the so called" Dutch disease. For them "several plausible indicators of the incidence

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of natural resource exports seem to have a *positive* rather than a negative effect on subsequent economic growth. Put bluntly, there is no resource curse" (Lederman and Maloney 2007: 3).1 Differently, the first book acknowledges that the natural resource curse or the Dutch disease represents a serious problem, but the editors eventually emphasize the political-institutional pr oblem, possibly because the economic solutions that the three distinguished economists have to offer are not satisfying for themselves. In his chapter, Sachs (2007: 191) proposes some economic policies aiming to overcome the problem. His essential recommendation is that "oil earnings are invested in ways that enhance productivity, and thereby raise rather than lower production in the non-oil traded good". He also considers the possibility of pegging the national currency to the dollar, but notes that pegging requires substantial foreign exchange reserves. And he gets near the solution of the problem when he views as a possibility to subside the production of manufactured goods that have a significant contribution to the technological sophistication of the economy, but he does not explore this possibility because subsides are not a real solution for a long-term and structural problem as is the Dutch disease.

In this paper, I will summarize the theory of determination of the exchange rate, the structural model of the Dutch disease, and the policy that neutralizes it, which I will refer as the new developmental model (NDM).<sup>2</sup> My reference will be the book by Humphreys, Sachs and Stiglitz. In its foreword, George Soros (2007: XI) remarks that the curse or the disease involves three problems, the currency appreciation (the disease), the high fluctuation of commodity prices, and the effect on political conditions (the curse). And asserts: "The first two are purely economic factors and have been studied extensively. It is the third factor that needs to be better understood". I am not persuaded that he is right. We should not underestimate the third factor, but the open macroeconomics on the exchange rate and the current-account deficit is faltering. On the other hand, the rent-seeking if not shear corruption that characterizes many countries exporting commodities is highly detrimental to growth. And I agree with the distinguished political scientist, Terry Lynn Karl, who also signs a chapter in the book, who recently told me that the corruption associated with the rent-seeking is a major obstacle to the adoption of a policy to neutralize the Dutch disease. But I am deeply persuaded that if we have a better model explaining the disease, not only its terrible consequences will be better understood, but also the way to neutralize it will be something economically obvious that will open new venues to growth policymaking.

#### The determination of the exchange rate

I begin with a simple definition of the two problems. The natural resource curse is an essentially political-institutional problem; it is the generalized rent-seeking taking place in a country exporting commodities which involve Ricard-

ian rents; it is the transformation of the state into a predator or an extractive state in which government economic and political elites are not oriented to production but to capture of rents that the state captures by imposing some tax on the exports of the commodity. Differently, the Dutch disease is an economic problem; it is the long-term overvaluation of the national currency that originates from the exports of commodities that, benefiting from abundant and cheap natural resource, are also a source of Ricardian rents, and, for that reason, they may be exported at a substantially more appreciated exchange rate than the one that the companies producing tradable non-commodity goods require to be competitive, although they utilize technology in the world state of the art. This competitive disadvantage blocks industrialization, or, if the country was previously industrialized, causes premature deindustrialization. As in the case of the natural resource curse, it is an economic problem that happens because such commodities benefit from Ricardian rents, and/or commodity booms, which allow the companies that produce and export them to make a profit with an overvalued exchange rate that makes not competitive the producers of the manufactured goods that the country could *potentially* produce.

This NDM definition of the Dutch disease is different from Corden and Neary's model already referred. This one emphasized the existence of three sectors in the economy, and the overvaluation of the national currency appeared because of the rise in the international prices of the commodities exported, which caused the increase in the domestic prices of the non-tradable sector and the fall in domestic prices of the tradable non-commodity sector. Thus, as Sachs (2007: 183) remarks, "the rise in the relative price of nontradable goods to tradable goods (or equivalently, the fall in the relative price of the tradable goods) is termed a real exchange rate appreciation". This is correct, but in this model the disease only occurs in the case of commodity booms, and, from the model it is difficult to deduce a policy to neutralize it.

The NDM focus in the exchange rate, and involves a general theory on it. The economic literature on the exchange rate assumes that it is determined by the supply and demand of foreign money to which it adds the purchasing power parity model. In the NDM, the exchange rate fluctuates according to the supply and demand of foreign money around a *value-equilibrium* – named "current equilibrium" –, which may be defined as the exchange rate that covers the costs plus reasonable profit rate of the companies that participate from the international market, and balances intertemporally the country's current-account. This value-equilibrium changes as the comparative unit labor cost of the country varies and, secondarily, as the terms of trade of the country change in relation to a basket of foreign currencies.

When the Dutch disease is present, there is a second value-equilibrium – the "industrial equilibrium" –, which is defined as the exchange rate that makes competitive the non-commodity companies that utilize technology in the world state-of-the-art. What economics assumes is that the industrial equilibrium should be equal to the current equilibrium (what would make the industrial equilibrium unnecessary) when firms use the best technology and management practices available in the world. The tradable non-commodity companies would be necessarily competitive. But, when the country faces the Dutch disease, we must

<sup>&</sup>lt;sup>1</sup> Italics by the authors.

<sup>&</sup>lt;sup>2</sup> There is already a sizable literature on the NDM. I quote here Bresser-Pereira (2008) "The Dutch disease and its neutralization: a Ricardian approach"; Bresser-Pereira (2010) "Globalization and Competition", a book of essays; Bresser-Pereira (2016) "Reflecting on new developmentalism and classical developmentalism", and Bresser-Pereira, Marconi and Oreiro (2016) "Macroeconomia Desenvolvimentista" – a more complete version of the "Developmental Macroeconomics", originally published in English, by Routledge (2014).

consider the two equilibriums. The Dutch disease is the difference between the two equilibriums; its severity is on this difference in relation to the industrial equilibrium.

In this model, the determination of the exchange rate price follows a historical tendency - the tendency to the cyclical and chronic (in the long-term) overvaluation of the exchange rate. Currency crises mark the end and the beginning of each cycle. When the country is hit by a financial crisis, the national currency devalues sharply, and becomes more devaluated than the industrial equilibrium. Once the crisis slows down, the currency began to appreciate again, crosses the industrial equilibrium, the current equilibrium, enters the realm of current-account deficits, and eventually reaches a bottom where it remains for several years. Given the overvalued currency, the foreign debt increases, or as the current-account deficit increases dangerously up to the point in which, suddenly, the international creditors lose confidence, stop the roll-over of the foreign debt, and a new currency crisis brakes down.

Two factors cause such appreciation: the Dutch disease and three habitual policies adopted by most developing countries. The Dutch disease brings down the exchange rate to the current equilibrium, because in a commodity exporter the exchange rate is basically determined by the international prices of the commodities. The three habitual and interrelated policies that appreciate further the national currency and lead the country to current-account deficits are the policy of growth with current-account deficits and foreign indebtedness, the use of the exchange rate as an anchor against inflation, and the central bank setting high the "level" around which it conducts its monetary policy to attract capitals or to control inflation.

Besides the value of the current and the industrial equilibrium and the variables behind them (the variations in the comparative unit labor cost) and besides the three habitual policies which affect the demand and supply of foreign money, there are other variables determining the exchange rate, mainly the variation in the terms of trade, major increases or falls in capital flows, introduction of capital controls, the monetary policy of the central bank, and the buying or selling reserves, but the main and systematic variables determining the exchange rate are the current valueequilibrium, the variations behind it (the Dutch disease and the variation of the comparative unit labor costs), and three habitual policies that impacting the demand and supply of foreign money, make the exchange rate to fluctuate around the value-equilibrium.<sup>1</sup>

The determination of the exchange rate gets completed with its close relation to the current-account. Other variables remaining constant, the higher the current-account deficit, the more appreciated will be the national currency. The exchange rate that balances the current-account is substantially more competitive than the exchange rate that balances a 3% of GDP current-account deficit. In this case the causal direction may be both ways. Factors that appreciate or depreciate the currency will affect the current-account, but the inverse takes place when the government adopts as policy "to grow with foreign savings".

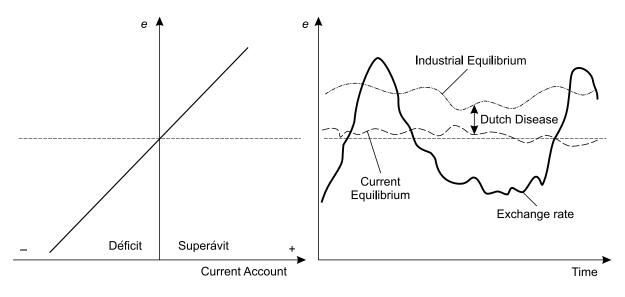


Figure 1: Current-account and exchange rate

Figure 2: Determination of the exchange rate

Two figures resume the new developmental model of determination of the exchange rate. Figure 1 is just the linear relation between the current-account and the exchange rate. Figure 2 is the core figure showing the behavior of the cyclical behavior of the exchange rate price, and the be-

havior of the current and the industrial equilibriums. We have the two value-equilibriums and the exchange rate. The industrial equilibrium and the current equilibrium vary in time; the industrial equilibrium, mainly in consequence of changes in the comparative unit labor cost; the current equilibrium, mainly because of variations in the terms of trade. The exchange rate follows the tendency to the cyclical and chronic overvaluation.

Using the recent Brazilian experience as an example, the last cycle lasted from the 2002 to the 2014 crisis. In real reais, prices of the third quarter of 2016, the industrial

<sup>&</sup>lt;sup>1</sup> When I say, I have a theory on the determination of the exchange rate, my counterpart often remarks that the exchange rate turned indeterminate due volume and unpredictability of capital flows. I agree that this is a difficulty, but, first, it is not a sufficient reason for giving up a theory on the theory of the exchange rate; second, in this model the capital flows are considered in one or the three habitual policies: the growth with current-account deficits to be financed by capital flows.

equilibrium increased from R\$ 3.80 to R\$ 4.00 per dollar in consequence of the rise of the comparative unit labor cost of Brazil; the current equilibrium was around R\$ 3,20 per dollar (meaning a Dutch disease of R\$ 0.80 per dollar, or of 20%), except for the 2014 crisis, when my estimation is that it almost reached R\$ 4.00 per dollar and the Dutch disease zeroed due to the major fall in the prices of the commodity exported, mainly of iron and soy beans.

### Exchange rate and growth

I am assuming the fundamental determinant of the growth rate is the investment rate: the public as well as the private investment rate - more the later than the former because private investment is supposed to represent between 75 and 80% of total investment. There are other variables on the supply side, as education, technical progress and good institutions, and on the side of demand, but investment in physical capital is the more important one. Technical progress exists mainly embodied in physical and human capital. Education and institutions are very important, but they don't make a difference in the short-term. These variables assure a return on investment, but it is difficult to measure it, and its return is always in the long-term. Among them, institutions are mostly a celebrated value - particularly the guarantee of property rights and contracts -, but they are an endogenous variable that is simultaneously cause and consequence of growth. Instead, the investment rate - the public investment rate mainly in the infrastructure, and the private investment rate in all other sectors of the economy - are at the same time in the supply and in the demand sides, and have a direct relation to growth.

Considering this and the theory on the determination of the exchange rate just summarized, the exchange rate turns into a key variable in the investment function and, so, in growth theory. The reason for that is simple: the exchange rate is not only volatile; contrarily to what the other theories say, it doesn't just change fast around the equilibrium. Instead, it remains substantially overvalued in each cycle, which has a duration of several years. Beginning with a financial crisis – usually a currency crisis – in which the exchange rate depreciates sharply, once it achieves a peak, it starts falling or appreciating gradually, reaches a kind of bottom, and remains around this bottom for some years – this bottom probably reflecting the minimum exchange rate that the more efficient exporters of commodities can stand.

Thus, when the company considers a new investment, it will probably make the calculation of its return having in mind such overvalued exchange rate, and, most likely, will not invest, or will just invest to keep the plant modern, not to expand production. When the exchange rate is just volatile, this leaves the business decision-makers insecure; when the exchange rate is overvalued in the long-term, he will just not invest. The exchange rate acts as a light switch that gives or refuses to the company *access* to the existing demand, be it international or domestic.

## Neutralization of the Dutch disease

The Dutch disease is a problem as old as capitalism, international trade, and the existence of a relevant exchange rate. My understanding is that the main cause behind the decadence of Spain and Portugal was the Dutch disease that derived from the gold, the silver, and the sugar cane that they got from their colonies. Their currencies remained overvalued in the long-term, and turned industrialization and growth inviable. The neutralization of the Dutch disease is also an old practice, although it is known and defined only recently, from the 1980s. The fact that before the Corden and Neary model there was not a theory that explained it didn't stop pragmatic and competent policymakers to neutralize it intuitively; but just in relation to the domestic market. To neutralize it also in relation to the foreign markets was rarer.

The Dutch disease is, by definition, a competitive disadvantage that the government must neutralize if it is interested in the well-functioning or markets. Much before economists knew what was the Dutch disease, its neutralization in relation to the domestic market was made simply through the imposition of tariffs to the imports of manufactured goods. When the country imposes a 20% tariff on all imported manufactured goods, this is the same as to depreciate the currency in 20% in relation to imported manufactured goods. The tariff establishes a dual if not a multiple exchange rate regime. Many countries, instead of using tariffs, used directly dual or multiple exchange rate regimes. Liberal economists indicted import tariffs as "protectionism", and developmental economists justified it, since Alexander Hamilton, with the infant industry argument. Actually, besides the infant industry argument, the neutralization of the Dutch disease also justifies high import tariffs, if the country is limited to assure to its competent companies access to the domestic market. When the country uses import tariffs to neutralize the Dutch disease, it is simply leveling the playing field. This is not protectionism.

When the country is beginning to industrialize and choses an import substitution strategy, the use of import tariffs is a legitimate way of eliminating the competitive disadvantage inherent to the Dutch disease, but this model is intrinsically limited as a growth strategy. In countries that adopted the import substitution strategy the growth rates fell whenever its benefits got exhausted. Others, like Brazil, having reached the exhaustion of this growth model, established, beginning in 1967, a major program of subsides to exports of manufactured goods. In this way, it completed the job, neutralizing the disease also in relation to foreign markets. And was successful. Exports of manufactured goods represented only 6% of total exports in 1965; in 1990 they reached its pick: 62%. Yet, in this year, weakened by ten years of foreign debt crisis, the country accepted liberalizing trade, believing that it was just eliminating protectionism. In fact, it was dismantling the mechanism of neutralization of the Dutch disease. From then on the country faced a major deindustrialization and low growth rates.

Multiple exchange rate regimes are not the best alternative to neutralize the Dutch disease. There is a simple policy that does the job without recurring to tariffs and subsides. It is a policy that derives directly from the New Developmental Model. It involves the imposition of a variable tax on the exports of the commodities that originate the disease that will vary according to the severity of the overvaluation. This one depends mainly on the variation of the commodity's international price. When the prices increase, the tax will increase, and vice-versa. Giving a table of prices and percentage taxes for each main exported commodity, which in principle should be established in the law, the exporters will be assured a stable and satisfying profit rate. Note that, if the disease is not severe and the price falls very much, the percentage tax may be zero.

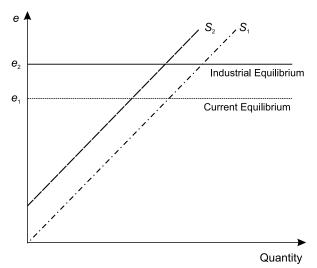


Figure 3: Neutralization of the Dutch disease

Why the tax or retention will neutralize the Dutch disease? Because it will increase the cost of production of the commodity, and, in consequence, the current equilibrium (the value-equilibrium determined by the commodities exported) will equalize the industrial equilibrium, and the market will duly lead the exchange rate price to fluctuate around the, now, unified equilibrium. Another way of reaching the same result is by considering the microeconomic consequence of the export tax. The tax will shift the supply curve of the commodity to the left, not in relation to its price that is given by international markets, but in relation to the exchange rate, and the value-equilibrium will be equalized following the industrial equilibrium. Figure 3 shows the neutralization of the Dutch disease considering the shift of the supply curve.

In our Brazilian example, a R\$ 0.80 per dollar on the exports of the main commodities will neutralize the Dutch disease. In Argentina, in the major 2001 financial crisis, the government created a retention on the exports of commodities. It did that for fiscal reasons, not as a policy to neutralize the disease, but, although it was a fixed tax, it worked neutralizing the disease, reindustrialization took pace, and high growth rates were achieved, while the country experienced a surplus current-account. Yet, when inflation increased, the government decided to use the exchange rate as an anchor against it, the peso appreciated, the current-account zeroed, and the growth rates fell.

#### Winners and losers

Who will gain and who will lose? The price of the commodity will be determined mainly by the cost plus reasonable profit of the less efficient producer admitted in the market. Giving this price, before the tax, the countries that have a lower cost of production will be benefited by the corresponding rent (the difference between its cost of production and the cost of production of the least efficient producer admitted in the market), which will be captured by the producers that are more efficient than the marginal producer. Once the tax is imposed, the state will capture that rent, and the producers will be left only with the economic profit. But eventually they will pay nothing, because the national currency will depreciate due to the increase in the cost of production (or to the shift of the supply curve to the left), and what they paid in the form of taxes, they will receive back by a more devalued national currency.<sup>1</sup> In the Brazilian case, he will pay R\$ 0.80 per dollar exported, and receive back R\$ 0.80 per dollar exported in terms of currency depreciation. Thus, the one that eventually pays for the tax is the population of the country, because in the day of the depreciation they will become poorer: they will be able to buy less tradable goods and services, whose relative price increased.

What to do with the new revenue? Its ideal destiny is the creation of a sovereign fund like the one that Norway has. The fund *will not* neutralize the disease (this is done by the tax), but it will avoid that the hard currency inflows will increase the supply of foreign money and appreciate back the national currency, it may do that, but it will have to buy reserves to neutralize the capital inflows – what will self-defeat the use of the money.

Thus, for the Dutch disease there is a solution. And for the natural resources curse – there is also a simple solution? Unhappily, no. This is a political and institutional problem with strong cultural attachments. It tends to be overcome as the country industrializes, turns capitalist, and turns democratic, but the fundamental challenge that human development faces is how to advance in these structural and political domains. It was not the purpose of this article to discuss the natural resources curse, as it is not to discuss an additional political problem – exchange rate populism.

A second cause for the non-neutralization of the Dutch disease is economic populism. Not of the well-known fiscal populism that happens when the state or government gets involved in chronic pro-cyclical fiscal deficits, but what I call "exchange rate populism" – the nation-state or country expending more than it gets. Exchange rate populism is very attractive to politicians that want to be reelected. It increases the revenues of all (not only the wages of workers and the salaries of the middle class, but also the revenues of rentier capitalists on the form of interests, dividends and real state rents), and it makes everybody richer.

The fact that the neutralization of the Dutch disease involves a depreciation of the national currency makes this policy not attractive to politicians and to the people. This is one of the two reasons why countries face difficulty in imposing the required tax – exchange rate populism; the other is the natural resources curse. For both evils there is no simple solution, but we should not make depende the neutralization of the Dutch disease to "solving" them .

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<sup>&</sup>lt;sup>1</sup> To be more precise, the producer-exporter will lose something or nothing with the tax depending on our point of departure.

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## V.A. Chereshnev<sup>1</sup>, V.N. Rastorguev<sup>2</sup>

## MODERNITY AND THE CHOICE OF THE FUTURE IN TERMS OF POLITICS AND FORECASTS

Dmitry Likhachov kept returning to the topic of forecasts and future choices, understanding the discussion element of this problem and the position of skeptics, in which he saw its internal logic. For instance, in his famous piece "The Future of Literature as A Subject", he wrote: "Having read the title of this article, my readers are likely to think: "A fashionable topic! Don't we have enough of futurology, predictions and forecasts draped in scientific research garb? Creativity cannot be foreseen, the appearance of that or other genius work of fiction or a scientific discovery cannot be predicted". Regarding fashion, I can say that fashion, when it is reasonable, should be welcome. Reasonable fashion - is one of the few, however modest, testimonies of unity of the humankind, its tastes and moods ... In science fashion promotes collective focusing of attention on certain topics and approaches to such topics"3.

Recognizing the significance of "fashionable" topics in scientific discourse, mass consciousness and public policy, we cannot avoid seeing that the "fashion for the future" may fade for a while only to return later since we all need to look beyond what we call modernity. It is in this process that we run into a number of paradoxes, and the first of these is the ambiguity of this term. The problem is that each of us has the right to choose our own modernity; our own teachers of life and masters of thought from any period of history. Some are interested in Aristotle, others live in the Enlightenment era (and they have every right to), yet others copy the behaviors of mass consumer culture, and still others get fully immersed into the virtual world. People of our time have a broad range of opportunities to choose their contemporaries according to their spirit or ability. This choice belongs not only to the personal sphere but the national culture as well, as Dmitry Likhachov had said on numerous occasions. The choice of modernity can easily transcend all temporary and spatial borders.

The right to search for this choice is one of human being's natural and inalienable rights. Separate individuals, social or professional groups, separate ethnicity groups or civilian nations that consist of several such groups – all of them have this right. So the issue of what society we are building and what future we choose depends in large measure on which modernity we choose to live in and what we consider as modern – a number of achievements that make our life comfortable or eternally modern traditions that combine generations into a holistic common. For this reason alone, the heritage of Dmitry Likhachov, who had always emphasized national culture as the central element, will remain important and topical forever.

But let us go back to the main topic, the choice of the future. Any person, regardless of his or her age or social status, level of culture or education, profession or values, tries to imagine a near future in which he or she takes up a certain niche and a distant future that belongs not to him or her, but to generations to come. What is behind this desire? Is it healthy inquisitiveness, the desire to privatize at least a part of the world of tomorrow, or is it fear to be robbed of the future, the sense of responsibility for own actions, where the outcomes, both positive or negative are expecting us in the future which is yet to come? Everyone has his

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<sup>&</sup>lt;sup>3</sup> Likhachov D.S. Future of Literature as Subject for Study (Notes and Thoughts) // Novyi Mir. 1969. No. 9. P. 167.

or her motives that depend on many factors: the type of personality and the age, moral and professional qualities of the human being, the plans we make and implement without knowing for sure where lies the border between the real goal and a utopia.

All of the above could be said of the society, the state and the people, unions of states and the humankind as a whole. The reason for the "humane" face of the society which develops according to their own laws, different from those as defined by personal socialization, lies not only in that important decisions are made not by social institutions but by real people with their peculiarities and motivations. In addition to personal goals of separate individuals, functional goals of systems must also be considered. These may not agree with private goals, and at times even go beyond human cognition. The teleological approach to understanding the nature of collective knowledge, including specialized knowledge opens hidden goals for us. Among these, a special role is played by the search for existing regularities; this is what makes science what it is. Other foci are saving of natural and human resources. These are the functional goals of politics that transform it from fighting for power or participating in sharing power into an important way of creating new meanings.

The other side of the problem of making the society and the collective spheres of human activity more humane, where attention to motivation factors is vitally important, relates to a special class of vitally important problems that need to be resolved due to global threats and require interstate and international solidarity<sup>1</sup>. In this case it becomes essentially important to foresee the distant consequences of decisions taken long ago and being taken today, which will include predetermined (in essence, planned) technological, ecological and social disasters. I call them "planned" not only as a consequence of strategic mistakes, inevitable in conditions of considerable shortage of reliable information and lack of quality scientific and analytical support for political decisions, but also because of unwillingness or inability for long-term planning, and the inability of creating a hierarchy of common goals in conditions of chronic confrontation and disunity.

As we see, the topic we are discussing enters the realm of political and geopolitical planning and the way it is formulated confuses many people. First and foremost, the confusing factor in this topic is the lack of understanding of what it means. If the problem of planning and forecasting in business has been addressed in many books and dissertations, the problem of political and geopolitical planning was the focus of a small range of studies, which generally repeat one and the same set of ideas and quotes. In most cases these terms are being used broadly to define any kind of planning if it presupposes socially significant consequences of activities in which public forces are involved. In this case either a consensus or an agreement must be reached to resolve a conflict<sup>2</sup>. Things are going considerably better with political forecasts, but even here there are almost no studies of forecasts built into the planning process. The reason for this strange disproportion is due to the fact that only external sides of planning can be seen in the sphere of so called public policy. Meanwhile, a range of unresolved, unquestioned and even not properly understood problems, directly related to lives of millions of people, for whom and on whose behalf decisions are made, remains almost inaccessible.

The methods of planning are usually fully delegated to executors, who, as a rule, lack real power and authority to bring together all planning issues and all future scenarios. This is why it appears so difficult to recreate the general picture that is sought after by those who wish to understand the mechanics of this process. It is for this reason alone that we need to expand opportunities for self-education of politicians, who are often so remote from science, while it is changing as rapidly as the political conjuncture.

Political planning, which involves strategic forecasting at every stage, includes not only politicians but also specialized analytic institutions and an army of "narrow" specialists; all of them together make it possible for political institutions to function. Of special significance in political life are "brainstorming centers" or "thought factories", that exist either autonomously or within the bodies of executive or legislative power, or within non-governmental and international organizations. Whether their activities include development of real political plans, objective and popular forecasts depends on the peculiar features of the political system and the overall regime, distribution of forces and conjuncture, geopolitical contexts and many other factors. A number of centers focusing on the process of political planning has been concentrating on problems of geopolitics.

Various political systems and regimes look differently at possibilities of political planning making this process either open or closed for reflection and external analysis, since a lot depends not on the political will of the management, the balance of forces or the selected strategy but on the peculiarities of the legal system and the structure of existing national political institutions. The very field of planning and forecasting, its spatial and time characteristics, the set of its functions and the level of their efficiency depends on the customs, the lifestyle and the quality of institutions, in particular the specifics of constitutional setup of that or other countries. Institutions take upon themselves many functions of planning, turning them to the "autopilot" mode, which considerably limits the possibilities of "manual steering," which also includes the possibility of risk management. In a number of cases it neutralized all efforts of the civil society and political elites to influence the future and avoid catastrophic consequences of inertial motion.

<sup>&</sup>lt;sup>1</sup> The problem of genesis and classification of global problems was raised in our report at Likhachov Scientific Conference (see *Chereshnev V.A., Rastorguev V.N.* Global Problems: Dialog of Politics and Science // Dialog of Cultures and Partnership of Civilizations: 14th International Likhachov Scientific Conference, May 15–20, 2014. St. Petersburg: SPbUHSS, 2014. P. 179–189).

<sup>&</sup>lt;sup>2</sup> Benveniste G. Mastering the Planning Policy. Creation of really doable plans and change-generating policy. Moscow: Progress: Univers, 1994. P. 18.

# Bruno Desgardins<sup>1</sup> INTERNATIONAL ISSUES: ECONOMIC AND SOCIETAL CHALLENGES

*How far have we come*? Between 1960 and 1974, global GDP growth was 5.2% per annum, and since the year 2000, global GDP has managed to double again. Between 2008 and 2015, although interest rates were kept artificially low to stimulate growth, and the world's debt increased by \$60,000 billion, GDP growth did not exceed 2.8% per annum.

Where do we stand? Never have the effects of a wave of innovations spread so rapidly to every country and every sector, from manufacturing to services, from the automotive industry to finance, and even transport and tourism. Never has a wave of innovations affected so many workers, first the least skilled, employed in repetitive tasks, and then increasingly qualified professionals such as lawyers and surgeons. Consider that Uber, Airbnb and their ilk came into being just around ten years ago. And we are starting to see the fantastic potential of 3D printing, autonomous vehicles, biotechnologies, robotics and artificial intelligence.

Where are we headed? The economic debate underpins the choices we make for society: reducing corporate taxation or the cost of capital favours shareholders and financial markets but will adversely affect employment and the middle classes. Efforts to protect pensions, which already cost 11% to 13% of GDP in Western countries, will continue to penalize wage-earners. Spend insufficiently on education and infrastructure, or allow debt to spiral out of control or sacrifice the climate, and it will be the coming generations that will pay the consequences.

Unfortunately, a parallel with the 1929 crisis is not farfetched. The four issues (ethnic fundamentalism, border disputes, class war and a crisis of capitalism) identified by *Ian Kershaw* in a recent book as characterizing the period between World Wars I and II, can be found again now. The ethnic fundamentalism is of a different form from that in the 1930s era; the contemporary version is reflected in attitudes towards migrants or against Islam. The border disputes are mostly in Asia, opposing China against its neighbours, but Europe is not spared, with the turmoil in Ukraine and Crimea. The other two factors, class war and the rejection of the elite, are reflected in populist movements, and also in the crisis of capitalism which seems to be persisting since 2008.

To properly understand the issues, we can analyse first the economic challenges and then the societal challenges.

### **Economic challenges**

To be generous, you have to be rich Aristotle's Nicomachean Ethics

Aristotle's statement is explicit. Grappling as they are with lacklustre growth, governments have little to redistribute.

Even the stones that lie across your path can be built into something beautiful. *J. W. Goethe* 

Grappling as they are with many demands, governments are using public debt, but that cannot constitute a policy. Grappling as they are with expectations that they are unable to meet, governments are discredited, and globalization represents an easy scapegoat.

Analysing the challenge of the global growth slowdown, the challenge of globalization and slower growth in global trade and the risk of protectionism, one could ask whether there are grounds to fear inflation and stigmatize finance.

### The challenge of the global growth slowdown

It is indisputable that productivity gains have decreased, as a consequence of the declining relative weight of manufacturing and the expansion of services employing lowskilled labour. The lower investment rate is due to uncertainty, overcapacity in many sectors, credit restrictions and the fact that many economic agents have to deleverage. It is undeniable that global demand is weak, as a result of population ageing worldwide. It is true that firms in the digital economy create few jobs and that there are still 200 million unemployed in the world. Today, the leading three US companies by market capitalization (\$1,800 billion) do not even total 300,000 employees, whereas, in the mid-1990s, the big three automotive companies had a market cap of less than 2% of this total but employed 1.2 million workers.

US economist Robert Gordon considers that the growth period of the past 250 years is unique, that the world has not made any major progress in the past several decades, and notes a slowdown in productivity gains since the eve of the first oil shock in 1972, caused by population ageing, the diminishing effects of education and the costs of damage to the environment. Lawrence Summers, an economist close to Bill Clinton, refers to 'secular stagnation', masked until 2008 by the credit and real estate bubbles and attributable to population ageing, the accumulation of savings and insufficient investment opportunities. Paul Krugman criticizes the ineffectiveness of monetary policies and the liquidity trap caused by these cash injections. Jeremy Rifkin considers that markets are starting to give way to networks, and forecasts that capitalism will be brought to its knees by competition from the sharing economy as Airbnb, Blablacar and other crowdsourcing players expand. So, there is great pessimism among these four renowned economists, that could be attenuated by deciding to increase the retirement age, to step up spending on education to overcome residual pockets of illiteracy, and to implement environmental policies to stimulate growth.

But let us not focus excessively on the sluggish growth of industrial production in the developed countries, because they are service economies. Let us not worry too much about the slowdown in investment rates, because presentday growth consumes less capital. Let us not be too anxious about productivity because, in the digital economy, it is not easy to measure. Let us not be too alarmed by the slacken-

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ing of economic growth, because although it is irrefutable, it is clearly difficult to assess. The national accounts, designed to record quantities, are just as unfit for subtracting the harmful impacts of environmental damage as for measuring the improvements in product quality and productivity generated by digital technologies.

# The challenge of globalization and slower growth in global trade

There are several aspects to globalization. First, it has facilitated and encouraged the establishment of large groups. In the United States, for example, the revenues of the hundred leading companies exceeded 45% of GDP in 2013, whereas in 1994 they were equivalent to only one-third of GDP. Second, according to the UNCTAD, the volume of goods transported by sea increased from 3.6 billion tonnes in 1981 to 8.7 billion tonnes in 2013, but this did not prevent overcapacity in the container sector from reaching 30%, and significant losses in sea transport. The third illustration of globalization is an increase in the number of foreign tourists, from 50 million in 1950 to 1.2 billion in 2016. Finally, a fourth aspect of globalization is that multinational firms account for 25% of global GDP and foreign direct investment (FDI) has increased significantly, from \$55 billion in 1980 to \$690 billion in 1998, \$1,400 billion in 2000 and \$1,800 billion in 2007, but \$1,525 billion in 2016 due to a decline in the fraction intended for emerging countries (to \$600 billion, i.e. -20%). And the latter figure points to a trend. Although for a long time there was significant growth in investment in emerging countries, not just in China, to take advantage of low labour costs, this is undoubtedly a thing of the past.

In the developed countries, while the large cities have adapted to globalization, the outskirts of the cities and rural areas are increasingly critical of this globalization and complain of job losses and a loss of purchasing power. Paul Samuelson expresses the view that free trade causes wage levelling and job losses. While the elite and young people are developing a global culture which weakens the national reference system, the rest of the population seems to be mostly reacting against globalization. A topical illustration of this is the result of the US elections: in 88 of the 100 largest cities a majority voted for Hillary Clinton, while in the rest of the country a majority voted for Donald Trump. It is not a clash of civilizations as defined by Huntington, but rather a divergence between advocates and opponents of a global civilization. Until recently, a country's culture was a heritage defined by a history and a geography. In the idea of a world culture, some will see dilution, others richness, an opportunity or an illusion, a melting pot of ideas or a withdrawal into a cultural identity. A convergence of life styles or a new incarnation of Western dominance, everyone can have their own analysis grid.

But it cannot be forgotten that, in an economy, threequarters of jobs are in protected sectors, mainly in services. While offshoring has caused manufacturing job losses, this remains marginal, because many manufacturing sectors, such as cement, building materials, etc., are relatively unexposed to international competition and because manufacturing job losses are primarily due to productivity gains and to the outsourcing of certain functions. Until the 2000s, global trade grew twice as fast in volume terms as global GDP. In 2016, it is growing about half as fast. According to the IMF, three-quarters of this slowdown can be explained by the economic situation, and the remainder is due to skewing towards service economies, changes on production lines, robotization and protectionism.

### *Who stands to lose from protectionism?*

Governments' difficulties in managing the crisis arouse doubts concerning economic sovereignty and give rise to protectionist temptations. And yet, if global trade stimulates growth and innovation, protectionism impoverishes it because import prices are increased by tariff barriers and exports are penalized by retaliatory measures. While exports create jobs, imports destroy them.

Those most exposed to any protectionist measures would be small countries such as Ireland, where 55% of GDP is generated by exports, and emerging countries dependent on policies to promote exports. The next most exposed would be Germany, which exports 36% of its GDP, whereas France and Italy are dependent on exports for only 20% of GDP. Those spared even more would be large countries like the United States and Brazil, which generate only 11% to 13% of their GDP from exports.

From a stock market viewpoint, widespread adoption of protectionism would lead us to focus our investment strategy on the big domestic markets: Europe, China and the United States.

### Why would protectionism make no sense in the United States?

A protectionist policy would make no sense for the United States, because the country remains the leading economic power and because US multinational firms dominate trade. We should not merely consider the size of the US trade deficit with China (\$347 billion in 2016) or manufacturing job losses caused by offshoring by US companies in China. If the taxes applied to steel in the United States have not prevented US employment from decreasing in this sector, this is because other factors prevail, not only innovation but also productivity gains. If Donald Trump applies his policy, a parallel could be established with the world of the mid-1930s, after the enactment of the SmootHawley Tariff Act in the United States. If Donald Trump cancels the Trans-Pacific Partnership, he will not have understood the objective of Barack Obama, who saw the agreement as a means to contain Chinese influence and was able to impose on his partners guarantees such as child labour regulations, the establishment of a minimum wage in each of the countries and a commitment to protect intellectual property. By withdrawing from the Trans-Pacific agreement signed a year ago with twelve countries to counter Chinese influence in Asia, the US offers China a great card to play, and it is in this sense that the Australian Prime Minister has opened the door to negotiations with China. By putting up tariff barriers against China and Mexico, the United States would impact one-quarter of US foreign trade, run the risk of retaliation and undermine the Mexican regime which could fall into the hands of populists. Contrary to what Donald Trump declares, protectionism would not generate prosperity but would result in rising product prices and would therefore impoverish US consumers.

### Why would it be a mistake to tax imports?

Donald Trump wants to combine a cut in corporate taxes with the introduction of a 15% 'border adjustment' tax on imports. In their effects, the two measures resemble an export subsidy coupled with a VAT increase, but these two measures would probably be offset by an appreciation of the dollar, and therefore neutralized. Should globalization be blamed for the decline in manufacturing employment? No. It is only a minor cause of this decline, the two main causes being increased productivity and the skewing of demand towards services. The big manufacturing countries, such as Germany and Japan, have highly-globalized production lines. The industrial nationalism advocated by Donald Trump is in conflict with this specialization approach and will be ineffective. Manufacturing industry accounted for 30% of jobs just after the Second World War, and 8% at end 2016. Not that the number of jobs has declined (it has remained stable at around 13 million in 1950 and 12 million today, but a hundred million jobs have been provided in services (increasing from 30 to 133 million) and, in particular, there have been very substantial productivity gains which have enabled production to increase by a factor of more than six. Chinese competition has impacted scarcely 2% of total employment.

History teaches us that trying to protect declining sectors is often a waste of time and effort, running the risk of retaliatory measures against growth sectors: Do struggles to protect the automotive industry have a future at the very time when young city dwellers are turning their backs on cars and ride sharing is destined to increase? It would be better to spend the same money on improving training in the sectors of the future.

### What should we think about Brexit?

Teresa May's position is not coherent. She asserts that she is an advocate of free trade, alright, but then why leave the European free trade area which is the leading commercial power in the world? She wants to move closer to the United States, and why not, but is that not illusory at a time when US policy is one of withdrawal? So, caution regarding this market.

### Should we fear inflation?

No, because in addition to the reasons described in detail in our previous reports there is the idea that the digital economy will represent an increasingly large proportion of wealth creation. But the barriers to entry in the digital economy are lower than in conventional manufacturing industry, competition is keener and there is constant innovation. So, there will be no need to buy inflationlinked bonds.

### The challenge represented by public debts

At the end of 2016, OECD debt reached 74% of GDP, a level that has almost stabilized, because net issuance will not exceed \$800 billion in 2017. This stabilization is largely due to negative interest rates on \$10,000 billion of this debt, in Japan, Germany, Switzerland and France.

Although one may dispute Carmen Reinhart's view that, above 90% of GDP, public debt would be a problem, if we reason in terms of net debt and not gross debt, and if one accepts that the concept of the sustainability of debt, i.e. the relation between the real interest rate on the debt and the growth rate of the economy, is preferable to the concept of solvency, we cannot ignore this spiralling growth of the debt burden, especially since it does not allow GDP growth to be maintained. Therefore, avoid fixed-income investments in public debt.

### Are there grounds for stigmatizing finance?

Yes, if we consider that finance was the cause of the 2008 crisis, if we recognize that a large proportion of the increase in public debt has resulted from the problems of a banking sector grappling with excessively high private debt. Yes, if finance is causing increased inequalities. But finance is also the solution, because capital markets respond to needs. If the free movement of capital was partly responsible for the crisis, the globalization of finance also facilitated capital flows and foreign direct investment. If free movement makes fiscal redistribution policies more complicated this is because population mobility has increased.

### Societal challenges

We will analyse successively technology, inequality, doubts about the role of the State, education, water, population ageing and immigration.

### The technological challenge

History teaches us that growth is less the result of investment and volumes than of innovation. Innovation, as *Schumpeter* explained, has always been a driving force, but its role is now essential, and *Shimon Peres* even asserted that the revolution brought about by Mark Zuckerberg with Facebook has greater consequences than the Communist revolution. Innovation will remain a key factor of success, because everywhere, even in emerging countries, there has been a sharp increase in the number of researchers and, in certain sectors, Chinese or Indian research equals that of the developed countries.

The Web will further transform relations with transport, travel, commerce, housing and knowledge. But, if the platform economy of Uber, Airbnb and Netflix threatens the traditional alternatives of taxis, hotels and the audio-visual sector, the destabilization this causes must be managed. Robotization is also a challenge in some sectors, but on the whole it is less a cause of unemployment than rigidities in the job market and shortcomings in training. It is essential to organize the occupational conversion of employees made redundant and the training of those people demoted by technology. Robotization should allow greater flexibility of production and hence leaner stock management.

### The challenge represented by inequalities

Inequalities are a result of low growth in the income of the less skilled, as a consequence of the decline of trade unions and the expansion of the digital economy. Are they an obstacle to growth? Yes, if increasing inequalities lead to a contraction in demand, because the marginal propensity to save is higher for the more affluent. During the post-World War II economic expansion, under a Fordist system, employees were well paid and shareholders were sacrificed. Since the 1980s, it has been the opposite. The system has changed, the weight of manufacturing and the number of industrial workers have declined, making way for the service sector and unskilled jobs, so that some have spoken of a transition from proletariat to precariat.

In the United States, in 1978 the average salary was \$48,000, in 2013 only \$34,000, and so to maintain its purchasing power, the middle class had no other solution than to borrow, women increasingly had to work, and some tried to combine several small jobs. Accordingly, the number of poor people in the United States increased to 48 million, i.e. one-seventh of the population. At the same time, according to Robert Reich, the annual income of the wealthiest 1% increased from slightly less than \$400,000 to \$1.1 million. Between an impoverished middle class and an affluent class enriched by high savings rates, it is not hard to understand why, in an economy like the United States where consumption accounts for 70% of GDP, growth is slowing. Widening inequalities are also affecting emerging countries. In China, the official ideology advocates equality, but although the country has apparently avoided a large number of slum areas, the reforms have produced one of the most inegalitarian societies. On the scale of the planet, extreme poverty, those who earn less than \$1.9 per day, is now less than 10%, i.e. 700 million in 2015, but around 780 million people are still under-nourished.

### Doubts about the role of the State

"We should ask more of taxes, and less of the taxpayer". This saying by Alphonse Allais puts in a nutshell the uncomfortable position of the State, caught in a stranglehold between taxpayers' allergy to taxation and citizens' demand for protection of the social welfare system.

### Reforms

In recent years, left-wing governments have accomplished reforms that right-wing governments were unable to have passed: examples are Gerhard Schroeder's labour law, Bill Clinton's reduction in taxes on investment income, and Tony Blair making labour regulations more flexible.

But this ideological convergence between the centreleft and the centre-right caused a surge by the extremes. The far right, polarized against immigration and the presumed harmful effects of free trade. And the far left, wanting to combat austerity and reduce inequalities.

Poverty is a danger for elected governments because a disadvantaged population will eventually vote against its rulers. Because of globalization, politics has been destabilized by expectations which extend beyond the space of solutions, and politicians are losing legitimacy with the impression of abandonment that is expressed by middle classes attracted by populism. In response, in the United States David Osborne has increased the minimum wage, and Barack Obama did likewise, but how can capitalism and the social contract evolve if the mechanisms of redistribution can no longer be based on access to employment? A 'successful globalization', to use an old expression of *Alain Minc*, must provide compensation for the losers (wages, vocational training and welfare benefits). This is true for both China, which remains a poor coun-

try with a growing number of rich people, and the United States, a rich country with a growing number of poor people.

### Weakening of the social welfare system

Financing the social welfare system poses a problem. While everyone agrees on the need for the State to maintain social cohesion and ensure the public welfare, the question is: At what cost? How to switch from more State to a better State? What could be the role of the social welfare system? What could be the effectiveness of an economic policy in indebted countries?

Bearing in mind that a pension is deferred remuneration, which together with wages constitutes one of the two components of the employment contract, it is not easy to lower pensions.

### The idea of a minimum income

Faced with the difficulty of creating jobs, some look to the idea of a minimum income. A liberal such as Milton Friedman, who saw the minimum wage as a law which makes it illegal to hire an unskilled worker, was favourable to this. But the cost would be high. In the United States, for example, \$10,000 awarded each year to each adult aged over 20 would represent \$2,400 billion, or around 15% of GDP. In France today, minimum welfare benefits are received by 4 million people and cost €25 billion. A universal income would cost between €330bn and €700bn depending on whether the income awarded was €500 or €1,000 per month.

Tax competition between countries to attract the richest companies or individuals cripples the public finances and penalizes social welfare. Tax competition swells budget deficits and makes it necessary to enact spending cuts which undermine social cohesion and boost populist parties. According to the OECD, tax optimization amputates the world's \$2,400 billion of annual revenues from corporate taxes by 5% to 10%.

### The education challenge

When there are 200 million jobless in the world, of whom 75 million are in the 15–24 age group, extra education is required, even though the number of children not attending school fell from 106 million in 1999 to 61 million in 2010. When, in the United States, over 30 million people, or 10% of the country's population, are illiterate, and when, in France, 150,000 young people leave school each year with a poor mastery of reading and writing, one is bound to query the effectiveness of education policies. When, in Africa, one-third of the children do not complete primary school, there can be concerns about future employment.

The advent of digital technologies and the development of MOOCs, which benefited around 35 million people in 2014, are starting to radically change education. Ultimately, spending on education is expected to increase and exceed the current level of 5.8% of GDP seen in the OECD. The Scandinavian countries are already making a bigger effort, because Denmark devotes 8.7% of its GDP to education, and Sweden 7.3%. The emerging countries realize the need for more effort. In China, for example, spending on education has increased from 2.5% of GDP in 2000 to 4%. The shortfall in education spending is flagrant when making a parallel with spending on arms, especially in some emerging countries such as Saudi Arabia which have large defence budgets. Even in the United States, there is a significant disequilibrium; Jeffrey Sachs compares the  $\notin 1$  billion for education with the \$900 billion for defence in the broadest sense, including \$600 billion for the Pentagon, the CIA, homeland security and the cost of war veterans (\$160 billion).

### The challenge of water

### A shortage

After the fears of a shortage of oil, or 'black gold', at the end of the 20th century, there are now fears of a shortage of water, or 'blue gold'. The major problem is the purification of water, because although 70% of the planet is covered with water, only 1% is potable and consumption is increasing rapidly in the emerging countries, especially China and India.

According to the World Bank, around 1.6 billion people live in countries suffering from a scarcity of water, and this figure could double within twenty years. Already, it is estimated that more than 300 million people do not have access to clean water.

Major progress can be expected in irrigation techniques, and this can only be beneficial, because 80% of the water used each year is for irrigation, with the remaining 20% being used by industry and households.

### Political risks

In some regions, access to water could pose a political problem, or even cause conflict. Consider Egypt, dependent on the Sudan for nearly all its water supply. It refers to the Treaty of 1929 which grants it two-thirds of the river's water resources and grants it a right of veto over dam projects. Since 2005 it has had a water shortage, and this problem is expected to become more acute, because in 2025 Egypt will have 95 million inhabitants. Given that the Nile supplies several countries including two very big ones (Egypt and Ethiopia) and bearing in mind that the population there has increased five-fold in the last 50 years, and that the countries bordering the river deny Egypt this right of veto, the solution would be to recycle the river water, but who will fund this project? There is the same problem in Tibet, which interests China because it is the source of the Ganges, the Mekong, the Indus and the Brahmaputra. China is building dams on the Mekong, and this worries Vietnam, Cambodia and Laos, located downstream, Finally, don't forget the Golan Heights, disputed between Israel and Syria and the source of numerous tributaries of the Jordan River.

## The challenge of ageing populations The slowdown in growth

Population growth has not been the problem that many feared, because although the world's population has increased rapidly from 1.6 billion in 1900 to 7.5 billion today, famine has practically disappeared. However, the simultaneous occurrence of weak productivity growth and a stabilization of the working population helps explain the slowdown in economic growth. This population ageing causes problems, because if the world's population is stabilized at 2 children per woman, at 1.5 children per woman it declines by 25% per generation.

This population ageing, which varies from one country to another, will have an impact on geopolitical balances, favouring India whose population will exceed that of China by 2030, and adversely affecting a country such as Russia, whose population will be the same as Turkey's in fifteen years' time.

### Increasing health expenditure

Life expectancy has increased significantly worldwide, from 47 years in 1965 to more than 71 in 2015, and what is encouraging is that the gap between developed countries and emerging countries has been reduced (from 23 years in 1950, it has fallen to 10 years in 2015). Healthcare systems are expensive, accounting for 9% of GDP in Sweden and Italy, 11.5% in France, more than 17% in the United States, and it is not easy to control spending because regulated tariffs often prevent competition with regard to benefits or choice of medicines. Although the United States spends more than others for healthcare, its life expectancy is nevertheless lower than in the other developed countries, and it has been stagnant for the white population since 1990.

### Pension funding

The under-provision of pensions therefore poses a problem. In a study of 20 OECD countries, Citigroup assesses the scale of this under-provision at \$78,000 billion, a figure to be compared with their gross public debt of \$44,000 billion. Hence the need to postpone the retirement age.

### The consequences

Population ageing goes hand-in-hand with a divide between young and old. This is perceptible in the breakdown of home owners. In France, for example, 56% of home owners are aged over 50 and only 14% are under 34, and it is clear in the growing relative weight of the over-60 age group, 16% in France in 1950, 25% at present, and 30% in 2030.

Finally, apart from inequality in the distribution of wealth, population ageing results in changes in consumption, more spending on health and pensions, a less seasonal demand for leisure activities than for the rest of the population, and new services, especially for domestic help. One way for a country to offset the negative effects of population ageing is to accept immigration, but that can lead to other problems.

### The migration challenge

This subject is sensitive, and calls for four comments. *Virgil* recounts that *Aeneas* fled the City of Troy in flames to go and find Rome. So, as the philosopher Sloterdijk reminds us, it was, as it were, a refugee who founded Europe, but Europeans seem to have forgotten this.

# The relatively low level of migration to Western countries

Migration represents only 3.5% of the global population, scarcely more than the 2.5% rate recorded in the 1960s and far less than the 7% observed at the start of the 20th century. As a reminder, between 1870 and 1930, 51 million Europeans and 2 million Asians left for the Americas. One of the

largest diasporas at present is the Mexican diaspora, with more than 20 million emigrants.

In recent years there has been an acceleration in migration and, apart from the recent example of the Syrian population, the biggest migrations have been those of Filipinos to the Middle East and Asia (1 million in 2012), and of Indians, 750,000 outside the OECD. The two points to be noted are that more than 80% of migrants go from one emerging country to another emerging country, and so Europe receives only a small percentage of them. The pattern is the same in the United States, where legal and illegal immigration represent only 1 million per year, or 0.3% of the population, i.e. nearly all of the annual population increase estimated at 0.4% per year.

### The cost-revenue balance

It is sometimes hard to recognize it, but immigration does not represent a cost for the host country but a wealth, because many of those arriving are adults, already educated and employed, and therefore help to finance pension systems. Conversely, the exile of skilled people slows down productivity gains in the country of emigration, and capital outflows increase the cost of capital there.

Europe's population represented 25% of the global population in 1950, less than 7% at present and, according to Eurostat, excluding immigration, it can be expected to decline by one hundred million by 2080. Those most affected by the population decline will be the Central European countries, because by 2050 the UN estimates that the population will decline by 5.5 million in Poland, 4.3 million in Romania and 1.5 million in Bulgaria. And it would be futile to imagine, like Poland's rulers, that a prohibition of abortion will be sufficient to revive the birth rate. Attitudes to immigration can therefore be expected to eventually have to change.

### Consequences for employment

Immigration is not the cause of unemployment. When a country like France receives 200,000 people each year, only 10% of whom work, this number remains insignificant compared with the working population. As regards refugees, 35,000 in France in 2016 for example, that represents the equivalent of one per local body. Migrations undoubtedly generate upward pressure on housing prices and downward pressure on unskilled wages, but research in the United Kingdom has shown that immigration had created jobs and generated more revenues than expenses, not to mention financing of the social welfare system. In the United States, a recent study by the Academy of Sciences shows the positive contribution of immigration, because the annual flow comprises a higher percentage of workers aged between 25 and 64 (65%, versus 52% for the US average) and a lower percentage of those in the over-65 age group (5%, versus 15% for the national average). Not to mention the high birth potential, because while the labour force grew by 1.4% per year between 1965 and 2015, over the next two decades, according to the Pew Research Center, it will grow by only 0.3% per year.

#### The outlook

Migratory flows are expected to increase, because the population of Africa, currently 1 billion, will reach 2.5 billion in 2050. Moreover, job creations are insufficient to respond to annual needs of 25 million jobs, soil depletion in the Sahel will curb the rapid development of agriculture, and manufacturing industry, normally a job provider, accounts for less than 10% of GDP.

### Conclusion

It seems like the old world is ending and the new one is beginning. I see the reflections of a dawn whose sun I shall not see rising *Chateaubriand. End of the Memoirs.* 

### Politically

Between declining expectations and rising doubts, democracies are unfortunately more vulnerable than was thought, because they pay tribute to short-termism and because, between freedom and safety, citizens will sacrifice a bit of freedom. This reminds us of the words of *Benjamin Franklin*: "Those who would give up essential Liberty, to purchase a little temporary Safety, deserve neither Liberty nor Safety and ultimately lose both." Governments, facing increasing competition from multinational firms, large metropolises and supranational entities, have less and less fiscal power and capability for financing public action. Without much means of action, rulers are therefore being undermined.

### Socially

The present industrial revolution, like the previous ones, is disrupting the social order. As in the Renaissance, and as in the Belle Epoque at the time of the second industrial revolution, some are winners from the change, while others feel demoted. Yesterday, the losers were aristocrats, small businessmen and farmers; the winners were the middle class. Today, the losers are the middle class, wage-earners, while the winners are educated urban consumers, adapted to globalization; the former are yielding to populist sirens, while the latter remain faithful to the established order. Competitive positions are also more vulnerable. A business can cross the threshold of profitability faster because the digital economy has low capital intensity, but dominant positions can be quickly jeopardized because consumers are more fickle in their tastes.

### Economically

Although the excesses of China's strong growth, environmental and other damage, have been deplorable, with 20% of arable land polluted and many deaths due to pollution, the nongrowth or negative growth proposed by some could not be a solution, because such a situation would increase frustration and not be able to reduce poverty.

#### Geopolitically

*Nye* has shown that power is not restricted to the use of armed force and that growth can no longer be analysed in terms of demographics or GDP. The United States and the US stock market remain dominant, because they combine technological leadership with economic power, military might and a reserve currency. It is harder for them to exercise their 'hard power', but they still have the 'soft power' exercised by the media, international information channels, university faculties which attract foreign students, the arts, and the dissemination of their national language overseas.

# Piotr Dutkiewicz<sup>1</sup>; Daria Kazarinova<sup>2</sup>

### THE END OF GLOBALIZATION: REASONS AND CONSEQUENCES<sup>3</sup>

### **Runaway** Train

Why is the globalization form, which we're experiencing now, coming to an end and what are the consequences of that? Following Ivan Krastev's [10] and Zygmunt Bauman's [5] reasoning, the author comes to the conclusion that the end of the globalization era as it was usual to understand it over several recent decades, and disintegration of what we call the global order are evident. All of us are feeling the approaching chaos, a principally different world coming. The rules of international law stop determining inter-state relations in this world, relations within states and between states are changing, new blocks are set up. Poorlymanaged or absolutely uncontrollable situations from the point of view of nation-states are generated.

All governments of nation-states run across the problem of governability. It's becoming much more difficult to realize all state functions: to collect taxes, maintain social balance, integrate migrants, to have a dialogue with the civil society and the middle class the state relied on. The aims are still the same, but the previous methods of their achievement do not function any more. It's possible to take various roads looking for explanation of this phenomenon.

The first approach was offered by Ivan Krastev, a wellknown European politologist, and the second was offered by macrosociologist Zygmunt Bauman. According to Krastev, the problem comes from the fact that after the Great Depression everyone believed in the state's leading role in regulation of economy. But in the 1960s the state stopped coping with this task and the Keynesian approach to the use of the state in the market's regulation went to the background. The followers of the liberal approach came to the foreground then, the market was both the goal and the means, alpha and omega for them. After that liberalism degenerated and became a caricature of itself. Milton Friedman [8,9], who won the Noble Prize in Economic Sciences "for his achievements in the fields of consumption analysis, monetary history and theory and for his demonstration of the complexity of stabilization policy", gave a paradigm that became dominating in the way of comprehension of economy all over the world. But that paradigm had an amazing effect, assisting transformation of a citizen into a consumer.

Such a transformation of an individual from a political citizen with local agenda and understanding of public goods into a consumer, whose behavior is guided by the idea of economic expediency, minimizes costs and maximizes social profits, became a law, which worked till the 2008 crisis. As a result of the crisis everything disintegrated. The market became unable to hold the global economic system. It was not enough that it took place in the West, it also happened in China and South-East Asia. And as a result of that, in the opinion of Ivan Krastev, the global crisis has become not only economic, but also the crisis of ideas: we stopped believing in the power of the market, the state power, in Friedman and in Keynes.

Such a crisis of total distrust in all habitual foundations of social life is a strong blow on the Western man's worldview. The West is held up by a certain degree of trust in institutions. An individual trusted the state, but he cannot do that any more. He trusted banks - and banks deceived him. He stops trusting the cores of this system. That monstrous Presidential election campaign in the USA, polemics carried on by H. Clinton and D. Trump are nothing else but consequences of the end of globalization. According to studies of 2012, about 11% of representatives of American middle class were downgraded after losing 40% of their wealth. The Russians experienced breaking up of the foundations of the social structure and shock of the loss of social and economic standing already in the 1990s, but this shock threatens the Western society used to much bigger stability and wellbeing with changes in the essence.

Struggle for survival will start not on the national and regional level but on the individual level. The Western society is stopping to be the society of guaranteed survival and consequently a post-modern society. This breaks all social networks and politics as they are. A political individual's intentions are directed outwards, he shows his worth, he demonstrates political behavior, he takes part in elections, he believes that his interests will be heard and protected. All that is being destroyed now.

The second way to explain why the globalization train ran off its tracks is ideas of macrosociologist Zygmunt Bauman about the today's state of affairs of the society as Interregnum, where paradigms of the old are not working any more and paradigms of the new have not been defined yet. Any interregnum and lack of rules of the game mean chaos. It's possible to agree with another macrosociologist Michael Mann, who is a historical macrosociologist, a representative of the Neo-Weberian school of sociopolitical research, known for his papers on state. His theory is based on the fact that most industrial nation-states rule with the

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<sup>&</sup>lt;sup>3</sup> The paper was prepared on the basis of the open lecture "The End of Globalization: Reasons and Consequences", given by P. Dutkiewicz at the Russian Peoples' Friendship University as a part of the Project 5-100: The Russian Academic Excellence Initiative.

help of infrastructural power [11], which citizens subjugate to not because they are forced to but on their own free will because they understand the benefits and conveniences it brings. According to Mann, the infrastructural power is an institutional opportunity... collective power, "power through" society, coordinating the social life via a state infrastructure. The state is defined as an aggregate of central and radial institutions going through its territory [11]. But now the infrastructural power is coming to an end.

### Where Does the Power Go?

It's possible to come to the conclusion on the basis of analysis of these two approaches that the problem of new foundations for governing the state, region and world order is becoming the central problem. And the power again becomes this foundation. But what is power in the new environment, what are its sources and who can use it and how? Lacking power, both the state and market lose their sense. Dani Rodrik [14], a scholar of Turkish origin from the Harvard University, offered an interesting view, stating that there is a gap between power and politics generating the crisis of system's governability at the national and global level. Jonathan Nitzan, the author of Capital As Power: A Study of Order and Creorder [13], focuses his attention on the nature of capital at the time of capitalism and offers an alternative to the Marxist and neoclassical economics view on this matter. He views capital as a qualitative appraisal of power. And power is not understood classically - as an ability to force following the interests of the subject of influence but as an ability to influence for subjugation on one's own free will.

Dani Rodrik says that at the moment we are watching power shift on global scales. Geographically, this is a shift of power from the Global North to the Global South, from developed countries of Europe and America to South-East Asia. There is a functional dimension besides the geographic one: the power is washed away from nation-state, there is a shift of locus. A center without power is the key aspect of system governability at any level today.

French sociologist Moises Naim, the author of *The End* of *Power* [12], offered a succinct definition: we are living at the time when it is easy to get power, it is difficult to apply it and even more difficult to hold. According to Naim, the reasons for that are "more revolution", i.e. polyvariants of everything; "mobility revolution", i.e. mobility of everything, "mentality revolution" when collective values give place to individual values. In this environment even a small de-institutionalized group can get global influence in a moment or considerably change the way of this or that state's existence.

### Adversities of Post-Global Sovereignty

In the environment of power blurring, the political center deprived of it, tries to manifest this lacking strength, which brings about authoritarian trends. Comparative analysis of a dozen countries showed that recently, independent of their geographic location and political regime in a country, authorities start taking similar decisions in governance. Political convergence of governing methods begins independent of the level of democratic development. This fundamentally changes the idea of sovereignty. The classical idea of sovereignty is inalienable from control. Sovereignty as supremacy independent of any forces, circumstances and individuals. This is sovereignty as it was understood in the

19th century when a political subject having power has all opportunities as the said subject thinks fit. However, "globalization not only changes the socioeconomic and political global landscape but also transforms the inner essence of sovereignty, withdrawing the functions of physical space's arrangement and governance from the state. We are speaking about formation of new approaches and control centers, origination of new concentrations of economic power, legitimate global intervention" [4]. But in the environment of universal spreading of the external standards of dominating rationality, we're speaking about post-global sovereignty which takes external standards of rationality of its behavior. The issue of political subjectness' potential is raised, understood as an aggregate of self-awareness, self-determination and self-design of a political community in the environment of the global world and ability to produce it (in contrast to the subjectness' borrowing strategy) [3]. If power is beyond the borders of nation-states, there are two variants to strengthen national sovereignty: its preservation with military power support (V. Putin's strategy) or global hegemony via signing global international trading agreements (B. Obama's strategy). Which of the strategies will be able to get realized and turn out effective is an open issue.

### Fear as Political Category

The prospect of applying military power as an answer to external threat is becoming more tangible in recent years. The series of the Al Jazeera channel's programs "Contemporary Fear" convincingly showed that in the environment of global uncertainty, lack of power, total distrust in institutions fear becomes one of the leading emotions of modern men. Fear as not only a psychological category but also an economic and political category of life becomes the dominating global-scale factor in foreign economic and political relations. Psychologists define the reasons for fear's origination at an individual level: loneliness, isolation, depression, threats to self-respect, feeling of one's inadequacy. The today's world, which is quickly developing technically, materially and rapidly renewing ideologically, creates the environment for development of such feelings both in case of an individual and at the level of societies as a whole. If a short-time fear can be an impulse for uniting and a protective reaction of a society, long-time diffusive fear turns into anxiety, depression and that develops into social stagnation.

Z. Bauman sees formation of a liquid society as a consequence of that, it differs from the pre-modernist and postmodernist society by a lack of a strong core. Identity in such a society is a function of market relations. In contrast to societies with a strong cultural nucleus, which understand their place in the existing social structure, a liquid society generates liquid fear [6]. The source and direction of this fear are not clear. In such an environment the society starts looking for a more or less definite enemy and makes attempts to return to the stable past, hence the rapid growth of the right populism all over the world. This social naiveté turns out to be justified because it's impossible to identify sources and levers of this fear. Individuals feel the fragility of personal situation, societies – fragility of the state of affairs in their country and the world as a whole.

Populism is also manifested, first of all, in mistrust in elites, second, the crisis of the normative component of the social system. It seems to people that in case of a radical change of the way of thinking and regulatory system, they will get a new quality of life. Third, the idea of a new world that attracts to ISIL (prohibited in Russia) numerous followers, is a manifestation of populism. The idea of a new world as an alternative to the existing unjust order has always been a strong ideology, which is difficult to resist. All those different manifestations of populism are united by their negation of rational behavior and reject objectiveness of the present state of affairs. This is a gentle revolution and it has already started. There is populism in many countries, left and right, religious and secular, and it is manifested in various forms: ISIL, Brexit or D. Trump's victory and social uprising against Washington elites, in France it is manifested as Islamophobia, in Poland as going back to the traditional society. Thus, populism all over the world in all its variety is the only ideology which adequately answers the fear problem. Because of that populism in the environment of fear offers to sweep aside everything that frightens in the modern world and return to the Golden Age in the past, to the roots, sources, simple thoughts and simple recipes.

### Is There an Alternative? / There Is No Model but There Is Process

There is no doubt that global processes will continue but they will continue running in the channel of internationalization. Communications in social networks, information and capital movement over national borders will continue and even grow. But at the same time globalization will follow the way of regionalization, and an attempt to keep certain power levels will take place at the regional level. Such regional projects as the One Belt, One Road (OBOR) Initiative, Eurasian Economic Union, NATO, the USA and the European Union's discussion about the common market in the format of the Transatlantic Trade and Investment Partnership can serve as examples of this trend. Regionalization will lead to the secondary stratification of international relations.

What is the model of the future socioeconomic order? There is no such model but there is a process. This can be seen with China's successful development as an example, where there is no certain economic model as it is but there is a process combining state control and neoliberal market. This combination of economic liberalism and strict state rule in the political field has become the basis of the South-East Asia's success. One should believe not only in Keynes or Friedman, but in both Keynes and Friedman and in the national basis, which reflects political and historical culture of a given society. Thus, the prospects of successful development open only for those societies that will preserve their power, political subjectness and state governability, the rest are destined for even bigger difficulties. And the borderlines of this split will go not along the usual line of the global West and global non-West but basing on completely different grounds. New regional groups will set new rules of the game, and in that sense it means the end of globalization. Globalization, which leads to unification of standards, has reached its limit, new stratification of the world is coming, including on the normative basis. The difference of approaches (language, goals, tasks, ways of their solution) laid as foundations in the Asian Infrastructure Investment Bank (AIIB), on the one hand, and the IMF and the World Bank, on the other hand, can serve as an example

of that. There is a certain hope in prospect that these regional blocks and their normative projects will create a competitive situation, which will give a new push to globalization as well as boosting and development in several decades (if we refer to I. Wallerstein). The world will live in the environment of uncertainly and liquid today's society for many years before that.

Proceeding from the above-said, it's possible to speak about the importance of institutions, providing strong state. It means loss of freedoms to a certain degree. This development process (not a model) lays foundations of limitations of democratic freedoms. This process is global as the values of freedom are in conflict with the widely understood values of security all over the world.

### Russia: Twenty Years in the Environment of Anomy and Global Uncertainty

These processes are comprehended by social philosophers in the West as the new ones while the Russian society has been living in the environment of the not fully formed identity, personal and public instability, low level of inter-individual trust and distrust in institutions as well as value anomy for the third decade already. In this sense the Russians and residents of the former Soviet Union have a certain competitive advantage after working out certain survival strategies. And if there is a shift of locus in Russia from the economic point of view, military and political power, ambitions of the regional leader and political subjectness, freedom from external standards of rationality allow Russia to aspire to a place among the countries, which will find themselves in the role of locomotives of regional blocks and authors of an alternative regulatory system. It's important for Russia to succeed in overcoming the existing liquidity, not plunge into radicalism and populism and put forward initiatives for the whole Eurasian macro-region and efficiently compete in the integration race with growing China and the weakening European Union.

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# ON SOME NEW CHALLENGES AND THREATS IN THE GLOBAL WORLD AT THE CURRENT STAGE

The world today and the process we witness are becoming more and more turbulent. The foundations, principles and orders, which recently seemed unshakeable, crash, fail or are questioned. The system of international relations under globalization's pressure is also being transformed. The contours of polycentric, multipolar world order are becoming more distinct.

Globalization enveloped trade, production, financial, information and other flows and helped strengthening of the new economic power and influence centers that today are becoming active participants of international agenda's drawing up. At the same time, it seems that globalization itself as the process of liberal capital's expansion has reached its natural limits. It's not accidental that today we're speaking more about its downside, its costs when referring to the Western countries. There are more and more signs of the liberal socioeconomic model's weakening and discrediting, the one that aspired to the universal character, and what is more, globalization is often nonaccepted or rejected exactly by the communities that were its "driver" in the past.

The crisis of large sections' of the population trust to cosmopolitan elites, the growth of public scepticism in relation to highly ideology-driven foreign policy directions and precepts, requirement to return to nationally-oriented political and economic agenda are becoming more and more evident in the leading Western countries. The essence of gradual weakening phenomenon is seen in that, and possibly decline of the "historical West" as well, that positioned itself as a "nucleus" of the system of international relations that formed after disintegration of bipolarity.

And what is more, ideological "gaps" are becoming more and more evident in the Western block itself. Growth of factors, negatively influencing global strategic stability, worries more and more of late. This is, first of all, brought about by striving of certain states and military-political unions for determinant military and military-technical predominance, which could allow them to use force freely and without obstruction when promoting their interests on the international scene. Uncontrolled military capacity-building, including development of "global strike" means and "global force projection" more and more evidently contradict the ideals of universal and total disarmament under efficient international control. Today's global and regional challenges and threats, first of all terrorism, continue their rapid and dangerous evolution, setting unprecedented tasks for individual states and the whole world community, sometimes the said tasks are incommensurable in their novelty, complexity and force with any analogues five or even ten years ago.

The "genesis" of such development of events is absolutely evident for us: notwithstanding warnings by Russia, in their time, a number of Western countries and regional players engaged in "geopolitical engineering" in the Middle East and North Africa (MENA) region, making provisions for purposeful and systemic intervention into internal affairs of independent states, destabilization and overthrow of "undesirable" regimes. This led to destruction of traditional mechanisms of state government and providing security in the region, to going beyond all bounds and uncontrolled radicalization of "Moslem Street" and as a result raging military activities of terrorist and extreme structures.

The MENA region is still in systemic multi-level crisis. Unstopping bloody terrorist acts with the assassination of Russia's ambassador to Turkey A.G. Karlov among them, explosions in the result of which dozens and hundreds of people die in Iraq and Syria, similar attacks in Turkey and Egypt, Pakistan, attacks by suicide bombers in European cities are an illustrative certification of the urgency of terrorist threat worldwide as well.

We're making efforts as a part of Syrian crisis settlement to stop bloodshed, in parallel going on combating terrorist groups, providing humanitarian aid for the population, activating political process as it is set forth by Resolution 2254 of the United Nations Security Council, implementation of which supposes readiness to operate jointly, on an equal and extensive basis, giving up pretensions to leadership.

We look upon international meetings in Astana dedicated to Syria in January-March, 2017 as an important, qualitatively new stage in the process of conflict settlement in Syria, as representatives of the Syrian armed opposition controlling the state of affairs "on land" took part in such events for the first time, politic and diplomatic settlement with no alternative under the UN aegis was recognized as imperative and participants were committed to maintaining cessation of hostilities. Besides, coordination mechanism to control its maintaining was set up and started working. Thanks to meetings in Astana, it became possible to revive the "Geneva process" conducted by the United Nations' special envoy to Syria Staffan de Mistura.

We call all members of international community to unite efforts in combating international terrorism in the face of the ISIS and Jabhat Al-Nusra, representing a direct threat to the world and security not only in Syria and the Middle

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East but in other parts of the globe as well. Today, we have to put aside politicized approaches and geopolitical calculations and in every possible way assist returning of stability and security to Syria and region as a whole. In future we'll have to solve difficult tasks of restoring Syrian infrastructure destroyed in the years of conflict and as a result of economic sanctions unilaterally imposed on Syria by a number of states, as well as its social revival and political development.

Recently, challenges and threats of "chemical terrorism" have been coming forward and becoming more and more perceptible. The striving of international terrorist organizations for purchasing technologies and components required for creating chemical weapons is stable and often it already becomes a system. It is largely related to the fact that terrorist acts when war gases and toxic agents with a big damaging ability are used, are associated with increased psychological and demoralizing effect and have a wide public and political response. Unfortunately, we have to say that ISIS militants are already using not just toxic chemicals but also true war gases in the Middle East. There are many cases of their use fixed in Syria and Iraq.

There is a danger that these incidents will be repeated. Unfortunately, the USA give grounds for that, when reacting to the ISIS militants' provocation or may be even coordinating their actions with them, attacked the Syrian government forces on April 7, using the chemical weapons incident in Syria's Idlib province on April 4 as a pretext. Washington resorted to force demonstration, undisguised aggression against the country combating international terrorism, completely distorting what happened in Idlib and accusing Syrian authorities in the incident. The American side cannot fail to understand that Syrian government forces did not use chemical weapons there. Damascus simply does not have them which was many times confirmed by the Organization for the Prohibition of Chemical Weapons (OPCW). The USA demonstrate such a thoughtless approach not for the first time, and that only aggravates the problems in the world and creates a threat for international security

The state of affairs in Iraq together with Syria stays tense and is characterized by the going on violent struggle against the ISIS. Armed operations, in particular with the aim of liberation of important centers of Ramadi and Al-Fallujah and now Mosul as well, provoked serious deterioration of the humanitarian situation – the number of internally displaced persons is already exceeding 300,000 people. On the whole, according to UN forecasts, their number may come up to 1 mln people, with 700,000 acutely requiring humanitarian aid.

We support international community's efforts in settlement of severe domestic political crises in Libya and Yemen. We proceed from the requirement of a wide-range national dialogue taking into account interests of all leading political forces with the purpose of stabilizing situation in these states and prevention of spreading of centers of terrorism.

What's going on confirms the necessity to consolidate efforts of the world community to form an extensive antiterrorist front, to which the President of Russia V.V. Putin called already at the opening of the 70th session of the United Nations General Assembly in September, 2015.

Our offer to adopt a UN Security Council's resolution on fighting the ideology of terrorism is in line with this initiative. We presented its draft to be examined by the Security Council in October, 2016. The document is aimed at mobilization of the world community to fight the spreading of the ideology of terrorism, in particular via making mandatory the provisions of the UN Security Council's resolution 1624 (2005), calling upon all states to adopt measures necessary to prohibit any forms of incitement to terrorist actions, including by way of recruitment and propaganda with the active use of information and communication technologies.

Besides combating terrorism proper, it's also required to adopt effective measures to politically settle numerous conflicts, restore stability and set peaceful life going in many places that still remain "trouble spots".

The high conflict potential is still witnessed on lines of conflicts of a number of confessions in certain regions of the world. We have to ascertain that insistent striving of some representatives of the world community for using the ethnic and confessional factor as a tool for geopolitical influence led to conflicts' on religious grounds not only failing to disappear but, on the contrary, their tendency to expansion.

It was especially evident in the misery of Christians in distress in the Middle East and Northern Africa. This problem was in particular analysed on March 7, 2017 in Geneva at the high-level conference "Mutual Respect and Peaceful Coexistence as a Condition of Interreligious Peace and Stability: Supporting Christians and Other Communities" held as a side event of the 34th session of the UN Human Rights Council. The attention of the participants of that event was also focused on the Ukraine where the seeds of religious strife also produce their sorrowful results and where numerous cases of discrimination and persecution of the Ukrainian Orthodox Church under the Moscow Patriarchate were registered.

The fairly stable at first sight West turned out to be in aggressive secularization epidemic, and traditional Christian values such as the institutions of marriage and the family, the right of parents to bring their own children up normally already require protection, as, on the whole, the principles of people's interrelations in the society which have been worked out by the main world confessions over the centuries.

Because of that we were very optimistic about the meeting of His Holiness the Patriarch of Moscow and All Russia Kirill and Pope Francis in Cuba a little bit more than a year ago. We count on the practical realization of the provisions of their Joint Declaration (Havana Declaration) and its helping to preserve our common historical and cultural space, albeit in different theological interpretations.

The accumulated by our country unique and centuries-long experience in maintaining and development of inter-ethnic and inter-confession dialogue could undoubtedly help overcome appearance of new separating lines according to inter-civilization and inter-confession characteristics.

Numerous conflicts in the Middle East and Africa instigated a large-scale migration crisis. Figures for 2016 again confirm that this problem is still far from its solution. Thus, last year, the number of migrants from Asia and Africa to Europe amounted to more than 363,000 people. Besides, 2016 broke records in the number of dead migrants – about 7.5 thousand people died. The migrant flow to Europe already led to the growing terrorist threat, increase of xenophobia and outright inter-ethnic discord in some European countries.

In view of their urgency, migration issues are becoming more and more discussed and important on the international agenda. These issues are regularly focused on at the UN venues.

The high-level Plenary Meeting of the UN General Assembly on Addressing Large Movements of Refugees and Migrants took place in September, 2016 within the framework of enhancing international efforts in taking complex measures in the migration sphere. As a result of the said meeting, the New York Declaration for Refugees and Migrants was adopted called to improve the state of affairs with receipt of refugees and migrants on borders and in hosting countries by way of joining efforts of the whole world community.

To achieve this goal, the UN member states agreed to work on preparation of two serious international legal documents over 2017: Global Agreement on Migration which is already under discussion at the main UN venue in New York as well as Global Agreement on Refugees, with the leading role in the development of it played by the Office of the United Nations High Commissioner for Refugees in Geneva. These documents will help to work out a collective solution of difficult and urgent refugee and migrant issues all over the world.

In the opinion of many international experts, such measures are in demand. It's especially evident in case of the population of the European continent which had to deal with the flow of a relatively small -1 mln people against nearly 510 mln people living in the European Union – number of forced migrants, for which the EU member states were not ready either logistically, or morally, or psychologically, or politically.

One of the consequences of such inability was serious change in the attitude of the local population to the arriving refugees and migrants. At the same time, in case of the right migration policy building, considerable migrant masses may be integrated in the society advantageously for the hosting state. Our own experience taught us that as working migrants create from 6% to 8% of the Russian Federation's GDP. It's also important to work with the residents of the hosting states, not disregarding measures directed to prevention of discrimination and demonstrations of intolerance to migrants.

Our best practices in this sphere may serve a valuable example of efficient migrant policy building even in "extreme" situations when there is a mass inflow of people in case of emergency. It's well-known that more than 1 mln residents of the South-Eastern Ukraine arrived in Russia. More than 400,000 Ukrainians are registered as those having a refugee status or getting temporary refuge. Special attention is paid to living conditions and social protection of forced migrants, their integration into the Russian society. There was a lot of work done to provide the legal grounds and resource base for their distribution in different regions of the Russian Federation. The emphasis was on providing an opportunity for these people to live not in temporary accommodation facilities but in settlements among Russian residents, finding and offering them suitable jobs. Separate attention was paid to children, their vaccination, placement in kindergartens.

Crisis phenomena development risks are not reducing in world economy either, and its restoration has not become sustainable yet. The economy dynamics is extremely unstable (according to the UN report of January, 2017, world GDP growth in 2016 amounted to 2.2% only). There are still structural disbalances and sovereign debt accumulation. The new global economy challenges include escalation of geopolitical tension, large-scale migration crisis, origination of crisis phenomena signs in the banking sector of the Euro zone as well as volatility of world prices for power and raw materials resources.

The UK decision to exit the EU as well as D. Trump's winning the Presidential elections in the USA and announced by him new administration's approaches to economic policy add considerable uncertainty to global economic prospects. Risks connected with the world economy's transfer to the new technological mode as well as formation of more strict ecological standards in it in the context of the Paris Agreement (climate agreement) entering into force on November 4, 2016, require special attention.

Today, we are witnessing the change of paradigm of the established economic relations. Global regulation mechanisms do not manage to balance the interests of the parties. Political advantages often override understandable economic calculations. Financial, trade and investment tools are more and more often used by certain states to put political pressure, the evidence of which are Western sanctions against Russia. We are sure that unilateral sanctions are a dead-end and a counter-productive way, and that by the way was demonstrated and confirmed in the course of big international economic forums that took place in 2016 in St. Petersburg and Vladivostok.

We are sure that one of the most important conditions for quick and sustainable restoration of world economy is continuation of efforts in coordination of macroeconomic policy by all the leading countries from the economic point of view on the basis of openness and reciprocity. We confirm our unflinching determination to continue cooperation with the purpose of comprehensive advancement of the global economic management system, providing economic and financial stability, support of sustainable, dynamic and inclusive growth, first of all, using such many-sided formats as the UN and G20.

Humanitarian cooperation can serve as good help in formation of mutually advantageous and equal relations between nations and states. At the same time, one of its component parts connected with human rights issues, is still used by some states not so much for establishing partnership and mutual understanding, as for emphasizing differences, their dominance over the others and foisting their standards and rules on them.

We come across attempts of some states or groups of states to use this topic as an ideological tool of their foreign policy more and more often, this tool is intended for settling political scores or promoting arguable concepts which split the ranks of the world community. The goal of such actions is evident. In the environment when global competition is becoming keener and influence of big developing states is increasing, Western countries are actively looking for additional tools to increase their own competitiveness, spread their standards and approaches under the guise of universal ones and as a consequence preserve their domineering in the world. Such a state of affairs cannot fail to arouse concern. We have always been proceeding from the fact that equal and constructive cooperation based on maximally extensive agreement and respect of the principle of sovereign equality of states should be the core element in human rights protection. It's important to respect cultural, civilization, confessional and historical special features of countries' development. That's the only way to provide uniting efforts of the world community in encouragement and protection of human rights.

The investment of civil society institutions in countermeasures against today's challenges and threats is fairly in demand in the global world, including in support of efforts undertaken by state structures in prevention and suppressing the spreading of the ideology of terrorism, extremism, religious radicalism, combating illegal drug turnover, organized crime, corruption.

We are interested in enhancing the role of Russian non-governmental organizations in operation of respective international mechanisms. Promotion by domestic NGOs of their own agenda, accommodating the interests of Russia and its civil society, at dialogue venues will undoubtedly help people from other countries to form adequate ideas of our country and its course in world affairs, free from close-mindedness formed by world propaganda media resources.

In a number of cases some manifestations of information policy carried out by big global, predominantly Western "mass media" deserve to take a place of one of the "latest" challenges and threats to the today's world order. Western mass media dual approaches are fairly evident in coverage of urgent world events. We remember their hysteria in connection with disproportional use of force by Russian and Syrian forces in Aleppo. And the contrast with their reaction to the tragedy of the Iraqi people in Mosul, which has become evident in March, 2017 when the same mass media actually "turned a blind eye" to much bigger troubles suffered by residents of this city. I think, it would be right for non-governmental organizations of various countries, civil society as a whole to look more closely at this problem, including from the perspective of the owners of contemporary Western mass media, their interests and interest not only in the media space but also in other sectors of the economy.

Movement in the direction of polycentric world order is an objective reality of the current stage in international relations. The issue of its arrangement is becoming urgent. Will it be a hypothetical "war of all against all" as Thomas Hobbes wrote already in the 17th century, in which "new" and "old" power centers competing for leadership will fight each other? Or will the constructive way win and behavioural standards assisting harmonious coexistence and progress, be coordinated? We are certainly for the second course.

We think that transfer of natural competition of states, non-state actors in world politics into the civilized course could answer the interests of the world community. In this environment, promoted by Russia just principles of international communication acquire special significance – equality and mutual taking interests into account, unconditioned observance of the international law, collective search of answers to today's challenges and threats, noninterference in internal affairs of the others, respect for cultural and civilization special features and differences. These principles are attractive and clear for the overwhelming majority of the countries of the world, they carry a considerable potential for uniting.

We're interested in the renewed international architecture to be just and sustainable, based on extensive cooperation of states and integration associations and providing opportunities for further global development. We are ready to establish open, honest cooperation with everyone disposed to cooperation. Only such an approach can provide improving the situation in the world.

# Al.A. Gromyko<sup>1</sup> GLOBAL (IN)SECURITY: NATIONAL INTERESTS OF RUSSIA

The conflict between Russia and the "collective West" passed in the acute phase in 2014 represents a part of the 'great destabilization" that swept many regions of the world in the last 20 years. Fragments of the Yalta-Potsdam system of international relations, which have become universal, remain; in the first place, it is the UN and fragments of a unipolar world. From the beginning of the XX century, the floors of polycentricism have been built over them. Historically, the transitions from one model of international relations to another have always been accompanied by outbreaks of violence and confrontation. However, this does not mean that the product of such destabilization should be the consolidation of the strategy of hostility and of game for competitor suppression designed for decades to come. It is much more rational to seek to reach an early conclusion of compromises and mechanisms of interaction, which, without eliminating the competition, even fierce one, would not call into question the fundamental national interests of the parties. That was after the Peace of Westphalia in 1648, after the Congress of Vienna in 1815 and after the Cuban Missile Crisis in 1962.

Destructive processes in the sphere of international security is one of the most difficult problems that threatens to increase the vulnerability of the world community. We are talking about such disturbing phenomena as degradation of the norms and mechanisms of international security developed in the second half of the XX century, strengthening of the tension between the norm of territorial integrity and the right of nations to self-determination, weakening of control over nuclear weapons. The question of whether the global community will develop effective conflict prevention mechanisms remains unanswered. So far, the challenge is how to keep the existing agreements, primarily on intermediate-range and shorter-range missiles, from dismantling.

Indeed, it would be incorrect to say that in the field of international security there have not been positive developments in recent decades. For example, the number of inter-State conflicts taking the form of military confrontation has decreased. However, intra-State conflicts no less dangerous to global stability have come to the fore.

The events in Ukraine had only confirmed the urgency of these outstanding issues and the need for the early resolution. Ukrainian and a number of other initially intra-State crises have demonstrated how conflicts of this kind can lead to a sharp deterioration of relations between major powers. The accumulation of the problems with a new force stimulates discussions on the need for reform of the UN and the UN Security Council, on strengthening the peacekeeping capacities of the OSCE, on the NATO ambitions, on the importance of preventing the dismantling of the institution of "neutrality" in Europe.

Particular attention should be given to the center-periphery relations. In the global GDP structure, in 1980-2013, the US share decreased from 21.5% to 18.4%, the EU share (27 countries without Croatia) fell from 28.1% to 18.9%, while the China's share increased from 1.9% to 15.5% and the India's share rose from 2.3% to 6.1%. Another vivid example: in 1970, the share of 16 developed countries in the global GDP was 76%, while in 2013 the figure was 55%.<sup>2</sup> Projections confirming trends may be cited, for example, notes from the report of the Center for Strategic and International Studies "Defense 2045". So, it is expected that by 2030 (compared to 2011), the US real GDP will yield precedence to China, India will rise from 10th to 3rd place, while Brazil until 2050 will shift from 6th to the fourth place following Delhi. In this same period, Japan will drop from 3rd to 5th place, Germany from 4th to 9th place, France from 5th to 10th place, while Italy and Britain will completely leave the top ten largest economies of the world<sup>3</sup>. It must be said that in these calculations Russia will rise from 9th to the 6th position.

These changes are accompanied by the accumulation of contradictions and disparities within the current model of globalization. However, those who are interested in keeping their dominant positions block major changes. But such a blocking cannot go on forever due to piling-up defects.

The US, Russia and China are the three leading states with global ambitions and the desire to implement them. The resources they have for it vary widely, but in their capacity these players are in comparable categories. For example, these three countries, the world leaders in the field of cyber technologies, the only full-fledged space powers, the owners of the most advanced military-industrial complex (in this respect, Beijing is still inferior to Moscow and Washington). They have a strong fundamental science and some of the world's most experienced diplomatic and intelligence services at their disposal. These nations can concentrate quickly resources for the solution of the tasks set.

India has the potential of a global player that has yet to be fulfilled in the next decades. In some respects, the European Union belongs to this category. However, if a further increase of Delhi in the political weight in world affairs is a matter of time, then it is not necessary to predict definitely the same in relation to the EU. As they say for decades, this political giant has not yet turned into a political heavyweight. It is unclear whether the new Global Strategy<sup>4</sup>, an-

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<sup>&</sup>lt;sup>2</sup> RAS Academician V.V. Zhurkin and others. Chapter 2.2. European countries and the EU. Global governance: opportunities and risks. RAS Ans. Ed. Acad. V.G. Baranovsky, RAS Acad. N.I. Ivanova. M: IMEMO RAS, 2015. Series "Library of the Institute of World Economy and International Relations". P. 184. RAS Corresponding member V.M. Davydov and others. Chapter 2.6. Latin America. Ibid. P. 284.

<sup>&</sup>lt;sup>3</sup> Miller D. T. Defence 2045. A Report for the CSIS International Security Program. Rowman & Littlefield. 2015. Nov. P. 11.

<sup>&</sup>lt;sup>4</sup> Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign and Security Policy. 2016 (https://europa.eu/ globalstrategy/sites/globalstrategy/files/about/eugs\_review\_web\_4.pdf)

nounced in June 2016 will help it to find its foreign policy essence. It is an ambitious document aimed at turning the EU into a full-fledged global player in politics and security.

A number of theses of the Strategy are of interest. Probably for the first time an official EU document states that the global governance system requires transformation and not renovation. It is unexpected to hear from Brussels that the "European model" is not necessarily suitable for "export" and that cooperation with other projects of regional integration can bring mutual benefits. The global strategy is less ideological than other EU policy documents; the notion of "principled pragmatism" was introduced. One of its refrains is the thesis of "strategic autonomy", which implies a greater foreign policy independence of the EU from Washington. A consistent focus on the central role of the UN in the global governance deserves support.

However, the global strategy in several of its paragraphs cannot but cause concern. The desire to build up the EU's own military identity, which ignores the US geopolitical interests and now those of Britain, should bring it dividends in the future. However, the emergence of additional military capabilities in Western and Central Europe, apart from NATO, will certainly be taken into account in the Russia's military planning. The most problematic aspect of the Global Strategy lies in the fact that Russia is declared in it as "a key strategic challenge", while "the European security order" is equated to security order solely for the European Union.

Much in Western and Central Europe will depend on political leadership, primarily in Paris, Berlin and Rome, in the capitals of the Visegrad Group countries. If eventually it is recognized that it is futile for the EU to move towards a multinational state or expand its "Neo-Empire" then the idea of a "Greater Europe"<sup>1</sup> may get a second wind. It appears to be an alternative to insolvable problems of "the EU as an Empire" or the "EU as a state". In this case, the increase of the EU geopolitical power would occur at the expense of a mutually beneficial strategic partnership with Russia. A definite movement on this path has already been made in the past. One of the essential components of this project is the formation of the pan-European security system. Until that happens, the EU policy continues to be a factor in the potential increase of confrontation with Russia right up to the deployment of a "new cold war".

In the meantime, the situation in the European security represents a gloomy picture. The system of measures of trust, control, prevent of further militarization of the region is in a dysfunctional state. The mechanisms of the Russia–NATO Council have not yet resumed its work. Military spending is growing. Extra military units with heavy weaponry are deployed in Europe. First of all, the new militarization affects the Baltic States, Poland, and Romania. More and more countries are being drawn into military escalation. The voices of those calling to reconsider the neutral status of Finland and Sweden<sup>2</sup> are increasing. The confrontation on the anti-missile defense system is growing; the European component infrastructure of the US global missile defense system is being built and put into operation.

The confrontation imposed on Russia based on the idea of a "new cold war" continues to escalate. However, this happens not only in real, but also in an imaginary dimension. The political establishment of the Baltic States insists stubbornly on its version that any day now Russia will invade the nations. In Lithuania, sabotage instructions are distributed in case of a new "occupation". With this background, the discrimination against the Russian-speaking population continues.

While discussing these processes, the lessons of the Cold War as a specific form of international conflict are extremely important<sup>3</sup>. Whichever model of new structural competition (hard or soft) Russia and the West may expect it is necessary to maintain the basic principle pained in the 1940–1980s: the rivalry as the interweaving of competition and cooperation. This balance should not exclude even the elements of alliance, on which now for the first time after the Second World War, both sides are pushing grandiose dangers, primarily international terrorism.

Terrorism in the broad sense of the word is as old as the history of human civilization. Previously, it was mainly talked about the different manifestations of domestic terrorism, such as those in Spain or in the UK, in Corsica or in South Tyrol, but not about international terrorism. This is a fairly new phenomenon, which is not more than 15–20 years old. This type of terrorism is not connected with the domestic or the national liberation struggle. It has a different nature. The struggle is against a certain system of values, lifestyle, identification, and finally, against civilization.

International terrorism cannot be defeated by military means, as for example the activities of the Basque ETA or the Irish Republican army. Military means are nothing more than a mean of suppression of its most smashing manifestations. The main danger lies in the fact that the ideology of international terrorism sits deep in the minds of several hundreds of thousands of people around the world. It can be called indoctrination or barbarism, but many believe in what they are doing, destroy people and turning into living bombs (at least for themselves) not only for money.

What are the roots of this kind of terrorism? In this phenomenon, internal and external causes have mixed up. International terrorism is as inevitable as the globalization itself, which in its current form leads to increased disparities. Where social inequality exceeds certain limits, there will always be people ready to struggle, including by terrorist means, for some kind of idea. However, on the scale of international terrorism, external as well as internal causes are "to be blamed" in approximately equal proportions.

In many ways, what is happening in the world is an artificial phenomenon. In Western countries, the term "a denial of the obvious" is widespread. Still, few are those who are willing to admit that their foreign policy was one of the reasons why international terrorism has taken unprecedented scale and shape.

No country in the world is able to cope with this danger alone. The following also aggravates the problem: first, for many countries of the world, international terrorism has not yet turned into an existential threat. In their system of priorities and risks, international terrorism stands high on the scale of the most dangerous challenges, but it is not the main one. Secondly, the centers of international terrorism are far from the "core" countries of the liberal model of globalization. The backbone of international terrorism is 30– 40 thousand people, which are concentrated in Afghanistan, Iraq, Syria, Libya and Yemen. In this sense, for the United

<sup>&</sup>lt;sup>1</sup> Shmelev N.P., Gromyko Al.A. Greater Europe: future reality or utopia? Greater Europe. Ideas, Reality, Perspectives. Ed. by Al.A. Gromyko, V.P. Fedorov. Moscow: Ves mir, 2014.

<sup>&</sup>lt;sup>2</sup> Gromyko Al.A., Plevako N.S. On the possibility of Sweden's and Finland's membership in NATO // Modern Europe. 2016. No 2.

<sup>&</sup>lt;sup>3</sup> Kremenyuk V.A. Lessons of the Cold War. Moscow: Aspect Press, 2015. P. 22.

States international terrorism is a dangerous phenomenon, but still concentrated far from its borders. In this sense, in the future, some countries will be more interested in fighting against it than others.

The way out beyond the permissible limits of confrontation between large centers of power, beyond which they break into confrontation, is no less dangerous. As for the structure of competition, it is a mistake to equate them with confrontation structures. The argument of the supporters of a "new cold war" is a reference to the so-called "eternal" contradictions between the great powers, in particular between Russia in its various historical phases and Western countries. In this interpretation, the complex history of interstate relations boils down to one option – confrontation, although the latter is just one of the forms of rivalry that does not exclude the possibility of cooperation, joint crisis management and even in certain areas of the alliance.

Forthright arguments about the "eternal" enemies and friends leads into logical dead ends and primitivize history. So, in the recent past it was believed in the USSR and China that they are strategic opponents (irrevocably and finally, as it seemed, after the battles for the Damansky Island in 1969). At the previous stage of their relationship, the Communist character of the two political systems was considered as a pledge of eternal friendship. Now, speaking of the strategic partnership between Moscow and Beijing, we should remember that such a scenario seemed so unlikely even 30 years ago. For a long time, France and Germany, Germany and Poland, Japan and (South) Korea and many other countries were considered to be "programmed" enemies. There was a time when the US and the UK were fighting.

In the arguments about the determinants of history, there is certainly a grain of truth. Indeed, there can be structures of confrontation, which for a long time in one form or another remain in place when passing from one model of international relations to another. Thus, in the 19th, in the 20th, and now in the 21st century, rivalry dominated in relations between Russia and Britain. Relations between Moscow and Washington also could not escape a deeply entrenched dislike, despite the seemingly fundamental change in the international environment at the turn of the 1980s– 1990s. Moreover, such cases are numerous. Their nature is at least twofold.

We are talking about major subjects of world politics with their own geopolitical projects and global approaches, which for a number of parameters have comparable resources, or, on the contrary, about relations that are characterized by a large asymmetry, when small countries are afraid of the domination of large neighbors. States of the first category are usually located at a distance from each other, for example, Russia and the United States, China and the United States, the second category are bordering nations (China and Vietnam, Russia and the Baltic countries, the United States and Cuba, etc.). The factor of geographical proximity in most cases eventually causes the major players to find compromises and agree on mutual benefits. France and Germany, Russia and China came along this route. Apparently, India and Pakistan, India and China tend to use this formula, while Iran and Saudi Arabia are still betting on confrontation in the struggle for regional leadership.

Thus, history shows that even in the era of hyper globalization the factor of geographical location continues to have considerable weight. Being at a distance from each other, large and mainly equal players can afford for a long time to be in a state of tough competition, even confrontation, especially if their economic relations are weak. Nevertheless, since the second half of the 20th century, they can no longer afford to follow the course of complete suppression of a major enemy, primarily in the military sense. For the same reason, they do not have enough motivation to embed their rivals into the wake. Obviously, the balance of tough competition will be no less characteristic of the 21st century than of its predecessors.

Paradoxically, the argument for a "new cold war" may be that it is a mechanism for managing the confrontation, without which the confrontation could reach the level of a third world war. However, it was not the Cold War, including its regulatory component, that in the 1940s–1980s prevented a new "world" war, but the creation of nuclear weapons in 1945, i.e. when the Cold War had not yet begun. In the relations of the nuclear powers, atomic weapons make it impossible a settlement of the conflict by means of war. In other words, it was not so much the Cold War that helped prevent the use of nuclear weapons, as the latter, among other things, did not allow it to develop into a hot one. Since nothing in the near future does not forebode abandonment of the "big bomb", a "new cold war" would only aggravate the issues of WMD control and the nonproliferation regime.

The election in November 2016 of the new US President raised pressing issues before the states and organizations of the Old World and Eurasia. From the point of view of Europe, Donald Trump belongs to the category of Eurosceptics and even to critics of the liberal model of globalization. In this, thanks to the support of half of the population of his country, he went up against the remnants of the inter-party consensus of the Democrats and Republicans. Political polarization in the United States has already reached new heights under President Obama, but it was not as pronounced in the foreign policy. The template of the latter, according to a frank statement by Ben Rhodes, the Deputy National Security Advisor, was formed in 1990 - 2002: "We could push through the UN Security Council everything we wanted with a small exception. Frankly, we could interfere in the internal affairs of other states in many ways. We could rely on the fact that Russia would not oppose NATO's expansion. We had time left before China began to influence the situation along its borders".1

Trump is reluctant to maintain automatically the existing ideology and practice of relations with the European Union or within NATO. He refused to absolutize the idea of free trade and withdrew his country from the Trans-Pacific Partnership Agreement (TPP). There is virtually no chance of a resumption in the near future of negotiations on the conclusion of the Transatlantic Trade and Investment Partnership (TTIP). Barack Obama left hopes of ratification of the TPP, while negotiations on the TTIP were bogged down in contradictions long before the new president came to power. In many ways, the Trump phenomenon barely revealed the old differences.

Russia and the West have all the reasons to help the world to leave the area "the great destabilization" on terms of structural polycentricism, instead of enlarging its area with the dangerous farce of a "new cold war". The most important task of the world's leading centers of influence is to

<sup>&</sup>lt;sup>1</sup> *Rhodes B.* A dust-up with the Iranians or the Chinese could get out of hand very fast // Politico. Jan. 19, 2017. P. 16.

Such a fixation on conditions of hostility, i.e. on the terms of the worst variant of the Cold War – threat containment, hard power and fragmented cooperation – would bring special threats to the world. In other words, it is structural competition as a variation on the theme of the Cold War in the period before the Cuban Missile Crisis and until the establishment of a strategic balance in the 1960s– 1970s. This type of a cold war, let's call it "hard", is not so much frozen, as a deferred "hot" conflict. Its delay in the confrontation between the USSR and the US was based on poorly calculated risks of exchanging nuclear strikes, even with asymmetric strategic arsenals and the absence of military parity of opponents. This deferment was almost "overcome" in October 1962. If this had happened, we would not have had the opportunity to be in this room.

As for a "soft" type of a cold war, in analogy with the detente of the 1970s, it was possible in the unique conditions of a "parity" bipolar world that had gone to the past with the collapse of the Soviet Union and the socialist camp. Theoretically, bipolarity in the first half of the 21st century has a chance to return, if in addition to the US the second side in its dual core would be China headed by a certain group of satellite countries. Today, there is little evidence that history will follow this path. At the same time, the appearance in recent years of the elements of de-globalization, in case of fixation of this trend, can develop into a split of the world in one way or another.

It is important to emphasize that the essence of the problem of a "new cold war" is deeper than the unacceptability of the revival of any of its known types. After all, justifying the admissibility of restarting a cold war in its "hard" or "soft" version, one can simply refer to history, pointing out that there was no precedent for its escalation into a big hot war; to refer to the fact that today there is a strategic parity and the two leading nuclear powers continue to adhere to the doctrine of "guaranteed mutual destruction".

It seems that the vulnerability of such arguments lies in the fact that the "big bomb", in contrast to the 1940– 1980s, does not already guarantee the world free from the "big" and small wars. The danger of uncontrolled escalation scenarios increases. In the context of the weakening of the nonproliferation regime, the emergence of nuclear weapons in poorly controlled states, the development of new high-precision weapons, the destruction of the ABM regime agreed upon in the 1970s, the strengthening of international terrorism, including in the territory of nuclear states (primarily Pakistan), the rapid development of cyber technologies and their militarization, the risks of dangerous conflicts between great powers – direct or through involvement in conflicts on the periphery – are acquiring a new quality.

In this situation, the structural competition in the form of a "new cold war" between Russia and the "collective West" would only pander to destructive processes in international relations. Structural competition based on a constructive polycentricism, on the contrary, would give Russia and the West the opportunity to reduce jointly the risks of regional and global conflicts, to develop, within the framework of acceptable and generally accepted rules, their competitive advantages, focusing on rational and desirable interaction and recognizing strategic interests of each other where it is obvious.

# A.A. Guseynov<sup>1</sup> THE FUTURE WITH NO FUTURE

The general subject of the section "The Crisis of Civilization: the Future of Man and Mankind" combines the ideas of the crisis of civilization and the future. The offered notes are dedicated exactly to this conjugation.

1. The combination of words "the crisis of civilization" has been firmly established in our common humanitarian vocabulary. In my opinion, it has no strict conceptual contents and more likely it is a concept defining a big aggregation of various phenomena, when success that people are striving for and achieve turns into threats and dangers for them as, for example, it happened in case of achievements in nuclear physics, which turned into nuclear weapons, or in case of the boost of industrial development that, as many

experts are sure, became the reason of dangerous climate warming. We're speaking not just about contradictoriness and difficulties of civilization development but about a special – apocalyptic – perception of them. There is a lot of evidence of such a perception. Here are just several of them at random. The cyclical theories opposing the ideas of linear progress became popular in the philosophy of history, e.g. N.Ya. Danilevsky's and A. Toynbee's teachings. There were three great moralists in the 20th century who were world famous and acknowledged - Leo Tolstoy, Mahatma Gandhi, Albert Schweitzer - and all three of them were against the modern civilization in its most important aspects. The catastrophe plots (war against aliens, robots rebelling against people, etc.) became nearly prevailing in science fiction. Pessimistic forecasts of sociologists arise a lot of interest and attract public attention, e.g. S. Huntington's articles on the clash of civilizations, F. Fukuyama's papers on the end of history. Another fact. The academic journal of the Chicago University, The Bulletin of the Atomic Scientists, has been printing the Clock set at several minutes to midnight since 1947. Midnight is this case symbolizes a global nuclear war meaning death of the mankind, and the design got the name of the Doomsday Clock. The board of

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directors of the journal together with invited experts, with about two dozens Nobel Prize winners among them, decides how close we are to a nuclear apocalypse. In 1947, the original setting was 7 minutes to midnight. In 1991, the Clock was set backwards to 17 minutes, it was the most optimistic forecast in those nearly 60 years, if it is possible to speak about optimism at all when the time is counted till doomsday. In the last two years the Clock was set at 3 minutes to midnight. As a result of the Presidential election in the USA, the hands were moved 30 seconds forward and there are two and a half minutes left to a nuclear midnight. Moods, evaluations, expectations and fears are certainly not academic statements and forecasts. But nevertheless they are an important symptom. And it is necessary to understand what stands behind it.

2. One can suppose that one of the reasons of the wide spreading of the doomsday moods is the mankind being left with no future. The future as a category of human existence has at least a double meaning. This follows from the difference between the physical time and the social time as, in particular, this difference is described by A.A. Zinoviev in his book "The Factor of Understanding".

The physical time fixes the consequence of events in the world, with the events being just reference points for abstracting the time, and they in their own right are not taken into consideration in their empirical contents. The social time fixes on the events themselves, the meaning of objects, on real life in time. The future in the physical time aspect is what will be taking place after the time from which the counting is done and which is considered the present; consequently the past is what took place before that time. Here the future is separated from the past by the borderline of the present, which is nothing else but this borderline (As Ortega v Gasset said, "the present is only the presence of the past and the future, the only place where they really exist"). The future in the social time aspect is not just what happens after, like the past is not what happened before the time that separates "before" from "after" and is called the present. Here these categories are meaningful and vary depending on the real life of social subjects (individuals and their associations acting in unity).

"The physical present for a social subject is not only a moment without any length. It is a prolonged interval of time for him, in which he calculates his actions and performs in such a way as if the time does not go into the past and does not come from the future, - as if the time is something frozen".<sup>2</sup> The decisive factor in the social future (and, by the way, in the social past) is its inclusion in the subject's real life thanks to the subject's consciousness, and it becomes his present. The future is open as a category of historical, social being of an individual, one can interfere in it. Here the matter of what the things happening after will be, what future we can count on and hope for and, most important, what future we should work for, comes to the foreground. The future understood like that appears as a desirable and more perfect condition of an individual and the state of his/her affairs in comparison with what there is - what an individual wants to be and what he/she is striving for.

3. The idea of time, its division into the past, the present and the future is connected with an individual's understanding his/her life as the one unfolding in time, to say it more exactly, with understanding how he/she can influence his/her life, direct, design it. The very individual's attitude to his/her existence as being in time is an important landmark in the human historical self-awareness, the moment of culture's continuity as a specific for a human inheritance mechanism. At the same time orientation in the social time may have different (including very low, nearly lacking in primitive societies) level of manifestation and different direction. It is important for us to underline that it is not always and not necessarily looking into the future (it is enough to refer to ancient ideas of the golden age in the past, conservative vector of social processes, religious transfer of the future into the other world). The direction of public conscience and practice for life arrangement in the future is a special case, typical for the contemporary civilization and in particular and especially European civilization of the New Times, which originates and develops under the sign of progress. The future for this civilization and for us, belonging to it, is mainly the better future. In our case "after" and "better" merge. Our language does not exclude conjugation with the future defined pessimistically (e.g. sad future), but optimistic expressions are more habitual for it: happy future, bright future, glorious future, etc.

4. The idea of a better future is also two-fold. In one case the future is mainly understood as a more perfect present, it is connected with the growth of intellectual and technical possibilities of the society. In case of this approach the progress coincides with the control over the future as the physical time, the future is viewed as an advanced prolongation of what there is: we live better (richer, more comfortably, etc.) than our parents, our children will live better than us. This, if we can say it like that, is a purely technical view of the future, which cardinally does not touch upon the social forms of life, even if they are evaluated negatively. For example, an issue is raised about decrease of the gap between the rich and the poor, but not about its elimination, about improvement of living conditions in prisons but not about eradication of crimes, etc. It is supposed that an individual, because of the original human nature, is aimed at his/her own profits and domineering. Thanks to an intelligent life arrangement, it is possible to limit, put in order, soften destructive behavior of people and their interrelations like it is possible to oppose destructive manifestations of forces of nature but it is impossible to eliminate them. The classical example of such view is e.g. Hobbes' teaching proceeding from the basic precept that homo homini lupus est (man is man's wolf).

The second view of the future is strictly social and proceeds from the idea that it is not just an improved present but something qualitatively different from the present. If we quote Ortega y Gasset once again, "only God knows what will happen tomorrow, and this secretly delights us as only in the open far-off places, where everything is unexpected, everything is possible, there is real life, true fullness of life".<sup>3</sup> Exactly the principal openness of the future allows to combine it with the ideal state and think of it as something perfect in its own right. Its image is formed not by analogy with the present but based on fantasy and as a rule in contrast with the outdated, unjust and hated present, as a negation of it, often turning it upside down. It should be noted that mental overcoming of the existing state of affairs is

 <sup>&</sup>lt;sup>1</sup> Ortega y Gasset J. The Revolt of the Masses. Moscow: ASE. 2002. P. 207.
 <sup>2</sup> Zinoviev A. The Factor of Understanding. Moscow: Algorithm, 2006.
 P. 464.

<sup>&</sup>lt;sup>3</sup> Ortega y Gasset J. Op. cit. P. 35.

the basic mechanism for origination of ideal concepts of a man and society.

Thus, for example, the Golden Rule was worded in the middle of the first millennium of the new age (treat others as you wish to be treated), which specified the humanistic basis of moral efforts of all subsequent development until the present day. Its origination may be considered something absolutely unbelievable for that still semi-Barbarian era, nevertheless it can be comprehended as a lawful product of its times if one takes into account that it is a negation of the governing mechanism of social regulation of that time – the law of the talion (an eve for an eve, a tooth for a tooth). The idealistic and romantic view of the future comes from the concept of the self-sufficient power and inexhaustible possibilities of a man. Its foundation was laid by the Renaissance with its cult of a man, it was embodied in various communist utopias. Its basis is the idea of the original human striving for the good, human unlimited possibilities in striving for perfection. Such a view of the man was, for example, developed by Jean-Jacque Rousseau.

5. The two views of the future, one of which understands it as an improved prolongation of the present and the other as its cardinal transformation, were not just two philosophical platforms and not only them. They were also two dominants of historical development in the New Times, widely represented in practice of socio-political struggle and fixed in the forms of social conscience. They can be named evolutionary-protective and revolutionary-critical trends in the uprising, progressive social development: the first one saw space in the future for continuation of the present, not seeing in it an independent source for the world to become different, the second viewed the future in the ideal perspective as an opportunity for historical creativity, qualitative renewal of the forms of life. They were not only actually different, but also understood their differences and were inter-struggling, and either one trend or another trend prevailed, and depending on that epochs (periods) of the society's development were called revolutionary and stable (peaceful, evolutionary). Not only epochs but it seems various societies and nations also differ by the extent of inclination to this or that orientation to the future. Thus, for example, the English are devoted to social development within the limits of traditions in contrast to potential readiness of the French for revolutionary solution of problems; it has also become usual to contrast the efficiency and pragmatism of the Americans relying on themselves, and dreaminess and disorderliness of the Russians in everyday life and their relying on a bit of luck.

6. The subject of the stability-protective and revolutionary-critical lines of social development in the New Times, decisively determining the composition and character of the forces, in the complex and versatile struggle of which the Big History was made at the time, was attitude to capitalism as a universal economic formation. It was exactly about that, about the attitude to capitalism as the highest form of development based on private property and proceeding from it form of domination and subjugation in the society, it was about it being the last word of history or not, inexhaustibly apt to evolution on its own basis, or if it was unacceptable exactly in its foundations, its bourgeois spirit and should be liquidated (in this or that form) as the real kingdom of liberty, equality and fraternity, worthy of man, is lying behind it. The future of capitalism as well as the issue if capitalism itself in its constantly perfecting form is that future was the subject of confrontation and struggle, to say it differently, is the future taken by capitalism forever and thus the issue of the future in the social historical sense is closed, or the future stays a vacant reservoir for historical creativity and capitalism is inevitably destined for death, and the future is bound to be anti-capitalism. Historical criticism of capitalism took the form of a thoroughly grounded project and acquired global scales when the Marxist ideology appeared as well as socio-political struggle of proletariat, as the main oppressed class under capitalism, organized under its banner.

When the anti-capitalist revolution won in Russia in 1917, and a socialist state was set up on the one sixth of the planet's area, these two trends in social development, which before that had contradictorily interlaced within the limits of the same social organisms, were shaped as two opposing camps: the Soviet Union on the one side, originally it was alone, later it headed the socialist camp which included 15 states in the middle of the 1980s, and developed capitalist states consolidated after World War II with the USA at the head on the other side. This was not the usual struggle of competing powers to seize and take possession of something, which is equally precious for each of the fighting sides and to which each of them has claims: markets, territories, riches, etc. This was a global and historical ideological confrontation because of different understanding of social life arrangement, the purpose of which was that very ideological confrontation and not some certain goals achieved as a result of this confrontation. The socialist society in the shape it took in the Soviet Union and other socialist states was maximally (and as it turned out extremely) orientated to the future and presented itself as an alternative for capitalism, more happy and humane future for the human race than capitalism. Various roads of society's development were at stake. The question was: to be or not to be as to the history as the movement for the ideal future.

Socialism lost in this confrontation, let's put aside the question "why" (even if in conformity with certain laws), we'll not speak about how (even if without any show of talent), but it did lose. Socialism withstood military attacks, won the bloody battles when according to all calculations it seemed that it could not and should not win, but it lost the Cold War, it lost when again according to all calculations it should not have lost. By the way, the very character of the defeat certifies that it was not a usual struggle for power and territories; at the time when it was about power and territory, and that was the Great Patriotic War of 1941-1945, the USSR won unbelievably. It lost when the struggle was transferred to the ideological confrontation and moral stamina level. The defeat of the Soviet Union together with its allies had numerous consequences: disintegration of the Soviet state, expansion of the Western military alliance, impoverishment and spiritual degradation of the people, multiplication of seats of conflicts all over the world, etc.

However, one of the main consequences was the break of the ideally oriented line of social development. Socialism together with Russia, which united its fate with it, was thrown out of history. (And for more than 25 years already Russia has been trying to separate itself from socialism in every possible way, to convince the world that it has "normal" one-thousand-year-long past with tsars, priests, landlords, capitalists, that it's not possible to judge it basing on a short period when it was seduced and usurped by Bolshevik "devils", and during these 73 years it resisted, it had its martyrs, its white emigrants, it had General Vlasov and many others like him, that it broke all ties with the Communist past, annulled its holidays, cursed its leaders, had a gala burial of the tsar's remains in a new place and announced him a saint, stole state property, created a constellation of oligarchs, etc. In short, it trimmed itself up, becoming decent and civilized, but it is not believed. And it seems that it does not believe itself either). The human race was deprived of an alternate social future together with socialism. It looks like capitalism is left without inner or external forces laden with its negation. After winning the Cold War, it seized the future, it is exactly the guaranteed future that is its main trophy.

7. The feeling of the present state of civilization being in crisis is connected with understanding the finality of its victory, with the thought that it is already forever. The civilization has reached a hermetic state, and nothing threatens its existence historically or socially. It owns not only the present but the future as well. The future for it carries no risk, but it is the prolongation of its present, constantly improved but unchangeable in its basic principles: private property, money power, the cult of force, market society, fetishism of consumption. This state can be named the future with no future: the physical future without historical (social) future. The future as "after" but not as "another".

There is a question often asked in our country, in public discussions, in mass media, about what we are building, what kind of society, what goals we orient to. There is a feeling behind it of some vacuum formed in the sense of the social future. Constantly renewed attempts to formulate some nation-wide idea are manifestations of the same feeling. The question is as follows: we refused from socialism, but what is there instead of it? This is not a specifically Russian question though possibly it is more urgent and pressing in Russia; it also refers to more developed and prosperous Western countries that have no intentions to jump anywhere. One should think about the extent to which this question is proper. Can it be that the future in the physical sense is fairly enough for the society and striving to fill it in with the ideal social structure is an illusion, historical anachronism? Is such a state of civilization that excludes qualitative renewal of social forms of life, and the future of which is quantitative changes of what there is, capable of living? There are a number of grounds to think that such a state is incapable of living for a number of reasons. First of all, this is contradictory to human nature, the essence of which is not given as a fact but is a preset of a duty and is realized through the second nature – the created by the man artificial social life's environment. Each generation of the society bases on the achieved, and at the same time it starts anew, it introduces something of its own, different from what there was before.

Then the civilization's stagnation is contrary to all the pathos of culture, its humanistic ideals, which fed on the dreams of the ideal society. Finally if the future turns out to be closed for ideal strivings of people, they will find another solution, in the most evident case they will head into the past or to some imaginary world. And it happens like that as the last decades of the post-socialist development demonstrated. On the one hand, there are confessions that triumphantly returned to the public space, on the other hand, there is fundamentalist international terrorism trying to fill in the historical vacuum, which formed because of disintegration of the socialist world and refusal, if one can say that, from the ideal of the ideal society.

In short, one can say that the crisis of civilization has a lot of reasons and manifestations. One of the important, may be the most important of them is refusal from the social ideal, loss of the future itself.

## M.S. Gusman<sup>1</sup>

## **NEWS AGENCIES AND TODAY'S INFORMATION CHALLENGES**

At the moment, there are more than one hundred big news and information agencies operating all over the world. My personal many years' experience in the TASS Russian News Agency, regular meetings with the managers of world news media and participation in international forums allow me to say that all news and information agencies encounter the same challenges in their activities. One of the most significant challenges is growth of cybercrime, which remains an undeniable threat to collective security. In 2016, about 1.5 mln cyber attacks were registered all over the world, to say it differently – more than 4,000 per day. The current level of information networks' development allows to speak about formation of the one common information space, in which suppliers and consumers of information interact in real time. The increasing speed of data transmission and structural development of information networks, on the one hand, incessantly make the information transmission and processing process quicker and quicker. But on the other hand, the growth of influence and expansion of information networks' scope make them more and more attractive for criminals.

The Internet space is more and more often used by terrorist organizations as a venue for advocating and promoting extremist views and even enlistment in their ranks. It's not infrequent that social media with big numbers of subscribers and at the same time not always capable to provide control over the posted content, become such venues. Special features of social media providing everyone who wishes it an opportunity to speak up, independent of his/ her competence in the issue, thus helps increase of tension in the information space.

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Modern news and information agencies being an important component of global information networks are also in danger of attacks by cybercriminals. However, in this case, it's first of all leaked fake provocative information. The role played by news and information agencies in formation of the news picture of the world is extremely great. News and information agencies promptly generate information and deliver it to mass media, being one of the key links in efficient functioning of the world community.

And publication as a result of hackers' attacks on agencies of misleading information becomes even more dangerous. In the best case, criminals will confine themselves to just cyberinvation, in the worst case the placed information may act as a catalyst for an international conflict. Already in 2009, Hamadoun Touré, Secretary General of the International Telecommunication Union, the specialized agency of the United Nations, said that in case of World War Three it would take place in cyberspace.

As it is well-known, leaked fakes are capable to have a negative impact on news agency's reputation and even destabilize political environment. A question arises: how is it possible to resist cybercriminals? First of all, security of the global information space is unthinkable without working out provisions for this sphere. Currently, the world community is lacking a common program for resisting cyber threats. The necessity to adopt such a program is becoming more urgent every year. It's noteworthy that Russia presented such an initiative to the UN and the USA already in 1998.

Nevertheless, a number of programs are operating at the level of international organizations and certain states. Thus, in 2001, the Convention on Cybercrime of the Council of Europe (also known as the Budapest Convention) was signed in Budapest. In 2011, Russia, China, Tajikistan and Kazakhstan ratified the agreement on cooperation in information security within the framework of the Shanghai Cooperation Organization.

Russia is one of the cybercrime resisting centers. On December 5, 2016, the Presidential Edict approved the Information Security Doctrine of the Russian Federation, in which combating cyber threats is closely connected with national security. The draft Strategy for Information Society Development in the Russian Federation in 2017–2030 is under discussion, special attention in it is paid to security and trustworthiness of information. On January 22, 2017, Agreement on cooperation in ensuring security in information and communication technology use signed by Russia and India came into force.

Besides implementation of respective programs at the state level, it's necessary for news and information agencies themselves to work out means protecting from hacking. Attraction of IT experts and setting up specialized departments in agencies will help creation of up-to-date protection means blocking cyberinvation attempts and providing safe data transmission. At the same time, it is required to constantly advance systems controlling published content. The speed of data transmission makes news and information agencies quickly monitor the materials looking for inaccuracies and falsifications. Taking into account fake leaking, agencies have to think jointly about some "hot data key", prompt verification of information.

Understanding cybersecurity as an inalienable part of corporate culture is of no small importance either, it supposes personnel training in the safety rules for working with information. In some cases criminals may use internal accounts of agency's employees for access to corporate information.

Today's news or information agency is unthinkable without a proper website. Materials published on news websites are immediately spread all over the world. DDoS-attacks' becoming more frequent and leading to prolonged failures in operation make us maintain up-to-date protection of our news websites.

Finally, as numerous examples above show, it's necessary for news and information agencies to pay special attention to security issues when working with social media, especially vulnerable to hacking. This includes elementary measures as complex passwords for accounts and established communication channels with respective service departments with which we cooperate.

I am sure that using the methods described above and observing world standards for information control and security, news and information agencies will be able to successfully resist all challenges launched against them by the not simple and rapidly changing situation in the world.

# G.A. Hajiyev<sup>1</sup> ON WHITE SPOTS AND MINEFIELDS IN INTERNATIONAL LAW

The globalization process has intensified international tensions because the states must defend their legitimate national interests as national egoism grows, which is fairly natural. But a special area of morality must have a place at the heart of international relations and international law. As relationships between people are regulated by legal and ethnic norms, so the fabric of international relations cannot be created only of legal provisions.

Therefore, at today's development stage of international law we must work on the method that blends conscience and consideration, morality and efficiency.

So is everything indeed as tragic, is the process of halflife of international law indeed underway?

I believe that all of us must have, as one very famous politician put it, "more of bull's tenacity and optimism."

I am convinced that nothing tragic will ever happen to the international law. We are currently in the process of recognizing the necessity to make our understanding of international law more complicated, which is very natural if not normal. The worldview of the legal world is getting increasingly more complex day after day. I believe that the world of scientific ideas created by the humankind, despite specialization of knowledge in many ways uses the same universal mechanisms. The law of inertia in its simplest form is a law of physics. But very similar theoretical ideas can be found in social sciences as well.

If we assume that all ideas created by the humankind in various areas of inquiry are parallel in some way, we will conclude that even ideas in music or creative arts are not far removed by the world of philosophical or legal ideas.

Common cognitive structures can be found even in very different spheres of inquiry, as in mathematics and jurisprudence (the idea of balance above all). One distinguished professor of the Yale School of Law had also noted the close proximity of such spheres of knowledge as jurisprudence, economics, ethics, and political science, saying that they were simply "different names for the same sphere – human experience ("Farewell letter by A. Corbin to the faculty of the Yale School of Law").

I recall in this regard a picture by a genius artist and philosopher Kasimir Malevich, entitled "Black Suprematic Square." It was Malevich who predicted further developments in social sciences. The Black Square can be conceived of as a symbol of an important philosophical problem. The austere shape of the drawing and its simple refection conceal the depth of Malevich's idea. What this is not square but a rectangle! Optics describes the laws of human vision illusions. Illusions of simplicity can also be found in scientific worldview. It turns out that the Square isn't in fact black – the artists had used thirty shades of gray! So basically what we find in Malevich's picture is what scholars refer to as "cognitive dissonance," a difference between perception and the real situation based on what we know. An average layman, standing before Malevich's picture, would laugh and say that he, too, could draw something like this. Which is to mean, he fails the test for imagination.

The ability to see not the radical black but a range of hues is testimony to the ability to abandon simplified scientific ideas. A spectrum or a range can be detected anywhere, and this is an important philosophical axiom. Someone who had read Ernst Cassirer's philosophy works – and Malevich did, especially his work on philosophy of symbolic forms – would understand Malevich's philosophical message. The image acquires a clear philosophical subtext; it is for this reason that the artist had penned philosophical reflections on the topic of art and being.

So, the Black Square is in fact a vivid metaphor that I use in my sketch of a speech (just several sketchy ideas) on which direction of change should international law take.

Russia, as the preamble of the Constitution says, "sees herself as a part of the global community." And it is this awareness that guarantees Russia's role to contribution to development of international law today as back in the times of Fedor Fedorovich Martens. In my opinion, it will consist of new ideas regarding human rights in different cultures, while the very idea of the supremacy of human rights, an undeniable civilizational achievement, will still stand.

Increased economic contradictions between countries are, in my view, the main but not the only risk for the system of international law. But its vast expanses have dangerous minefields: the absolution of human rights and ideas of justice in the system of international relations.

History and experience tell us that there had never been any absolutely fair models in this area, and they are not likely to appear in the future. Justice on the international stage can only be relative. Communist regimes had been looking for the absolute justice, to which end they even tried to destroy private property, yet at no avail.

Modern liberal scholars and politicians seek to find the ideal of the absolute freedom for all people, remove completely all prejudice and discrimination. However, this absolute idea is shattered against the limitations objectively existing for every nation.

The legal value, including legal principles, establish that universal human rights are not absolute, they are always a product of their optimization and weighing, i.e. the balance of interests, which are often contradictory, that is, binary. The contradictory nature of principles and rights reflect objectively contradictory aspirations of people, expression of their interests. Balancing them means that the value adopted in the society must co-exist. They exist in the interpretation of the conflict of binary interests, when one value must be given preference. But a more rational (optimal) way of coexistence of legal values is to interpret one legal value in a way that creates new understandings (in fact, new experience!) which do not allow to weaken

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the overly regulatory potential of the other value in the binary opposition.

The idea of weighting equal yet antimonial legal principles is an approach that allows to resolve the tension between opposing opinions as a way of harmonizing relations between people (and peoples).

A basic consensus in that or other society could only be reached by weighing not the absolute but relative legal values. This is what is called historically colored justice.

Oliver W. Holmes, a renowned US Supreme Court Justice had once said that weighting legal values is not a simple logical operation based on the idea of the hierarchy of principles. He meant that there is a demarcation line running between these legal values. And this legal demarcation line serves as the metaphor of the newly created legal norm that provides for a compromise between the two provisions. Holmes compared these rights to discrete units in mathematics, and wrote that in fact, courts weighed in on social benefit issues. The discrete units that Holmes wrote about could be compared to discrete mathematics, a section of applied mathematics. which consists of the set theory, theory of combinatorics and graphs, coding and algorithm theories and the fuzzy sets theory.

The metaphor of the split West had appeared quite a whole ago. Jürgen Habermas's book, "The Divided West," was published in Russia in 2008. In the book he wrote that the West was divided not by the threat of terrorism but by the US policy, which ignored international laws. John Rawls, an American philosopher, created preconditions for this policy.

In that he also used the Kantian project of overcoming the "natural state (of enmity) between countries." Rawls, in his The Law of People, recognized that the strict principles of justice that democratic states followed could be waived for their relationships with authoritarian regimes.

Surveying the radical collapse of international relations, which was the legacy of President George W. Bush, Habermas said that this policy was based on understandings of legal values that viewed human rights as the absolute value. He also noted that justice in international relations was not a debatable issue; the issue of the way in which it was enforced, was.

# Valur Ingimundarson<sup>1</sup>

## **US-RUSSIA RELATIONS: RECONFIGURING A POLITICAL PAST IN THE PRESENT**

Paradigm changes or radical historical breaks do not have to involve complete changes of content but rather the reconfigurations of pre-existing elements. Subordinated characteristics of an earlier period can, thus, become dominant and features that had been preponderant can assume a secondary role. The continuities in US-Soviet interactions - from the period of détente in the 1970s to that of confrontational politics in the first half of the 1980s are a case in point. They did not overshadow the resumption of East-West hostilities or lead to the end of the Cold War. Yet, there were influential actors who continued to pursue pro-détente policies in a confrontational geopolitical climate. What is more, as historian Ludmilla Jordanova has stressed, the inheritance of elements from periods, such as the Cold War, brings with it a conceptual, discursive, and epistemological baggage. This baggage is not only of an historical nature but is also geared towards the present, containing uncritical "naturalized" assumptions and interpretations of both<sup>2</sup>. Thus, a radical revaluation of the past is often needed to break up outdated interpretative frameworks.

Diverse past Cold War narratives are still influencing current geopolitical realities<sup>3</sup>. While separated in time, they contain historical traces that are intrinsically linked to the present. The US-Russia relationship is characterized by such temporal ambiguity, where factors are in flux and can pull in both directions. Following the Ukrainian crisis, Cold War metaphors were revived and dressed up in a "friend/ foe" dichotomy, to use Carl Schmitt's term<sup>4</sup>. On the rhetorical level, historical anti-Western and anti-Russian discourses were reformulated and recycled in various forms. It is true that the ideological rift, which opened up, was not about communism or capitalism. It was rather a throwback to clashes over values, pitting, among other things, Russian nationalism, social conservatism, or Eurasian identity pro-

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<sup>&</sup>lt;sup>2</sup> Jordanova L. History in Practice. L.: Hodder Arnold, 2006. P. 106.

<sup>&</sup>lt;sup>3</sup> On the end of the Cold War, see: Gaddis J. L. The United States and the End of the Cold War: Implications, Reconsiderations, Provocations. N.Y.: Oxford University Press, 1992; Gendzier I. L. Evidence and Interpretation: Against Historical Triumphalism // Global Dialogue. 2001. No 3 (4). P. 33-44; Visions of the End of the Cold War in Europe, 1945-1990 / eds. F. Bozo, M.-P. Rey. N.Y.: Berghahn Books, 2012; Gorbachev M. Memoirs. N.Y.: Doubleday, 1996; Zubok V. A Failed Empire: The Soviet Union in the Cold War from Stalin to Gorbachev. Chapel Hill: University of North Carolina Press, 2007; Kotkin S. Armageddon Averted: The Soviet Collapse 1970-2000. N.Y.: Oxford University Press, 2001; Matlock J. Reagan and Gorbachev: How the Cold War Ended. N.Y.: Random House, 2004; Reinterpreting the End of the Cold War: Issues, Reinterpretations, Periodizations / eds. S. Pons, F. Romero. N.Y.; L.: Routledge, 2005; Wilson J. G. The Triumph of Improvisation: Gorbachev's Adaptability, Reagan's Engagement, and the End of the Cold War. Ithaca: Cornell University Press, 2014; Garthoff R. The Great Transition: American-Soviet Relations and the End of the Cold War. Washington D.C.: The Brookings Institution, 1994; Beschloss M., Talbott S. At the Highest Levels: The Inside Story of the End of the Cold War. Boston; Toronto; L.: Little, Brown and Company, 1993; Lundestad G. Imperial Overstretch, Mikhail Gorbachev, and End of the Cold War // Cold War History. 2000. No 1 (1). P. 1-20; Kramer M. The Demise of the Soviet Bloc // The Journal of Modern History. 2011. No 83 (4). P. 788-854

<sup>&</sup>lt;sup>4</sup> Schmitt C. The Concept of the Political. Chicago; L.: The University of Chicago Press, 2007 [1932].

jections against Western democratic liberalism and multiculturalism. At the same time, political identities were being tested in the West with the rise of populism and ultranationalist politics of exclusion. What also undermined trust were different perceptions of power relationships with Cold War resonances. On the one hand, the United States continued to be bent on preserving its predominating global role. On the other, Russia reverted to its Cold War aim of achieving strategic equality and parity with the United States, even if it could only be reached by disproportional political and military means. In short, images of a confrontational past were conjured up to signal the reemergence of the political1. Thus, the post-Cold War "grand bargain" did not hold for long<sup>2</sup>. Apart from general cultural and political differences, other issues led to growing estrangement, such as NATO's eastward expansion, the military interventions in the former Yugoslavia, the Iraq War, the Georgian conflict, and the wars in Libya, the Ukraine, and Syria. Indeed, what took place in Syria was a return to a Cold War-style proxy war with the United States and Russia supporting opposing sides, while agreeing on the need to fight ISIS. Another familiar Cold War instrument, economic warfare, with sanctions and counter-sanctions, has been reclaimed. Moreover, the crisis in the Ukraine has resulted in a growing confrontation and military build-up in Eastern Europe, with potentially destabilizing regional consequences. And the UN Security Council has become as dysfunctional in certain areas as it used to be for long periods of time during the Cold War, as its paralysis in the Syrian War shows.

Yet, to paraphrase Bakhtin, the geopolitical conflict never fully merged in a grand narrative or became fully subordinated to the main protagonists<sup>3</sup>. Despite the deterioration of US-Russian relations, there was no structural breakdown and cooperative frameworks were maintained in areas of mutual interests. The power transition in the United States has led some to believe in a second, more successful, "reset" in US-Russia relations, even if Donald Trump's pro-Russian political rhetoric is not shared by many of his Republican friends or his Democratic foes. Efforts to normalize US-Russian relations will depend on goodwill of both sides since they will undoubtedly face resistance. Yet, this does not mean that cooperative practices cannot exist alongside - or in opposition to - confrontational orthodoxies in ways reminiscent of the Cold War. The battle against ISIS or terrorism are obvious choices for US-Russian cooperation. Disarmament can also be addressed as a way of reintroducing trust in the bilateral relationship. Indeed, the ritual of portraying the Cold War as an epic global struggle expressed through US-Soviet bipolarity - inevitably downplays its cooperative and multilateral features.

This raises the question of whether a backward-looking glance can offer some clues on how to interpret the possibilities embedded in the present geopolitical condition. Although US-Soviet summits in the 1980s are associated with the last phase of the Cold War, they did much to pave the way for superpower rapprochement following a period of intense tensions. As a form of diplomatic engagement, summitry was certainly a positive thing. It changed a political discourse dominated by demonizing slogans about an "evil Soviet empire" or "US nuclear warmongering." What is more, it opened up new channels of US-Soviet communications in other spheres, notably, cultural and scientific ones. For the first time, Soviet and American commentators regularly appeared on television programs in both countries. It was a far cry from the dark early days of the Cold War when there was no high-level interaction between the world's two most powerful states. It is sometimes forgotten that from 1947 to 1955 no meetings took place between the leaders of the United States and the Soviet Union<sup>4</sup>.

And while talks at the highest level can lead to spectacular failures, such as the Paris Summit after the U-2 affair in 1960, they can also be politically transformative like US President Nixon's trip to China in 1971 or used for exploring revolutionary ideas, as was the case in Reykjavik in 1986 or for concluding tangible agreements, such as the INF arms control deal in Washington in 1987<sup>5</sup>. The 1986 Reykjavik summit supposedly ended in colossal failure, but it provided a venue for discussing revolutionary ideas, such as the abolition of nuclear weapons. Whether there was any chance to realize such a vision is, of course, another matter.

All kinds of factual and counter-factual questions have lingered on: How does one account for the contradictions in Ronald Reagan's attitude toward nuclear weapons? Having presided over the largest nuclear military build-up in peacetime during his first term, he began to embrace an arms control agenda in his second term. To what degree was Mikhail Gorbachev's arms control agenda dictated by a need to save a crisis-ridden system from within? What if nuclear abolition would have materialized? What kind of world would we be facing today? Back in those days, there were skeptics to be sure. They were not only among the hawks in the US and Soviet governments but also among US allies who were offended by not being even consulted about the wisdom of the radical ideas discussed at the summit. France had, at least, no more intention in 1986 than today of giving up its nuclear deterrent - the Force de Frappe. To British Prime Minister Margaret Thatcher, it was impossible to "disinvent" something - like nuclear weapons - that had been invented. She welcomed the summit's failure and true to her anti-revisionist fervor or, depending on one's position, to her penchant for rewriting history, managed to skip it almost completely in her bulky memoirs<sup>6</sup>.

Others would, in contrast, hail the forward-looking spirit of the US-Soviet relationship and the transformative ideas discussed 30 years ago. Yet, one should refrain from look-

<sup>&</sup>lt;sup>1</sup> Schmitt C. Op. cit. P. 26-27.

<sup>&</sup>lt;sup>2</sup> Cox M. Learning from history? From Soviet collapse to the new Cold War // Cold War History. 2014. No 14 (4). P. 461–485; Mandelbaum M. Mission Failure: America and the World in the Post-Cold War Era. N.Y.: Oxford University Press, 2016.

<sup>&</sup>lt;sup>3</sup> Bakhtin M. Problems of Dostoevsky's Poetics. Minneapolis; L.: University of Minnesota Press, 1984. P. 6–7.

<sup>&</sup>lt;sup>4</sup> Anders Stephanson believes that the reason was that that the United States did not accept the Soviet Union as a legitimate adversary in international politics. It is true that there was no will on the part of the Truman and the early Eisenhower Administrations to meet with the Soviet leadership. But there were also reciprocal factors at work here, such as the imposition of Soviet rule in Eastern Europe. (*Stephanson A*. The Cold War considered as an American Project // Reinterpreting the End of the Cold War: Issues, Reinterpretations, Periodizations / eds. S. Pons, F. Romero. N.Y.; L.: Routledge, 2005. P. 52–67).

<sup>&</sup>lt;sup>5</sup> The Last Superpower Summits: Gorbachev, Reagan, and Bush. Conversations that Ended the Cold War / eds. S. Savranskaya, T.S. Blanton. Budapest; N.Y.: Central European University Press, 2016; *Schultz G.P.* Turmoil and Triumph: My Years as Secretary of State. N.Y.: Charles Scribner's Sons, 1993; *Matlock J.F.* Op. cit.; Adelman K. Reagan at Reykjavik: Forty-Eight Hours that Ended the Cold War. N.Y.: HarperCollins Publishers, 2014; *Nitze P., Smith A.M., Rearden S.L.* From Hiroshima to Glasnost: At the Center of Decision – A Memoir. N.Y.: Grove Weidenfeld, 1989.

<sup>6</sup> Thatcher M. The Downing Street Years. L.: Harper Collins, 1993

ing nostalgically to the late 1980s. While political history can be used to illuminate the present, it does not automatically translate into normative prescriptions or problem-solving. The Reagan-Gorbachev meetings were manifestations of another era. While arms control agreements established trust between the two sides, the Soviet non-intervention in Eastern Europe following the political revolutions in 1989 was arguably far more important in ending the Cold War. Nuclear proliferation is, of course, no light matter. It all-but vanished from the global political agenda during a period associated with the so-called "peace dividend" following the end of the Cold War and later subsumed under the questionable – in light of the Iraq fiasco – catchall phrase weapons of "mass destruction." Yet, the term resurfaced in its own right, as the rows over the Iranian and North Korean nuclear programs shows. Even if the United States and Russia are not engaged in an all-out Cold War anymore, they are still under the spell of nuclear deterrence. It is a strategy based on theories developed by "wizards of Armageddon," as one scholar dubbed its architects in the 1940s and 1950s, who have spent decades rationalizing the maintenance of nuclear arsenals<sup>1</sup>.

Thus, a return to summitry is no panacea, even if it could lead to new possibilities. Backward-looking projects cannot be used to establish temporal equivalences. The mistrust between the United States and Russia in the present is not going to be overcome by evoking a reified past. Thus, it is important not to create misperceptions; for one thing, one should be careful to counter interpretations that would aim at resurrecting outdated notions of "super-bipolarity" in a far more multipolar world than was the case during the Cold War. Any such moves would be resented by other established or aspiring global players, including China. One of the most pregnant political metaphors of our times – the war in Syria - cannot be dealt with by Russia or the United States alone; other domestic and regional stakeholders have to be involved and the UN as a world body needs to play a central role in mediating the conflict.

Yet, more direct contacts between US and Russian leaders could help restore trust and perhaps lead to a less distorted and one-sided public perceptions. While they do not have to lead to a grand bargain, they could counter the institutionalization of anti-American and anti-Russian sentiments within government structures and the media. The use of "soft power" could also be used to facilitate the creation of cultural and scientific exchange programs – and people-to-people exchanges – as a way of contributing to a dialogue and understanding, as they did during the second part of the 1980s<sup>2</sup>.

One of the reasons for the anti-Western turn in Russian foreign policy in recent years was the perception that Russia was not shown enough respect as a Great Power and that its global political role was being deliberately subverted. Conversely, the view that Russia is pursuing a policy of "revanchism" based on strategic competition rather than cooperation influenced Western responses to its foreign and security policies. In such a confrontational atmosphere, worn Cold War phrases, such as the need to "negotiate from strength" were revived to frame the relationship in terms of rivalry.

While the Syrian War put bilateral relations to a severe test, both sides have shown that they can work together when it suits their interests. Despite Western boycotts of such events as the Sochi Olympics or the imposition of a sanction regime against Russia, Moscow has not shown signs of withdrawing from multilateral structures where it engages regularly with the West<sup>3</sup>. Russia's abandonment of the treaty on the disposal of plutonium last year does not have to be seen as a major policy reversal. Moreover, Russian and American leaders usually get together when they take part in multilateral gatherings. The Trump Administration will find it difficult to project a coherent US policy toward Russia because of anti-Russian sentiments within the US government, Congress, and the media and because of a need to show loyalty to alliances forged by the United States decades ago. Yet, there seems to be a political will to interact. Hence, there are grounds for refraining from portraving current realities in too stark binary terms when there are grounds for engagement - no matter how ambiguous and where there is still space to maneuver and a chance to cooperate. A rather surprising, if liberalizing moment, in a Cold War past - summit breakthroughs in the 1980s - cannot be instrumentalized to confront current problems in the US-Russia relationship. Yet, such historical instruments of conflict prevention are as relevant as they were three decades ago because they suggest forward-looking possibilities, not entrenchment or atrophy.

<sup>&</sup>lt;sup>2</sup> *Nye J.* Soft Power: The Means to Success in World Politics. N.Y.: Public Affairs, 2004; *Gallarotti G.* The Power Curse: Influence and Illusion in World Politics. Boulder: Lynne Rienner, 2010; Power in World Politics / eds. F. Berenkoetter, M.J. Williams. L.: Routledge, 2007.

<sup>&</sup>lt;sup>1</sup> Kaplan F. Wizards of Armageddon. Palo Alto: Stanford University Press, 1983.

<sup>&</sup>lt;sup>3</sup> Lukyanov F. Putin's Foreign Policy: The Quest to Restore Russia's Rightful Place // Foreign Affairs. 2016. May/June. No 95. P. 30–37.

# G.B. Kleiner<sup>1</sup> SYSTEM SHIFTS AND BENCHMARKS OF WORLD DEVELOPMENT

It seems that the radical changes in the structure and intensity of influence of the world development's factors and actors, taking place over the first 20 years of the 21st century, acquired more or less definite features by the end of the period. Taking historical phenomena and trends into account, the said features allow to come to some conclusions about laws governing these changes and their results. China's advancement into the group of the world leaders, sudden intensification of Russia's activity in international cooperation and dealings, reorientation of the foreign policy of the USA, brewing change of the European Union's composition with a number of new, unrecognized, partly recognized or even prohibited states' emerging as subjects of the regional and world politics - all that tells about reconfiguration of the world political and economic space. At the same time the globalization process that was the main driver of the socio-economic development during the previous 20 years, makes room for the regional localization (often nationalization) acts. The contradictory combination of globalization and localization as factors gives an impression of uncertain future and intermediacy of the period we live in.

Is there a common reason and trend in the above-mentioned phenomena? What governing laws is it possible to see in the dynamics of world development? In this paper prepared at the expense of the Russian Science Foundation's grant, project # 14-18-02294, we give the answers to these questions, basing on the methods and results of the new theory of socio-economic systems<sup>2</sup> as actual realization of J. Kornai's system paradigm<sup>3</sup>. We specify the notion of the "system shift" when applied to the world socio-economic system, we demonstrate that transfer from globalization to localization at the mega-level is a consequence of a deeper and more large-scale world economic process - cyclic change of fundamental characteristics (type) of world economic sphere as a socio-economic system. In the course of these changes the power center of the group of growth drivers is transferred from global (national and international) factors and conditions to local in time and space events of

<sup>2</sup> Kleiner G.B. The New Theory of Economic Systems and its Applications // RAS Bulletin. 2011. Vol. 81, No 9. P. 794–808. international importance with the following reverse transfer. The drift from environmental factors to process factors, from them to event and further to national and again to environmental factors as determinants of development is typical for all socio-economic systems. It is accompanied by reallocation of socio-economic resources at the mega-level – labor, capital, natural resources and entrepreneurship skills, transfer from their independent distribution in the global space to concentration in each certain country. This process may reduce the global efficiency of resources' use on a global scale; however, it will lead to increase of predictability of separate countries' development and increase of national variety. All effects connected with this system cycle should be taken into account when forming middle-term and long-term state policies.

### World community as a socio-economic system

The system paradigm suggested by J. Kornai at the turn of the 21st century as a general method for application of the systemic approach in socio-economic research<sup>4</sup> and developed later as a new theory of socio-economic systems<sup>5</sup>, allows to interpret the global socio-economic space and time as a complex (to be more exact, population) of socioeconomic systems of various levels, scales and purposes. Such systems include states, sustainable associations and unions of states, transnational corporations, big international organizations, inter-state programs and mega-projects, etc. It makes sense to refer various formal and informal international standards, protocols, regulations, traditions and other institutions to socio-economic systems as well, examining them together with state and public structures, providing monitoring and control over the observance of the said standards. Similarly, transboundary flows of financial and human capital, information, knowledge, organizational and technological innovations, etc., also examined together with institutions providing these processes, are included in subsystems of the world socioeconomic system.

In this perspective research of the results of world community's functioning comes down to examination of common and specific features of the structure and functioning of nation-states, transnational and supranational socio-economic systems, including the world community as a whole. In this context the notion of a system shift gets definition and scientific grounding.

To that end it is required to refer to classification of socio-economic systems. The new theory of socio-economic systems singles out four basic types of systems depending on configuration and character of systems' interaction with the surrounding spatial and temporal continuum:

— the object-type systems, having more or less definite borders in space (living area) which makes exchange of goods, people and other factors of production more difficult, and indefinite borders in time;

— process-type systems, on the contrary having more or less definite borders in time (life cycle) and having no definite spatial borders;

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<sup>&</sup>lt;sup>3</sup> Kornai J. The System Paradigm // William Davidson Institute Working Papers Series 278. William Davidson Institute at the University of Michigan, 1998; Корнаи Я. Системная парадигма // Вопросы экономики, 2002, № 4. (Kornai J. The System Paradigm // Questions of Economics. 2002. No 4.)

<sup>&</sup>lt;sup>4</sup> Kornai J. Op. cit.

<sup>5</sup> Kleiner G.B. Op. cit.

— event-type systems having certain borders both in global space and calendar time;

- environmental-type systems with indefinite area and life cycle.

States, associations and unions of states can serve as examples of object-type systems. Social networks realizing information distribution processes are examples of process systems. The international law system can be looked upon as an example of a mega-level environmental system. Building a hadron collider or launching an international space station are examples of event (project) type mega-systems. Each real socio-economic system combines features of all the four basic types, however, as a rule, features of some type dominate. A combination of basic mega-level subsystems of a certain type is also a system of this type.

Thus, there are four backing-up mega-subsystems singled out in the world community's structure: environmental, process, event (project) and object (national). The world socio-economic community combines features of all four types of systems during various periods in various proportions. To put it differently, the object, process, project and environmental megasystems are inalienable parts, to be more exact, hypostases of the world megasystem. This or that subsystem's dominating periods are characterized by fairly certain special futures of international processes taking place.

Four mega-subsystems, examined in complex with mechanisms and exchange processes of four kinds of systemic products (public long-term, public short-term, private long-term, private short-term), form the basic system structure of the global world<sup>1</sup>. Depending on correlations reflecting the role of each of the four mega-subsystems in the whole world system's functioning, we can speak about the proportions of the world's system structure.

It's necessary to understand that from the strategic point of view the world requires each of the four megasubsystems, in aggregate providing the balance of stability and changeability, homogeneity and diversity of the world, however, in various periods of world dynamics the importance of efforts to support their development is unequal.

Researching world dynamics in the 20th and the 21st centuries, one can note that one of the megasystems dominated in the world community during every historically significant period. Factors provided by special features of the dominating megasystem and its mission among the four megasystems, serve as drivers for the global world's development during this period. At the same time event (project) systems are the most active and introduce the biggest diversity both in the spatial structure of the surrounding world and the temporal structure of the world. On the contrary, functioning of environmental systems helps to increase the level of space's uniformity and dynamic's stability. Object and project systems occupy an intermediary place between active event systems and passive environmental systems. Object systems provide stability in the area of their activities and process systems help to increase the uniformity of space within the limits of their life cycle.

If an event/project, (event) mega-subsystem dominates in the global socio-economic space, important for the world changes are inevitable both in distribution of territories for separate countries and sudden changes in development trends in many countries. The "event age" comes. It is often called times of change as well.

If an environmental system dominates, the national structure of the worlds becomes stable and it is possible to speak about a period of sustainable development – "stability age" (in Russia such a period is also called "stagnation period"). This period is often accompanied by relaxation of international tensions.

Stabilization of the global world's territorial structure, concentration of efforts on internal national development ("house building age") are typical for the period of object megasystem's domination. At the same time inequality of separate countries' development may lead to escalation of tensions in international relations.

Process system's domination is manifested in activation of inter-state global processes and strengthening of the world community's influence on the whole ("globalization age"). Because of limitations of the process systems' life cycle, the length of this period is also limited.

# What are system shifts in the world socio-economic system?

Using the conceptual apparatus presented in short under item 1, we can word the notion of the system shift as to the global socio-economic system. As the most important system features of the global world are determined by the type of the domineering mega-subsystem, we should understand the change of the type of the megasystem domineering in the world as a *system shift* in the global socioeconomic space.

The original idea of the canonic sequence of changes of global megasystems' domineering periods may be composed basing on the tetrad concept – the complex of four sustainably interacting systems of four various basic types. According to this concept, interaction of tetrad components is realized as a chain (cycle) "object system – environmental system – process system – project/event system – object system". Such sequence appears when any level tetrads are operating – micro-economic, meso-economic (sector or regional), macro- and mega-economic. Hence the sequence of age changes in the global world dynamics looking as follows: "national house building age – stability age – globalization era – times of change", after which the cycle repeats.

One should mention that usually there are no precise borders between the stages of the system cycle, and every new stage begins earlier than the previous one ends as if growing up in its midst. Because of that identification of the current stage presents certain difficulties. At the same time the knowledge of canonic sequence allows to give even if not quantitative then at least qualitative forecast for the world dynamics.

Special features of stages ("ages") if applied to our times are presented in the table below.

<sup>&</sup>lt;sup>1</sup> A similar structure for national economies is presented in: *Клейнер Г.Б.* Концепция переключающегося лидерства в международном сообществе как ответ на глобальные вызовы современности // XVI Междунар. Лихачевские науч. чтения, 19–21 мая 2016 г. СПб.: СПбГУП, 2016. С. 127–131; *Kleiner G.B.* Stability of Russian Economy Mirrored by System Economic Theory (Part 1) // Questions of Economics. 2015. No 12. P. 107–123; Stability of Russian Economy Mirrored by System Economic Theory (Part 2) // Questions of Economics. 2016. No 1. P. 117–138.

Period's name	Dominant megasystem	Specific phenomena
Stability age (era of relaxation of in- ternational tensions)	Environmental (global-scale) megasystem	Heightening of the role of international organizations, values com- mon to all mankind and all states, struggle for human rights. Crea- tion of the Internet as a global communication platform
Globalization age (era of eased inter- state distribution of resources)	Process megasystem	Globalization, development of communication means, social net- works. Expansion of inter-state migration.
Event age (era of internationally important events/projects)	Event (inter-state) megasystem	Change of geographical borders of countries. Emergence of new states. Emergence, liquidation and change of composition of big international unions. Primacy of political interests over economic interests. Heightening of national leaders' role.
Age of national interests' priority (era of national house building)	Object (national) megasystem	Nationalization, priority of national interests.

Classification and distinctive features of world development periods

Nowadays, the globalization era as a part of the fourpart cycle of world dynamics is coming to an end. Transfer to the "national house building" stage is accompanied (or preceded) by alteration and reshaping of the political world map. The European Union composition is changing. Russian and Ukrainian borders change, a number of unrecognized, partly recognized and even prohibited states emerged. There are local armed conflicts. All this suggests the "times of change".

At the same time the contours of the next stage – the age of national house building – begin to sprout. Each of the states (consolidated groups of states) determining the "agenda" of world geopolitics today – Russia, China, the USA, the European Union – concentrates more and more, though at a different speed, on realization of national interests at the expense of global values. Idealism gives way to pragmatism.

In that environment one is to expect heightening of the role of state leaders capable to consolidate the people of their states. At the same time risks to transfer personal relations between leaders to relations between states and even nations increase. At the whole world level the "economy of natural persons" is transformed into the "politics of natural persons". Recently, the number of situations when personal relations of leaders become the leading factor in inter-state relations, has escalated quickly. At the same time the people and business become a kind of hostages in the "struggle of iron chancellors", if we use V. Pikul's words. This refers to Russia's relations with other states to a big extent.

The general conclusion is that system shifts taking place in the end of the 20th century and the beginning of the 21st century brought the world to the "times of change", within the framework of which one can see sprouts of the "national autonomy age, or nationalization".

### Benchmarks and system shifts

The theory of system cycles of the world socio-economic dynamics allows to set forth several basic principles, following which could assist both reduction of the grade of global development's uncertainty and increase of its efficiency.

1. Cycle recurrence principle. According to this principle, geopolitical strategy at each stage should be built taking into account inevitable completion of this stage in the foreseeable future and return to it in the long-tern perspective. Because of inertial character of the socio-economic sphere's

development this means that decisions taken at this stage in certain historical environment may become precedents and serve as samples for solutions during the period of cyclic return to this stage. This increases responsibility of leaders a lot and may in case of proper perception, become a factor for increase of importance of the strategic component of national government.

2. System proximity principle. According to this principle, the state politics at each stage should take into account "sprouting" of the adjoining stage within the limits of the current stage. Thus, efforts at the event stage should be spent not only on lessening negative consequences of geopolitical changes for a certain country, but also on activation of concentration processes for all basic kinds of resources (labor, capital, natural resources, entrepreneurship skills) on the territory of this country.

3. Principle of changing national leadership. In contrast to the suggested previously<sup>1</sup> variant of changing national leadership when alternation of system stages of world community's dynamics was not taken into account, in case of this approach it is suggested to rely on the four-cycle development pattern with alternating domineering of each of the four megasystems. It could be natural if the country having the qualities of the domineering megasystem to the largest extent could become a temporary informal leader. For example, China has features of the process system to the largest extent; the USA – project (event) system; Japan – object system; Russia – environmental system.

4. Principle of relying on systemic mechanism of world community's functioning. Knowledge of general governing laws of world dynamics allows not only to prepare for the coming of the new development stages ahead of time, necessity to meet the demand for new specific systemic qualities of a certain country but also use such systemic mechanisms as basic tools of the global politics as event-management (generation and management of global events); diversity management; environmental information effect manipulating, in particular, information phantoms (objectively originating associative information clusters), etc.

5. Principle of priority of sustainable development of economic, social and cultural inter-state relations. The stages of world development's system cycle are equally required, but they are not of equal worth. The "stability age"

Table

<sup>&</sup>lt;sup>1</sup> *Kleiner G.B.* The Concept of Changing Leadership in World Community as an Answer to Global Challenges of the Modern Times // Likhachov Scientific Conference, May 19–21, 2016. St. Petersburg: SPbUHSS, 2016. P. 127–131.

is most favorable for socio-economic development, it allows not only generation but also filtration, selection and approbation of socio-economic innovations. In a certain sense this period can be looked upon as the basic one for the whole system cycle. Approaching and expansion of this stage at the expense of various anti-crisis events and mechanisms should become one of the main directions of the system geopolitics. Figuratively speaking, only those formations and phenomena that have the features of systems, have the right to stability. Because of that the consistency principle should be the basis of these mechanisms, in this case it is the unity of social, economic, ecological and cultural development aspects. Currently, these four factors and corresponding channels of inter-state cooperation as a rule function autonomously or in pair correlation mode. Here it is appropriate to remind about the offer to create *culturonomics* – the theory, methodology and methods for carrying out socio-economic activities based on culturologic identification and appraisal of socio-economic phenomena.

On the whole, it's possible to come to the conclusion on the basis of everything above-said that there are considerable cognitive, ideological, scientific, methodological and political reserves for increase of predictability, stability and manageability of world development.

## Grzegorz W. Kolodko<sup>1</sup>

# AN ASIAN ERA WITH THE EURO-ATLANTIC CIVILIZATION AS A BACKGROUND?

The times are peaceful and yet wars are on. Luckily, those waged between the titans of the world are bloodless. Still, unfortunately, the cold trade war is turning into a hot one, the discreet and quiet disputes are being replaced by an open and loud confrontation. This is mainly happening because the West is afraid of the growing competition from the East and, when it's playing fair, more and more often it cannot keep up with it.<sup>2</sup> Therefore the scale of hypocrisy – for the United States best illustrated by the "do what we tell you, not what we do" slogan – is on the rise. Sheer self-righteousness. Talking constantly of free trade and liberal economy, of technology transfer and direct investment, while resorting to protectionist maneuvers, whether open ones or those hidden behind a political rhetoric.

There is a major threat that there will be more protectionist practices. These will add heat to the trade. Apart from pressure from specific political circles, a major role is played by the psychosis regarding the unstoppable assault of the East, whipped up by the media. This threat is best exemplified by China and this country will be called to order most often. It is already happening, sometimes beyond the limits of common sense.

In the times of globalization and its inherent battle over influence and position, there are no innocent policies and politics.<sup>3</sup> China uses both spies and industrial intelligence. It has a harder time doing it as it is more in the limelight. Also Americans, Russians, the British, Germans, the French and the Japanese as well as a couple of other nations do that. Even if we don't approve of such practices, we must acknowledge they exist.

Asia as the emerging power is much more than China. The continent's volume of output and population size are

growing fast, accounting for more than 62 percent of the whole planet's population, 57.5 percent of which is outside of the Middle East, often treated separately for geopolitical reasons. This human mass generates slightly over 46 percent of gross world product, GWP, or more than the US and EU combined. With the Middle East excluded, it's over 38 percent of GWP. In the future, the share of both Asian population and output will be increasing due to a higher population and economic growth. It is worth realizing that once before - or actually throughout all the centuries of the last millennium until around 1820, when the West took off with a bang as a result of the industrial revolution – Asia used to produce over 60 percent of the global output. In 1950, this was less than 20 percent but it took only two generations for this index to more than double. Maybe as early as in 2030 it will be over half again.

The Asian continent is culturally, politically and economically very diverse. Especially if we take it literally, in geographic terms, and trace its borders from Turkey and Israel in the West to Japan and the Russian Siberia with Kamchatka and Chukotka in the Far East. Leaving aside the Asian part of Russia, which usually isn't taken into account in Asian calculations, its four main cores are China and Japan, as well as two regional integration blocs: ASEAN in the South-East Asia, with no dominant economy, and SAARC in the South Asia, dominated by India, a regional superpower in terms of population size as well as of the economic and military strength. Of the twelve countries with a population of over a hundred million as many as seven: China, India, Indonesia, Pakistan, Bangladesh, Japan and the Philippines, are situated in Asia. Soon Vietnam and Turkey will join their ranks. Of the twenty economies that produce more than one percent of the global output, eight: China, India, Japan, South Korea, Indonesia, Turkey, Iran and Taiwan, are in Asia. Therefore, when reflecting on the future role of Asia, its demographic potential and culture, political significance and especially its economic influence, we need to remember that it's the world's largest region, almost in every respect.

It is beyond any doubt that China's absolute position – economic and, consequently, as is always the case for a large country, political and military one – as well as its impact on what is going on in the world are growing and they will continue to, in the foreseeable future. This process

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<sup>&</sup>lt;sup>2</sup> Spence M. The Next Convergence. The Future of Economic Growth in a Multispeed World. N.Y.: Farrar, Straus and Giroux, 2011.

<sup>&</sup>lt;sup>3</sup> *Kolodko G.W.* Whither the World: The Political Economy of the Future. N.Y.: Palgrave MacMillan, 2014.

cannot be stopped, or even less so reversed using peaceful methods. And other methods are out of the question. Everybody else must acknowledge this, regardless of their own interests and subjective affinities. We need to take a leap forward again and try and find the right place for ourselves in the changing world of the future.

This time the Chinese challenge is not about nuclear saber-rattling or a (luckily) failed attempt to export the revolution but mostly about the successful export of goods and, quite importantly, that of capital. This goes hand in hand with various countertrade transactions, which increase China's presence all over the world. It can be seen not only in statistics and on major international trade shows but with a naked eye when one travels in different countries. What you can't see right away, however, and what is of paramount importance for the future, is the far-reaching effects of major infrastructure projects financed in return for multiyear strategic raw material supply contracts. This is particularly visible in Africa and in Latin America but still on a much lower scale, oddly enough, in the Russian Siberia. In the future this very region will undergo huge changes, mainly due to joint Russian-Chinese investment and mining projects.

China spends a lot of money abroad on financing the infrastructure to strengthen human capital: schools and universities, outpatient clinics and hospitals. Soft credit is used for that purpose, which on various occasions is partly canceled and becomes a subsidy. Large Chinese construction companies are hired to carry out infrastructure projects so no wonder they become major global players. If we take a closer look at the geopolitical map of the world from this angle, it's easy to note that China is especially active where the West has failed. Once, in the colonial period, when it exploited locals instead of helping them, then, in the neocolonial period, when it cheated them instead of being cooperative, and recently, at the time of globalization, when it marginalized them instead of looking for areas of positive synergies. If this hadn't been imprinted in the memory of people from the economies on their way to emancipation, they would be less inclined to be open to extensive contacts with somebody else who, on top of that, has something valuable to offer.

Although this undeniably contributes to reducing poverty and promotes social and economic development, China, also for this reason, is suspected or even accused of ill intentions, of ideological indoctrination, of political corruption. Or even of a 21st century imperialism. Even if it were partly so, this doesn't change the fact that such a strategy helps less-advanced economies in their development efforts. If this also poses a threat to the balance of influence, then instead of wasting time on criticizing the Chinese expansion, the rich West had better increase its own aid and re-orient operating methods and policy directions of international organizations that are greatly influenced by it.

In that case aren't we going to feel the Chinese pressure on the Mississippi, on the Amazon, on the Danube and on the Nile, on the Vistula, on the Limpopo, and especially, on the Ganges and Yenisei? We are, by all means. We already do. This stems not only from the present trade, financial and investment relations. In some regions, especially in South-East Asia, certain ties with China have developed over entire centuries. In particular, the imperial tribute system was in place instead of the Western and Arab style colonization. For two millennia, China used trade and unique diplomacy to exert a considerable influence on many of its closer and farther neighbors, including the entire region now forming ASEAN. Back then China was indeed in the "middle" of that world, without resorting to a military conquest or political enslavement, and the system of relationships differed from the one then developed in other civilizations of that era. It was based on a deep conviction that China is the center of the world, and the emperor a heavenly son so others, naturally, as it were, should be their vassals. Such an approach was fostered by the Chinese diplomacy, which then had little to do with the western diplomacy. Countries that wished to trade with China – and quite a lot of them did already then because the Chinese market had always been attractive - would send their "diplomatic" missions which obsequiously offered a tribute in Beijing to curry favor with the authorities without whose protectionism there was no question of tapping freely to a receptive market.<sup>1</sup> When Europeans arrived there in the 16th century, they also followed this convention, confirming the Chinese.

Dependence on the Chinese economic situation can be observed on many levels and goes far beyond direct exports and imports. In the literature of the subject, the term sinodependency index has even been coined. It is an index that reflects changes in the S&P 500 stock index, which depends on the position of 135 companies listed there that derive their revenues from operations in China. If the Chinese economy is on the rise, so are the stock exchange quotations and vice versa. Over a four year period of 2009–2012, sinodependency index has grown by nearly 130 percent, while the complete S&P 500, by slightly over 50 percent. In other words, if it weren't for the continued Chinese boom, the economy would be in a much worse condition, which would adversely affect stock exchanges in many other countries, including the most developed ones. Therefore, whoever wishes China ill, wishes himself ill.

Problems with low efficiency of some state-owned companies are mounting; a mismatch between supply structure and demand is becoming apparent; many companies are in excessive debt and lose liquidity or are already facing bankruptcy; corruption is rampant, especially at the intersections of private business and government. This is not the kind of public and private partnership we aspire to. The greatest opportunities for corruption can be found in the public procurement system; consequently, the rate at which new kilometers of modern roads and fast trains are completed and the rate at which corruptible officials, sometimes those of the high level, are multiplying, seem to be racing each other. Despite the unquestionable achievements in environmental protection, for example afforestation, placing waste treatment plants in urban agglomerations and the use of solar energy, the view is depressing. It is estimated that 16 out of the world's 20 most polluted cities are situated in China.

All this comes as no surprise and the economic policy attempts to address the mounting problems, for example by means of further management decentralization, changes in the fiscal system, continued labor market deregulation.<sup>2</sup> It will be a cliché to say that we need to do more, also when it comes to ensuring more effective public control over eco-

<sup>&</sup>lt;sup>1</sup> Vohra R. China's Path to Modernization: A Historical Review from 1800 to the Present. Upper Saddle River, N.J.: Prentice Hall, 1999.

<sup>&</sup>lt;sup>2</sup> Lin J. Y. Demystifying the Chinese Economy. Cambridge: Cambridge University Press, 2012.

nomic policy. In the West we keep hearing that it's too little, too late, that a loss of momentum is coming but it hasn't happened yet.

China is in for at least a couple of years, and most likely over a decade, of fast growth (some believe that even several decades of it, but this is an erroneous view), over twice as high as the global average and three times as high as the average for wealthy countries. It will not be back, except for potential extraordinary years, to a two digit growth rate but it will be still capable of quickly increasing its national income. For how long? By how much?

It's a wider problem as China is not the only country to develop fast. For many years the "Asian economic miracle" was discussed, with reference both to the impressive growth rate in the one-of-its-kind Singapore, Hong Kong and Taiwan and in much larger countries such as Indonesia, South Korea, Thailand, Malaysia and recently also Vietnam. Growth rate is also high in a particularly important country, in the very populous India. Let's assume that these countries will commit no strategic error that would bring their growth down to a low level. In this case until when can a fast growth of Asian economies continue, one that greatly exceeds the indices of other countries and regions?

The correct question, not only in the Asian context but generally in the economic growth theory and policy, is not "how long" as in "how many years" but rather up to what level is it realistic? In other words, from which income does the output growth dynamic start to lose momentum? If we know the answer to that question, we might venture to forecast for how many more years respective countries can hope to continue to climb up the income ladder.

The West, the Euro Atlantic one without Japan and the antipodes, with its hubris and sense of alleged superiority, may, following the old maxim of two dogs fight for a bone and a third runs away with it, come to the conclusion that some internal Asian conflicts, as long as they don't escalate too much, may work to its advantage. Mind you, there's no shortage of dividing lines on the Asian continent. Scars left from colonial times as well as not fully healed wounds from the world war two period and from several later regional conflicts have an effect not only on bilateral and multilateral political relations, which is reflected in diplomatic relations and cultural exchange. We can also see it in the tourism sector as these days it's easier to find Chinese coach groups in the troubled Egypt than in South Korea and there are more Japanese people travelling far from home in the Middle East than in the neighboring China.

This is by no means yet another clash of civilizations but a problem that goes far beyond fierce market competition or even economic war. On the surface of things, we can see the USA vs. China trade and currency dispute or, more broadly speaking, one between the Euro-Atlantic West and the Asian East, but there are other underlying sources of discord. It's about much more than the fact that Huawei is a threat to Motorola, ZTE to Apple or Samsung to Nokia, or that India's competitiveness is increasingly making itself felt or that there are fears that some sectors will be penetrated by capital from a friendly Arab country, as was the case with the intended investment in American ports by a Dubaibased company. The thing is that liberal capitalism, whose neoliberal deviation is totally compromising itself as a result of the economic crisis and of the growing conflict potential of the entire system, is confronting state capitalism.

It's about one more, this time global dimension of the market vs. government confrontation.

Just like there are several versions of liberal capitalism, there are also a couple of varieties of state capitalism. The European type, whose greatest stronghold is France, where government's involvement in the economy measured with fiscal redistribution is as high as 57 percent, is a thing of the past. It doesn't represent a great threat and neither does it give any high hope for a better tomorrow. Conversely, the Asian type of state capitalism may be a thing of the future in a number of emancipating economies as it handles better than others the challenges posed by economic growth in the globalization era. The post-Soviet state capitalism, still not very well defined, and its milder Latin variety is looking for its place somewhere in between. State-owned companies account for 80 percent of the value on the Chinese capital market, 62 percent in Russia and 38 percent in Brazil. Which side of the Asian vs. Euro-Atlantic confrontation will be chosen by the emancipating economies of other regions will be of paramount importance for the future of the world, for shaping the political and economic system of tomorrow.

China's becoming more and more appealing all over the world, while the West is losing its attraction for many of its regions. It turns out that more and more countries are orienting their monetary policy towards yuan rather than dollar. When dollar changes its exchange rate to the Swiss franc by 1 percent, Western Asian countries' currencies go the same direction by 0.38 percent. However, when the same happens to yuan, they follow in its footsteps by 0.53 percent. It is estimated that compared to the last pre-crisis years, in 32 out of 52 countries classified as the "emerging markets" the reference position of the dollar declined, often to yuan's advantage. In the context of such tendencies and especially in view of the expected continued fast economic growth and China's growing share of the global trade, we can find forecasts predicting that the Chinese currency will become the world' dominant one as soon as in 2035.1 Another mistake. The international position of yuan, also known as renminbi, RMB, will be growing in importance but it will not dominate the world. It is also doubtful whether it will ever oust dollar as the leader; surely it won't happen as soon as in 2035. If any currency dethrones dollar, in which over 62 percent of the world's currency reserves are held, it won't be yuan, but euro, which is the currency of around a quarter of such reserves; provided, of course, that euro weathers the crisis.

China has become trendy. So much so that not only in the field of economics we can find many opinions that are not based on reliable scientific research but rather follow a fad. It's similar in other fields from arts to politics. There is undoubtedly a lot of exaggeration in the former and a market bubble has emerged. Three of the ten most expensive works of art sold in 2011 were painted by Chinese artists, including *Eagle Standing on Pine Tree* by Qi Baishi (1864–1957), which found a buyer at 65 million dollars. The painting is truly beautiful but whatever the anonymous investor will lose in this transaction, it's his business. What should be the business of us all is the growing fashion for all things Chinese in the economic policy. Ano-

<sup>&</sup>lt;sup>1</sup> Subramanian A., Kessler M. The Renminbi Bloc Is Here: Asia Down, Rest of the World to Go?, Working Paper, 12–19, Peterson Institute for International Economics. Washington, D.C., 2012. Oct.

ther term, the "Beijing consensus" has become a buzzword in recent years.<sup>1</sup> For obvious reasons, it's being contrasted with the Washington consensus, now being put out to pasture in economic history and pushed to the margins of mainstream political economy. Still, is there any such thing as the Beijing consensus? Maybe it's another invention of Western political sciences, as both these terms were coined in the US, while the Chinese can well do without using this term? Yes, definitely so.

Incidentally, a quarter of a century ago when the term the Washington Consensus was born<sup>2</sup>, neither in the political nor in the technocratic circles in Washington was there any actual unanimity on how to deal with the outside world or, to be more precise, with the troublemaking "emerging markets", first those from Latin America and right afterwards the Eastern European and post-Soviet ones. Then the concept of neoliberal market deregulation, privatization of property and limited role of government became all the rage, which was dubbed an agreement and named after the city which certainly is one of the most influential places in the world, if not the single most influential one. The job was completed by the mass media and the economic parrot that loves to repeat catchy terms, even if they are imprecise and inadequate or quite preposterous. Later on, attempts were made to modify this economic policy concept by adding an institutional layer and relevant social content under the new name of "post-Washington consensus".3 Back then, it still didn't look as though Beijing could replace Washington and China would take over the role of the United States.

It is similar this time because there has been no final agreement, in political or in technocratic circles in Beijing, on how to approach the outside world, especially other emancipating economies. However, since a certain line of China's expansion is becoming apparent and the Chinese system of values, different from the Western one, is pretty clear, we're getting a Beijing consensus. Its general interpretation boils down to regulation of economy, a significant government involvement in it and interventionism, which economic attributes go hand in hand with political centralism. Again, the media and the cliché-hurling parrot are trying to do the rest but this time the term is not catching on too much.

In reality, both in academic and top political circles in China, views are far from unanimity and a consensus is further than ever. Their diversity is much greater than the one noticed in western stereotypes, which stress the division between the "left wing" calling for strengthening the state sector and bureaucratic supervision over economy and the "right wing" suggesting further denationalization and deregulation. Interestingly enough, the leading Chinese economist and, until recently, the World Bank's chief economist, Justin Lifu Lin, entitled his book on economic policy *Against the Consensus.*<sup>4</sup>

<sup>4</sup> Lin Y.J. Against the Consensus. Cambridge, 2013.

Efforts to westernize the world, and especially to Americanize it, have failed and so would efforts to Sinicize it, if any were undertaken, which is not happening. Just like the assessments of the Chinese economic reality are exaggerated, which sometimes reduce it to "authoritarian capitalism"<sup>5</sup>, so are the conjectures regarding China's alleged imperial ambitions. The illusory Beijing consensus will not upstage the Washington consensus, which is leaving the stage through fault of its own. Something else, better and more forward-looking is needed.

This is all the more difficult that since the unprecedented intellectual and moral disgrace of neoliberal capitalism, no innovative and appealing idea has come forth that could fill the resulting void.<sup>6</sup> Neither China, which is still looking (gladly drawing on the great Confucius, whose thought, however, cannot be the foundation of the future) nor anybody else in Asia or outside has a ready-made answer to the fundamental question "what next"? What we need is a colossal effort to protect the universal values of the West. Political neoliberalism is making a mockery of true democracy and the economic neoliberalism is turning economy into its private farm but this doesn't mean that we shouldn't cherish liberal values: freedom, genuine choice, fair competition, freedom of enterprise, market and social economy. Asia can also extensively draw on that.

A world with multiple economic and political centers is being born, diversity of cultures is flourishing and none of them, not even one of the major ones, will totally dominate while others recede into the background. In this respect, there will be enough space for everyone in the future.<sup>7</sup> Well, nearly for everyone. The world of the future will be a multipolar, heterogeneous world and thus one that is culturally richer. If we manage to properly orient and control the permanent, never-ending dialog, there will be no destructive clash of civilizations but their creative harmony instead.

The face of the world in the 21st century will be mostly determined not so much by the outcome of the direct economic rivalry between Asia and Euro-America but rather by how these two megasystems of values, institutions and policies interpenetrate, and how they mutually filter into and enrich each other. The ongoing and intensifying confrontation is more of an opportunity for the future than a threat to it. We need to realize, however, that it's not only new markets that are emerging, as neoliberal capitalism would have it, but also alternative ideologies are making themselves known. The faster this is acknowledged by intellectual leaders and the heads of world political and economic centers, the better. Hence, the greatest threat to the rich Western world, as well as to some emancipating economies that try to follow it blindly, doesn't come from China but from the myth of the perfect market.8

<sup>&</sup>lt;sup>1</sup> Halper S. The Beijing Consensus: How China's Authoritarian Model Will Dominate the Twenty-First Century. N.Y.: Basic Books, 2010.

<sup>&</sup>lt;sup>2</sup> *Williamson J.* What Washington Means by Policy Reform, in: John Williamson, ed., Latin American Adjustment: How Much has Happened? Washington, D.C.: Institute for International Economics, 1990.

<sup>&</sup>lt;sup>3</sup> Stiglitz J.E. More Instruments and Broader Goals: Moving Toward the Post-Washington Consensus, WIDER Annual Lecture, 2, UNU-WIDER, Helsinki, 1998 (March), and Kolodko G. W. Transition to a market economy and sustained growth. Implications for the post-Washington consensus, Communist and Post-Communist Studies, 1999, Vol. 32, No. 3.

<sup>&</sup>lt;sup>5</sup> *McGregor J.* No Ancient Wisdom, No Followers: The Challenges of Chinese Authoritarian Capitalism. Westport, CT: Prospecta Press, 2012.

<sup>&</sup>lt;sup>6</sup> *Mishra P.* From the Ruins of Empire: The Revolt Against the West and the Remaking of Asia. N.Y.: Farrar, Straus and Giroux, 2012.

<sup>&</sup>lt;sup>7</sup> Kupchan Ch.A. No One's World. The West, the Rising Rest, and the Coming Global Turn. N.Y.: Oxford University Press, 2012.

<sup>&</sup>lt;sup>8</sup> Kolodko G.W. Truth, Errors, and Lies: Politics and Economics in a Volatile World. N.Y.: Columbia University Press, 2011.

### Instability of world order in a globalized environment

To ensure the stability of global order is one of the main imperatives in the ever more complex framework of international relations brought about by globalization<sup>2</sup>, a process that is expressed in economic interdependence, civilizational interaction and the emergence of an information society that is often described with the metaphor of the "global village."<sup>3</sup> How to achieve, under these circumstances, the goal of a stable system has become the basic challenge faced by the international community at the beginning of the 21st century. Stability requires rules that enable a just and balanced interplay of forces in <u>all</u> domains, whether political, economic or social. A transnational equilibrium in a comprehensive sense is indeed the *conditio sine qua non* for the maintenance of international peace and security as envisaged in the United Nations Charter.

After the collapse of the bipolar order of the Cold War towards the end of the last century, world order has entered a transitory phase that is characterized by the antagonism between unilateralist (hegemonic) and multilateral tendencies. It should not surprise us that, at the beginning of the 1990s, the only remaining superpower was tempted to exploit the new constellation - or to fill the power vacuum for its own benefit. The repeated unilateral uses of force whether openly (as in the cases of the interventions in Yugoslavia in 1999 and Iraq in 2003) or de facto (as in the cases of the 1991 Gulf war and the 2011 NATO war in Libya)4 have made that hegemonic project more than obvious and have seriously undermined the legitimacy of the United Nations Organization insofar as it is based on the international rule of law and a multilateral approach towards world order, especially in the domain of collective security (as set out in Chapter VII of the UN Charter).

# Hans Köchler<sup>1</sup> WORLD ORDER IN AN AGE OF TRANSITION

Parallel to these developments in the political and military (or geostrategic) fields, the sudden end of the Cold War's power struggle along ideological lines has triggered a *new dynamic* in the process of globalization, since the flow of goods and information was freed from previous legal, political and ideological constraints (that were due to the competition and antagonism between the two power blocs). This process, however, has been characterized by an ever-widening imbalance in terms of the complexities of *economic interdependence* on the one hand and the *system of rules*, still in its incipient stage, that are required to ensure stability and fairness on the other. The financial crisis of 2008 and the resulting global economic instability, still not resolved as of today, testify to this predicament.

In the period that immediately followed the end of bipolarity, the traditional instruments of governance have proven to be more and more ineffective; they are not anymore sufficient to ensure the stability of world order. The norms of contemporary *international law* are mainly related to the interaction between nation-states on the basis of (sovereign) equality and essentially depend on *consensus* among the members of the international community, while the methods of collective security (on which the preservation of order will largely depend as long as there exists no "common legal space") are still in a rudimentary stage and cover only certain areas and aspects of inter-state relations.

Under these circumstances, the efforts at ensuring a stable global order are faced with a double predicament (or paradox): (a) the international rule of law is supposed to be enforced without essential mechanisms of the law - because the UN Security Council acts within a framework of (power) politics, not as judicial arbiter<sup>5</sup>, and the International Court of Justice, part of the UN system, is not the constitutional court of the United Nations; (b) international peace and security are to be maintained in the absence of an effective transnational authority. The Security Council, in spite of its statutory powers, is not a global governing authority. Its effectiveness essentially depends on the consent among rivals for global influence (namely the Council's permanent members). However, to resolve this problem of unified authority, a "world state" (which would require the "reinvention" of the United Nations as a supranational organization) is not a desirable goal if one is committed to the principles of democracy and national self-determination. The problematic experience, at the regional level, with the European Union is a case in point<sup>6</sup>.

### The precariousness of the international rule of law

Apart from a few exceptional situations, the norms that govern inter-state relations do not meet the basic criterion that distinguishes a legal from a moral norm (in the sense of Hans Kelsen's definition), namely, that violation of a norm

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<sup>&</sup>lt;sup>2</sup> On the multidimensional nature of globalization see : *Köchler H.* (ed.). Globality versus Democracy? The Changing Nature of International Relations in the Era of Globalization. (Studies in International Relations. Vol. XXV). Vienna : International Progress Organization, 2000.

<sup>&</sup>lt;sup>3</sup> The term was originally coined by Marshall McLuhan in: *McLuhan M.* Understanding Media: The Extensions of Man [1964]. L.; N.Y.: Routledge Classics, 2009. P. 5. For details see the author's analysis: The New Social Media and the Changing Nature of Communication: Anthropological and Political Implications // News and Views: The Journal of the International Academy for Philosophy (New Series). 2012. Vol. 4, No 2–3 (32–33). P. 42–64.

<sup>&</sup>lt;sup>4</sup> On the case of the use of force against Iraq in particular see the documentation of the International Progress Organization: The Iraq Crisis and the United Nations: Power Politics vs the International Rule of Law. Memoranda and declarations of the International Progress Organization (1990– 2003) // Studies in International Relations. Vol. XXVIII. Vienna: International Progress Organization, 2004.

<sup>&</sup>lt;sup>5</sup> On the role of the Security Council see, inter alia, Köchler H. The Security Council as Administrator of Justice? (Studies in International Relations. Vol. XXXII). Vienna: International Progress Organization, 2011.

<sup>&</sup>lt;sup>6</sup> For the problems of democracy in the context of the aborted constitutional project of the EU see the author's analysis: The European Constitution and the Imperatives of Transnational Democracy // Singapore Yearbook of International Law. 2005. Vol. IX. P. 87–101.

is linked to a specific sanction<sup>1</sup>. In most cases, abidance by the rules depends on the sovereign will of states. The jurisdiction of the International Court of Justice is mainly limited to legal disputes, which the member states refer to it, and depends on their voluntary recognition (which may be given conditionally and in a temporally limited way)<sup>2</sup>. The Court, thus, lacks compulsory jurisdiction and functions more as a "Court of Arbitration and Legal Advice." A unified system of enforcement only exists in the field of collective security, and only in cases where the Security Council acts on the basis of Chapter VII of the UN Charter; and even in this area of international law enforcement, which certainly goes beyond mere appeals and exhortations, the "punishment" (i.e. the specific sanction e.g. in cases of the violation of the norm on the non-use of force) is regulated not on the basis of exclusively judicial criteria, but according to the rationale of power politics. Article 27 of the Charter provides that decisions on coercive measures depend on the consent of the Council's permanent members<sup>3</sup>. The wars against Yugoslavia (1999) and Iraq (2003) have drastically illustrated the rudimentary nature of international law in this regard since the world organization was incapable to restrain the aggressor states.

It goes without saying that another basic requirement of the rule of law, namely a functional, not merely formal, separation of powers, does not exist in the framework of inter-state relations. The "international rule of law," thus, should be seen as an *ideal*, an imperative of practical reason, in the direction of which the community of states should develop its norms of co-operation and its commitment to the common good of mankind (which, in the era of global interconnectedness, ultimately means the survival of the human race, especially as regards the threats from nuclear war and environmental risks). It is obvious that a *balance of power* at the global level – whether bipolar or multipolar – will be more conducive to this ideal than a unipolar constellation.

### Global co-ordination among equals ("governance")

Similarly, the mechanisms for the co-ordination of policies (regionally as well as globally) in the political, social and economic fields – which are frequently described as elements of "global governance" – are not expressions of governmental authority in the strict sense since that would require compulsory action on the basis of laws. The management of global processes, often vaguely described as "governance," essentially depends on regulations that result from treaties or agreements between sovereign states or other actors – *without* the interference of a global government. The United Nations Organization does not belong in that category – in spite of the vast powers of the Security Council that are anyway mitigated by the veto rule. As with the traditional system of international law, the essential characteristic of this kind of "governance" is a *horizon*-

*tal* relationship between equal actors (whereby equality is understood in the normative, not factual sense)4, not a vertical relationship between superior (sovereign) and subordinate (subject). This is, in essence, the nature of inter-governmental organization. "Governance" should thus be understood in a metaphorical sense, namely as a form of management of common global problems, undertaken by states on the basis of partnership and mutual interest, i.e. in the spirit of co-operation among equals. Only in specific regional frameworks where there exists a certain degree of socio-cultural and political homogeneity - that has allowed the emergence of specific intergovernmental and partly supranational structures - may "governance" resemble methods of government and governmental authority (i.e. executive authority based on laws) in the strict sense (as is the case with the decision-making procedures of the European Union, albeit those are more and more questioned in terms of democracy and national sovereignty)5.

### Where to go from here? World order and a multipolar balance of power

In view of the rudimentary forms of transnational co-operation that characterize today's international order, the basic challenge before the global community (which is not identical with the Western-dominated and ideologically defined "international community") is a further evolution, or refinement, of the regulatory mechanisms identified as the "international rule of law" on the one hand and the co-ordination procedures related to collective security on the other<sup>6</sup> – with the "strategic" aim of bolstering the development towards a genuine multipolar balance of power. Of utmost importance will be a comprehensive and consistent network of consensus-based rules and regulations that integrates the political and economic areas of transnational interaction. Only such a system will prevent anarchy and provide protection against arbitrary uses of power and privilege, making it more difficult for individual actors - or a single power claiming global hegemonial status - to exploit the volatility of a transitory constellation, such as the present one, according to the old hegemonic maxim of divide et impera.

As far as the international rule of law and the primordial role of the United Nations Organization are concerned, enforcement mechanisms in the field of peace and security will gradually have to be adapted to the evolving multipolar structure. *Democratic reform* of the world organization will be an essential step in that direction since such a process will help it to overcome the imbalances in the Charter that are due to the perpetuation of the post-war power constellation of 1945<sup>7</sup>. These imbalances are even more acute when a unipolar power constellation makes the checks and balances among the Security Council's permanent members

<sup>&</sup>lt;sup>1</sup> Pure Theory of Law [Reine Rechtslehre: Einleitung in die rechtswissenschaftliche Problematik, 1934]. Trans. Max Knight. Union, N.J.: Lawbook Exchange, 2000.

<sup>&</sup>lt;sup>2</sup> Art. 36 of the Statute of the International Court of Justice established by the Charter of the United Nations.

<sup>&</sup>lt;sup>3</sup> For details see : *Köchler H.* The Voting Procedure in the United Nations Security Council: Examining a Normative Contradiction and its Consequences on International Relations // Studies in International Relations. Vol. XVII. Vienna: International Progress Organization, 1991.

<sup>&</sup>lt;sup>4</sup> According to the notion of "sovereign equality" of all member states introduced in Art. 2(1) of the UN Charter.

<sup>&</sup>lt;sup>5</sup> For details see also the author's analysis: Köchler H. Decision-making Procedures of the European Institutions and Democratic Legitimacy: How Can Democratic Citizenship be Exercised at Transnational Level? // Concepts of democratic citizenship. Strasbourg: Council of Europe Publishing, 2000. P. 147–165.

<sup>&</sup>lt;sup>5</sup> As set out in Chapter VII of the United Nations Charter.

<sup>&</sup>lt;sup>7</sup> See also the proposals of the Second International Conference On A More Democratic United Nations (CAMDUN-2): The United Nations and the New World Order: Keynote addresses from the Second International Conference On A More Democratic United Nations // Studies in International Relations. Vol. XVIII. Vienna: International Progress Organization, 1992.

less effective, at times even dysfunctional<sup>1</sup>. Special priority should be given, in that regard, to a more even representation of the *global regions* or the respective regional organizations where they exist (possibly in combination with provisions for *weighted voting*<sup>2</sup>).

### The special case of international criminal justice

Steps in other fields such as that of international criminal justice (with the problematic notion of universal jurisdiction) will have to be undertaken with great care so that the development towards a multipolar order (that must be based on genuine multilateralism in terms not only of legal, but also of political, economic and social interaction) will not be obstructed or even reversed. If the International Criminal Court (ICC) ever were to provide an alternative to the often politicized and legally questionable jurisdiction of ad hoc courts (such as those created by the Security Council, on the basis of Chapter VII of the UN Charter, after the end of the Cold War)<sup>3</sup>, its composition - i.e. the group of State Parties - should be actually representative of the international community. This is certainly not yet the case since three out of the five permanent members of the Security Council (China, Russia, United States) have not acceded to the Rome Statute of the International Criminal Court. (The United States and Russia, who originally signed the treaty, have in the meantime made clear that they exclude the possibility to ratify the Statute in the future.) Other major military powers such as India, Turkey or Israel are also not State Parties. However, in the prosecution of international crimes (war crimes, genocide, crimes against humanity, crime of aggression), there must be no selectivity in prosecution (which, at the present moment, inevitably results from the incomplete ratification). Double standards, even if resulting from the ratification status, i.e. the structure of membership, delegitimize the Court as an instrument enforcing respect of international law and, subsequently, contributing to a peaceful and stable world order. There is no justice with duplicity<sup>4</sup>. In view of this, and in particular because of an ever more obvious prosecutorial bias (with the Prosecutor often acting under political considerations), an increasing number of State Parties (especially from Africa) has made clear their intention to leave the Court. The ratification status of the Rome Statute is indeed at the roots of the Court's "structural dilemma." Because of its limited membership, the ICC can effectively do nothing about the application of double standards in the prosecution of international crimes, one of the most decisive factors undermining the international rule of law. Thus, under the pervasive influence of traditional power politics, the International Criminal Court cannot become a credible, and constructive, agent of a just world order.

### Need for a multidimensional and integrated approach

As regards the evolution of global "governance," not government, with the overriding goal of horizontal co-ordination of policies among states, including among the newly emerging global regions (as represented e.g. by the European Union, Eurasian Union, African Union, Association of Southeast Asian Nations), the development of a more comprehensive framework of rules for international economic and financial exchange as well as of communication and information will be of paramount importance. The time may have come to revisit the earlier proposals of the United Nations Organization and Unesco, hastily abandoned under pressure from powerful lobbies in the era of the ideological conflicts of the Cold War, for the establishment of a New International Economic Order<sup>5</sup> and a New International Information Order<sup>6</sup> respectively. In the economic field, the ongoing global crisis - that still has the potential of a systemic collapse – has certainly demonstrated that policies, which are exclusively based on the paradigms of neoliberalism, are in no way able to ensure a stable and balanced development.

It will be one of the main challenges for contemporary international relations theory to demonstrate how to reconcile the *stability* of world order with the notion of sovereign equality. The approach advocated by us is realistic – in the sense of paying attention to the necessity of correcting the actual imbalances, instead of ignoring them or trying to do away with them merely through normative proclamations or a self-righteous humanitarian posture. A multipolar constellation on the basis of genuine partnership, not a unitary world state, is the desirable outcome of reforms of the system of international relations in the era of globalization. Traditional power politics - history's "struggle for power" among rivals that only emphasize self-interest - has to be transformed towards new methods of "partnership among powers" where each of the actors, in their well-understood self-interest, pays attention to the global common good on the basis of mutua*lity*. This can only be achieved through a *reinterpretation* and adaptation of the paradigms of "rule of law" and "governance" to the requirements of multipolarity.

A first step in this direction is also contemplated by Zbigniew Brzezinski who – departing from the earlier perception of an imperial role of the United States<sup>7</sup> – advocates a new "global realignment"<sup>8</sup> – instead of rivalry – among three major global powers (United States, Russia, China), suggesting, in particular, that the United States

<sup>&</sup>lt;sup>1</sup> On the details of and avenues towards democratic reform see also the author's analysis: *Köchler H.* The Democratization of the United Nations Organization: Ideal versus Real // Human Rights, Human Security, and State Security / S. Takahashi (ed.). The Intersection. Ser. "Praeger Security International". Santa Barbara (CA); Denver (CO); Oxford (UK): Praeger / ABC-CLIO, 2014. Vol. 3. Chapter 3. P. 63–90.

<sup>&</sup>lt;sup>2</sup> See the earlier proposal: *Newcombe H., Wert J., Newcombe A.* Comparison of Weighted Voting Formulas for the United Nations: Preprint. Dundas (Ont.): Peace Research Institute, 1970.

<sup>&</sup>lt;sup>3</sup> International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of Former Yugoslavia since 1991 (1993); International Criminal Tribunal for Rwanda (1994).

<sup>&</sup>lt;sup>4</sup> On the problems of international criminal justice in the context of the global power constellation see : *Köchler H.* Global Justice or Global Revenge? International Criminal Justice at the Crossroads: Philosophical Reflections on the Principles of the International Legal Order Published on the Occasion of the Thirtieth Anniversary of the Foundation of the International Progress Organization. Vienna; N.Y.: Springer, 2003.

<sup>&</sup>lt;sup>5</sup> For details see the proceedings of the 1979 experts' conference of the International Progress Organization: The New International Economic Order: Philosophical and Socio-cultural Implications // Studies in International Relations. Guildford (England): Guildford Educational Press, 1980. Vol. III.

<sup>&</sup>lt;sup>6</sup> For details see the conference report of the International Progress Organization: The New International Information and Communication Order: Basis for Cultural Dialogue and Peaceful Coexistence among Nations // Studies in International Relations. Vienna: Braumüller, 1985. Vol. X.

<sup>&</sup>lt;sup>7</sup> The Grand Chessboard: American Primacy and Its Geostrategic Imperatives. N.Y.: Basic Books, 1997; The Choice: Global Domination or Global Leadership. N.Y.: Basic Books, 2004.

 $<sup>^{\</sup>rm 8}$  Toward a Global Realignment // The American Interest. 2016. T. 11, No 6. P. 1–3.

should accept at least one of the other two states as "a partner in the quest for regional and then wider global stability."<sup>1</sup> In the emerging multipolar order, this kind of great power partnership has indeed become an "imperative of prudence" – in view of the catastrophic disintegration of order in the wider Middle East, in fact a collapse of the post-World War I state system, and the resulting global threat of terrorism<sup>2</sup>.

In this period of transition from unipolarity towards multipolarity, all measures contemplated here will have to be oriented towards securing a state of durable peace – what earlier (in the bipolar era) has been characterized as "peaceful co-existence." At the same time, we shall have to be aware of the conceptual *contradictions* in both, the notions of "international rule of law" and "global governance," especially in terms of collective security. In the absence of a world state as supranational entity – which we do not advocate because of the implications in terms of sovereign equality and self-determination, neither of the two paradigms can be transferred statically, or one-dimensionally, from the conceptual framework of the sovereign nation-state (with its hierarchical structure of law enforcement) to the ever more complex system of interdependence between a multitude of states; but they can serve as guidelines – "regulative ideas" in the Kantian sense – for the building of a more just and peaceful world.

## Vladimir Kvint<sup>3</sup>

## FORMATION, DEVELOPMENT AND CATEGORIZATION OF THE GLOBAL EMERGING MARKET

### **Key Definitions**

*Emerging Market (EM)* is a society transferring from command economy to economy strategically focused on market relations, with the growing level of economic freedom, consistent integration into the global market space (GMS) and with other parties of the GMS, expanding middle class, improving the standard of living, strengthening social stability and tolerance as well as developing cooperation with multi-faceted institutions.\_

*Global Emerging Market (GEM)* is a new strategic, economic and political phenomenon in the global market space, encompassing emerging markets and their regional blocks that, notwithstanding differences in a number of geopolitical characteristics, are united by comparable risk levels, maturity of free market's infrastructure, orientation of the vectors of strategic development of emerging markets in the direction of economic freedom and global integration. The GEM motivates further international economic and corporate cooperation and competition.

## Origination of the Global Emerging Market as a New Economic, Strategic and Political Phenomenon

The GEM's origination has no certain date. The term "emerging stock market" first appeared in books and papers on finance in the end of the 1970s. It was originally described as stock exchanges, one's own capital, debts and securities market beyond the economically developed countries.<sup>4</sup> By that time there were already 43 such countries and they had their national stock exchanges. The term "emerging stock markets" mostly refers exactly to securities markets of these countries. However, up to the beginning of the 1990s there was no category to describe and characterize the maturity of national economies of these countries as a whole. The original terms started forming at that time, reflecting vague ideas of emerging markets' (EMs) development, but yet not the global emerging market (GEM). Categories and definitions of such countries lacked fundamental theoretical basis, generalizing their systemic research focused on the analysis of the nature and special features of the countries with new market relations. Notwithstanding the fact that the GEM has been existing for about 40 years, the first definition of the GEM and emerging markets was published only in 2009 in my book<sup>5</sup> (which was later translated into Russian)6, directly addressing this issue. For example, International Finance Corporation (IFC) thought in the 1970s and still thinks in 2017 that all countries with GDP per capita below the minimum requirements of the World Bank for high-income countries are the emerging countries. The current World Bank classification of countries by GDP per capita is as follows:

<sup>&</sup>lt;sup>1</sup> Toward a Global Realignment... P. 3.

<sup>&</sup>lt;sup>2</sup> "...A prolonged phase of sustained ethnic, quasi-religious wars pursued through the Middle East with self-righteous fanaticism would generate escalating bloodshed within and outside the region, and growing cruelty everywhere." See: Brzezinski Z. Toward a Global Realignment. URL: http:// www.the-american-interest.com/2016/04/17/toward-a-global-realignment 3 Foreign member of the Russian Academy of Sciences (USA), Head of the Financial Strategy Department at the Lomonosov Moscow State University, Head of the Department of strategy, territorial development and life quality at the North-West Institute of management (The Russian Presidential Academy of National Economy and Public Administration, Dr. Sc. (Economics), Professor, Honorary Figure of Russian Higher Education. Author of more than 500 academic papers, including books "Strategy for the Global Market: Theory and Practical Applications", "Business and Strategic Management", "Global Forming Market in the Transition Period", "Global Forming Market: Strategic Management", "Originating Market of Russia", "Capitalization of New Russia" "The Russian Far East: Strategic Priorities For Sustainable Development" (co-auth) and others. Member of the editorial board of the Economics and Mathematic Methods magazine. Member of the Bretton Woods Committee (Washington) monitoring the World Bank, International Monetary Fund and WTO. He was awarded the Order of Friendship, the Order of Honor.

<sup>&</sup>lt;sup>4</sup> Park K., Agtmael A. van. (eds.) The World's Emerging Stock Market: Structure, Development, Regulations and Opportunities. Chicago and Cambridge: Probus Publishing Company, 1993.

<sup>&</sup>lt;sup>5</sup> Kvint V. The Global Emerging Market: Strategic Management and Economics. N.Y.; L.: Routledge, 2009.

<sup>&</sup>lt;sup>6</sup> Квинт В. Стратегическое управление и экономика на глобальном формирующемся рынке. М.: Бизнес-Атлас, 2012.

Income	2006	2013
Low income	< \$US 905	< \$US 1,035 or less
Below average income	\$US 905-3,595	\$US 1,036-4,085
Higher than average income	\$US 3,595-11,115	\$US 4,086–12,615
High income	> \$US 11,115	> \$US 12,616

World Bank's classification of countries by GDP per capita for 2006 and 2013

These figures show that according to one of the most integrated indicators - GDP per capita - the world economy has made a giant progress in the quality and standard of living over the seven years. The income of the lower middle class in the past became the income of lower-income people. The income considered high in 2006 became the income of people with the income higher than average in 2013, high-income class figure increased by US\$ 1,500. This progress would have been impossible without the new level of economic cooperation's integration on the global market. This data also confirms the continuing decrease of the gap between incomes of people in developed countries and emerging countries. Strategists should appraise this dynamics for the strategized horizon by introduction of the required coefficients. This will surely help them provide the best view of the strategized objects in future.

When on the initiative of Antoine van Agtmael, IFC renamed "Third World Database" and it became "Emerging Stock Market Database"<sup>1</sup> (which later appeared as two parallel indexes: S&P/IFC Emerging Market Index acceptable for investments, covering 22 markets, and S&P/IFC Global Index, covering 33 markets<sup>2</sup>), IFC incorrectly equaled these two terms. Nevertheless even that was a step in the right direction of admitting the origination of a new economic phenomenon which was described and analyzed in detail in my book of 2009<sup>3</sup>, directly addressing the Global Emerging Market, in which this new category was fixed.

## Maturity Appraisals and Ranking for Emerging Markets

A single indicator, even so multi-faceted as GDP per capita, cannot fully categorize EM. First of all, it's very important to view the vector and kinematics of this indicator's changes as a whole. Exactly the direction of changes of the standard and quality of living of the people had a significant impact on the maturity of the economies of these countries. However, there are examples when certain states were categorized as EM but returned to their original category of developing and/or underdeveloped. For example, Zimbabwe where the government changed political and economic course and attitude to international cooperation. However, even description of a country exclusively as appraisals of the GDP per capita vector does not create an adequate basis for analysis of economic maturity or determination of the right categorization of the national development strategy. A more complex analysis is required, such as strategic comprehensive system for classification of countries, the foundation of which was also laid and described in my book of 2009 mentioned above.<sup>4</sup>

The first periodical printed media specially addressing the research of EMs were presented at the World Congress of Economic Management and Development, and the World Bank Group and the International Monetary Fund annual meeting in October, 1994 in Madrid. For the first time, the world community focused its attention on EMs in October, 1995 at the World Congress of Economic Management and Development, and the World Bank Group and the International Monetary Fund annual meeting in Washington. Also in 1995, the US Department of Commerce and the International Trade Administration of the United States demonstrated the understanding of the EMs' new role and arranged the workshop "Beyond Borders: Big Emerging Markets". Argentina, Brazil, China, Hong Kong, Mexico, Poland, Turkey, Sooth Korea, South Africa and Taiwan took part in the workshop. Even before the start of the workshop, experts argued what countries exactly should be qualified as EM. Besides, the fact that EMs were a part of the global formation - the GEM - was hardly understood at the time. However, 20 years later it's hardly arguable that EMs can be grouped according to their general focus and long-term development trend in the direction of economic freedom and integration into the GMS. While some EMs can occasionally deviate from such course (as Venezuela, Bolivia, Zimbabwe, Uzbekistan) and the speed of the others' movement differs significantly, finally all ways to the GEM lead to economic and even political freedom and improvement of the quality of life.

In order to determine the level of the country's economic maturity, the degree of its integration into the GMS and possibility of its referring to EM, strategists should refer to several sources. There is a fairly wide range of ranking, including international multilateral organizations, rating agencies and various research institutions. There are several organizations and agencies regularly publishing appraisals and/or data acceptable for strategic analysis when assessing the country's maturity. There are World Bank Group, Moody's, Standard and Poor's (S&P), Fitch, Dun and Bradstreet, Heritage Foundation, Wall Street Journal, Economist Intelligence Unit, Morgan Stanley Capital International Barra (MSCI Barra) and others among them.

Strategists should compare various agencies' ratings, find discrepancies and understand reasons behind these variations. In order to adhere to this practice, it's required to have considerable theoretical knowledge and practical experience. It's absolutely necessary to emphasize the fact that all above mentioned agencies and organizations lack clearly defined systems for classification of countries to ground their ranking, forecasts or assessments on. As a result, strategists should be very careful and conscientious when using reports by organizations and agencies describing such groups of countries as EMs, developing or developed countries. These categories are nearly never well-studied and/ or their assessments are based not on convincing methods, and that distorts results and conclusions of the said organizations and agencies in respect of specific groups of countries. A strategic comprehensive classification system for countries should help to put in order, arrange and strategically analyze data obtained from the above mentioned agencies, organizations and institutions. It's important to analyze

<sup>&</sup>lt;sup>1</sup> *Agtmael A. van.* The Emerging Market Century: How a New Breed of World-Class Companies is Overtaking the World. N.Y.: Free Press, 2007. P. 5.

<sup>&</sup>lt;sup>2</sup> Russell Investments. S&P/IFC Emerging Market Indexes. 2007. Nov. 2. <sup>3</sup> Kvint V. Op. cit.

<sup>&</sup>lt;sup>4</sup> Kvint V. Op. cit.

not only absolute country ratings but also their dynamics and ratings in comparison with other countries. Strategists should compare opinions of home and foreign experts and analyze any discrepancies between them. As EMs get profits from positive assessments by big rating agencies as this helps to attract investments, many national governments react to big agencies' requirements. This is direct and positive impact of rating agencies on the economic and financial situation in a country and the world. Investors can also profit from that, developing strategy focused on entering the country that aspires to be better assessed by rating agencies. The assets of the countries included in ratings for the first time, immediately increase their market value.

### Determining Characteristics of an Emerging Market

What are the requirements and characteristics of a country for it to be considered a part of the GEM? First of all, acquiring these characteristics is not a linear process. As economy in an EM is developing and continues its advancement, some characteristics are acquired and others are being lost. From the very start of practical application of the term "emerging markets" by financiers, economists and managers of commercial entities (even before the term "newly emerging economies" was created), there was always a need to understand general characteristics of this economic phenomenon. It was especially required because originally, when the term did not have a precise definition, "emerging stock market" and "emerging market" were used as synonyms.

Below is the list of the main, in my opinion, characteristics that all EMs have, had or will have at certain stages of the economic maturing and development process. All these characteristics (maturity indicators) are enriched via empirical and comparative analysis by special features of developed or developing countries. And though the presence of all mentioned below characteristics is not necessary for a national economy to be an EM, all EMs run across the following special features and processes in certain periods of their development.

45 Main EM Strategic, Economic and Political Special Features:

1. Trying search for strategic way from dictatorship to democracy.

2. Quick transfer from administrative and command economy to free market economy.

3. Quickly growing level of economic freedom.

4. Often but not always growing level of political freedom.

5. Brief anarchy period at the time of original transfer from dictatorship to free market economy which ends quickly as soon as the law and order are consistently provided.

6. Replacement of one-party system by multi-party system (in case if it didn't have several parties under the dictatorship).

7. Formation of a more open society.

8. Original increase of corruption but decrease of nepotism and possible decrease of both while openness grows.

9. Replacement of dictatorship legal framework with the legal system focused on free market, protecting private property and private interests.

10. Poor protection of intellectual property rights.

11. Decrease of differences in legal status of foreign and local enterprises.

12. Original increase in crime, accompanied by gradual advancement of laws and strict law enforcement with the strengthening of power.

13. Quick change of legal, business and economic environment which makes investments more risky, even if these changes go in the positive direction.

14. Gradual transfer from the society where rulers are above the law to government responsible to the law and society.

15. Search for religious tolerance and growth of various political and ethnic associations based on increasing interest in historical roots and national memory.

16. Transfer of numerous economic functions of the national government to regional and local authorities.

17. Large-scale privatization.

18. Increase of workforce efficiency.

19. Economy develops at a quicker rate than the GMS as a whole.

20. Considerable deregulation of companies' and other legal entities' setting up and activities.

21. Setting up such free market institutions as commercial and investment banks, insurance companies; audit, accounting and law firms, etc.

22. Creation and development of stock market institutions and tools (shares, currency, commodity and stock exchanges, trusts and boards of trustees and guardians, securities, authorities regulating the market, etc.)

23. Strengthening of national currency's exchange rate.

24. Gradual integration with other GEM member states and integration into the GMS.

25. Strengthening of the global trend for rationalization via increase of economic cooperation in regional blocks and on multi- and bilateral basis.

26. Slow integration of economies of internal regions of the country in comparison with the rates of their integration with the economies of foreign regions, especially developed economies.

27. Elimination of most remaining limitations for foreign investments into the country.

28. Foreign direct investments gradually replace help by foreign states.

29. Regular outflow of domestic and periodically foreign capital.

30. Diversification of national economies mostly focused on natural resources and raw materials, to more complex and high-tech sectors and services.

31. Decrease of raw materials' production in GDP and export.

32. Growing state and corporate attention to ecology and environmentally friendly technologies.

33. General movement to a more efficient economic structure, focused on consumer interests.

34. Promotion and diversification of tourist and hospitality industry.

35. Increase of the numbers and role of family business, small and middle-sized companies.

36. Positive trade balance originally as a result of lack or reduction of resources for import. Need for more technologically complex and/or high-quality goods and services, that cannot be produced inside the country, grows with the economy's development. In general, the weaker economically EM is originally, the more positive its trade balance is.

37. Development and expanding of the middle class.

38. On the average 15–25 percent of the population live below poverty level.

39. Increase of differences and inequality at the time of the original stage of market economy development.

40. Increase of the numbers of emigrants among blue collar workers as well as specialists and scientists (brain drain) when national borders are opened. Many return later when the economy and the level of economic freedom improve.

41. Advancement of infrastructure for industry, telecommunications, transport and electrical grids thanks to considerable state investments.

42. Exponential increase of telecommunications and IT sectors' development because of quickly increasing demand for the access to information.

43. Higher level of general education than in developing and underdeveloped countries and lower illiteracy level.

44. Significant deficit of specialists in finance, but many-times increase of students' interest in economic, financial and strategic research, with considerable advancement of these fields of knowledge at the same time.

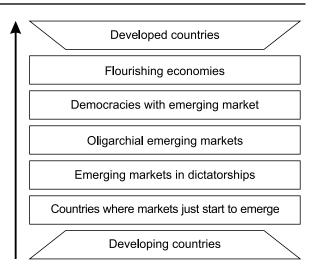
45. Increase of interest in the English language as international business language in parallel to local languages.

These 45 main EM characteristics can be used by a strategist as a test to find out if the country of interest refers to the GEM or not. However, as it was emphasized above, the country does not need to obligatory have all the said features at the same time to be considered an EM.

#### **Classification of Emerging Markets**

In accordance with the assessment methods, well-grounded in my book of 2009 mentioned above<sup>1</sup>, there are 83 EMs in the world economy in the second decade of the 21st century. However, there is only one GEM which is a subsystem of the GMS. The GEM is constantly cooperating with other GMS subsystems, i.e. developed, developing and underdeveloped countries. In most cases, EMs greatly differ from one another in the level of their maturity, economic or industrial structure, middle class development and presence of democratic institutions, etc. They may be classified using several various methods. The following classification of EM categories is based on the levels of their maturity in the period of transformation from developing countries into the category of emerging market and later into developed countries. This does not mean that each EM should go through all presented transition stages. Each EM has its own "starting point". It's possible that one country, an oligarchial emerging market, was an emerging market in the dictatorship environment in its starting point, while another country could originate as a developing market – a category even before the first stage of the group of emerging market. After all, all EMs are directed to one and the same goal: to become a developed country.

A typical mistake is combination of the terms "EM" and "GEM" to create a pseudo-term "global emerging markets". Examples of use of such a pseudo-term can be found e.g. in the name of the company Global Emerging Markets or academic databases, such as the Global Emerging Mar-



ket Database that uses both terms on its home page – the right global emerging market and the wrong global emerging markets – alternately as synonyms. If a market is global, already because of that it cannot be plural.

The GEM's role in the GMS increases with the EMs' and their regional blocks' increasing economic power and political maturity and increasing level of political stability and democracy. While in some EMs democracy may possibly not be growing, it definitely strengthens in the GEM as a whole. In the overwhelming majority of EMs society democratization and liberation processes are going on. Most EMs also diversify their national economy, though development in this direction goes slower. While not every EM goes through these processes, most EMs transfer from the mono-industry economy, where one or two sectors dominate, or from an inefficient industry's structure to a more efficient diversified innovative economy. This process requires giant investments and political will.

In some EMs such as Argentina, Brazil, the Philippines and Egypt, there were several main free market institutions - commercial and investment banks, audit and law firms, stock exchanges - even before internationalization of their economic systems. However, mostly EMs are at the early stages of setting up and development of such market institutions. Not all EMs are constantly developing so quickly from the economic point of view as the GEM as a whole. EMs can have considerably different GDP per capita and as a result various standards of living. In some cases the standard of living in EM may be closer to the standard of living in developed countries, while in other cases the standard of living may be closer to the standard of living in developing countries. However, the average GDP per capita and the standard of living in the GEM is unique, i.e. lower than in developed countries and higher than similar average figures for developing countries. It's important to understand that the GEM as a whole has certain specific characteristics that may differ from similar characteristics in certain EMs that are GEM parties.

As it was well-grounded above, the global emerging market is a new phenomenon. Business professionals, strategists, experts often have contradictory opinions about what countries can be viewed as a part of the GEM, and contradictory opinions may be even presented in special books and papers addressing this issue. Analysts, strategists or managers should study the opinions of all accessible rating agencies, professionals and publications in the leading media and come to their own conclusions as to a country's level of development. Even if a country e.g. has all the EM characteristics, this does not mean that this market is really opened for all or any foreign company. Not all companies are ready to work in the environment of certain EMs.

### Increasing Contribution of the Global Emerging Market

The global emerging market is developing much quicker than the world economy as a whole, and quicker than developed countries. And what is more, EMs of Eastern Europe with the slowest development rate in the GEM as well as most countries that were a part of the Soviet Union, are nevertheless developing at a higher rate than the world economy as a whole. Starting from 2003, the output of industrial products on the global emerging market increased by 35 percent while in developed countries it increased only by 10 percent. In the second decade of the 21st century, the emerging economic markets are looked upon as the leading locomotive for the growth of the world economy as it was never done in the past<sup>1</sup>. Actually, over the most part of economic history, emerging economic systems developed much quicker than more developed economies. It's easy to explain it: it's much easier to rise from a very low economic level than grow from a higher level of economic development. Each percentage point at the time of the primary development stages consists of much less economic investments and output of industrial products. But certainly, economic crises and business recessions are more often seen in less developed economies than in more developed economic systems. In 2007, as a result of the four-year review, all 32 emerging economies, followed by The Economist, demonstrated growth. This is an outstanding result as every previous year starting from the 1970s, at least one of them was in recession if not a serious financial crisis2.

It's clear that even the rating agencies have no definite, agreed upon idea of what countries should already be classified as emerging markets, and what countries are important to be paid attention to as promising for inclusion in this category. This observation is true not only in case of quickly developing economies of South-East Asia and Russia but also for developing Europe – old economies reviving again after the Communist period. This is another indicator that notwithstanding different geographical locations, all emerging markets have many similar features and development dynamics.

We did not have to wait for the result for long: already in May, 2014, the contribution of 83 emerging markets in the world GDP approached 56.3 percent and exceeded the total GDP of all developed countries. However, because of the lack of a single widely recognized classification of national economies, the data differs significantly.

#### **Strategic Prospects for Business**

Strategic leaders of EMs should strive for development of the environment that creates opportunities for their residents to improve the quality of life as a basis for the economic system's success. Usually this is achieved by promotion of economic freedom, market-focused reforms that in 77

their turn lead to high level of freedom of choice for people and organizations. This is the source of high standard of living of the people. Using existentialism terms, one can say that production of goods and services of various quality by any company is determined by freedom of choice based on individual needs and preferences. But on the other hand, freedom of choice cannot exist without production of goods and services of various quality for consumers to really have a choice. Various standards of living and/or various preferences of consumers with the same purchasing power lead to appearance of differences in consumption.

The choice is always limited in command economy, if there is a choice at all, because of insufficient goods and services, especially of higher quality. In GEM countries freedom of choice is created by development of economy with free market relations that is focused on the needs and interests of individual consumers. Certainly, the main goal of companies from developed countries entering the GEM, is getting profits. In this case, there is increase of output of goods and services, and from that the society gets even more freedom of choice for individuals.

A company on the global emerging market should determine its strategy, publically announce it via announcing its mission and not the confidential part of vision, social focus of the company, a part of priorities (open for the society) and responsibility to the society, regional and local communities, as well as inform the society about offers and services. This will help an enterprise to be more efficient strategically and have support of the people.

## The Future of the Global Emerging Market in the Global Market Space

Strategic analysis shows that the role of the GEM in the GMS will continue to expand at least till the end of the 21st century. As a result, most of the more mature EMs will reach the flourishing stage, characteristic of averagely-developed countries and won't be referred to the GEM any more. This will undoubtedly have a great impact on the GMS.

No later than by 2025–2030, several EMs will transfer to the highest category according to the level of development within the GEM limits – "flourishing economics", or even leave the GEM to the category of "economically developed country" (mature economy). In Europe, the Czech Republic, Greece, Portugal, Slovenia and Slovakia will follow Spain (which is already now referred to "flourishing economies" notwithstanding the 2010–2015 crisis) and Ireland, which by that time will already transfer to the category of developed countries. In Asia, Singapore, South Korea, UAE, Bahrain and possibly Taiwan will also be referred to the category of developed countries. Costa Rica will be the only developed country in Latin America.

On the other hand, countries with low standards of living which now lack economic and political freedoms will finally (over ten years) initiate political and economic reforms and become a part of the GEM. The processes that began in the Maghreb countries and the Arab states of the Persian Gulf only confirm the strategic analysis offered five years before the events. Certainly, it would be unreasonable to suggest that all EMs are constantly developing in the direction of progress. Sometimes progress can be stopped, suspended or even reversed. But apparently, the people and

<sup>&</sup>lt;sup>1</sup> Dizzy in Boomtown (2007, Nov. 15) // The Economist. 2007. Dec. 1. <sup>2</sup> Ibid.

governments of these countries will in the end understand that there is no reasonable alternative to economic freedom and integration in the GMS.

Spreading democracy and economic freedom will lead to transfer of the most successful EMs to the category of developed (mature) economies. A number of countries that in the end of the first decade of the 21<sup>st</sup> century were recognized as the countries where markets just start to emerge, developing and even underdeveloped, will become a part of the GEM. Nevertheless, it's important to note that the GEM is not a short-term formation consisting of countries at the transient development stage. Over the next 100 years, these countries will not only provide additional opportunities but also create strategic challenges for developed countries. It is indisputable that all the main problems of the humankind like poverty, hunger, unemployment, mass illnesses, ecological catastrophes, terrorism and migration may be only solved by way of partnership of national governments of various categories of countries and the international business community, regional and world multi-national institutions. These global challenges should be smoothed over and solved in accordance with global agreed upon strategies necessary for that. Under the GEM impact, common to the humanity problems will at the same time intensify and be solved, and as an answer to that the global world order will be constantly brought in the renewed accordance.

## V.A. Lektorsky<sup>1</sup>

## CHALLENGES OF TODAY'S GLOBAL WORLD: WHAT TO EXPECT, WHAT TO HOPE FOR, WHAT TO DO

The Western civilization and the whole world with it have been living in the environment of the keenest challenges and crises for many decades already.

The environmental crisis has been going on for at least half a century. Development of the Western world and the rest of the world after it along the technological civilization road led to unprecedented intrusion in natural processes, the idea to subjugate nature to serve man was embodied in disturbance of natural relations and placed the human race in the face of its own peril (our well-known scientist, academician N.N. Moiseev, combined the question "to be or not to be as to the human race" with the solution of the ecological problem). A lot is being written about this crisis. There are influential environmental movements, or green movements and even political parties. There are decisions taken on the subject at the international level. However, on the whole the problem does not disappear but it is becoming more acute.

But recently other challenges cropped up, they are no less acute, they originated in another field of human activities, they also question a possibility to preserve a human

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in the habitual for us form. These challenges are the result of the latest stage of science and technology development, emergence of new information technologies (TV, computers, communications on the Internet) and in connection with that the most developed countries' joining the so-called "information community".

The high rates of knowledge renewal, typical for the information society, entail quick alternation of social structures and institutions, personifying this knowledge, as well as types and means of communications. Many social processes become something ephemeral: existing for a relatively short time. Integration of the past and the future into a common chain of events, forming an individual biography and "the defined self" lying in the personality's foundation, in some cases turn out to be a difficult task. The chain of social and technological mediations between the action and its result, which is becoming more and more complex in the present-day society, makes rational planning of actions complex not only on the collective level but even on the individual level. But there is more to it than that. Any rational action presumes not only taking into account its possible consequences but also correlation of the chosen means and the existing in the society behavioral standards, collective ideas of what is allowed and what is not allowed, ideas of the acting subject about oneself, one's biography, commitments taken upon oneself in the past, belonging to this or that community, i.e. with what is called individual identity.

Meanwhile, the today's Western world suffers an individual identity crisis. It's not without reason that the identity crisis problem today is one of the most discussed at various conferences of philosophers, psychologists, sociologists. This is connected with destruction of many habitual standards, with the above-mentioned evanescence of social processes, with the difficulty of integration of the past and the future, various communication flows and various systems of social interactions at the individual level. There are more and more individuals characterized by poly-identity or "blurred identity", whose conscience turns out to be fragmentary and who cannot answer the question of what they are ("Who am I?"). This is already not a man in the usual sense of the word as the basic condition of the normal human vital activities (from the point of view of the standards that have been unquestionable until now) is the presence of the unity of consciousness - both synchronous and diachronous. According to Kant, the unity of individual consciousness is the a priori condition of its possibility. But today exactly this unity is questioned, if you believe the results of a number of sociological and psychological studies. An individual included in the today's mass communications system turns out to be very pliable for various propaganda influences. This is used in modern PR and the so-called political technologies. The main goal of PR professionals is not development of rational abilities of an individual but on the contrary damping his/her critical reflection. The old ideal of the European culture is an individual who freely, without any external pressure takes decisions based on one's own considerations, but today it seems even less viable than it was one hundred years ago. Contemporary information technologies provide new opportunities for manipulating the conscience, suppression of the freedom of man.

These technologies, in particular, social in essence blast the human lifeworld. At the same time we are not speaking about its invariants that make the foundation of human existence in contrast to its cultural and historically established forms.

To illustrate this point I'll start with reviewing the Internet. This is a great technological and social achievement meaning exit to new horizons of human life and new space of freedom. This is elimination of cultural isolation, new ways to create inter-individual ties, setting up online communities, or Webcieties. If historically existing communities presume a cultural tradition (i.e. special reference to the time) and organic development, tied to a certain space, online communities originate spontaneously and exist out of time and out of space in a certain sense. Belonging to a historical community does not depend on an individual. Reference to a Webciety is determined by an individual.

It's possible to create a new personality for yourself on the Internet, with a new biography and a new name, and to communicate with others of the same kind (in chats). In this case a number of limitations present in real life are eliminated. "Expanded reality" and "virtual person" appear. New opportunities for creative self-expression present themselves: creation and placement of various texts on the Internet, starting from those having pretensions to fiction and ending with attempts to solve academic and philosophical problems, political thoughts and comments on current events in social, political and cultural life. If there are restrictions in most cases when texts are published on paper (censorial as well as stereotypes existing in every field of professional activities), all such restrictions disappear in case of the Internet. An individual as if gets an opportunity for unrestricted free creative hovering. The difference between the author and the reader is eliminated. Anyone can become "an author" on the Internet.

However, a number of keenest problems crop up in this connection. Really, the Internet as it exists today is not only new great opportunities but also new big dangers.

The matter is that any action in the real, not virtual world presumes not only freedom but responsibility as well. This is a necessary condition of the real social life (Kant would say "transcendental condition of possibility"). It's possible to speak freely about everything on the Internet, without bearing responsibility for that, and not infrequently hiding under a fictitious name. In real life any kind of activities, starting from building a house and ending with academic research and creation of literary works and works of art, presumes certain standards and norms, without which it is impossible. These standards at the same time serve as filters (censorship, if you want it), not letting into this system of activities anything not in correspondence with it, that can destroy it, and at the same time they allow to appraise what was done and single out samples (authorities). All the said restrictions are non-existent on the Internet. There are no authorities. All are equal, everyone can be an author independent of his/her talent and professionalism, and may speak about anything and say anything that comes to his/her mind. Really this means complete de-professionalization. It's not without reason that there are too many deprived, resentful, not recognized in their professional circles people on the Internet today. As one of our prominent figures in the field of culture said, the things which were written on fences in the past are now placed on the Internet. If everyone is an author, this is the end of fiction (there is such a theory suggested now). But this is not only the end of literature. This could be the end of science as well (had the academic community been serious in its attitude to the publications on the Internet). This could be the end of culture as a whole as the latter presumes standards, examples and hierarchy - exactly what the present-day Internet negates.

The matter with the "e-democracy", which the Internet as if makes possible, is not so simple. Really it is possible to make people take to the streets with the help of the Internet and social networks. But in order to offer a sensible program for overcoming the social and political crisis, experts', specialists' efforts are required. Such programs are not worked out in Internet chats. On the whole, as the life shows, the today's society of knowledge with its complicated technologies, including social, presumes the increasing role of experts, without whose work no serious social, economic, political decision is possible today. Because of that as a number of theoreticians think, modern social technologies presume not "e-democracy" but more likely "expertocracy". But in this case other problems spring up. As the experience shows, experts may proceed not from the interests of the majority of people but interests of a narrow circle, besides they have their own interests.

To put it otherwise, the Internet and the connected with it information and communication social technologies are challenge to traditional ideas of culture, man and social life. The Internet generates problems, which did not exist before and which need to be solved. Where to look for the solution?

The answer to this question presumes serious discussion. I don't have a ready answer. I nevertheless think that the future of the Internet is connected with the fact that at the same time with online de-hierarchized communities, it will also support professional communities with certain standards and samples of activities. The latter cannot be viewed as unchangeable, they should be dynamic and flexible. But they should exist at every moment of time and grade professional activities. I think that terms and conditions will be worked out for acknowledgement of Internet publications as academic or literary. Certainly, it's impossible to get rid of trash and rubbish on the Internet (creation of this rubbish can even be useful for psychotherapeutic purposes). As for misanthropic, pathologic and criminal texts, it's required to find a way to get rid of them. To put it otherwise, the Internet requires regulating. Then it may transform from the threat to culture into means for its creative development, the way to realize the freedom of man.

Another problem generated by modern technologies is growth of the number of risks and degree of risk to life. The risk society is not something separate from the society of knowledge but just the other side of the same coin, on the face side of which the words about the society of knowledge are written. The technologies deeply transforming the existing natural and social order, are developed on the basis of modern academic knowledge. And that is always fraught with unforeseen consequences. There is special work done to minimize risks when working out new technologies. But it turns out to be impossible to prevent them completely. And let their probability be considered insignificant. In cases when these risks are realized, their consequences turn out to be horrendous (as, in particular, the Fukushima disaster in Japan demonstrated).

The work to minimize risks will continue. But their numbers and the degree of danger in the society of modern technologies will hardly decrease.

And that presents certain requirements for a man. On the one hand, a need arises to take quick decisions in unforeseeable circumstances, i.e. the requirement to enlarge the spaces of freedom. On the other hand, there is also a need of bigger control over an individual by the society especially in the environment of technology-related and terrorist threats. This will be possible to do already in the nearest future with the help of universal e-cards fixing individual's movements, his/her entering shops, purchases made, etc. One can be provided with a device that will constantly sent signals to some service about an individual's location and everything happening to him/her. This will allow to control his/her movements and send recommendations about movements and in case of danger interfere in an individual's life. Certainly, this is a way to control an individual and limit his/her freedom. But one can suppose that most people will be eager to agree to such limitations in the environment of increased risk. One can think that in the interests of human life's safety, control over an individual may go even further as modern technologies allow that. By the way, this is not the thing for the future but what we are already approaching today.

But where in this case is the borderline between the required restriction of freedom in the extra-complex technological society and a possibility to manipulate a man in the interests of certain social groups? On the whole, the borderline between "mine" and "not mine" in the today's society, between private and public space, principally important for European culture for many centuries, is being more and more blurred. And this generates problems connected with understanding an individual, his/her freedom, his/her opportunities.

Development of biotechnologies generates new challenges. In the nearest future, it will be possible to make a personal gene map of an individual quickly and fairly cheaply, it will be possible on the basis of it to judge not only biological special features of an individual and his/ her diseases but his/her predisposition to various diseases as well. One can imagine how such maps may be used by contemporary employers, what possibilities for control over an individual they open. Today's experiments connected with direct intrusion into human body, brain and psyche go even further. This is not only affecting human genome (genome editing or transformation). This is direct intrusion into human brain, sensor system. The consequences could be monstrous.

Thus, if we speak about crises experienced by the modern civilization, it's possible to add the anthropologic crisis to the environmental crisis.

And finally there is another crisis, which hit the human race fairly recently. It can be called the crisis of that form of globalization, which was practiced until recently.

The intensively going globalization process creates serious challenges for nation-state interests.

Globalization includes several components. This is, first of all, modern market economy's spreading to all regions of the world, accompanied by origination of multi-national corporations, which today manage many economic processes in the world, and not taking into account the existing nation-state borders. This is, second, universal penetration of modern communications technologies into all countries of the world: TV, Internet, mobile communications. Both generate global mass culture, which as it may seem successfully pushes out traditional culture, developing exactly within the limits of nation-states.

There are theoreticians thinking that nation-state identity should disappear in the process of globalization, that the future of the human race is connected with disappearance of nations and nation-states, that the idea of state sovereignty will soon be history, and individual identity in future will base on either global collectiveness (cosmopolitism) or separate accidentally set up and quickly disintegrating Webcieties. Other theoreticians, post-modernists, go even farther: in their opinion, the idea of any human identity, both individual and collective, totally loses sense today.

Meanwhile, this issue is full of deep sense and especially today.

Surely, it's possible to efficiently solve many economic problems within the limits of market economy. Undoubtedly, new communications technologies and new NBIC (nano, bio, information, cognitive) technologies create a new space for human development, present principally different opportunities to go beyond the limits of cultural isolation. But at the same time the globalization process as it goes now threatens not only the existing nation-states but an individual as well. Globalization breaks not only inter-state borders but also the man's lifeworld, not only an individual from this or that culture but a man in general.

The growing individual's inclusion into global information and communications network is not only an opportunity to establish contacts with other people and cultures but also a growing network of dependencies. Opportunities for manipulations with conscience, human control, generating disinformation on large scales are expanding.

Communities originating as a part of global information networks differ from those based on traditional cultures in some respects. A Webciety can crop up in a moment and disintegrate at the same speed. It is not tied to any territory and it is not based on any sustainable tradition. Relations between such communities have no hierarchical character, and their aggregation cannot be presented as a systemic whole. Because of that inclusion into such communities and attachment to one of the existing cultures, based on historical traditions and supposing localization in space, come into a serious conflict.

Market economy has demonstrated its efficiency on the global scales. But as development of modern technologies and science in the basis of them takes place today within the limits of economy of this kind, both science and technologies acquire some features, which did not characterize them in traditional culture and which in a certain sense "dis-man" both science and technologies. I've just said about a possible danger of employing up-to-date technologies by men. As for science, in the environment of the present-day consumer society (which globalization is trying to spread all over the globe) it achieved the character of the socalled "technoscience": only the knowledge that can generate technologies is appreciated and promoted. And it is possible to manufacture goods for sale with the help of technologies. Knowledge turns into goods, and scientists turn into suppliers of services. This very seriously influences the ethos of science. If science works for big corporations, knowledge, acquired by scientists, becomes the property of the said corporations with all the following consequences up to making secret methods of obtaining knowledge that can be used to create new technologies. The so-called "cognitive capitalism" appears, new types of scientists, impossible before, come into being: e.g. scientist-manager. Luckily, not all science turned into technoscience and far from all academic knowledge became corporations' property. But surely the trend to turn science as one of the highest cultural human achievements into a simple way to make money, is connected with spreading of market relations to all spheres of human life, which exactly is taking place in the modern globalization process.

What can oppose this process, to be more exact the form globalization took today (as globalization can take place in other forms)?

It's possible to oppose dis-manning a man only in case if we are able to preserve traditional human values and at the same time adapt them to modern realities, including challenges created by science and technologies' development. And traditional values exist and are translated from one generation to another within the limits of existing national cultures. These cultures differ from one another. Understanding the world and man is not the same in them. But all of them have some common ideas, which are questioned today by global challenges. The variety of traditional cultures is not a drawback but a condition for survival and further development of the human race. On the whole, homogeneity (to which globalization practiced today leads) is a way to a dead end as it is well-known that development, evolution are possible only on condition of variety as various forms may reveal various resources at this or that spiral of further development and what today seems to be the most promising may not turn to be so at the new stage. The cultures existing today have to react to globalization challenges and adapt to these challenges

by way of self-development. It may turn out that resources for such adaptation will be different in cases of various cultures. Thus, for example, some traditional ways of work arrangement in China and Japan turned out to be well correlating with today's forms of chain enterprises' operation (because of that popular until recently identification of globalization with Americanization does not work any more). I think that values beyond pragmatism cultivated in Russian culture, can play a positive role in looking for a way out of the dead end of "cognitive capitalism". The most tragic will be the position of those cultures (and connected with them states) that won't be able to find resources for adaptation to the present state of affairs and self-development in themselves. They may lose their identity – both cultural and state.

So, protection of an individual today means protection and development of traditional culture, and the latter presumes protection of national identity, consequently, national interests. Today many politologists started speaking about the role of national interests – especially after the recent events in the USA and Western Europe (election of the new American President, Brexit). At the same time there are talks today that supposedly the recent international politics basing on values (first of all, the proclaimed by Obama's administration course for "spreading democracy" all over the world is meant) are to be replaced by new politics – Realpolitik, proceeding from national interests and even inclined to isolationism. But it's difficult to agree with such understanding of the contemporary world order.

Surely, national interests include protection of geopolitical and economic interests of the country, development of economy, public health, strengthening defense potential and many other things. But in order to preserve one's national identity, the state has to develop, and consequently adapt to existing global and political realities, to be more exact, not just adapt but give its answer to global challenges and consequently change, develop itself. A country cannot be isolated. But all that is impossible without preservation and development of culture as exactly the latter is what lies in the very basis of nation-state identity. Without one's own culture, all the rest (political and economic ties, state and public institutions) will not provide preservation of natural identity. And that means that protection of national interests is impossible without development of education, science and arts. An economically developed country, losing its culture, is deprived of national identity and consequently its national interests as well.

Because of that, certainly, competition and even struggle of various cultural essences will continue on the international arena. The world cannot evade the issue of global values. National interests do not push out the highest cultural values, on the contrary, they are tied with them very strongly. Consequently, the issue of dialogue of cultures (exactly the dialogue and not thrusting one culture on the others) is not becoming less urgent than it was until now.

## A.G. Lisitsyn-Svetlanov<sup>1</sup>

# ECONOMY AND LAW: SYSTEM SHIFTS, CHALLENGES AND CONTOURS OF THE FUTURE

The 17th International Likhachev Scientific Conference "Today's Global Challenges and National Interests" traditionally determines the legal aspect of the problem as one of the topics for discussion. When researching the global political, economic, social or humanitarian development processes and even when analyzing natural changes, there are issues involuntarily raised referring to the optimal regulation of relations of people, organizational structures and states as to the development of the said processes.

Globalization's origination in recent history may be established by various signs, but two factors are unquestionable. In historical retrospect, this is, first of all, launching reforms and progressive reformation of China and, second, collapse of the bipolar world. In recent years, a new generation has grown up, and these people witnessed the said processes, they adhere to certain ideas that will have an impact on future generations. The globalization process itself that took place in recent years was rather contradictory: from infinite romanticism and belief in the benefits of universal liberalization and international economic, political and humanitarian integration to selfish deification of not only national interests but the requirements of national elites.

The changes that took place in the subjects of international relations touched upon practically all aspects of life. And these changes demonstrated lack of wish to either thoughtlessly repeat transatlantic development models, or build relations inside the transatlantic alliance focusing exclusively on the Anglo-Saxon development model in case of many countries that started reforms<sup>2</sup>. As a result, the world has come to the full-scale confrontation via economic crises of the beginning of the 21st century, and this confrontation demonstrates not only infringement of the good-neighbour relation standards by states but also such basic principles of international law of imperative character as, in particular, obligations of states to cooperate in accordance with the UN Charter. The process of deviation from traditional fundamental principles of international law based on coordination of states' wills, which has begun, is replenished by the growth of national interests that can be attained, provided

or defended in various ways. Political alliances, foreign and home economic policy, social policy of states are referred to them. The goals of national policy may in some cases be attained by a military solution. Unfortunately, the practice shows that use of armed forces is usually explained by "good intentions" – support and establishment of democracy. The aggregate of these circumstances makes one correct the legal picture of building international relations.

Singling out economic issues out of the aggregate problems, we have to emphasize that in case of Russia they are especially important as the sphere of economic relations of Russia is inseparable from international economic relations. This predetermines the objective necessity to provide legal regulation in the area of national economy in the context of foreign economic relations.

The legal politics on the whole should be built not on the division into home and foreign but taking into account their inevitable interaction, where the priority of external factors does not dominate. In this connection, it's advisable to refer to item 4 of article 15 of the Constitution of the Russian Federation stipulating that "The universally-recognized norms of international law and international treaties and agreements of the Russian Federation shall be a component part of its legal system. If an international treaty or agreement of the Russian Federation fixes other rules than those envisaged by law, the rules of the international agreement shall be applied". It directly follows from its content that not any sources of international law are meant, but only those universally recognized, i.e. jus cogens, and only those treaties and agreements which the Russian Federation is a party to. The first are exclusively the principles fixed in the Declaration on Principles of International Law concerning Friendly Relations among States in accordance with the Charter of the United Nations, adopted by the General Assembly of the United Nations on October 24, 1970 (Resolution 2625 (XXV)). The second are treaties and agreements being a part of the legal system of the Russian Federations and regulators only in respect of states parties to the said treaties and agreements, i.e. acquiring the lex specialis character.

Thus, it's important to analyze what international legal regulation, created in its time as a globalization tool, is at present becoming less important, and what can provide a certain balance of national and economic interests, and objective requirements of world trade. Otherwise international trade will return to the times of "gunboat diplomacy", but only in different forms.

Objective analysis of results of economic crisis, political confrontation, real military actions in Europe, Africa and Asia had a direct negative impact on the fundamental rules adopted within the World Trade Organization. These rules called first of all to provide liberalization of international trade and the most favourable environment as the universal principle for building international economic relations, become meaningless with extensive imposition of economic sanctions as a legal tool for attainting political and military goals as a background. In practice, sanctions as

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<sup>&</sup>lt;sup>2</sup> Civil Law Systems in Question: On the World Bank's Doing Business Reports. Henri Capitant Association of Friends of French Juridical Culture. Vol. 1. M.: Wolters Kluwer, 2007. P. 171.

well as counter-sanctions or a threat of their imposition may refer to an unidentified number of people. They are connected not only with deliveries of goods, transfer of technologies and financing certain deals but also with long-term investments as such.

If we turn to the efforts in building new models of international economic legal orders, here we also have more problems than positive results. Thus, formation of the Transatlantic and Trans-Pacific economic unions can hardly be viewed as a prelude for development of international economic relations on a universal basis. First, they are definitely not of a universal global character. Second, they demonstrate evident internal contradictions. In case of the Transatlantic Project these are contradictions of internal elites, in case of the Trans-Pacific Project these are contradictions of two world economic leaders – the USA and China. Building legal order with known to be opposite goals of its participants can hardly be referred to the number of projects working for the universal benefit.

With this background, the legal policy of Russia in foreign economic relations issues is undergoing changes. This is setting up and development of the Union State of Russia and Belarus in the post-Soviet space as well as expansion of the international organization for regional economic integration – the Eurasian Economic Union (EEU). New initiatives in foreign economic legal policy include participation in various-format international organizations which do not satisfy traditional characteristics of either universal or regional ones. First of all, Shanghai Cooperation Organization and BRICS are referred to them.

Approaches to formation of principles for bilateral international agreements in economic sphere require certain changes. The first steps in this direction are already seen. They can be characterized as transfer from search of ideological unity of partners to sensible pragmatism based on economic and/or military and political interests.

Processes taking place on one of the backbone world markets - the European Union - raise major issues for global economy and consequently for formation of the legal model of international and legal regulation. Two contradictory trends are developing there: investment of the EU with authority limiting rights of national markets on the one hand, and real threats to continue changing its composition on the other hand, and that can lead to its disintegration. Both the first and the second scenarios require better understanding in Russia. Importance of ties with Europe for Russia does not require explanations as it's evident. A possibility of close cooperation as well as strong confrontation is confirmed by more than one thousand years of common history, because of that both belief in inexhaustible optimistic prospects and pessimism based on the indestructible wall separating us, are extra maximalism. It's more important to soberly appraise the state of affairs and a possible development scenario.

This requires thorough all-round research. As for the legal aspect of this problem, objectively it looks as follows. The recent period of comprehensive flourishing of the Russia – EU relations, when long-term cooperation road maps were adopted, expecting real implementation within a legal framework, was replaced by confrontation with traditional accusations in violation of human rights, economic sanctions and even demonstration of military power. Possibilities of legal integration are unlikely with this background. Then there appears a necessity to carefully review the legal order established in the European Union. How much is it suitable for comprehensive integration and, what is more, how to build cooperation with it in the environment of legal isolation of each participant of the establishing relations?

From the time when the Common Market was set up and till the time of its transformation into the European Union, all legal models of this formation's internal arrangement were looked at as an objective reality by the world community, including the USSR and the Russian Federation. Finally, the member states set up an association which is not a state (either federative or confederative) and did not announce itself to be a state or an international organization. In essence, the European Union can be defined as a supranational formation. Actually, the European Union determined its legal capacity and legal standing itself.

In the environment of peaceful globalization this can be taken as an objective development of international law, as appearance of its new subjects. However, in the period of political, economic, military crises it turns out that the internal arrangement of the European Union unilaterally changes traditional approaches to legal provision of the forming economic relations on the whole and commercial contacts in particular. If 30 years ago the legal models of the economically leading European states served to a certain extent as a standard providing legal stability of commercial relations, at present this feature is lost. The most impressive examples are events taking place round all gas pipelines, both operating and planned, from Russia to Europe. If the European Union is preserved, its development scenario will be preserved in many aspects as it was silently taken by other states including Russia. But it's hardly acceptable on a permanent basis as the problems connected with gas projects are inevitably connected with certain economic losses for Russia. Change of the state of affairs in the environment of confrontation is most probable via correction of Russia's national law, regulating the order, terms and conditions for entering the international market and protective measures not limited only to counter-sanctions or other measures of retorsion character.

Thus, in the environment of today's crises, working out the strategy for building bilateral and regional treaties and agreements is expedient for Russia in the chosen by it pragmatic approach to determining both potential partners and contents of contract terms. Working out the strategy for foreign economic ties should be built first of all on their acceptability from the point of view of the Russian legislation as well as protection of national companies and national interests as a whole.

It's important to emphasize that limitation economic measures against Russia are based not only on the recent "sanction laws", and these measures will not disappear even if annulled. The legal disposition of limiting legislation of foreign countries and first of all the USA is considerably more profound. It is based on the law on export control having a long application practice and supported by the majority of allies of the United States.

Taking into account the fact that such basic sectors of the economy as power engineering, mineral resources management, high technologies of military and double purpose are strategic for Russia, it's advisable to build their legal regulation including investment and privatization law, taking into account permanent preservation of limitation measures against Russia in the foreseeable future.

#### Introduction

This paper will concentrate on some problematic aspects of BRICS cooperation. It will focus on India, Brazil and South Africa, with some commentary on Mozambique as a destination for BRICS investment. Despite various problems in China and Russia, I note that each is doing better than many foreigners might have expected. For example, China has now succeeded in generating the majority of its growth from consumption, as opposed to investment, in line with its objectives. Russia restarted economic growth in 2016, only two years after sanctions were imposed, and is diversifying its economy quite quickly. Such growth will probably accelerate now that inflation has fallen to 4.5 per cent by mid-March 2017, if this leads to a fall in the central bank rate of interest. The cooperation between Russia and China including the coordination of the policy of the Eurasian Economic Union (EAEU) with One Belt, One Road (OBOR) suggests that prospects for more rapid growth are good.

In my view there remains the issue that roughly 40 per cent of foreign exchange holdings in Russia and China are in Euros, and given the growing difficulties of this currency that is a worry for the future. The German Chancellor Angela Merkel has stated publicly that the Euro might fail, and has attempted to place the blame for this on the European Central Bank. Perhaps in response to this, there have been recent large movements of funds totalling roughly 80 billion Euros from Spain and Italy to Germany. This seems to indicate that financiers in those two countries fear for the future of the Euro but expect that Germany will continue to be solvent even if the Euro collapses. Even that view could be optimistic, given the problems of Deutsche Bank and some other banks in Germany. In the face of such uncertainty, both Russia and China are wisely increasing their holdings of gold, and direct economic cooperation between the two countries should yield real growth that is mutually beneficial. Nevertheless, it may be advisable for both countries to increase domestic gold mining more rapidly, and to sell Euros as quickly as is compatible with market stability. This would still be advisable in the context of an expected series of small increases in the rate of interest in the USA in 2017, a change that will attract foreign funds to the USA.

Despite such fruitful cooperation between Russia and China, BRICS as a group faces some serious problems, some of which are owing to poor policy making and to inherent structural weaknesses in their economies. However, such sources of weakness have been exacerbated by external interventions. These interventions are beginning to look like the results of a conscious strategy to further weaken and undermine BRICS as an effective group that intends to have a new approach to fostering mutually beneficial economic links.

# Gary Littlejohn<sup>1</sup> EMERGING COUNTER-STRATEGY TO BRICS

## Indian Demonetization and Genetically Modified Crops

The most alarming of these problems is the Indian government's decision in October 2016 to ban the circulation of bank notes of large denomination. Originally the Indian government claimed that this measure was to combat crime, since such notes could be used to store and launder the proceeds of criminal activities. Even if this were the real motive, the very short public notice given was bound to create serious problems for an economy where 85 per cent of transactions take place in cash, without recourse to the banking system. This was bound to hurt the poorest sectors of an economy whose population is still mostly dependent on small scale agriculture. The result was the creation of hunger and hardship, with people either queuing for days to exchange their large notes for ones of smaller denominations, or (if they could afford it) hiring people to queue for them. Wealthier people with credit cards were more or less unaffected by this ban. Indeed they could charge other people for the use of their bank accounts.

The immediate operational problem is that the resulting shortage of cash has paralysed markets, especially rural ones, and this has meant that small businesses could not pay their employees, since the huge demand for small denomination notes meant that an acute shortage of such notes rapidly arose. This financial paralysis of rural markets should not be considered on its own, since the effect of using genetically modified (GM) crops is also to create a demand for cash to be able to buy new seeds every year from large multinational corporations. This issue will be discussed further below.

Subsequently, it emerged that this ban on large bank notes was not really designed to combat criminal cash hoarding and money laundering, but rather to force even the poor to open bank accounts as part of a move to a 'cashless society'. That is, the ban on large denomination bank notes was part of a strategy to force the Indian economy to move on to the use of contactless electronic payment cards, which would have meant that all future transactions would have to use the banking system. This attempt to force such a change upon huge numbers of poor, often illiterate people is bound to create long lasting problems. Even if people in rural areas have been successfully trained in opening a bank account, and can access their account through smart phones, there is still the issue of their ability to handle their finances in this way. They could easily find themselves becoming unsustainably indebted. The sheer numbers of people involved means that this on its own could create enough bad debts to induce a financial crisis. Yet this is not understood by most Indian citizens, and recent state-level election results have shown continued support for the ruling BJP. This suggests that most people still accept the claims about 'demonetization' being an anti-crime measure.

The implication of all this is that if the banking system itself faces a credit crisis, and automatic teller machines (ATMs) and contactless payment machines stopped working, then the resulting cash and credit shortage would render even the wealthier sectors of society unable to function eco-

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nomically. To put it bluntly, a 'cashless society' would not be immune to financial instability, and in any case would subject the whole population to control by the banking system: a form of financial servitude. In this context, it should not be forgotten how in 2008 Western governments were stampeded into bailing out huge banks with unsustainable debts because the cash machines (ATMs) were in danger of being closed down within hours. A 'cashless society' would be even more vulnerable to this kind of pressure, whether accidental or deliberately engineered. Yet this policy is being advocated on an international basis on the grounds of 'consumer convenience'. Sweden has already gone some distance towards full implementation of this approach, and is mistakenly proud to be a leader in developing the 'cashless society'.

Some weeks after the initial shock of Indian 'demonetization' it became clear that this new policy had been planned in secret for some time within the Ministry of Finance and that the change of policy had been supported by USAID, some large US corporations and at least one wellknown American 'philanthropic' foundation. At the time the Indian Minister of Finance was someone who had experience in major international finance institutions and had kept a house in the USA. Not long after serious political protests over the shortage of cash began, he resigned from his Ministerial post and returned to the USA.

The economic disruption caused by the 'demonetization' policy (from which mainly American companies and banks will benefit) should be analysed in conjunction with the impact of the deployment of GM crops in India. This GM approach has been compared by its advocates to the alleged benefits of the 'Green Revolution' that took place decades ago. Yet even that increase in agricultural productivity per hectare had serious negative impacts on Indian agriculture. The need for cash that the dependence on commercial fertilisers created during the 'Green Revolution' resulted in a lot of the poorest small-scale farmers going out of business. The result was an increase in productivity per hectare, but with a lot of land being left uncultivated and the poor crowding into urban slums.

Advocates of the use of GM crops openly compare its supposed benefits to those of this earlier 'Green Revolution' while ignoring the negative aspects. Indeed under the Obama administration, the US State Department supported the 'Alliance for a Green Revolution in Africa' (AGRA) which openly advocated the use of GM crops and was supported by at least one of the same 'philanthropic' foundations that also supported the 'cashless society' in India. This was the Bill and Melinda Gates Foundation which according to informed sources including an American NGO called 'AGRA Watch' also has shares in Monsanto.

Biologists and ecologists have been collecting evidence on the effects of GM crops for years now, and on a global basis it can be said that the evidence is conclusive. The claim that yields per hectare increase with GM crops is misleading. Even if the seeds commercially available from the GM companies are bought by farmers every year, yields decline quite rapidly. In addition, the weed killer chemicals and the GM crops themselves can have adverse health effects. The GM crop seeds are dispersed during natural pollination by insects and travel for quite long distances by both insects and wind. As a consequence, nearby farms can then be taken to court by GM companies for using their seeds without a legal contract, even though those farmers did not realise that their crops had been contaminated and did not want that to happen. For this reason, it is to be hoped that Russia has good bio-security measures in place at the border with Ukraine, since that is a country that also cultivates GM crops on large tracts of land.

The use of commercial seeds leads to the loss of the benefits of seed exchanges and improvements among farmers operating in the same ecological conditions. Thus the medium-term results are a decline in agricultural productivity combined with price pressures forcing many farmers out of business. Even in the USA itself, many farmers are abandoning GM crops because of these adverse effects.

Attempts to draw attention to such negative consequences of adopting GM crops have been countered by de facto censorship in the western media, combined with ongoing advocacy by GM companies and the media of the alleged benefits of adopting a 'scientific approach' to farming as a way of solving food shortages. Yet it is acknowledged that the world does not face overall shortages of food production: shortages are a problem of market distribution. These distributional problems can be mitigated by the use of state-owned agricultural marketing boards that can store crops and minimise price fluctuations. In addition, seed quality can be maintained and improved by voluntary donations to seed banks, which were often state-owned in many developing countries.

Helping to mitigate market price variability is especially important in economies affected by climate fluctuations related to the ENSO (El Niño Southern Oscillation) phenomenon in the Pacific and Indian oceans. ENSO events can cause serious agricultural disruption including famines in China, India and the whole of eastern Africa. It is known that ENSO events have been occurring for many thousands of years. In the 1880s a single ENSO event caused about 11 million deaths in India and about 13 million deaths in China. Yet the World Bank and IMF have been advising governments to close down agricultural marketing boards wherever an indebted country is subject to Structural Adjustment Programmes. This simply means that a country facing food insecurity has to import food rather than taking food from its own warehouses that used to be maintained by its agricultural marketing boards. One country that has been able to mitigate such problems by a policy of agriculture-based development has been Ethiopia. Those which have not been able to do so have been much more vulnerable: for example, Zimbabwe was a food exporting country during the Southern African famines of the 1980s and early 1990s but is now dependent on food imports, despite improvements in food production caused by land reforms.

The main reason that the World Bank and IMF have abolished such marketing boards that supported national food sovereignty is because of a longstanding US policy of creating an export market for US agriculture, a policy that also gives political influence to the USA in relation to countries receiving food aid. Canada has been the second largest food exporting country after the USA and has always supported US policy in this area. Russia has recently been able to challenge the world agricultural dominance of the USA and Canada by rapidly increasing its own agricultural exports. In 2016 the US Department of Agriculture acknowledged that Russia had overtaken the USA and Canada as the world's largest exporter of grain. In effect, this places Russia back in the dominant global position that it held in 1913, and constitutes a direct challenge to an important aspect of the Western ideology of the unipolar world.

Russia has been able to do this as a result of 70 years of patient plant breeding by conventional methods, and is competing on the open market without having recourse to policies that undermine the home market of other countries by means of economic debt and policy diktats resulting from Structural Adjustment Programmes. In such circumstances, the Western advocacy of GM crops can be expected to take on renewed vigour, because GM crops are a technology that ties farmers into the commercial circuits of the GM companies, thereby enabling them to retain market share more easily through extending credit to farmers to help them buy GM seeds and associated inputs.

The position of GM companies has been strengthened by the fact that the World Bank and IMF have also encouraged the privatisation of seed banks. These seed banks are then taken over by agribusinesses which proceed to legally register their genetic content as private intellectual property. The result is that decades or even centuries of mutually beneficial informal seed exchanges to improve crop varieties suddenly ends, thereby shutting out farmers from the fruits of their own knowledge and farming practice. Whatever the legality of such private appropriation of genetic wealth, it has been metaphorically described as 'genetic theft'. Many of these seeds are doubtless stored in the famous seed bank on Spitzbergen Island in the Svalbard archipelago in the Arctic. Fortunately Russia has established its own independent seed bank in the Arctic.

Such practices of appropriating common genetic goods for private purposes have been described by Professor Carol Thompson in her analyses of 'philanthrocapitalism'. Thompson has drawn attention to the international role of 'philanthropic' foundations, especially in the USA, in using their special low tax or tax-free status to amass resources that are used to conduct research and engage in lobbying of governments to influence policy in specific directions that suit the foundations' political agendas. In my view such agendas usually support the 'exceptional' status of the USA either politically or economically.

So the combination of 'demonetization' and GM crops can be seen as a two-pronged attack on Indian economic autonomy, and hence indirectly as a counter-strategy to BRICS. In the case of both policies, we find that they have been supported by the US government, by large US corporations and by US foundations. This coordination of resources and organisations cannot be seen as anything other than a conscious strategy, in my opinion. It should be noticed that Brazil and South Africa already cultivate GM crops and that in the case of South Africa it was hoped that this would facilitate the persuasion of the European Union (EU) to accept GM crops. In addition, this use of GM crops already gives the USA leverage in these two BRICS member countries and this could conceivably be used to lobby for a 'cashless society'. Furthermore, the parliamentary 'soft coup' in Brazil in 2016 and the upcoming Presidential election in South Africa could provide further opportunities for weakening BRICS.

### Brazil and South Africa: Weaknesses in South-South Cooperation

While both Brazil and South Africa have comparatively large industrial sectors and have demonstrated a capacity for developing advanced technology, they nevertheless rely quite heavily on minerals and (especially in the case of Brazil) on agriculture. Accordingly, they are export-oriented economies that are vulnerable to fluctuations in the world demand for their products. Recently this has meant that the change in emphasis in China with respect to how it achieves its own economic growth has had an impact on both countries. China is changing from growth dependent on exports of manufactured goods and on investment in infrastructure to growth driven by internal consumer demand. In addition, the fall in the price of oil has hit Brazil hard and one can see from the recent reactivation of fracking wells in the USA that whenever the price of oil rises above a certain level such producers re-enter the market and stabilise or reduce the oil price. So Brazil cannot hope for strong growth from its offshore oil wells in the near future. South Africa has known for years that China intended to change the profile of its economic growth and yet it has done little to change the structure of its own economy in anticipation of this reduction in Chinese demand for its mineral exports.

In principle, these structural problems could have been alleviated by a stronger emphasis on diversifying these two economies, but this has been difficult owing to a failure to do more to utilise revenues for productive investment in new sectors. Such investment has often come from abroad and has included the GM crops discussed above. In addition, both countries diverted spending on to World Cup football tournaments (and the Olympics in the case of Brazil). Since such tournaments are known to have negative effects on economic growth, these decisions were at best a triumph of hope over experience.

With regard to South-South cooperation, it is worth examining the example of Mozambique to evaluate how well this has worked. In the early post-Apartheid period up to the change from the Reconstruction and Development Programme (RDP) to the more neoliberal GEAR programme, South Africa pursued a policy of 'development corridors' in its relation with other southern African countries, including a proposal for the redevelopment of the Benguela Railway in Angola. This approach has certain similarities to China's Silk Road (OBOR) strategy. However, by the time of the change from the RDP to GEAR, only the Maputo Corridor in southern Mozambique had been successfully brought to the stage where it could be implemented. This involved South African government guarantees for private sector loans to finance a new highway from the South African border to the capital city of Maputo, investment in bauxite mines in South Africa near the Mozambican border, and the use of hydroelectric power for a new aluminium smelter plant just outside Maputo. This plant, called MOZAL, was constructed in two phases, each costing over \$1 billion, and aluminium is exported through the port of Maputo. Afterwards South African investment tended to be wholly private and decided upon by individual companies, often in the retail sector.

The 'development corridor' approach was also evident in the pattern of Brazilian investment in Mozambique, and this was poorly implemented. This resulted in a broad failure of these investments and the sale of at least part of them to foreign, especially Japanese, companies. Consequently, the track record so far of South-South investment has not been too good for these two BRICS members.

#### Conclusion

The twin policies of 'demonetization' and the use of GM crops in India suggest that, perhaps without fully realising the implications, India's economic autonomy has been compromised, primarily to the benefit of US corporations and foundations. This seems likely to give the latter increased influence over future Indian economic policy making. In my view this looks like a deliberate strategy to weaken the coherence of future BRICS decision-making, and thereby to

undermine the prospects for an alternative mutually supportive form of international economic development and growth.

The recent experience of South-South cooperation by both South Africa and Brazil in Mozambique suggests that it can easily be cut short by economic recession, but more importantly that it has been conducted without adequate oversight, regulation and taxation by the host government. The result is that the potential benefits of such inward investment for the Mozambican economy have largely evaporated, and Mozambican public finances have remained much weaker than they should have been.

Russia and China will continue to develop in a fairly coherent, mutually beneficial way, but the difficulties in the other three BRICS member states, which are partly caused by external forces, have resulted in great difficulties in implementing a coherent international economic strategy.

# E.I. Makarov<sup>1</sup> RUSSIA IN THE CONTEXT OF GLOBAL CHANGES

The time compression effect that has become a commonplace occurrence in the early 21st century refers to the everincreasing pace of changes in the world today. To these end individuals, communities and states must learn to react to changes more efficiently. The said effect, in my opinion, is related not so much with the frequency and speed of changes per se, but rather with the speed of dissemination of information about these changes and immediate accessibility of information. However, it would be quite unproductive to deny the fact that all processes in politics, economy and social life have accelerated. Here are some examples: in the economy, algorithmic trade and stock exchange robots are being used to speed up purchases and sales of shares thousandfold; in computer science, distributed systems allow you to instantly process large amounts of information; in the production sector, the consumer market can change the entire production chain (including assembly lines at motor companies) in just a few months. This means that the aforementioned effect is, obviously, present.

Due to the global character of these processes due to a large range of communication channels and media, this effect is of significance for any Russian region, municipality or even a separate employee. Trade unions are economic entities, and therefore they are fully included in these events.

Let us analyze the circumstances that affected the level of conflict in social and labor relations in Russia in 2012 and four years later. The data on the reasons for conflicts in workplace relationships are being accumulated in the Center for Monitoring of Social and Labor Conflicts, created at SPbUHSS in 2012 upon the initiative of the FITUR. The annual analysis of reasons of conflict between employees and employers allows to see not only the external side of the conflict but also quantitative and qualitative interrelations between labor conflicts and economic decisions adopted at different levels of management. A comparative analysis of conflict causes in 2012 and 2016 showed that economic sanctions imposed by a number of foreign "partners" in the banking sector were aimed at restricting access to financial capital markets, which has led to a significantly more complicated economic situation on Russian enterprises. Large enterprises, and, a year later, medium-sized enterprises felt lack of working assets and could not pay their workers on time, which led to increased protests and more conflicts. The analysis of the set of reasons for conflicts and the qualitative data on conflicts and their participants allows us to conclude that the Russian economy has been deeply integrated into the global network. This dependence extends not only to sectors of the economy that have to do with raw materials or metallurgy, i.e. the sectors which directly depend on fluctuations of global prices for their products, but also to more advanced industries, including the budgetary sphere, where we also see recurring problems in the sphere of public and labor relations.

As we characterize the connections between the reasons of social and labor conflicts and economic solutions, I use the phrase "different levels of management" purposefully. Over the years of economic reforms in our country some of the changes we see today appear to be unwanted in the present situation. We could hardly wish to see our enterprises managed externally (be it conditionally, yet still very significantly) in a number of industries or have them depend on presence or absence of inexpensive loans for their operational activities. In political terms, over the years of economic reforms we renounced a part of our economic sovereignty in exchange for cheaper monetary resources and are now reaping the fruit of economic integration with the West.

It is difficult to describe all social, labor and economic relations related to them within the confines of this report, or examine the changes in this country in the context of global challenges, but some important elements should be

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mentioned. In particular, we should try to assess implementation of major internal and economic projects that were announced by the President of Russia in 2012 in his wellknown "May Decrees." Among more than a dozen of normative acts, trade unions have been focusing specifically on the decrees entitled "On Long-Term State Economic Policy" and "On Measures for Implementing State Social Policy". The goals as set by those documents are fairly ambitious and were hard to implement in 2012; they remain as hard to implement today.

I need to define here the link between the topics of the 17th International Likhachov Scientific Conference "Global World: System Shifts, Challenges and Contours of the Future" and the "reality quotes" I am citing. Russian trade unions believe that Russia's participation in global processes cannot be reduced to geopolitical abstractions and abstract future forecasts. The future is being shaped here and now. In this country it is created, just as the entire material world around us, by the hands of workers and employees, with the support of 73 million able-bodied Russian citizens, primarily 21 million union members united within the FITUR. It is through the prism of these facts that we view the problem of creating and modernizing 25 million hi-tech jobs by 2020, and increasing labor productivity by 1.5 times as compared to 2011, and well as achieving other goals formulated in more predictable and calm times that the times we are living in today.

Viewing the changes over the past five years, we need to assess internal and external factors that can increase or decrease the speed of our development and change the picture of the future, the contours of which had been defined by these decrees. The foreign policy situation has changed radically.

Without going into details, let me just say that these changes have directly affected the socio-economic situation in Russia, as well as this country's social and labor relations. First of all, the policy of neo-globalism proclaimed by the Reagan administration, when the US had considered the entire world a zone of its vital interests, has since exhausted itself. A unipolar world is no longer possible; material, human, intellectual resources are being slowly and painfully redistributed. Further economic development will not be determined by one or two centers of power, global economy leadership roles are being tried on by China and India. The stability of world currencies is not guaranteed by their economic content; it has become a matter of trust. Despite various economic and home policy problems experienced by several BRICS countries (which together produce one-third of the global GDP and have 42 % of the world's population), the process of formation of a new center of influence has continued. More and more countries, including the countries of Europe, start pondering the problems of globalization caused by liberal thinking patterns. The role of national states is being reassessed, the remaining sovereignty of national governments is being analyzed and decisions are made that can hardly be considered as continuing in the line of the former globalization policy. Finally, the new US administration has demonstrated to the whole world a sharp turn towards restoring the American labor market, returning investments to the country's soil, and breaking those of global supply chains that do not meet the development goals of the US as a sovereign nation. These processes have not yet been clearly evaluated,

but it is obvious that the changes of this kind are dictated not by theories like that of "the end of history" or "managed chaos" but by a pragmatic desire to give back to sovereign governments the levers of managing their own resources, minimize the influence of unpredictable external factors, and replace abstract universal values with the values of voters, especially workers, who entrusted their fate to politicians.

In the present conditions, we can only regretfully admit the shortcomings of our government system. The system of state and municipal government has been in a dormant state since the early 2000s. The results of the local government reform of 2003-2009 have not yet been analyzed. The difficulties discovered in the process of its implementation are not of surface nature but of conceptual character. Unresolved issues include decentralization of government, which contradicts the trend toward centralization in adoption of major decisions; the issue of self-government in large cities and city agglomerations; the problem of resource supply of municipal authorities, and the distribution balance in issues of authority. The list of problems plaguing local government as a result of incomplete reforms and preventing measurable change for local populations could be continued. This is a very important topic for trade unions (and not only in the budgetary sector, either). Local labor markets, support of small and medium-sized enterprises, discontinuation of illegal employment practices, end of "gray wages" - all this and much more, including timely prevention of labor-related conflicts, would be inconceivable without true authority resting at the level of local government

The issues of federal relations are not smooth either, both in the relationship between the federal center and the regions, and across the regions. It is inconceivable that out of 85 Russian regions only fourteen are donors, while the remaining 71 regions need federal money to balance their budgets. For trade unions, the issue of financial sustainability of regions includes many more points than just the salary of local and federal budgetary institutions. It also includes possibilities of establishing economically grounded social norms, such as the minimal wage, and many other issues of social partnership.

Due to the economic policy, especially the part that relates to labor, let us go back to the president's decree that presupposes creation and upgrading of 25 million jobs by 2020. An important issue to solve in this area would be to determine the sources of various resources, first and foremost, material resources. According to experts representing employer organizations, some USD 100,000 is necessary to modernize one workplace; and creation of one high-performance job costs between USD 170,000-200,000. Therefore, the total spending will amount to USD 3.5 trillion (RUB 210 trillion) in 8 years, or RUB 26.5 trillion a year. Given that, according to the Ministry of Finance data, all expenditures of the consolidated budget of the Russian Federation in 2016 amounted to 31 trillion rubles, of which only 4 trillion were allocated to item 2.4 ("National Economy"), then the amount of money needed to accomplish this task is tens (if not hundreds) times more than the country can afford. The hope for credit lines are illusory, as the new jobs that are being created will be recouped (depending on the industry) in one to five years. Given the current banking rates

such credit lines would be impossible for the real economy sector, and enterprises hardly have their own resources for development.

As we attempt to solve this problem, we cannot deal with the financial side alone. The President's decree talks about highly productive workplaces, which necessitates certain scientific and technological reserve. We might suppose that labor productivity being meant here must be at the average European level until at least 2020. Otherwise, the jobs being created will get obsolete while the project is still being implemented. This point is related to another issue being discussed as a separate point of the aforementioned decree, which is to increase labor productivity by 150% by 2018. It should be noted here that labor productivity in the countries of the Organization for Economic Cooperation and Development (OECD), which includes 34 states with developed democratic institutions and market economies, according to a 2015 study (measured in terms of GDP per hour of work) stood at USD 46.8 per hour, while the Russian figure is USD 23.2 per hour. Looking back retrospectively, labor productivity levels in comparable values in the Russian Federation had virtually not changed in 2011-2015, while in OECD countries it went up by USD 1.30 per hour. If for any reason labor productivity in Russia were to rise in 2016-2017, its comparable value will be twice less than that of developed countries.

Human resources are seen as the main component in the notion of labor productivity, since the work done by machines is assessed on the basis of the technical assignment. There has been no workforce training programs focusing on increased productivity of labor for more than 20 years. Continuous experiments in the field of higher education and various attempts to revive the secondary vocational education are still underway, and some results have been achieved in certain regions and industries. However, this system is incapable of producing human resources in the numbers that are necessary to fill the hi-tech vacancies on the labor market.

A few words about our technological backwardness. We can only guess what scientific and technical projects since the times of the USSR have remained to this day, and implementation of which of those projects could help improve the current state affairs; to this day we have not discovered any.

Without delving into the analysis of various factors affecting labor productivity, we should nevertheless note that material and technical factors related to the technical level of production facilities, improved technologies, production methods and materials used, remain predominant. Organizational factors which concern work management, production and administrative activities are only secondary. The least burdensome, yet still quite significant is the third group of factors - the socio-economic factors, such as the quality of workforce, the level of their motivation and job satisfaction. Theorists of organizational behavior place these factors in the above sequence based on calculations demonstrating the relative weight of these factors when it comes to labor productivity. Therefore, a radical change in this area as dictated by the order of the president could only be possible after the technical and technological reequipment of the country, re-industrialization on the basis of cutting-edge technologies. However, we have not yet heard about such a program. In other words, we are trying to solve

the problem with three unknowns: who will do it, who will pay, and what jobs will be created as a result of implementing this order of the president.

This article provides only a brief summary of some of the challenges facing us. In conclusion I would say that the contours of the future, if we take into account the current situation, are quite obscure. There are many questions to which we had had answers five years ago and do not now. Our society, especially the working population face existential problems increasingly more often: what is the goal of our activities, and what is the sense behind our existence? It seems that for further progress we are lacking a deeper motivation based not on specific questions and answers, but on a common vision of the future. The structure of ideas as created by the current political elite allows us to solve problems haphazardly as they appear; there is no framework in place to bring together the interests of a multinational, socially diverse, territorially distributed Russian society. Despite many efforts to engage the society's internal resources to facilitate further productive development, success is still not in sight. The goals, even when set by opinion leaders, are not accomplished, year after year. The problem here lies not so much in the fault of some minister or the government as a whole but in ideas that cannot consolidate the society to achieve the set goals.

These framework notions are required to add to the idea-deprived existence of most people, and they should be based on the solid foundation of historical experience of previous generations. This experience, as sad as it may seem to religious people, is hardly related to religious experiences. Neither is it related to freedom of entrepreneurship or personal economy. It is rooted in this special sense of justice, which first emerged during the war and strengthened further after the war was over, when the people started building a new life for themselves. It is based on the spirit of victorious people who managed to defeat the enemy, rebuild their homeland and conquer outer space, create a nuclear shield and keep the country from disintegration. It is rooted in deeply entrenched paternalism, faith in the power and reliability of the state, faith in leaders and lack of trust when it comes to politicians, courts and deputies. It is also based on the faith in people's own strength, the ability to cover in one gigantic leap what other nations fail to accomplish in years of hard work, and the faith in their own small plot of land that will save them from starvation should evil times be upon us.

The freedoms we sought so passionately became dependent on the quantity of money. Much of what the politicians of the later 1980s had wanted to get rid of, remained, and is likely to stay for at least two more generations. We cannot compete with the Americans, the Germans or the French on equal terms until we recognize that the Western model of mercantile consumerism has not taken root in this country. If during the campaign for the return of the Crimea to Russia overall public consent and support were achieved in a short period of time due to a burst of patriotic feelings, no such agreement exists to this day when it comes to fair distribution of work results or benefits from the use of Russia's boundless natural resource On the contrary, the gap between those who create the material world through their labor and talent, and those who use the results of this work is ever increasing. The fact that the oligarchical model of the economy was built on natural or artificial monopolies (even if glossed over with innovative projects and lucrative social perks) will continue generating the class of "working poor," leading to a fundamental controversy.

As we choose the path for further development, we will inevitably realize the need to build our society built on the premise of fairness to all workers and employees, regardless of the color of their collars. The entire society must replace the ideology of liberal market reforms forced upon us without the public support, with the ideology of universal prosperity that will lead to the prosperity of the country as a whole. The population of the country will come to understand the investments into human capital when work will provide for a decent life, when the future will be defined in accordance with real democratic procedures, when education, health care and retirement systems will be efficient and serve the needs of the general public, not as a laughing stock or trickery.

The ideological turn is possible and necessary, for it will define the contours of the future. This future will be determined next year as we elect the next president of Russia.

## Juan Antonio March<sup>1</sup>

## GLOBAL WORLD: SYSTEMIC CHANGES, CHALLENGES AND PROFILES OF THE FUTURE. AT THE CROSSROAD BETWEEN THE PRIMACY OF THE INDIVIDUALS AND THE NEW WAVE OF NATIONALISM

One of the most prominent characteristics of this 21st century is the central role of the individuals. Technologies have put down many barriers that limited the communication and cooperation about individuals around the planet and has given new means to them for innovating and developing their creativity. Thanks to that, the world is today like a new planet full of ideas , initiatives and actions emerging from many anonymous people, all tending to change our lives and the whole world. In parallel, the international community has produced a series of rules and principles in the area of human rights that could give to all individuals a secure environment to be citizens of the world.

However the step to create a government of the world that secures a global legal environment is too high to become reality in the short term. And there we have a problem. Because as it is widely known, the vacuum tends always to be filled and the absence of a global government that could guarantee a safe public global space for all individuals in this planet opens the door to looking back to local security through nationalism. There are too many in this world, that begin to turn the eyes to the proud of a nation as the real public space of reference. We are living today in front of a historical crossroad; either we manage to progress towards the global governance that could guarantee to all individuals a very safe global environment enabling them to concentrate on their capacity to create and produce, or either the feeling of not being sufficiently protected and the need to identify a clear, strong and close authority will lead many to support the uprising of a new wave of nationalism.

The history of human beings has been the history of a specie that is building its own space in the planet...and maybe in the Universe. We come from very primitive moments when human beings were fighting against superior animals and tried to secure its survival by dominating a minimum portion of territory to the progressive construction of public spaces every time larger and larger; from villages to regions, from regions to nations, from Nations to International cuasi Sovereign International Organisations like the European Union, and from there to the desire of a real powerful global one. But human beings rarely build up their history without set backs. Thanks God, the series of set backs have always been at regional level; The Barbars destroyed the Roman Empire and send us to a primitive stage for over 5 Centuries. China was seriously affected following the Opium wars and the subsequent essay on the Communism model lagging behind for more than one century trying to find a new way in its positioning in the world. And so on. The problem is that all the set backs bring important lessons to mankind but they are always full of suffering and disgraces.

Today the dilemma is how to accompany the great dynamism in the technological area with the renewal of the political and social thinking in order to deliver the appropriate new systems of social organisation. It is obvious that in the last decades we have been able to make great breakthroughs in the area of the science and the technology but unfortunately it remains difficult to make any real progress in the are of developing the appropriate structures on public government. How normally mankind has evolved from a political model to a superior one ,as far as the extension of its space and the deepness of the control and the efficiency in the management is concerned, has been through deep tensions and conflicts, most of the time wrapped on wars and destruction. Today we should be able to do it in a more clever way but the task is titanic. Population in general is still too much attached to their particular territory and as the gains and losses of the new global game are not the same for all, there is a tendency among the potential losers and among those who think could gain more under the old patterns to look back to national values to confront globalisation under what they present as a "more favorable shield". The problem is that nationalism is never a shield when it

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spreads but on the contrary, a source of confrontation and destruction.

The impact of the Second World War, that was an earthquake for many in this world and was a product of nationalist exaltation, acted as a deterrent agains nationalism movements for a long time. The second part of the 21th century, was dominated by pragmatism and led many to work in peace under positive dynamics of cooperation. The problem is that these dynamics are always fragile because human beings need in most of the cases strong leadership, and these dynamics lack of it. It is really difficult to make everybody understand that our present model of globalisation managed in the political field through weak and fragmented political powers, although being imperfect, is the best we can have before we progress further. It is grey but it is not dangerous and it is giving enough peace to think on how to progress. But we should not waste time in postponing real progress towards global political governance based on human rights and social cohesion. In the meanwhile contend nationalistic temptations is a must and a high priority.

In the novel of Marcel Proust "À la recherche du temps perdu", the author describes how the young French men in Paris where happy to enroll in the army to go to the front line of the war as there had been no conflict in the last 40 years, the whole period of a generation, and fighting was seen as an "experience" that nobody wanted to miss. Only one year later , under spending horrible days and nights in the trenches, suffering the perverse effect of toxic gases, all of them prayed for that nightmare to end.

We are benefitting in our days of extraordinary progress in many areas. So mankind is not experiencing any period of decline. The problem is that there are as always winners and losers and in our case, at present, the winners many time are anonymous and disperse and the losers claim louder. It is obvious that we have to give major voice to the winners to avoid a too dangerous set back in favour of nationalism. We have progressed too much in favour of the freedom of all individuals and trusted too much in their capacities to go now back to the easy scape of glorifying "the national ideal". We should give the political power the role of referee of the global game or even better the protector of all in order to guarantee a certain order and balance, but never to trust in the political power as the leader of our lives, the delivering entity for new ambition to our lives. Every time this temptation has been successful a horrible ending has arrived

# So, what are main challenges and threads for us in the forthcoming decade?

One clear challenge is how to integrate the still not successful populations in the new positive dynamic. At this respect there are large parts of the Arab World still lagging too much behind. The Arab Springs have not bring around the new era of prosperity that many were hoping and there is too much instability in many of those countries to be confident in the immediate future. In this part of the world the lack in many cases of a performant political model is blocking the population to innovate and take advantage of the new opportunities. Countries continue to be very fragmented and fragile with quite limited capacity for the private sector to compete at global scale. Terrorism is trying to get a physical base in the region (the ISIS thread) and to prevent this has become a great priority. Things look more promising today that a few years ago but nothing is definitively settled. Two major handicaps block the development of the region. On the one hand the existance of very deep international conflicts unresolved for decades like the Middle East conflict to settle the legitimate demands of the Palestinians and the fragility of the regional map as a result of the Sykes-Picot agreement that places the whole area as a space of quicksand where dangerous internal confrontations can be triggered at any moment. On the other hand the lack of a performant management scheme in political and economic terms well adapted to the new global area, that setting public rules encourages the individuals to be the locomotives of the constant transformation of the society. For one reason or the other we see that many times the taking decission process in these societies is slow and too hierarchical to give the society the same degree of flexibility and speed reached in other parts of the world. And thus, their place in the global competition deteriorates. A model of convenient political organisation combined with a more efficient dynamism in the civil society has to be found.

In our days the key is not the intention but the result. When things do not work we need to have the courage to recognize it and commit to change. All targets can be reached relatively quickly if the right method is identified. A clear example on this is China. This big civilization l(it is more than a country it is a whole civilization) has showed to the world that the integration in the world economy in a fast and successful way it is possible when the north is well placed. China that from 1880 to 1980 was in the labyrinth of darkness because of different facts, has been able to take off in a very impressive way in the last 30 years. Until 1980 China had not experienced any important increase in GDP and was lagging quite backwards in Science, Technology and Innovation. When Deng Xiaoping decided to reorientate the course of the country and to redesign the political and economic dynamics for opening the game to the civil society, China had to base the initial steps in boosting exports on its only comparative advantage; internal low salaries. But with a precise and right strategy the country has gone in only 30 years, from a per capita income of 380 US dollars in 1982 to a very impressive per capita income of 8,000 US dollars in 2016. The country has been able to develop a huge internal market and in absolute terms it is the largest economy of the planet. The whole country evolving integrating the rural areas into the modernity at a speed of 70 millions per year! More than impressive! We are talking about the tremendous change of a group of 1.5 billion people. If this has been achieved in the largest civilisation of the planet the same can be achieved in the very much limited realities of the national states. The moto of president Obama, "Yes we can" should apply to each lagging case.

Another important challenge is the ageing population in the most advanced countries. The countries that today play the leading role in the world have to confront the "cancer" of the aging factor. This is a very important issue because their future appears less promising than their present and once the fear to the future gains ground in those countries the emergence of defensive attitudes will spread and we will have a world with less enthusiasm and dynamism towards the unknown. The pattern will be more grey, more of distrust . In the next decades the very young population in the new emerging countries will definitively attract the production capacity of many industries, getting larger shares of the private sector. Little by little the existing centres of power of many highly developed countries will begin to fade and this will be seen by their population as a serious thread to their well being , pushing for protectionist practices in a desperate effort to defend themselves against the unavoidable. The lack of a very wise thinking via a vis migration in many of those countries, is taking them to lose the window of opportunity they have for surviving through a more multicultural model. This issue is key for the global stability.

And what about the profile of the future?

On the one hand we have the imperative of the short term and this has a name : to preserve the basic balances of power in the world managed under the principle of "realpolitik". We have to avoid any deterioration in the fluent dialogue among the four big powers ; the United States of America, Russia, China and the European Union.

Then we have on the other hand the big target of the long term , the one towards where we have to set our course of action , the northern star that should guide our long standing efforts. We can sacrifice the timing but not the central course of our action. The big target is to reach a world where human rights are the spine in the organization of the global society and where we put in place important global institutions that work in favor of the social cohesion at global scale and guarantee peace vs any potential conflict. Transition to this world can take very long but certitude on which is our final destination port is essential. This will help to prevent set backs and close the door to any dangerous temptations of involution that will force us to major efforts of recovery. We have to create a planet where the capacity of each individual can flourish and where we can arbitrate to compensate the different energy of each one in such a way that no blockade is put on any one but at the same time the less able are not abandoned behind.

Never before mankind had the enormous possibilities of our generation. The challenge of a successful architecture of the public spaces can not overpass our capacities. On the 20th century we proved that the Universe could be reachable for us. Before going to the outer space on sustainable basis we should be able to organize our model of coexistence at global scale in the place that is our home: Planet Earth.We know were to go we just need to improve our efficiency in our course of action and discard Mermaid caterpillars. This is the Odyssey of our 21st century and each of the individuals is the new Ulysses.

# A.P. Markov<sup>1</sup>

Recently, comprehension of the alarming fact is becoming the nerve center of published works and scientific conferences: the world is going through the "fateful moments" – the approaching peak of the global crisis exceeds the "Axial Age" in the history of human civilization in its scales and consequences<sup>2</sup>. The European crisis is the vanguard of the world crisis, in which the catastrophe expansion vector is manifested more acutely and more openly.

"Rescue projects" worked out in the positivist knowledge system lose their feasibility in the established socio-psychological and spiritual context, at the same time the discourse of religious character and following the eso-

# "AXIAL AGE" OF EUROPEAN CIVILIZATION: CHANGE OF CIVILIZATION MATRICES

teric tradition, combining rational arguments and irrational ways to penetrate the logic of metahistory (like "The Revelation of St. John the Divine"), demonstrates more and more opportunities to comprehend what's going on and understand prospects of the things to come. And this is natural and in conformity with certain laws - if the rationalistic method of obtaining knowledge corresponded to the periods of "linear" historical development, understanding the "catastrophe time" requires different methods. The "historical optimism" of the humans of the modern times is an obstacle to understanding the tragedy of the experienced moment - belief in progress, inviolability of the habitual world's existence<sup>3</sup>. Global catastrophe is made closer not only by objective factors but also by catastrophic conscience - mass apocalyptic moods which provoke the "catastrophilia complex" (as a rule, preceding global upheavals - A. Nazaretyan). "In all times humans were badly adapted to prospects of their cultural system's death. The horror here is not physical but metaphysical. ... Psychological and existential attachment to one's culture is too great. But it will be required to drain this cup of life"4. Really, national ("native") culture for a man is sim-

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<sup>&</sup>lt;sup>2</sup> The following certifies intensification of trends threatening the existence of mankind: terrorism expansion and armed conflicts in the Middle East; new stage of the Cold War waged by the West against Russia; "Voelkerwanderung", or the great migration of people and failure of the multiculturalism policy; political and economic integration crisis within the EU borders, strengthening economic inequality of the common European market and pushing aside the countries of the South-Eastern and Central Europe; weakening of nation states; liberal democracy crisis.

<sup>&</sup>lt;sup>3</sup> On the other hand, the humanitarian knowledge of the "spiritual revolutions" era becomes not only the means for cognizing the world but also a way to construct reality – the created in the humanitarian thought space images of the world and projects for its improvement become "self-realized prophecy".

<sup>&</sup>lt;sup>4</sup> *Pelipenko A.* The Russian Matrix: the Final Journey // Ostrog (almanac). 2017. February. P. 5. URL: https://vk.com/doc354704131\_441745887

ilar to his parents' house in which not only the first birth but also the second, the most important in its essence metaphysical birth of an individual take place (N. Berdyaev). This house provides primary socialization and intergeneration transition of socio-cultural experience, gives lessons in love, kindness and understanding, generates the feeling of being protected which helps individual to sustain strokes of misfortune. "Culture at the level of deep psychological mindsets blocks comprehension of one's mortality in historical time, answering vague metaphysic individual's anxiety by various formulas like: everything will be OK, everything will get well, everything will return back to normal, etc. These suggestions and infusions are so strong that even the thought of one's own death is more bearable for an individual than the thought about the death of culture, which he pushes away exerting all efforts and as a rule at the price of losing adequate perception of the reality"1.

The issues of the European civilization's crisis are especially drastically presented in recently published humanitarian texts which become a kind of prophesies of the "end of history". The ideas and practices of "negative anthropologism" become more and more popular, postmodernism discourse, run through by energies of negativism and pessimism, is gaining momentum. The pathos of anxiety, negativism, perplexity or militant nihilism dominate in the contemporary humanitarian discourse (metaphorical constructions, fixing anthropological crisis, self-identity crisis, existential vacuum, exhaustiveness of energies, "Auschwitz situation" have become typical for philosophical discourse). The central idea of such forecasts is that today's European civilization is entering a new stage - the post-modern age which rejects the key characteristics of the previous modern age.

In our opinion, this forecast does not fully reflect the whole range and deepness of the approaching changes. The matter is that "linear" methodology of analysis (and respective thinking that views every next stage as negation or development of the previous one) does not explain the essence of everything taking place in this case. One can say, judging by the aggregate global trends and common civilization processes that the world is entering (to be more exact, returning to) the cultural epoch which the mankind overcame with difficulties and pains approximately 2-3 thousand years ago. It was the historical period (Karl Jaspers named it the Axial Age) when outstanding thinkers (philosophers, poets from Ancient Greece, Biblical prophets) managed to make a fundamental metaphysical revolution in human conscience: they challenged the impious and senseless pagan world immersed in "delusions"; they severed the things in existence and the due demonstrating sinfulness and imperfection of the man and the world which required transformation. The "Axial Age" on global scales forms the cultural matrix which in relation to the pagan world serves as an "anti-system" - "comprehending the fallaciousness of the ontology", it strives to blow it up, "change it in a revolutionary way"2. Outstanding religious and ethical doctrines of that time devaluated the archaic consciousness, establishing the cult of Logos (Word, Book), which become the main tool to fight "pagan chaos". The great achievement of the "Axial Age" is establishment of rationalism principles in the mentality structure which later become the foundation of thinking techniques based on formalized rules, development of reflection as a way to self-test the rightfulness of thought turned not only to the thinking process (logic) but also its results in words (poetry, rhetoric).

The great philosophers and prophets of the "Axial Age" formed the spiritual human contours by their texts and preaching - that "indivisible atom", which provided the world's stability and "vertical" striving of humans "to heaven" for more than two thousand years. The world coming out of ancient civilizations is different. The man for the first time begins to comprehend the scales of being, understand himself and his limits, transcendental worlds and depths of self-consciousness, he is now able to take good from evil, viewing these energies as a projection into the earthly dimension of the universal world antipodes -God and the Devil. There originates the phenomenon of "conversion" into a religion, belief or philosophical doctrine, with the proceeding from that meanings of life and behavioral standards. Religious morals acquire a personal character - the human is for the first time granted a great freedom of choice of the meaning of being in the spiritual sphere that gives him a chance to get out of the "clan bondage".

Today we witness nearly a mystic inevitability of the "evolution spiral" when the rejected returns its rights and winners are defeated. To say it differently, the logocentric "Culture of Prophets", which in those far-off times made a metaphysical revolution and rejected the "Culture of Priests"<sup>3</sup>, has systemically exhausted its potential by today (and first of all in the spiritual sphere and objective creativity), and the metaphysical vacuum that formed in its place attracts the "Culture of Priests", the powerful lifeasserting elements of which have waited for their hour to come for thousands of years. Heathenry is Space of its kind, which was arranged and adjusted by the harmony of relations of man and nature, the instinct for preservation of the "set forth ontology", with its order and hierarchy, "natural religion" and tradition, myth and ritual (G. Jemal), forms of ways of intuitive comprehension of the macro- and micro-world laws<sup>4</sup>.

The pendulum-like change of anthropologic and cultural matrices in big historical time is preconditioned by the phenomenon of "cultural and field induction" that acts as an "unseen channel" for storage and transmission of the "quintessence of historical experience" of the mankind (A. Pelipenko). In the environment of "involutional rolling-back", the dominating cultural programs start "losing" their energy potential and become outdated, not demanded. But they do not disappear fully from the dramatic arena of history – under the pressure of reviving matrices of the rival system they "are pushed aside" – they go into "the shade of collective subconscious" and wait for their time there. The lead-

<sup>&</sup>lt;sup>1</sup> Pelipenko A. Op. cit. P. 6.

<sup>&</sup>lt;sup>2</sup> "The difference of spirit from the reality is that 'the spirit carries in itself the thought of the other'. The other is what is not experienced (in contrast to reality), this is what is given in zero experience. Thus, the spirit in its essence is focused on the beyond-reality". See: Джемаль Г. Ориентация — Север. URL: http://www.metakultura.ru / vgora/nord/nord\_1.htm

<sup>&</sup>lt;sup>3</sup> The concept of two metaphysics dichotomy in the history of mankind was substantiated by Geidar Jemal. – See: *Жаринов С.* Глашатай радикально иного. URL: http://poistine.org/glashatay-radikalno-inogo

<sup>&</sup>lt;sup>4</sup> It's not accidental that many artists and thinkers of the 20th century demonstrated evident interest in esoteric teachings, they tried to master the wisdom of the East, the essence of religious and mythological images, understand the sources and nature of astrology and alchemy.

ing role in the basis of mechanisms of other cultural paradigms' being in demand is played by mental matrices of the subject of culture: intentions (impulses) emanated from the "field space of culture" can be "here" read by structures of certain ontological order and level of complexity of "receiving devices and adjustments". Only those potential characteristics of the phenomenon that are "relevant" to the ontological nature of the "communications agent" are objectified (expressed) "here and now" - their "revival" takes place as a result of resonance with the intentional and empathic impulse of the "call"<sup>1</sup>. Really, "Call, call the night darkness, and the darkness will come" (V. Shalamov) – we're capable to call from the potential world only that which is in accordance with existential layers of our mentality and nature of our domineering view of life (good calling good, love to the world and people is returned with increased energy of love, and hatred and evil are capable to bring about only similar energies).

Today, like in the times of the Old Testament, the world is going through a period of theogony: change of civilization paradigm. The previous historical and cultural model exhausted itself, and this exhaustion is taken (both in humanitarian knowledge and mass conscience) as a spiritual crisis, "metaphysical void" (Oswald Spengler). The main verification of the crisis of 1.5-thousand-year-old European world is the increasing urgency of cultural and anthropological problems. Humanitarian knowledge fixes at least five problematic zones: threat to national cultures as value-and-standard systems arranging the life of individuals and the society; deformation of cultural and anthropological matrices formed on the basis of Christian values; deeplaid crisis of natural and cultural identity; expansion of pagan elements, energies and practices; deformation of fundamental sense-bearing key concepts forming the intellectual European space. Basic reasons of spiritual agony of the European world are connected with the loss of system-forming status of Christian anthropology which traditionally defined the value and sense space of the European culture, providing spiritual priorities of personal development and bases for solidarity of ethnic groups. Serious challenges to the present and the future of the European culture come from the deep-laid crisis of national and cultural identity. The essence of the crisis on the anthropologic layer consists in destroying that indivisible substance which determined historical sustainability of culture and development vector for "anthropos" as a creature striving to heaven, in the spiritual sphere.

Deformation of fundamental sense-bearing concepts, which in the past provided the integrity of intellectual European space, is an evidence of the deep-laid crisis of spiritual foundation of the European culture. The ideal of humanism, going through considerable deformations in the context of European culture, found itself face to face with serious challenges, this ideal is pushed away by post-modernist human projects and actively strengthening ideas of trans-humanism. Treatment of freedom as an inalienable component of humanistic ideal requires new accents. Scientists are speaking about the necessity of human image's comprehension and strengthening within the limits of humanitarian knowledge, corresponding to present day's realities (V.A. Lektorsky). Deficit of life meanings is recently becoming a global existential problem. All that certifies that the modern period project is exhausted and European culture is transforming into the new post-modern phase.

Expansion of pagan civilization matrices within the limits of the European world is accompanied by radical breaking of fundamental attributes of human and society's being: the picture of the world, ethic ideal, sense-forming scenarios, identity criteria, ideas of good and evil, things in existence and the due are changing. Expansion of affective energies space and zone of archaic conscience manifestation go on with the "sign inversion" of key mental characteristics and worldview dominants as a background. The "fan" social basis of magic practices and mystic beliefs that in those ancient times made the repertoire of priests is expanding. Ethnic and cultural trends are strengthening – as a gloomy prototype of the total inclusion of the ancient man in the clan structure, excluding the free choice of other identity criteria.

Strengthening the neo-pagan cultural model in its final variant requires inversion of the cult foundations, including supposed rehabilitation (and respective cultural legitimization) of the "deific pantheon" of the ancient man. And that process in the bowels of the European culture has been viewed for several centuries already: history (especially from the early modern period) is abound in examples of "cultural rehabilitation" of demonic pagan figures – Apollo, Dionysus, Helios, Lucifer, Hermes, Mercury, etc. The period of Christian matrix's strengthening in Europe was accompanied by upsurge of anti-systems – religious sects of predominantly Satan character<sup>2</sup>.

The neo-pagan anthropology of the post-modern period, with its amoral romantics and demonstrative profanation of moral taboos, destroys the spiritual and moral matrix of the European culture and makes the whole civilization's collapse inevitable. It's not accidental that the global project for formation of "the new pagan" is symbolically named "anthropological euthanasia" of the European culture. The danger of heathenry is in the ability of its worldview and "ritual" component to corrupt human souls and seduce human hearts. Pagan energies, repressed by two thousands of years of the "Culture of Prophets" triumph and thrown into the "basement", today break into the culture beyond their mystic context that gave them the highest meaning as a way to communicate with deities. As a result of "spiritual abuse" of adapted pagan practices, humans sink into the lower circles of being, deprived of motivation and energy to move up along the steps of spiritual revival. The spiritual atmosphere of heathenry provokes the worst human qualities and energies - avarice, envy, aggressiveness, revengefulness<sup>3</sup>. Persons that provided their material well-being and

<sup>&</sup>lt;sup>1</sup> Пелипенко А.А. Психосфера // Семь искусств. 2011. № 1. URL: http:// 7iskusstv.com/2011/Nomer1/Pelipenko1.php

<sup>&</sup>lt;sup>2</sup> In particular, well-known "anti-systems" of the Ophites and the Gnostics operated in the European cultural space (these sects were formed in the ancient world, at the time of heathenry – in the area of the Old Testament's contact with the Hellenic mythology). The Ophites (snake worshipers) established the cult of knowledge and Satan as its source in contrast to Biblical God who announced another truth through His prophet: "in much wisdom is much grief", because of that "he who increases knowledge increases es sorrow". The cult of secret knowledge was also characteristic of the Gnostics ("gnostis" in Greek means "knowledge"; "Gnostic" is "knowledgeable").

<sup>&</sup>lt;sup>3</sup> Shakespeare's Hamlet serves an image and metaphor for the present period, suffering deep splitting of conscience between the call of the dying out clan and demands of Christian spirit, between the spirit of the past and the new truth being born, inevitability of pagan revenge and Christian forgiveness. "The time is out of joint: O cursed spite, That ever I was born to set it

social status by open amorality and debauchery become idols and icons in the public space of contemporary mass culture (in some sense their way of life reminds the way of life of the "chosen bad guys" in the societies of the ancient world). Raging of pagan elements in the European cultural space becomes a condition for restoration of the Nazi ideology, which becomes the natural answer of West European civilization to the agony of culture of the post-modern period (and to a considerable extent performs a compensatory function, substituting the lost foundations of national and cultural solidarity). The tragic experience of the 20th century shows that nature, soil, the fact of birth cannot be eliminated or overcome - they are waiting for their time, bursting in the environment of the identity crisis. West European civilization has covered a long and dramatic way to exaltation along the identity steps: from nature and clan to spirit, idea, the common. Today's trend for return to identity according to the criteria of "jus solis and jus sanguinis" certifies the evident regression of the Western world. At the same time falling out of the "root system" at the level of commonplace conscience is not perceived as a catastrophe or even a problem: increasing "existential emptiness" of a modern man requires changes, with which hopes to get new meanings and illusions are connected.

Heathenry's strengthening that's taking place in combating Christian traditions, was preceded by the not simple and long period of triumphant chaos – both external and internal that helped human soul's disintegration. The today's European post-modern stage is the last stage of the modern period tradition's and socio-cultural institution's disintegration – the final stage of the "Culture of Prophets".

Russian civilization on the "universal battle" field, where two anthropological and cultural matrices are struggling, is still on the side of Christian Logos traditions (according to Florensky, being the key condition to oppose chaos – the thinker examined the world history from the eschatological point of view: as a field of battle where two opposite cosmic principles are fighting one another: *Logos* and *chaos*. The culture in this battle is seen as a specific human manifestation of *Logos* opposing the powers of "world equaling" and death)<sup>1</sup>. The dramatic nature of today's situation is strengthened by total incompatibility (and even irreconcilability) of metaphysical focuses of opposing anthropologies of Logos and chaos: the worldviews in their basis, sacred areas, spiritual referents, sense-forming scenarios, etc. European civilization entered the pagan elements several hundreds of years earlier (starting from the Renaissance), because of that hostility and irreconcilability of the Western elite to the Russian world is of deep-laid, metaphysical (and to a considerable extent religious, mystic) character. And this struggle of anthropological and cultural matrices going on for several centuries excludes the possibilities to compromise. Modification of Christian anthropology became the result of multi-century action in space of West European culture of "humanitarian" elements opposing Christian energies of justness, mercy, kindness, truth.

Russia still has a chance to get out of the catastrophic for the European culture historical trend, to wit: stay within the limits of the historically grounded and achieved by the people through suffering spiritual space of Russian civilization (and when possible not take part in the initiatives and projects of the Western world that personify the agony of the European culture's Christian spirit)<sup>2</sup>. The cultural and anthropological dimension of today's crisis, manifested in deep-laid transformation of civilization matrices, allows to characterize the real humanitarian scales of the approaching catastrophe and develop the methodology for working out prevention measures. Trans-border challenges and threats to spiritual security require not only consolidated efforts of state institutions but also a high level of national identity of the people, they add increasing importance to the priority of the spiritual and moral component in working out scenarios for minimization of global problems.

Fundamental challenges of the time, dictated by the change of the civilization paradigm, require an adequate answer, the condition of which is systemic understanding of the essence of Russian civilization (its soul, mentality, national idea) as a subject of world history, in the stream of which it is included. Domestic humanitarian thought has always tried to "call" an individual by a word, to help him turn to himself and the world "by his most important essence, his enlightened part, face illuminated by his heart's light", awaking spirituality that rushes the man over the horizons of human being. Only in this movement up a human can realize himself ultimately and justify his name – with his forehead turned to eternity.

right!" All those formulas fix the break of traditions in morals area, catastrophic experience of sudden turn of the tide, cataclysm.

<sup>&</sup>lt;sup>1</sup> Culture as means used by Logos to fight Chaos is "conscientious struggle against world equaling", its mission is "holding back the equaling process in the Universe, increasing the difference of potentials in all fields as a condition to live, in contrast to equality – death". – See: Флоренский П. Сочинения: в 4 т. М.: Мысль, 1994. Т. 1. С. 39.

<sup>&</sup>lt;sup>2</sup> In particular, the ruinous factor, killing the soul of Russia in recent decades, is moral degradation of people as a result of thoughtless (and in essence criminal) attempts to enter alien for us mentally and spiritually "European house".

### **Robin Matthews**<sup>1</sup>

## UNITY, INTERDEPENDENCE AND RELATIVISM AS CHALLENGES FOR THE FUTURE

#### Introduction

I am very happy to be invited to be invited to the International Likhachev Conference, under the auspices of the Russian Academy of Sciences and the Ministry of Foreign Affairs of Russia. I would like to begin by thanking the Organizing Committee for inviting me.

I address the conference theme, "The Global World: Systemic Changes, Challenges and Contours of the Future", via the principles of unity, interdependence and relativism that are connected by an organizing and communication principle that is so general that I use the grammar to describe it.

Unity is a basic principle of mysticism, a term I use in the same way as Bertrand Russell [24] did in a paper written just before the First World War, when he drew a comparison between the intuitive and analytical faculty required both by a creative scientist and by implication a creative artist and the intuitive faculty and analytical faculty, though perhaps of a different kind, that lies at the centre of mysticism. In the limit, complete interdependence implies unity between all things and events and spheres are being, whether one thinks of spheres are being in a spiritual sense or in a more secular sense as contrasting the conscious and the unconscious worlds, or the possible and actual world, or as the work of Borges conceived of as a sphere of Forking Paths [1] in which all the future possibilities contained in a current event are lived out simultaneously in an imaginary world; the latter, the imaginary world he conceived of being perhaps paralleled by the concept of multiverse. An idea behind the paper is that communication and organisation in different spheres or worlds is carried out via different grammars. From this follows the idea that there are many, many grammars; hence the connection with relativism.

The world is on average richer, safer, more comfortable, healthier than previous generations could have imagined. But averages can be misleading. The dispersion between rich and poor in all these respects, is huge and increasing. The state of evolution of business and national policies, despite apparent intellectual triumphs, seems to be governed by reptilian parts of the mind; ruled by a grammar that is in many ways, fearful, aggressive, lacking in empathy, without the excuse our reptile ancestors had, that their environment was beyond their control; in contrast, to a great extent, we have fashioned our environment ourselves. So, the theme of the paper amounts to saying that a change in grammar is necessary. The change involves recognition of interdependence and unity. It is an achievable stage in evolution; achievable in the first place, personally and in the second place, universally since the personal and the universal are part of the same unity.

Globalisation is an illustration of a certain kind of unity. It arose out of the interaction or interdependence between the global financial sector, the technological revolution, especially in information, computing and biotechnologies and the need to find global markets both as a source of cheap supply of labour and expanding demand as a result of spectacular world income growth in the latter part of the previous century and the early part of this century [21]. The downside of globalisation increasing inequality both within nations and between them; on average incomes increased but so did the gap between the richest and the poorest. This resulted in a sense of marginalisation by a large section of the population and, at least in the West, a rise in populism, a move to protectionism and a retreat from international cooperation as evidenced for example by Brexit in the UK and disenchantment with the Single European Currency. The world that emerged after Perestroika and the end of the Cold War is very different from the New World Order that was conceived in the 1990s.

Thus, the rather optimistic grammar that produced a phase of globalisation has evolved into a more pessimistic grammar in the current era, a phase of disarray, illustrating the yin and yang in both. Disarray is a symptom of the grammar of Neoliberalism that has permeated business and national policies, producing well-being and disparity in well-being, content and discontent, overriding inherent interdependence and unity; starving empathy.

The paper proceeds in the following way. In the next section the idea of grammar as an organising principle is outlined in relation to the many spheres of being that we inhabit. Being is conceived of in much the same way as Heidegger [9, 3] conceived of being as Dasein, or being in the world, except that the concept of world is extended to include many worlds. Each world has its own set of grammars and no grammar is complete. The reader will no doubt see the connection between this and Godel's incompleteness theorem [22, 28, 16].

The idea of many grammars [27] leads to the theme of the third section, relativism. There are many grammars but they are connected in the same way perhaps as Jung saw as synchronicity and as Niels Bohr [14] conceived as correspondences.

The final section contains some illustrations of the ideas in the previous two sections. The illustrations relate to global organisations, to the global distribution of income and wealth, and to the idea of unity as being a state in which there is no grammar whatsoever; a state, if it can be conceived of in which there is no separation between the knower and the known.

#### Grammar as an Organizing Principle

#### Grammar

Grammar has a morphology, and a syntax. Here, morphology refers to the qualities of things and events and being that we choose to focus on. Syntax refers to the rules that connect them. Alternatively, we might think of grammar as a network in which the notes (vertices) correspond to the

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morphology and the linkages (edges) correspond to syntax. To morphology and syntax, we might add rhetoric which describes how we speak about them, according to conventional wisdom, the prevailing discourse or using Kuhn's term, the paradigm.

For the moment, we focus on the plane of Being that people insist upon calling the real world and upon the organizations that exist there. The real world is, loosely speaking, the world we are part of in everyday experience, that Heidegger called Dasein. The dominant grammar conditions the way the real world or plane of Being (Dasein) behaves and conditions the way it is perceived and the criteria on which it is evaluated. The dimensions of grammar are illustrated in Figure 1.

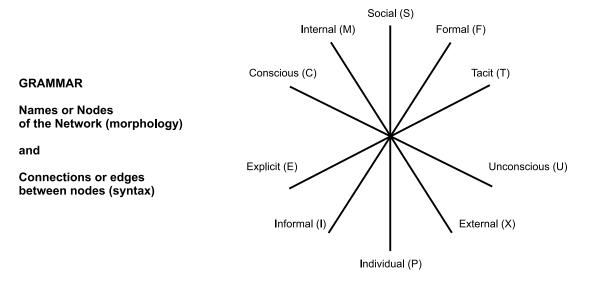




Figure 1 illustrates the scope of the information structure that forms the syntax of grammar. Grammar has many dimensions; formal/informal, social/personal, internal/external, explicit/implicit, conscious/unconscious. Morphology is akin to the naming; naming the artefacts that express of the dimensions of grammar.

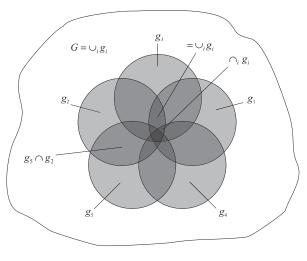
We can think *of grammar* as having lateral or horizontal dimensions, indicating that there are many alternative grammars pertaining to each sphere of Being. The process of deconstruction might be described as that of unveiling or discovering alternative grammars in Dasein. Deconstruction is concerned with the Other that is excluded by a grammar or perspective of the world.

There are many spheres of Being, each having a distinctive grammar. Spheres of Being and related grammars have a vertical dimension, described metaphorically in various ways; the material world, the worlds of the soul, the spirit and so on is one description; another is the Freudian conscious, unconscious and the Jungian collective unconscious. Alternatively spheres of Being, may be distinguished by simply saying that, according to current thinking, ethics and norms occupy different but perhaps related spheres.

In figure 2 the horizontal and vertical dimensions of grammar are collapsed into two dimensions: from the perhaps infinite alternative grammars gi. The set of all grammars is denoted G. Individual grammars have elements in common, they are overlapping sets.

#### Gödel

No grammar is complete. There is always *a statement in a grammar* that we know to be true and it would be desi-





rable to prove, yet it *cannot be proved within that* grammar. The relativistic aspect of grammar can be illustrated as application of Gödel's theorem, approximately stated as the proposition that 'statement g cannot be proved within grammar G'. If the proposition is true and statement g cannot be proved within the axioms of grammar G, then grammar G contains a falsity and if the proposition is false and statement g can be proved within G then we have a contradiction. Every conceptual system must resort to another conceptual system for its completion: every grammar requires a meta grammar G<sub>m</sub> we are still left with the original propo-

sition; 'statement  $g_m$  cannot be proved within grammar  $G_m$ ', and so on indefinitely. Alternatively, we might describe every grammar is undecidable in that there are statements within that grammar that are neither provable nor disprovable. In this way, the characteristics of space and dimensionality of grammar becomes important.

#### Deconstruction

Grammar organizes reality, structures it, partitions it and leads to the imagination or dream that what is evident in a particular grammar is the only reality. Deconstruction seeks the Other that lies outside of a particular grammar. It is like unpeeling an infinite layered onion, or an infinite Russian doll; mining to find something outside and within a grammar and discovering something more or nothing.

Alternatively, grammars are like palimpsests; layer written upon layer and never totally erased, always leaving an impression. There's always an opening for deconstruction or unveiling because no grammar is complete or consistent. This is Gödel's proposition and Gödel's proposition is a grammar in its self. There is always something outside; a shadow.

#### Relativism

The essence of relativism can be expressed by seeing grammar as medium for communicating from one aspect of reality to another; encoding a message into a signal, transmitting the signal, then decoding it so it can be received and interpreted. Interpretation, in turn, requires grammar. Nothing is observed directly; only through a medium and the medium determines the message that is observed and perceived.

What is a medium? Clearly the senses are part of the set of all media that range from the senses to extensions of the senses; telescopes, microscopes, accelerators, software, hardware; experience and heredity wired into neuronal connections, memory, expectation, attachments, habits, memes; and beyond the senses, to dreams, imagination, fantasy, intuition, vision, illumination. Each, within its own grammar, is real; the meaning of relativism.

It is tempting to cite a critique of relativism as; 'if everything is relative, then the statement that everything is relative is relative as well'. And that is so. Many people misinterpret relativism as a variety of amorality. But to say that a proposition is only true, in relation to a grammar is not to devalue the proposition. Understanding the physics of the fundamental forces of nature, for example, enables us to build machines of many kinds enabling us to use them to perform work of various kinds, but at the same time there may be other valid ways of understanding the universe (though they may not enable us to perform what we usually understand as work); through metaphors like Lovelock's Gaia, or angels, or by admitting the possibility of a multiverse or failure to discover the unified theory in physics.

#### Correspondences [5] and synchronicity [11]

Each sphere of being have their respective grammars. Bohr wrote of correspondence relationships between classical and quantum descriptions of the same phenomena; electromagnetic energy has particle and wave characteristics, yet particles and waves are mutually exclusive concepts. Though seemingly paradoxical, both descriptions apply. We can describe the paradox in terms of grammar thus; they describe the same phenomenon, but the same phenomenon is expressible in different grammars; expressed nonparadoxically within a grammar but as expressed between grammars seemingly paradoxical, contradictory and inconsistent, but in a complementary relation to one another.

Grammars complementary explanations, course grained of macroscopic versions of the same reality differ from fine grained or quantum versions of that same reality. And quantum versions may only be expressible in mathematics that has no common-sense counterparts. Bohr and others have extended the notion of complementarity and correspondence relationships to the relation between science and religion. We might say that the current state of globalization has a corresponding state in other, nonmaterial, spheres of being.

Jung expressed a similar idea, that of synchronicity, which he called an a-causal connecting principle. In terms of grammar, his concept of synchronicity is a process in which, one world, the archetypal expressed itself in the worlds of dreams and actual events in time.

#### Illustrations

#### Organizations

The first illustration is the global organisation itself. We can think of global in the sense of comprising an entire system however small (a small company, or a small industry, or a family), or large (a giant corporation, a nation, a group of nation states, or a global ecosystem of which even a global corporation forms only a part). Organisations carry out many kinds of interdependent activities, producing something, selling something, buying something, disposing of something, storing something and so on. The variety and number of activities, even a small organisation is probably unaccountably large, impossible to deal with unless they are grouped into a smaller number of coalitions.

The grammar of organisations is this. Organisations consist of coalitions within coalitions within coalitions, like the familiar Russian dolls which contain dolls within dolls within dolls and so on. Forming coalitions reduces the dimensions of the organisational problem; many activities are reduced to fewer latent constructs, teams, projects, businesses, corporations and so on – which we will call generally, coalitions.

The process of data reduction, that is reducing many variables, activities or events to fewer latent constructs or coalitions means that there are many degrees of freedom according to which we might interpret organisations. The mathematics might seem complicated but the principle is quite simple. By using a grammar to reduce the dimensions of organization, makes problems of organization and their meaning, tractable. In so doing there are many ways in which the problem can be interpreted.

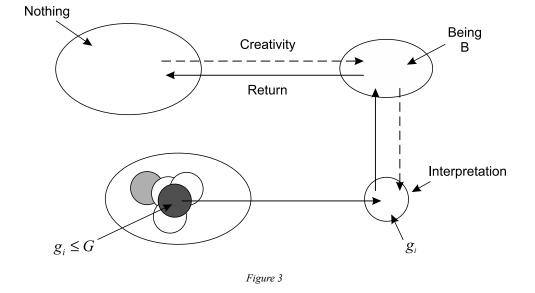
The problem lies not so much in data reduction as in believing that a single grammar exists according to which organisations can be interpreted. Such is the grammar of Neo Liberalism to business companies, nation states and international organisations such as the IMF are wedded to; that of the drive to competitiveness, focus on productivity, cutting costs, treating people as resources, treating the environment merely as a resource to be used for the purposes defined by Neo Liberalism as if these were the only purposes; whilst at the same time being outraged by the reactions expressed in populism, nationalism and protectionism. And the environment is temporarily silent whilst global warming, the outcome of such grammar proceeds.

#### Being; the Global World: Systemic Changes, Challenges and Contours of the Future

In this illustration, a return directly to the theme of the conference and to the relation between science and mysticism which Bertrand Russell drew attention to over a hundred years ago. Russell was a sceptic about religion, but surprisingly not so sceptical about mysticism. Often if we want to understand something means abandoning interpretive grammars that are familiar. Creativity in science and the arts involves doing this. In the bottom, left half of the figure we have the set of all grammars G and a grammar  $g_i$  indicated by the black circle, which itself contain subsets of grammar. The bottom right-hand side isolates  $g_i$  as a way of interpreting being.

We can view creativity as making something, that is being, B, out of nothing and interpreting it according to one grammar  $g_i$  or another from the set of all grammars; hence relativism, there are many possible grammars. Alternatively, we can conceive of returning to the source, from whence everything emerged, which involves abandoning any grammar whatsoever. Either journey, creation or return, is impossible to conceive of, except through metaphor, which is paradoxically to impose a grammar for we can conceive of nothing except through a grammar.

The text of the Bardo Thodal is such a metaphor [4, 12]. It describes the comprehension via grammar



which the composer saw as attachment to the world in three stages. The first stage is the Chikhai Bardo, the return, now of death, which can be interpreted metaphorically as the moment of abandonment of grammar altogether. The Chikhai Bardo is the momentary grasp of reality, which immediately gives way to the Chönyid Bardo, a state illusion in which being is interpreted by some grammar or another. The third stage, the Sidpa Thödol is the onset of birth, in which the insights of the Chikhai Bardo are gradually forgotten.

The diagram itself is an analytical tool which serves as a metaphor for the mystery described by the Bardo Thodal, which again is a kind of grammar.

Alternatively, we can interpret the creative process, in which preconceptions are abandoned. Creativity, artistic, scientific, or mystical, as described by Bertrand Russell, is return to the source in the diagram, and hence the interpretation of the insights according to a grammar. Or maybe, creativity takes the form of the invention of an entirely new grammar. Such is described by economists as the revolution instituted by the work of John Maynard Keynes, and in physics, the revolution brought about by the quantum theory.

#### Conclusion

In the opening section of the paper, the theme was said to be that a change in grammar is necessary. The change involves recognition of interdependence and unity within spheres of being and between them. It is an achievable stage in evolution; achievable in the first place, personally and in the second place, universally since the personal and the universal are part of the same unity, and since personal grammar is the first port of call.

The last statement could be a description of contemplation, or reflection, or meditation however one likes to describe the same process, which is, I think, the faculty of seeing one grammar from the vantage of another. Everything in the material world is temporary. The story goes like this. An enlightened person, is seen carrying a huge and weighty backpack. How the person is known to be enlightened is not important for the purpose of the story. *What is it like to be enlightened?* The backpack is put down momentarily. *Like this*. Then the backpack is picked up again.

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## **Guy Mettan<sup>1</sup>**

## THE GLOBAL WORLD AND THE NEW WESTERN EMPIRE

This is about empire and resistance. Remember the US movie saga Starwars produced in Hollywood by George Lucas: the famous emperor without a face and his evil lieutenant Darth Vader were fighting for universal hegemony against an improbable coalition of rebels supported by the wise Jedis knights. The corrupted galaxy republic was divided by internal struggles for power and a ferocious competition for trade markets; its ambitious chancellor Palpatin, exploiting the greed of the merchants of the powerful Federation of Commerce, had organized designed a plot for seizing legally the supreme power and transform the decaying Republic into an Empire.

This is a metaphoric story of what is happening now in our present small earthly world.

Since the end of WWII, and especially since the collapse of the USSR, the imperial Republic has gained control over three quarters of the planet, building 600 military bases all around the world, concluding defense and trade agreements with almost every country, reducing its allies – European countries, Japan and partly Latin America – into mere vassals, imposing its ideology to virtually everybody, including its strongest opponents. The free market and free trade ideology, the so-called modern capitalism or neo-liberalism, is reigning from North to South and East to West without real counterweight since communist China has also adopted it as its economic framework. On the sunny side, empire has been able to promote positive values such as democracy, human rights, individual and minorities empowerment, indisputable economic capacities, technologic and scientific successes as well as an undeniable cultural power of attraction. All these are providing a large public support despite desperate and violent reactions largely concentrated in the Arab-Islamic countries and the surge of far-right or far-left populist parties in western countries.

Let us examine the whole picture more in detail.

In order to better understand the present situation, it is necessary to make a flashback to the history of the Roman Republic and the Roman Empire. After winning the last Punic War against its traditional emblematic enemy, Carthago, Rome had been expanding fast in the whole Mediterranean basin, conquering Africa, Spain, Greece, as well as present Turkey, France and Egypt. All this in less than a century, which was incredibly quick in a time of walking, riding and slow sailing.

Using military means as well as a sly diplomacy, bribery, trade agreements, backhand alliances and all soft power tools, the Roman Republic became suddenly the center of a huge set of territories, accumulating incredibly high

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amounts of wealth and financial resources, and transforming its old sober elites into greedy plutocrats. The conquest of Ancient Greece is a model of political smartness. Greece has been the cradle of the Roman Republic, providing its values, its philosophy, its vocabulary, and even its gods and deities to the young Roman Republic. The great Greek-roman historian Polyb told the story of the conquest and showed how the divisions of the Greek cities, skilfully managed by the Romans, have finally led to the victory of Rome against a divided Greece, which was submitted in a few decades only and was never able to recover.

This is exactly what happened in the 20th century between the United States and both Europe and the Soviet Union. Thanks to the divide between Europeans and the 1914 and 1939 wars in Europe, the United States of America were asked by some European threatened states to intervene in their affairs and to submit their former enemies first Germany than later Japan too, and transformed their former allies - i.e. Great Britain and France - into vassals. The two Europeans wars, like in the Roman-Carthagean history, were followed by a third one, the so-called Cold War, against the Russian USSR, this time. So in 1991, the United States became the winner of the last war against the last "Punic" soviet challenger. Taking advantage of two hot and one cold wars, the American imperial Republic succeeded in becoming the hegemonical power on the planet in less than eight decades. What an outstanding performance!

But these tremendous successes obviously aroused a lot of frustration, discontent and anger outside and inside the empire.

Outside, the enforcement of modernity, western values and cultural change has caused a deep shock in the Arab and Muslim world, triggering social and political unrest and upheaval against their often corrupted political regimes and creating a revival of Islamic djihadism financially supported by the conservative petromonarchies which were looking for leverage in their regional struggle for domination. Bloody and chaotic western military interventions in former Yugoslavia, Afghanistan, Irak, Libya, Syria, Côte d'Ivoire and Mali have created permanent disorder and the surging of a terrorist crescent in the whole Islamic peripheric belt of the empire, from Mauritania to Central Asia, Europe (in the Balkans) and even in Russia (in the Caucasus).

This belt of violence is providing the empire with its most powerful justification. As exposed by the famous Muslim thinker Ibn Khaldun, the strength of an empire relies on its capacity to ensure inner protection (security, defense) and a relative prosperity to its subjects. To achieve this, the empire has to exploit its periphery and to expel its internal violence to the outskirts of its core territories. Economic and security order is its motto and its survival kit. In that perspective, the casual terrorist attacks and other "war on terror" such as the one declared by former President Bush are appropriate tools to justify a perpetual "état d'urgence" (state of emergency) and a high level of police and defense expenditures in order to keep the inner populations under control, i.e. under the close scrutiny of a massive intelligence surveillance apparatus.

That way, inside the empire, the peoples are more or less under control. Nevertheless, the lower classes, kept aside from prosperity by the increasing wealth and power concentration in the hands of the upper elites, are deeply unsatisfied. They react and try to keep the last chance to influ-

ence the rules of the game giving their voices to so-called "populist" leaders from the right - in USA, France, Great Britain and Northern Europe – or from the left in Southern Europe, as in Spain and Greece. In that sense, the Trump victory is a sign that "populism" can even win in the heart of the empire. But in no way does it mean a shift in the imperial policy. Many critics of the US and European hegemony do hope that Trump will open a new era and, being an isolationist, will change the imperial way of thinking and doing. That's a huge mistake. Trumpism only means a turnover of the dominating elites, with the new ones somehow less free-trade oriented and more in favour of a national recovery. Trump's slogan "Make America great again" can be understood both ways: America has been weakened by Obama and Clinton "socialism" and must therefore be cured in order to regain its strength as the supremacist power in the world. It's a divergence of priorities: democrat and neo-con elites think that the main goal of western policy is to conquer new markets and control outer territories without consideration for the heartland and the suffering of their own left-aside citizens while Trumpists think it's more important to restore first the country rotten infrastructures and poor finance with the support of the lower classes and to ask the allies to take their share of the burden (i.e. NATO members for defense expenditure and the winners of the exportation game like Germany) before going ahead with new external wars for new markets.

And don't forget that a billionaire will never share his fortune with the poorest and never make a revolution. As in the late Roman Republic, oligarchs are always the best supporters of an emerging empire. It is even so if the pretenders to the imperial throne are sometimes relying on the lower classes in order to prevail over their main competitors, who belong anyway to the same social class.

The critics of the West and the opponents to US-western hegemony are hoping that "America" is now declining, that Trump will change the course and open a new era of a multipolar world. That's a deep mistake and reflects a misunderstanding of the situation. This feeling is caused by the apparently chaotic state of our current world. In fact, we are just in the middle of a huge transition: the transition between an imperial republic and an imperial state. The wellknown imperial republic is still in place with its ritual and media-scenographied elections, its democratic face, its cult of individual virtues and its still self-declaring veneration of freedom. But the word freedom has already been turned into a large but ineffective set of countless "freedoms", freedom of trade, freedom of circulation, freedom of capital, freedom of goods and services, freedom of all kind of minorities. Freedoms are booming but the freedom of the human being is not improving at all. Even political freedom is more and more restrained. Let us see the US elections: only billionaires can compete, billionaires with their own personal fortune like Trump, or with a borrowed fortune like Hillary Clinton. Is this real democracy? Is it not the return of selective suffrage, poll-tax based democracy, and of a new aristocracy, with emerging dynasties claiming for the power, first Bush I and Bush II, and more recently Mr Clinton and Mrs Clinton?

In fact, what is considered as a decline of the USA is only a transition phase between two different imperial states: the imperial republic with its democratic forms is slowly but surely entering into an empire with a huge concentration of power in the hands of an imperial cosmopolitan elite almost completely separated from common people. Step by step the democratic institutions are emptied of their content and tend to become only formal: elections give the impression that peoples can choose their leaders. In fact, all are making the same policies, from the supposed leftist Tony Blair to the supposed rightist Sarkozy or Merkel, all are implementing the policies of the empire: same values, same inequalities, same free-market and free-individual ideology, abolition of the traditional defense based on general conscription of the young citizens in favour of a professional army much more obedient to the power. The era of the republic is over, long live postdemocracy!

This having been said, the invisible trend toward a fully imperial state is obviously not quiet and peaceful. Social, political and cultural tensions are accompanying this process of transformation. Peoples try to resist to this change. But as we have seen, the so-called "populism" is not an appropriate answer because populist leaders are all ready to compose with the system. Most of them share the free-market ideology and will only try to alleviate its consequences by giving more national or social protection to the lower classes who are threatened or weakened by the concentration of wealth and power and by the harsh competition resulting from the opening of the borders to cheap labour forces coming from outside and attracted into the empire by its relative prosperity. Populisms can at their best slow down the movement toward the empire but by no mean prevent it. And if they succeed, the empire, rejuvenated and re-boosted, will be stronger than ever and ready for trying new adventures.

One other characteristic of the Empire is that it never has fixed and controlled borders. Its borders are always uncertain, with peripherical territories fighting to be in or to be out, like Eastern European or Balkanic countries, Turkey, South Korea, Philippines, south-east Asia, Israel or Latin America. Some are lucky enough to be official allies like Israel, with all the rights to bomb or invade whom they want. Others are pure vassals like Panama. Most of them are both allies and vassals like Western Europe, Japan, South Korea or Saudi Arabia. A few are full enemies, members of a so-called Axis of Evil, like Iran or North Korea, or have a special status of "friend-enemy" like Russia, China or India. Too big to be treated like the small North Korea but too strong to be considered as good friends. This characteristic, along with the obligation of expelling violence outside its core, explains why empire implements a strategy of chaos in their peripheries. They need enemies as well as markets and resources and are constantly in hot or cold war.

Until, some day, their enemies succeed to unite and form a coalition.

Just a few words as a conclusion. What are the main challenges of the present emerging empire? As drafted by former president Obama and underlined by new President Trump, the main challenge is not anymore the Middle East Islam or the Islamic terror, neither is it Europe or Russia: it is China. With a population of 1,5 billion people and a booming economy located in the heart of the Eurasian continent, China is clearly the next target of the empire. The shift of the US focus from Europe to the Pacific area by Obama is the sign of this new concern as were the last electoral declarations of new president Trump against China. But China is reacting skilfully, avoiding frontal fight, trying to build its "One Road, One Belt" project through the Eurasian continent and to defend free-trade policy with the support of the European Union. China is now too big to fail and the competition between both empires will require not only muscles but a lot of brain.

What about Russia? Russia, under her soviet mask, was long time considered as the arch-enemy, the modern Carthago of the modern American imperial republic. Lot of US think tanks and Washingtonian old elites are still considering Russia as the main threat for American hegemony. That was the democrats' and Obama-Clinton's motto. But Trump and the new republican forces are seeing the case of Russia slightly differently. If China becomes the main threat, it's important to have Russia on one's side rather than against. That's why Trump tried to open a window toward Russia. Trump prefers to have Russia behind him than in front of him. But this position is still a bit premature and old elites are noisily resisting it. And nobody knows who will win.

On the other hand, the USA have just raided Ukraine, which was a century-long dream of the Anglo-Saxon geopolitics. As aimed by Bzrezinksi and other neo-conservatives thinkers, Ukraine is too important to be abandoned soon. That's the condition of US control over European Union and Eastern European countries. Unless Ukrainians will do a "counter-counter-revolution" of their own, the empire will resist as long as possible before leaving the grip on Ukraine. This is not in favour of a friendship between the USA and Russia and will not facilitate the lifting of the economic sanctions.

In fact the only condition for a reconciliation between the USA and Russia depends on the competition with China: if this results in increased tensions, the policy of opened hands to Russia will enter into force, reinforcing the role of Russia as a kind of "swinging" state for the US-western empire.

## V.V. Mironov<sup>1</sup>

# DIALOG OF CULTURES AND DEFORMATION OF THE NOTION OF TOLERANCE IN TODAY'S GLOBALIZING WORLD

The processes of globalization taking place in the world today have permeated all the levels of culture, affecting our civilization in a way so dramatic, that we often hear about it being a start of the new era in the history of humankind.

This is, in particular, the position of researchers who take the so-called hyper-globalist position. It absolutizes the positive character of economic integration, which gradually leads to national states getting rid of national priorities in order to allow the global economy to function. Consequently, this spreads to understanding of culture, or, more precisely, the national culture and its right to existence as a localized system. "Since national economies are increasingly becoming elements of international and global flows that oppose the national socio-economic activities, the authority and legitimacy of nation-states is being questioned: national governments are less able to control what is happening within their own borders, or to independently satisfy the demands of their citizens"<sup>2</sup>.

It is this premise that lies behind the justifications for interference of globalism leaders into sovereign affairs of other countries to establish the new world order.

At the same time, precisely because of the aggressive nature of globalization ideas being pushed on the international community, there emerges a definite opposition to this trend. It denies the very possibility of creating a supranational economy and the practicality of the "world government" running this economy. The real practice shows that even relatively limited systems that included the necessity of international management, development of the unfied law for a number of countries, find themselves to be quite ineffective and lead to new contradictions, exacerbating the inequality of countries within such a system, and leading to disintegrative processes that may lead to real, even military altercations. All these developments will not bring the states closer; they will instead make them more remote from each other. It might appear that both positions examine, above all, the economic and political structure of states, not taking into account their cultural components, which in many cases proves to be critically important, and capable of blocking globalization processes imposed from the outside, if it threatens the existence of a concrete culture. The processes of globalization and disintegration are component parts of cultural development that do not necessarily contradict each other but, to the contrary, serve as limiting factors retaining the relatively stable state of the world system. It is for this very reason that political dominance of a particular state or a particular local culture cannot be justified by its supposed adherence to globalization processes.

Therefore, the analysis of development trends of the modern culture is necessary as a type of philosophical reflection over existing problems within new realities and new conditions in which the humankind functions. It changes the meaning of factors that had always affected culture and the newly formed factors.

In this article we will be unable to analyze the entire range of changes taking place in the culture so we will touch briefly on just one aspect of cultural interrelations, which, as Dmitry Likhachov had repeatedly stated, is implemented in the process of "cultural dialog". Within this dialog we will inevitably need to understand the other individual as a unique person and as a representative of a different community, a different culture.

Without trying to analyze innumerable definitions of culture, let us define it as a collective result of human activities aimed at creating a set of material and spiritual values traditional for the humankind. The created cultural values are always a collection of material or spiritual artifacts that obtain special value and meaning as a result of their functioning in a particular cultural community. It is here that we should introduce a sort of qualification. The system of cultural values contains what is known as the "museum part". Material values within this category are often found in museums where they acquire a corresponding status. But we often do not understand or appreciate the fact that more ethereal entities - spiritual values - also belong to museum values. These include the totality of "supreme" human values that define and determine the end purposes of human existence in history (kindness, truth, beauty, justice, etc.)". The cannot be touched but they are still quite real, although created by people's consciousness. In this sense the notions of kindness, truth, beauty and justice are artifacts, albeit spiritual, which are not unlike museum exhibits. These cultural references define the specifics of culture because they are implemented in the form of norms, principles, traditions and even stereotypes of behavior, which render a considerable influence on real activities and existence of the individual. So this ethereal character only seems to be as such.

Spiritual values are fairly stable, in some sense, more stable than material artifacts in museum that could be destroyed or broken in a very material way. Spiritual values define the characteristics of functioning of a concrete national culture. Over a certain period the changes in this

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<sup>&</sup>lt;sup>2</sup> Global transformations. Politics, economy and culture / D. Held (et al.). Moscow: Praxis, 2004. P. 5.

sphere were so slow that they seemed to be an existential constant and a factor of cultural stability. Human beings were immersed into this system of values from the moment of their birth to their death, and it seemed to them that these values did not change at all.

However, culture had always been a developing system in its every component, which allowed it to adapt to new conditions of existence, giving new cultural meanings to new values that aspired to reflect the status of spiritual guidelines. This unique part of culture is implemented within the system of operational values as "means of practical adaptations, which characterize not the culture but the civilization"<sup>1</sup>. Therefore, culture combines two opposing tendencies. One is to have a set of fixed values, and the other – to adapt these values to changing conditions of every-day being.

In addition to the aforementioned peculiarities, culture also serves as a system of sustainable, reproducible, subordinated and coordinated interrelations between the symbolic programs of human behavior, objectified through sign systems"<sup>2</sup>. From this point of view one of the most significant attributes of culture is the ability to store (accumulate) and distribute (retransmit) information. This process becomes a condition for adding to cultural values, the amount and quality of information the culture possesses. Therefore, the aforementioned cultural dialog is implemented first and foremost as a dialog of cultural texts, since in the broadest sense any culture is Text with a capital "T".

Therefore, culture developed as a set of local entities, based on the system of domineering values that defined the identity of the individual. The cultural individual that defines the system of cultural values, including spiritual values, therefore, was not an abstraction but a subject of a concrete historical community. This defined the national essence of culture. Anything that appears in the culture, be it science, economic, art, architecture or forms of public or political setup, is affected by "national hues" to that or other extent. Therefore, the dialog between cultures is a dialog of local (national) cultures that represents a very complex process of cultures penetrating each other and forming a common space of meanings across a multitude of cultures. This represents the principle of unity in what is diverse, not total. It is in this sense that culture has no borders and is enriched through development of its particular features and interaction with other cultures," Dmitry Likhachov had said. He did stress, however, that "national confinement inevitably leads to the culture becoming poor or degenerated, and its uniqueness disappearing"3.

Until about the middle of the past century communication was seen as a dialog within the semiosphere (J.M. Lotman) or cultural sphere (D.S. Likhachov), as a special communication space where, like the biosphere is for living nature, language serves the living element. To be more precise, these would be different languages with their different meanings and a diversity of socio-cultural forms of presentation<sup>4</sup>. The language is not simply a way to transmit information because it includes such a component as memory. As Juri Lotman had rightly said, "The language is its code plus its history"<sup>5</sup>. Memories reflect the essence and peculiarities of a concrete culture, preserve and retransmit its meanings and symbols, giving them their unique nature and working to preserve the continuous nature of historical stages of cultural development. The memory is not just a certain coded set of meanings (related not only to the language but also to the history of this culture); it is more accessible to representatives of one's own culture.

This can help explain the meaning of the national language that serves as the foundation of culture. Giving up on the national language in favor of the dominating global language will inevitably lead to conversions in the meanings of one's own culture. This can lead to destruction of the national culture since not all of its meanings could be translated into a different language. "The languages that fill the semiotic space are different in their nature, and relate to each other differently, from full mutual transferability to mutual intransferability of the same kind"6. While working with the same language can appear to be convenient, it will lead to the tendency of global totality with far-reaching consequences, all the way to the model of total unanimity, which will then be transferred from the sphere of the language to the society. To the contrary, the pluralism of cultures and languages underscores differences and highlights the necessity of understanding that provide for mutual permeation of cultures.

Therefore, the main mechanism of the dialog between the cultures is the dichotomy of "mine vs. theirs"7, which describes the aforementioned contradiction that appears in cultural interactions. "Mine" (arising from inside the culture) is considered more valuable than "theirs" (which denies what is "mine" and is therefore considered alien or even antagonistic in some situations. The culture therefore develops some sort of an immunity for perception of some meanings of a different culture. The external culture for us is a coded system that we need to decipher to understand. The mutual adaptation of cultures, therefore, can only be implemented if meanings are not identical; whatever common exists is only a pre-requisite for entering the area that is not shared. The value of the dialog lies not in the common area but in the process of transferring information between differences; we are interested in communicating about the situation that makes the process more complex, if not impossible in some cases"8. Therefore, it is the admission of equality between all cultures that serves a condition for development of the human culture overall; absolutizing the values of one culture is therefore related to subjugation and weakening of cultural diversity.

As a result of globalization we experience transformation of the dialog process between cultures as an important mechanism of their coexistence. The cultures are immersed into the global communication space, which functions according to the scientifically and technically domineering na-

<sup>5</sup> Lotman J.M. Culture and Explosion. Moscow: Gnozis. Progress Publishing Group, 1992. P. 13.

<sup>&</sup>lt;sup>1</sup> Monjian K.H. Philosophy of the Society // Philosophy / V.G. Kuznetsov (et al.). Moscow, 2004. P. 377.

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> *Likhachov D.S.* Selected works. Thoughts on Life, History, and Culture. Moscow: Russian Culture Foundation, 2006. P. 104.

<sup>&</sup>lt;sup>4</sup> Lotman J.M. Inside Thinking Worlds. M.: Languages of Russian Culture, 1996. P. 194.

<sup>&</sup>lt;sup>5</sup> Lotman J.M. Inside Thinking Worlds. P. 166.

<sup>&</sup>lt;sup>7</sup> There are other dichotomies out there that we do not take into account, such as the opposition between "top" and "bottom" of culture (see *Bakh-tin M.M.* Creative works of Francois Rabelais and Folk Culture of the Middle Ages and the Renaissance. 2nd ed. Moscow: Khudozhestvennaya Literatura, 1990. P. 12–13), and the opposition between closeness and openness (see *Knabe G.S.* Materials for lectures on the general theory of culture and the culture of ancient Rome. Moscow: Indrik, 1994).

<sup>&</sup>lt;sup>8</sup> Lotman J.M. Culture and Explosion. P. 15.

tion's principles, and the human being turns into a member of the global supersociety, in which the cultural thread connecting him or her with their own culture is deformed.

This is clearly seen in the certain metamorphosis of understanding of the notion of tolerance, which has evolved toward absolutization of total tolerance, even when it contradicts the interests of the individual and the society, albeit in reality this term is more multidimensional.

For instance, in medicine tolerance can be viewed as tolerance to medication, the way of the body to adapt to influence of medications by means of increasing internal resistance of microorganisms and the body as a whole. In other words, the body becomes for stable as a base system, it is not being destroyed. Unless the body can adapt in such a way, it perishes. On the biological level overall the tolerance of the body fluctuates within the optimal zone of stability, with certain upper and lower borders. Therefore, on the one hand, the larger the range of tolerance, the higher are the chances of the body to survive, yet on the other there always are some limitations when it comes to outside influences.

While I understand the conditional nature of analogies, I must note here that the society as a complex system also has a certain range of tolerance levels, with their upper and lower borders. As in the biological world where the conditions of the environment or physiological processes inside the body can lead to narrower range of tolerance, in the society with individuals and social groups with different goals and values, "general tolerance" is impossible. Culture also has its limits of tolerance, beyond which the patience of individuals, groups, or the society overall, will end. This is why tolerance in the society cannot be limited to just the kind of tolerance as a certain definite component of the social system. Tolerance is a rather uncomfortable psychological state for those who tolerate and those who are being tolerated. Goethe had said that tolerance (Toleranz, Ger.) must be just a temporary belief, followed by recognition. To tolerate means to insult"1. Tolerance exists until something is either fully rejected or fully recognized. Tolerance as a social principle must conclude with the recognition of the other as equal to oneself and one's own culture. Which is only possible in dialog. Absolutized tolerance is, in effect, indifference which solidifies the consciousness of permissiveness.

True tolerance can and must be based on the values of one's own culture, while being also cognizant of the interrelationship of these values with the values of other cultures and their different roles in cultural consciousness of the individual. "...universal tolerance will be achieved only when we allow each individual or a whole nation to preserve their own characteristics; however, they must also remember that distinctive features of true virtues is the part they play in the system of universal values"<sup>2</sup>.

Multiculturalism, which is being offered today as a state-of-the-art matrix for the contemporary society and the dominating principle of tolerance is, as paradoxical as it might seem, a tool for implementing anti-democratic and anti-liberal trends, which are quite remote from the European traditions of recognizing and understanding other cultures and the other person as such. It is based on the simplified model of recognizing all cultures as equal only in a legal sense rather that as recognition of the fact that cultural dialog is required. The cultural dialog is a more complex form of coexistence as compared to legal declaration of equality before the law. The values of other cultures must be truly recognized, which is a very lengthy and complex process. Moreover, the system of base values of any society must remain unchanged. G.S. Knabe, analyzing the Roman culture, said that the "key attribute of the Roman civilization is to absorb the experience of other cultures but never be absorbed by them ... '

The dichotomy of "mine vs. theirs" has blocked the absolute nature of the principle of tolerance, opposing to it the principle of equal dialogue. Today it is being proclaimed obsolete, and is substituted with multiculturalism, which is based on the principle of general tolerance. The world is viewed through that lens as a global whole with the same legal and moral principles regardless of national peculiarities of each of the separate cultures. However, as the notion of what is alien is lost, the values of liberalism and humanism are explicitly recognized. Denying what is alien, in essence also means denying what is inherent to the culture; s a result we lose individual and collective cultural property of being ready and able to accept the other, while "true liberalism means recognition"<sup>4</sup>. This leads to "losing the basis of any kind of liberalism or humanism - the notion of an autonomous person and the universal, philosophical and existential principle behind it - the principle of individuality"5. In fact we move away from the process of the dialog between cultures and recognizing the other to choosing and absolutizing the notion of the other, which is first and foremost alien to us, something that we cannot understand yet must recognize.

<sup>&</sup>lt;sup>2</sup> Гёте И. В. Собрание сочинений: в 10 т. М.: Худож. лит., 1980. Т. 10: Об искусстве и литературе. С. 411.

<sup>&</sup>lt;sup>3</sup> Кнабе Г.С. Местоимения постмодерна и обязанность понимать // Избранные труды. Теория и история культуры. М.: РОССПЭН, 2006. С. 921.

<sup>&</sup>lt;sup>4</sup> Goethe J.W. Op. cit. S. 493.

<sup>&</sup>lt;sup>5</sup> *Кнабе Г.С.* Местоимения постмодерна и обязанность понимать. С. 922.

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## Manuel F. Montes<sup>1</sup>

## THE INTERNATIONAL LIBERAL ORDER VERSUS HUMAN RIGHTS

The election last November of the Republican standard bearer in the United States, and, before that, the victory of Brexit in the UK, has instigated a widespread exercise in hand wringing among elite circles in the West about the coming demise of the international liberal order. The US is now seen has having withdrawn from its self-assigned role as the global leader of the international liberal order as reflected in the nationalistic stances to immigration and international commerce which the new US administration has advocated (even though most of these are still in the realm of intentions). Western journalists have been moved to proclaim Angela Merkel of Germany, Xi Jinping of China and even Justin Trudeau of Canada as the new leaders of "free world" and paragons of the international liberal order.

This essay takes the view that the presumably desirable features of the international liberal order are for the most part illusory and, despite its own claims, this order is not conducive to the full realization of human rights for all – if not actually explicitly designed to operate counter progress towards achieving these standards. This essay seeks to identify the inherent features of the international liberal economic order (for which new Western champions are being sought) which undermine the rights of peoples to secure livelihoods, to have dignified lives within their own societies in which they have a respected social role and to safeguard the freedom to make economic choices. The Universal Declaration of Human Rights [6] proclaims that:

All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

And that every human being is entitled to all the rights identified in the declaration "without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status."

In contrast, the international liberal order legitimizes and upholds categories of economic differentiation between human beings and the continuation of discriminatory policies between individuals, organizations, communities, and states. If the newly found problem is the defense of international liberal order, it is important to identify what is actually in need of defense.

#### The Trans Pacific Partnership as the "Gold Standard"

One of the first acts of the new US administration was the withdrawal of the United States from the Trans Pacific Part-

nership (TPP) agreement, as its candidate promised during the election campaign. In 2012, as US Secretary of State, Hillary Clinton, had declared the TPP as setting "the gold standard in trade agreements to open free, transparent, fair trade, the kind of environment that has the rule of law and a level playing field" [4]. This is probably the clearest statement of what an international liberal economic order is supposed to be. Candidate Hillary Clinton withdrew her endorsement of TPP during the presidential campaign, following the position of her rival, Donald Trump, and in recognition of the popularity of a rejectionist stance on the TPP.

There are many aspects of the TPP which would qualify it as the "Gold Standard" of trade agreement. For this essay, I will only elaborate on two aspects which involve the subsidization and guaranteeing of the rights of international corporations in promoting an open free, transparent, fair trade, against the human rights. The TPP rules are at a minimum, discriminatory because these create property rights and special protections for internationally active corporations versus resident populations and corporations that do not operate internationally.

#### The TPP versus the right to health

The name of an open free, transparent, fair trade, the TPP protects the international patents of international pharmaceutical companies to a much higher degree than even the regime under the World Trade Organization (WTO). Intellectual property is a state-created property, created theoretically for a social purpose of rewarding innovation and invention; in the case of health, the social purpose would be improvement of health outcomes in the human population. As implicit in the Universal Declaration, all human populations have equal rights to health.

The standard manner in which this publicly created property is protected is through the grant of a monopoly to the owner of the invention who can then impose the price that s/he wants for access to the invention. There are other ways to achieve the social purpose of promoting health innovation but the international liberal economic order, now in search of international champions possibly in Merkel or Trudeau, chooses this patent monopoly method. Khor [2], recognizing the impact on the 11 other countries in the TPP not including the US, finds the TPP as an "immense tragedy for public health, because most of these countries did understand that the chapter on intellectual property would have negative effects, but they accepted it as part of a bargain for getting better market access, especially to the US." These other countries have amended to their laws and regulations to comply with the TPP's provisions.

Khor (2017) asks further: "What's the point of having wonderful medicines if most people on Earth cannot get to use them? And isn't it immoral that medicines that can save your life can't be given to you because the cost is so high?" For Medecins Sans Frontieres (MSF), "The TPP represents the most far-reaching attempt to date to impose aggressive intellectual property standards that further tip the balance towards commercial interests and away from public health.... In developing countries, high prices keep life-

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saving medicines out of reach and are often a matter of life and death."

The specific problems of the TPP as the Gold Standard are analyzed in an article by McNeill and others [3] published in the *Lancet* magazine in 2016.

The TPP requires signatory to lower their standards in granting patent protection to an international company. Because they were invented elsewhere in an earlier time, some patent applications are not for genuine inventions but are only to extend the life patent (called "evergreening"). TPP (Article 18.3) *requires* countries to grant patents for at least one of the following modifications: new uses of a known product, new methods for using a known product. If, for example, a drug that was useful for treating HIV/AIDS is found to also useful for cancer, a TPP signatory country must extend the patent period. Delays in the grant of the patent under TPP results in the extending the endpoint of the patent. The TPP requires extending the medicinal patent beyond the 20 years required by the WTO.

The TPP prohibits signatory countries from using the clinical trial data when the medicine was originally found to be safe and effective to approve the patent. This prevents TPP countries from giving patents for generic drugs to give access to cheaper versions of the drug.

In the normal course of statistical outcomes, these restrictions will raise the cost of drugs on populations living in TPP countries and shorten the lives of millions of their people.

# TPP guarantees to profitability of international investors

Since the North American Free Trade Agreement (NAFTA), free trade agreements with the United States have included an "investment chapter" which sets out the obligations that host country governments have to protect investors from the United States. In these chapters, states make the promise that foreign investors will be protected from arbitrary and unfair treatment – both in terms of process and policy actions – by the host government. The current dominant form of these investment obligations exposes host countries to litigation costs and monetary penalties should their policies and actions be judged to be in violation of their investor protection obligations. The TPP is a gold standard among the ways in which investor protections are provided among the original 12 signatory countries.

The international liberal order promotes these treaties on the argument that providing strong commercial protections to foreign investors will increase the flow of investment in developing countries. The framework to protect foreign investors is imported from the commercial contractual and dispute resolution system in place among private parties. In investor protection obligations, the contractual obligations are all on the side of the host country and the liable party is a state - not a private entity - which already has built-in accountability to its own citizens. The secrecy provisions of almost all treaties can prevent government officials from publicly disclosing the country's obligations to foreign investors. The international system of dispute resolution, called the "investor-state dispute settlement" (ISDS) is extremely powerful and unique in the existing system of states. Unlike other international mechanisms, it allows private parties to sue states directly and obtain compensation. In the World Trade Organization (WTO), for example, only states can sue other states.

In accepting the investment chapter in the TPP, signatory countries accept wide ranging obligations that restrict their policy space to regulate the private sector and fulfill their human rights obligations:

— Fair and equitable treatment (FET);

Compensation in the case of direct or indirect expropriation;

 National treatment, or treatment no less favourable than that given to domestic investors;

— Most-favoured nation (MFN) treatment, or treatment no less favourable than that given to investors from third countries;

— Freedom from so-called "performance requirements" as a condition of entry or operation. These are requirements, for example, to transfer technology, to export a certain percentage of production, to purchase inputs domestically, or to undertake research and development;

 Free transfer of capital. This provides a guarantee to investors that they can freely move assets in and out of the country;

— A blanket obligation, known as an "umbrella clause," which obliges the host state to respect any legal or contractual obligations it may have to the investor;

— The right to bring arbitration claims against host governments.

An investor that believes that that state has not fulfilled its obligations under the treaty can initiate arbitration proceedings. UNCTAD [7, p. 107] reports that as of the end of 2015 the number of "concluded cases" was 444. Of these, 36 per cent were decided in favour of respondent states; this means that in these cases all claims were either dismissed on jurisdictional grounds or on their merits. In two percent of the cases, tribunals found that there was a breach of treaty obligations but no monetary compensation was awarded to the investor Nine per cent were discontinued for reasons other than settlement. Twentysix per cent were "settled," most likely, because the terms of the settlement often remain confidential, generating a monetary award in favour of the investor. Twenty-seven per cent of the cases were decided in favour of the investor. If one were to interpret a settlement as an outcome in favour of the investor, since the state is the bearer of all the obligations in a standard investment chapter, and sum up those decided in favour of the investor with those settled, then in 55 per cent of cases, investors prevailed in IS-DS-impelled proceedings. In recent years, the outcomes of these arbitral decisions have been very expensive for sovereign states:

 — 2014: Russia-Yukos \$50 billion; Venezuela-Exxon \$1.6 b (incl. interest);

— 2012: Ecuador-Occidental Petroleum \$1.7 b (incl. interest);

— 2010: Ecuador-Chevron \$0.7 b (Combined Ecuador penalties equal to 3.3% of GDP).

The gold standard dimensions of the TPP is the guarantee given to foreign investors from other TPP countries of that they will have a legal recourse should they feel that their unfettered policy space to make profits is being diminished by changes in public policy of the host country. TPP signatory countries hosting foreign investors bear the cost of the arbitral system. There could be two kinds of costs generated by the system:

1) the fiscal costs cost of the process;

2) the perverse governance impact on regulatory policy and the business model for enterprises operating internationally.

The first kind of cost, on fiscal resources, derive from the cost of the process and the possibility that states are paying damages at the scale beyond the actual costs actually borne by investors. The chilling effect on public regulatory policy, the encouragement to international business toward a model based on exploiting the public finances of developing countries, and the corruption of the arbitration process are part of the second kind of cost.

Under the US-style investment gold standard protections enshrined in the TPP [5]:

1) the government of South Africa has had to compensate Italian investors in a mining companies losses in expected profits because the requirement to devote part of the ownership to citizens of African descent as part of the constitutionally mandated black empowerment policies;

2) the government of Egypt has been brought into a despite by French company Veolia for reducing its expected profits by raising national minimum wages after the fall of the Mubarak government;

3) the Zimbabwean government has to compensate landowners-investors for its land reform policies to fulfill its original revolutionary mandate to distribute land;

4) the Bolivian government lost a legal case to foreign investors in a water distribution project (though because of widespread protest the actual costs was much reduced when foreign investors sought to minimize the reputational damage to themselves);

5) prevented a local government in Mexico to clean up a local waste dump in case brought under the original NAFTA investment chapter. These are only a few of the cases which illustrate the chilling effect on policy and prevent host governments from fulfilling their own human rights obligations in health, environmental, public safety, wage and other social protection policies.

# The International Liberal Order is Causing Globalization to Reverse

The global economy crossed a potentially troubling milestone in the last five years. The reputed two-to-one relationship that prevailed for more than a decade between world trade volume growth and world GDP growth appears to have broken down, as illustrated by the fact that trade and output have grown at around the same rate for the last three years. Thus, even before the recent political developments in the United States and the UK, the actual state of international economic integration has actually been reversing and an argument can be made that recent political developments are only playing catch-up with the failure of the international liberal order to sustain increased economic interaction among countries and populations of the world.

The nature of the TPP itself reflects the kind of retreat from the "open free, transparent, fair trade, the kind of environment that has the rule of law and a level playing field" as defined by US Secretary of State Hillary Clinton. It excludes economies with an earned reputation of international competitiveness, notably China, and thus an occasion for the mischief of trade diversion. Its estimated economic benefits are relatively minuscule, with the most generous estimate of a benefit to the United States (which among the participating countries enjoys the largest advantage) of 0.5 per cent of GDP by 2030. Another estimate [1], based on a methodology that allows employment to adjust to changes in trade, find negative effects on income and employment on participating countries.

With TPPA's potential for small and negative effects, it is necessary to identify what the possible source of interest could be on the part of the participating governments. Developed countries in the agreement, with the competitive private companies operating internationally could find the disciplines on other parties in government procurement, investor and intellectual property protection, and restrictions on state-owned enterprises (SOEs) most beneficial. What about the other countries – the developing countries such as Viet Nam and Peru – that do not have an large private sector operating internationally?

The world appears to be experiencing its second episode of a reversal of globalization. The first period ended in 1914, and led to two world wars, destruction and dislocation, millions of deaths. The first version of globalization did not prove to be sustainable and ended up destroying itself. The rules and mechanisms of the first version of globalization planted the seeds of its destruction. Even though the global economy was very productive and created great wealth for some, it was based on the subjugation of peoples through colonialism, the irresponsible devastation of natural resources, and the political domination of small elites which competed with each other. Under the rules of the first globalization, nation-states competed with each other in terms of control of territory, commercial control, and arms.

The global community vowed after World War II to learn from the lessons from these catastrophes and created institutions to prevent their recurrence, including the United Nations. National authorities were assigned the responsibility to respect, protect and fulfill individual human rights. Commensurate with these responsibilities, national authorities were assigned full sovereignty over their resources and the supervision of their private sectors.

What is at stake is an international enabling environment so that less powerful countries – not just the two or three that are dominant – can pursue their development and fulfill their human rights obligations to their citizens. The term "systemic issues" is used to point to imbalances in the international system. The term recognizes that there are serious flaws in the international system that can serve as obstacles to development.

There are two important arenas: First, is to make sure that the international system does no harm, and that it facilitates, instead of obstructs, people-oriented policies. The second is that question of good governance at the international level which comes from imbalances in power and influence.

There are many harmful features in the international system that needs fundamental reform

There is plentiful private capital being invested all around the world. However, the money is being invested in the wrong places, which severely restricts the ability of national authorities to fulfill their human rights obligations and to promote development. It is not available for longterm purposes which are what is needed for social and economic development. Private funds are invested mainly as portfolio placements that can move out in response to even small changes in interest rates.

Regulating capital flows at the international level through concerted and cooperative country regulation is therefore an important element for international cooperation. There is a common responsibility to regulate private capital flows because any under-regulated jurisdiction can attract all the private investment and cause trouble for others, but the responsibility is differentiated because there is a great diversity in size and sophistication of financial markets.

In the systemic issue of global governance, the most well-known problem are imbalances in economic decisionmaking bodies such as voting weights in the IMF, in the G20, in the area of financial regulation.

These imbalances and pitfalls have to be addressed if the unfortunate and humanly costly experience of the first reversal of globalization in the 20th century is to be avoided in the 21st century.

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# Miguel Ángel Moratinos Cuyaubé<sup>1</sup> GLOBAL WORLD: SYSTEM SHIFTS, CHALLENGES AND CONTOURS OF THE FUTURE

When the Berlin Wall fell on November 9, 1989, very few scholars of international relations had anticipated the events that led to the end of the Cold War and the reunification of Europe.

While some predicted the *End of History* (Fukuyama, 1989) in a world deprived of ideologies and politically based confrontations, others reaffirmed the centrality of culture wars, crafting global geopolitics around the reinvention and modern expression of ancient civilizations. Religions would be at the core of future conflicts or so called *Clash of Civilizations* (Huntington, 1993). Although seminal contributions to the understanding of contemporary international relations, none of these much debated point of views succeeded in interpreting the world of 2017.

Twenty-eight years later, unpredictability and uncertainty still govern a global scene made of contradicting trends and complex transformations. If a sharp decline in the number of wars have marked the post-Cold war era (Center for Systematic Peace, 2013), civil wars, massacres and renewed episodes of violence fueled by religious extremist discourses have nonetheless dramatically jeopardized the principles and mechanisms of a Collective security system set more than half a century ago, in the aftermath of WWII. While some have put in question the pertinence of international organizations dedicated to maintaining peace and security, unilateral superpower military interventions and failed peacekeeping operations have also weakened a multilateral regime desperately trying to reform itself. Likewise, many sectors of international cooperation have been marred by the absence of any multilateral consensus.

Every aspects of international life have decidedly entered *a prolonged period of global crisis*. Explicit in the diplomatic, economic, social, environmental or global health sectors, no dimension of global politics has been spared the undergoing crisis of Global governance.

Crisis in the Global governance weakens our capacity to identify the key players in the international arena and the core issues at stakes in the contemporary world system. In a time of *profound evolutions and transformations*, contradicting trends result in a more complex political order calling, in turn, for a renewed analytical framework. Drawing some lines in the complexity of contemporary global politics is the only way to better apprehend shifting power structures and design foreign policy objectives adapted to new and transboundary issues.

### Governing the international space

World governance systems have historically been the product of negotiations directed at providing stability to a world order characterized by general insecurity and the permanent risk of war. In 1648, the Treaty of Westphalia appeared as the first attempt, among European monarchs, to adopt a shared political system based mainly on two principles: the inviolability of sovereignty along with a nascent balance of power system. Putting an end to 30 years of war fueled by catholic-protestant opposition, the Treaty signed in the German cities of Münster and Osnabrück remains as the founding event of Nation-State based political Europe.

About seventy-five years later it was not the issue of religious division that motivates the meeting of head of states

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in the Vienna of 1815 but the imperious need to protect the European continent from any future hegemonic war and imperial scheme of political domination. In other words European head of states having defeated the France of Napoleon wanted to eliminate any future risk of a global territorial conquest. The Vienna Congress was a true international event with more than 200 delegations gathering great and small powers. For the first time in History, a group of states created the basic elements of an international order and tried to implement the principles of a governance system directed at maintaining security and stability. With the help of a new diplomatic instrument, the "Diplomatic Conference" and its "Follow-up meetings", the main political powers (Austria, Prussia, Russia and United Kingdom) set a diplomatic agenda to deal with specific problems of shared interests. Base on a multilateral principle, these ad hoc diplomatic conferences will allow for regular meetings between states' representatives (France and other European countries will be included at a later stage), giving opportunities for the resolution of a wide range of diplomatic issues even after the "Congress System" or "Concert of Europe" stopped functioning in 1822.

From this period of intense transformation, we ought to retain some key underlying facts and global evolutions that changed the principles and practice of diplomacy. First, the most powerful states of the time realized it was in their own interest to be included in a "system of nations" and take an active part to the negotiating agenda. Not necessarily sharing common values or moral principles, they understood that maintaining security in a collective manner would also help preserve their own security. Ideas of reciprocity and shared interests, common security and political space were all new concepts to the diplomats' world and directly contributed to shape its new and central role in the "governance" of international relations. Second, along with the emergence of a security system based on cooperation, a new type of organization was invented in order to deal with issues brought by new technologies, modern means of transportation, navigations or communications: the International Public Union. Third, already starting in Vienna in 1815, civil society leaders began to play a more active role, pressing for the inclusion of social and ethical norms within the emerging system of global governance.

### International cooperation and collective security

Beyond limited security arrangements, the 19th century witnessed the multiplication of a new organizations designed for international technical cooperation: the International Public Unions (IPU). The Central Commission for the Navigation of the Rhine was the first to be created back in 1815 with the purpose of coordination commercial navigation all along the Rhine River. Progressively, many more followed in accordance with the progress of modern technologies: International Telegraph Union in 1865 (to be renamed International Telecommunication Union), Universal Postal Union in 1874, etc.). These Unions help illustrate the growing phenomenon of share interests over economic, social, political and international transboundary issues.

While helping organizing the modern world, these technical organizations also paved the way for political and diplomatic transformations of great importance. What appears to be a true "institutional learning process" implied the growing involvement of specialized diplomats dedicated to international technical cooperation. Furthermore IPU founding charters systematically included special jurisdiction and internal conflict settlement mechanisms to deal with disagreement among their members. This trend announced future political mobilizations for the establishment of an international set of rules focused on Peace and War that went vocal at the turn of the 20th century.

### Playing by the rules: norms, values and multilateralism

Transnational civil society mobilizations appeared with socalled "rights movements" pressuring governments, elected politicians and existing international associations to act for the abolition of slavery, the advancement of women status or the recognition of citizenship to minorities. International petitions circulated already at the time of the Vienna Congress of 1815.

The progressive inclusion within international instruments and treaties of ethically based principles advocated by civil society movements clearly illustrate the type nature of interactions between Public (State) actors and Private (Association of individuals) organizations. More and more, States cannot ignore civil society but also elite mobilizations for "moral and just" causes.

The meeting of "Peace Congresses" and, later in the Century, the creation of "Inter-parliamentary Unions" sheds light both of the mobilization of an intellectual and political European transnational elite for the establishment of an international arbitration court and the pacific settlement of conflict between states.

Among their founders, were French and British pacifists Frédéric Passy and Randal Cremer, both elected members of their national parliaments. They will count among the most politically active individuals engaged in the organization of the international conferences of the The Hague (1899 and 1907) and the subsequent adoption of the *International Convention on the Pacific Settlement on Disputes*.

In 1901, Frédéric Passy will be awarded with the first Nobel Peace Prize in history. It's worth noting that he actually received half the Prize, the other half being awarded to Henry Dunant, founder of the International Committee of the Red Cross (1864). These inaugural Nobel Prize epitomized the international public recognition of two central "moral" causes of the 19th century: Peace by peaceful means and the emergence of Humanitarian international Law.

The "idea of peace", from security arrangements to the promotion of non-violence along with humanitarian preoccupations in times of war are good illustrations of an emerging set of norms, values and common ethics are the core of the Western global governance system. Abruptly interrupted by the First World War, the "idea of peace" through international law and collective security will reappear at the Peace Conference of 1919. The period from 1815 to 1914, already announced the identity of international relations key players to be fully in place during the following century and until today: The State as the central and traditional political construction, Civil Society in its organized format, namely Non-Governmental Organizations (NGOs), Intergovernmental organizations at the heart of an emerging Global Governance Regime closely linked with the enunciation of norms, values, rules.

### States and Groups of States: strengths and weaknesses

At the Paris Peace Conference of 1919, the victors of WWI vowed to banish secret diplomatic practices and alliance strategies held responsible for the political impasses that irresistibly led to a global, total war. With the League of Nations, they established a new universal organization aimed at Collective Security. Unlike limited cooperation (IPU) or agreed rules on the settlement of conflicts based on a set of instruments (conciliation, mediation, arbitration) the new security system was based on moral values articulated with a set of sanctions to be applied to potentially recalcitrant states. Collective security was meant to guarantee peace and security through collective menace of retaliation based on solidarity and reciprocity. Unfortunately, with the absence of the United States from the League core institutions (The Council, Secretariat and Assembly), the "collective" dimension of the organization was fatally flawed from the very beginning. Notwithstanding the League's failure, it remains the first multilateral organizations based on permanent institution and personnel. It embodied the role International Organizations could hold as global governance key players.

The history of the League of Nations interestingly reveals the type of interactions that continue to characterize the relationship between international organizations and States in the Global governance perspective. Obviously, from time to time, powerful nation states continue to regard intergovernmental organizations as a threat to their own national interest. They tend to undermine their legitimacy and, especially in times of crises, try to circumvent multilateral institutions.

Maintaining a veto for the five permanent members of the United Nations Security Council inscribed in the 1945 San Francisco Charter or crafting parallel defense alliances like NATO reveal one of the main contradiction in contemporary global governance mechanisms. On one hand, states have realized that many political problems cannot be dealt with at the national level; transboundary issues call for multilateral solution and cooperation strategies. This is also true for security matters since the level of interdependence between states implies the collective management of international security. On the other hand, through "coalitions of the willing" (Irak, 2003) and other exclusive group of states, nation-states continue to consider that specific and top level issues need to be addressed by small clubs of directly concerned and influential countries. Contact groups (North Korea), groups of friends (El Salvador), the Quartet for the Middle East, as well as G8 meetings still convey this idea of efficiency through small gatherings of powerful states. To a certain extent these closed groups are in contradiction with the tendency to open and democratic diplomatic arenas and global governance system to the larger international society made of private actors and civil society organizations.

### Reshaping the Global Order: the role of NGOs

Recognized as valuable actors by many international organizations, Non- Governmental Organizations are more and more involved in the writings of international instruments, conventions and norms put forward by multilateral instances. Present in every sector of international life, from education to human rights, from peace and security to health issues, NGOs have become an essential aspect of the World order. Officially recognized by the United Nations (art. 71 of the UN Charter) they play a variety of roles from agenda setting, providing expertise to states' administrations and international organizations, policy advocacy, humanitarian work, etc. More partners than competitors, they provide states and multilateral organizations with knowledge and expertise they often cannot access. Many foreign ministries rely on the reports of International Crisis Group, a widely recognized NGO specialized in conflict and foreign policy analysis.

NGOs have also been at the core of protest movements and mobilization against the so-called "neoliberal globalization". Anti-globalization movements (ATTAC) or Global Social Forums have embodied citizen protest against the transnational private firms and their ambiguous relationship with states.

Playing an intermediary role between States, International organizations and civil societies, NGOs have been instrumental in the creation of the International Criminal Court (NGO coalition for the ICC) as well as the negotiation process of Conferences on Climate change (Copenhagen 2009, Doha, 2012 and specifically for the success COP 21 in Paris Summit last December 2015). Contributing to a large extent to multilateral forum and mechanisms, more and more professionalized and specialized, they appear, in an official or unofficial manner to be intimate partners of States.

### International Organizations: Global issues, Global crises

Active in every aspects of international life, international organizations have become key and indispensable players of the contemporary World order. Mostly within the UN system (World Bank, World Health Organization, UNESCO, etc.) but also from outside the United Nations (World Trage Organizations) multilateral instance govern many aspects of international social and economic life.

Through the UN and, more and more, through regional organizations (African Union, Arab League, ASEAN, etc.) multilateral instances are required to intervene in peace and security operations. In this regard, the growing role of the European Union (maritime security, international mediation initiatives) illustrates how International organizations have created new mechanisms to confront threats to international security in the post-Cold War era.

A trend that raises again the question of what type of actor is best suited to maintain peace and security? Protection by powerful actors, checks and balances through collective multilateral security systems? Returning to security alliances? The coexistence of competing systems of international security poses question to the nature of Global governance.

Many intergovernmental organizations created after 1945 have known a process of institutionalization whereas, for example, global UN conferences become international specialized programs and organizations (1968 International Conference on Human Rights in Teheran, 1972 Global Conference on Environment in Stockholm, HABITAT and World Population Conferences). Including a wide range of participants from state delegations to NGOs, these UN Global conferences tend to embody the democratization of Global governance, notably authorizing the expression of civil society in the international sphere.

Since the end of the Cold War, international organizations are faced with the issue of self-reform and adaptation to a changing global landscape. Security alliances like NATO have had to dramatically expand the scope of their activities to justify their continuing existence.

The UN and especially the Security Council are confronted to an ongoing debate on efficiency, representativity, and cost effectiveness. The expansion of the G8 to a meeting of G20 countries (2008) tried to provide some response to the urgency of the Global economic and financial crisis of 2008. However, such evolutions remain limited and strong resistance from states – Western states as well as new emerged regional powers (Latin America, Asia, Africa) – tend to block any structural evolution of a global governance system put in place in 1945.

The end of the Cold War corresponded to a renewed interest in Peace and Security missions by international organizations. In 1992, the UN Secretary General Boutros Boutros Ghali created a new Department of Peacekeeping Operations (DPKO). After a decade marred by failures (Somalia 1992, Rwanda 1994, Bosnia 1995, Kosovo 1999), UN Peacekeeping missions have surged and are now present in most conflict zones around the globe. With 16 ongoing peacekeeping operations (UNDPKO, Sept. 2014) totaling more than 100 000 uniformed personnel on the ground, the United Nations is present in many conflict zones where states are usually reluctant to send troops for a long period of time. Militarily speaking, the UN has now become a key and indispensable player.

From missions of observation (UNMOGIP in India and Pakistan) to heavily armed forces (MONUSCO in the Democratic Republic of Congo) with a hybrid mandates of maintaining security and building peace in post-conflict settings (UNAMID in Darfur, MINUSMA in Mali), UN missions cover the whole gamut of peace interventions from prevention to post-conflict reconciliation. For peacekeeping operations, challenges ahead are rapidly unfolding and concern both financing the missions and getting enough troops on the ground. Traditionally, more developed countries used to pay for the missions while countries from the "south" would send troops, that would be trained and paid by the UN. This distribution of roles is coming to an end making it more difficult for the UN to find adequate military personnel to send to conflict zones.

In regard to Global governance issues, there are two main challenges that international key players have been confronted to, especially since September 11, 2001. First, should the "international community" intervene in cases where states – voluntarily or not – fail to protect their own population? Second, what type of collective response should be opposed to transnational terrorist violence?

The first point has led to the adoption of the "Responsibility to Protect" (R2P) principle by the United Nations (2005), following a 2001 report by the International Commission on Intervention and State Sovereignty (ICISS) In a provoking manner the ICISS commission introduced the concept of sovereignty as "responsibility". From now on, States viability should not be evaluated in regard to their capacity to control a territory or various resources but first and foremost on its ability and determination to protect its

own population. A State failing to do so could end up losing its "right" to sovereignty and, in specific cases - including notably the perpetration of massacres - an international intervention would be launched to protect endangered populations. In several instances of violent conflict, R2P was mentioned and used to legitimate intervention by military forces directly under UN authority or under the authority a third country: Côte d'Ivoire (2011, UNSCR 1975), Lybia (2011, UNSCR 1970 and 1973), Central African Republic (2013, UNSCR 2127). Following the Lybia resolutions, accusations have been formulated has whether members of the Security Council had simply used R2P as a tool for regime change, distorting the concept and endangering its legitimacy. The international community hesitation and failure to intervene in the war in Syria that broke out in 2011 is a perfect illustration of the ambivalences of the R2P concept and the inherent obstacles to establish a functional collective security system. If several countries have unilaterally decide to intervene in Syria, helping supplying money and arms stocks to one party or the other hoping, therefore, to alter the course of the war, this type of intervention will not bring long-term peace. Only coordinated international intervention through cooperation between States, NGOs and International organizations can help civil societies survive this type of conflict and allow for reconstruction and stabilization. Fueling parties at war conveys many risks and lacks international legitimacy. Contemporary global governance is in need of more robust framework for crisis management and international intervention. In this regard, strategic interests do not always contradict ethical values; on the contrary, they tend to reinforce themselves and provide legitimacy to peace and security operations (Slaughter, 2011).

In the long run, coalition building to fight global and hyper-terrorism and more especially against Al-Qaeda and ISIS (Islamic State in Irak and Syria also known as Da'ish, ISIL, IS) will face the same type of questions. How to stabilize political systems, reconstruct societies and maintain security at bearable costs. Beyond multilateral cooperation, international organizations should be involved at earlier stages to enhance efficiency and legitimacy on the longer term.

### After Wikileaks and Snowden: Media Diplomacy

Back in 19th Century Europe, emerging media were the instruments of lobbying groups looking to pressure public institutions and, later, influence multilateral instances and their political agenda. In the contemporary World order, online news media, social networks, blogs and video channels have proliferated and are definitively part of the Global governance system. The impact of news media raises the issue of their moral responsibility and questions the type of norms, values and principles that guide their action. The debate on the transparency of democratic institutions and international organizations deciding procedures has yet to be transposed within the media environment.

News media have actively contributed to the transformation of our political systems, emphasizing the interactions and interdependence of public and private actors of international political life.

While the Wikileaks (2006) and Snowden (2013) scandals have exposed many governments' secrets, public agents private communications and endangered ongoing missions around the world, they have also forced actors of international relations to rethink their use of information and communication tools and adopt news strategies. Beyond the transparency imperative, these crises have shed a new light on the role of information in an unprecedentedly connected world.

Paradoxically Wikileaks and Snowden scandals helped reaffirmed the need for an evolution of foreign policies information strategies. In light of the emergence of alternative media requesting more transparency and immediacy in the flow of information from official to non-official actors, using the news media for the sole purpose of public policy advocacy has proven its limitations. To what extent should state diplomacy still resort to subservice tactics when they risk public exposure and humiliation? To what extent will these scandals reinforce or undermine existing alliances and mutual confidence between allies?

None of these core issues will find satisfying answers without some global initiatives and international cooperation to produce new sets of norms and procedures adapted to the omnipresence of information and communication imperatives.

### The prevention and resolution of Global social crises

The League of Nations inaugurated the creation of permanent multilateral organizations dedicated to economic and social issues. With the United Nations, all public and private actors were more and more openly associated with the work of these organizations. At the core of the contemporary global governance system, international problems from Education to Food Security, Labor conditions, equality between men and women, Health, living standards, etc., epitomize the specific nature of our highly interdependent world. Environmental crises in one part of the World have direct and indirect repercussions in many other places around the globe. In regard to Global governance preoccupations, one has to realize that none of these issues can be dealt only on the national level. Global and Economic problems all require extensive forms of international cooperation and require long term confidence building procedures between a wide range of involved actors. In other words, global issues require the establishment of shared global norms.

Many international organizations created in 1945 to take care of social and economic issues are still in need to adapt their structure, decision making procedures and purpose to the mutations of contemporary international relations. The fast-growing number of states, the proliferation of non-official actors now part of global social conventions and the challenges of providing aid to an important part of the world population excluded from many basic resources have put international organizations in front of entirely new and exponential challenges. Finding ways to respond to economic and social imperatives is thE only way to preserve and reinforce the existence of a true "international community". If this global objective is not achieved, there is an explicit risk of watching the world rearranging around distinct political and value-related sphere of interests. Beyond international gatherings meant to help make the world more sensitive to economic and social issues, political leaders and diplomats should work towards the establishment and implementation of common standards in Education, Health, Food Security, Environment, etc. Such an evolution will imply to reform existing organizations and in some areas, create new and inclusive form of international cooperation.

### Afterword

In the contemporary world order, being a true global player (State, International organizations, transnational firm, NGO) means accepting the duty to contribute to the entire scope of issues requiring international cooperation. Furthermore, it leaves no room for strategic neutrality. From collective security to environmental crises, global governance always meant taking a stance, defending a point of view based on moral principles and ethical standards that could be shared by the greater public worldwide.

Global governance can be a great divider or a great instrument or unification. It can integrate and promote peaceful interdependence or incite quarrels based on identities and cultural fight. In other words, at the core of Global Governance lies a choice between anarchy vs. regulation, uncertainty vs. stability through reciprocity.

Sixty years ago, global governance meant less states, much more discrete private actors, nascent international organizations, emerging transnational firm, etc. The structure of the international system we know today was created in the aftermath on WWII and was meant to bring answers to political and social problems familiar to the political elite of the 1930s. Hence, the difficulties these institutions encounter to adapt and reform themselves. However, they still provide the essence of contemporary global shared norms and values, and this heritage should be protected and enhanced. It does not serve to criticize existing organizations for their inefficiency if no other viable option is put on the global agenda.

In line with hard and soft power strategies (Nye, 1990), Global governance has maintained a certain informality and no consensus has emerged on its exact signification. However, if it is to provide enhance security, stability and resources to civil society, Global governance needs structure, organizations and, above all, coherence, capacity to adapt and a sense of a general long-term political perspective. In conclusion, projecting a political voice on current challenges, on the future of global alliances, on peace and security issues as well as on the problems of key natural resources, and social needs is, more than ever, at the core of a serious global governance foreign policy strategy.

### D.V. Mosyakov<sup>1</sup>

# CONTOURS OF THE GLOBAL WORLD: COUNTRIES OF SOUTH-EAST ASIA BETWEEN BEIJING AND WASHINGTON

ASEAN countries of the South-East Asia are going through a very complicated period of their history, when their unity, cohesion and prosperity are being challenged like never before. Seems like nothing has been left from the regional independence and liberation from external influences, which had been the cornerstone of this region's independence. There's no talk of pushing out foreign influences and establishing the principles of ASEAN centrality, so much loved by the countries of the block. The problem is to keep ASEAN as a whole and united regional organizations in the conditions of the fight for South-East Asia and more generally East Asia between the US and China, which is becoming increasingly harder and principled.

This opposition had first emerged in the early 1990s, when a stronger China proclaimed a program to return the territories and influences that the country had supposedly lost during the "era of historical weakness." It was then that China began expanding actively into the region. In essence, this policy was aimed at gradually squeezing out the US as a traditional dominant force in the region after WWII, with considerable military, commercial and socio-cultural influences.

It was not until later that the US recognized the scale of China's intentions, so when in 1974 the Chinese took over the Paracel islands from American allies – the South Vietnamese – the US did nothing to protect these islands. At that time, after the signing of the Shanghai Communique and a meeting of Nixon and Kissinger with Mao and Zhou Enlai in Washington, the US was putting hope into the so-called "engage policy," trying to pull China into the zone of American interests. Back at the time, the American government viewed relations with China as more important than the protection of semi-deserted islands, especially after China allowed the US to install their tracking stations to monitor Soviet launches from Baikonur in Xinjiang.

It was only later that Washington realized that the capture of Paracel had had tremendous importance for the Chinese Navy, who received access to the seas further South from Spratley Islands. In the late 1980s – early 1990s they started capturing one reef there after another, creating a base for their military presence in Southeast Asia. Their progress there was what I'd call discrete: after each southward expansion worried ASEAN countries started negotiating with the Chinese, signing agreements with them on the rules of behavior in SEA, and even regional security declarations.

The pressure in the waters of the South China Sea was combined with active economic expansion, when China

offered ASEAN countries very profitable economic projects. The Chinese approach can be described as "carrot and stick" policy. On the one hand, they offered unrelenting military pressure with Chinese fishermen appearing under military protection near the Mischief Reefs (Philippines), and Natuna Islands (Indonesia), controlled by Vietnam. On the other hand, they promoted economic projects with its nucleus being the CAFTA (China-ASEAN) free trade agreement, which was very successful. By 2005 the mutual sales turnover between China and ASEAN exceeded \$100 bn. In 2006 it reached \$160.8 billion and by 2010 – \$292.8 billion. By 2013 the volume of trade turnover with ASEAN reached \$443.6 bn and by 2020 it is expected to grow to \$1 trillion. China has been a solid number one among the major trading partners of ASEAN, which is the third largest trade partner for China, fourth in export and second in import. In this cooperation project China is facing a challenge to find a point when the economic potential and supremacy of China as ASEAN's main economic partner could be painlessly converted into the American sphere of political domination. China had tried to accomplish this on many occasions, with no success. ASEAN countries have been cautiously maneuvering to reduce the economic influence of China so that it could not be converted into political influence. The furthest powerful ASEAN countries would go is to sign ritualistic agreements on a "special nature of the partnership" with the PRC that do not obligate them in any way.

China has demonstrated increased displeasure with the ASEAN countries' efforts to oppose Chinese expansion and retain their influence. Beijing has been especially irked by the fact that ASEAN elite is constantly appealing to the US for protection and counterbalance, and their calls for regional cohesion and unity. These topics have been continuously raised by Indonesia, the largest and most influential country of the region. In the sphere of economy ASEAN countries have tried to balance the China Free Trade Zone by establishing a wider free trade zone, making China dependent on the action of other ASEAN partner countries, such as Japan, South Korea and even Australia.

Recently China had unsuccessfully tried to promote the Mekong project as yet another direction of regional expansion. However, Chinese offers of investments and construction of new dams were met here with much caution, especially since after China had built six major dams on the Upper Mekong, winter runoff decreased considerably, worsening navigation on the river. China has done better establishing bilateral relations with the poorest ASEAN countries, such as Cambodia and Laos. The electoral revolution in ASEAN countries today has been in the interests of China as well, with the role of old and traditional political elites and clans declining, opening a path to power for pragmatic populists like the current Thai President Taksin Chinnavat and the Philippine President Duterte. The Chinese influence here rests on profitable loans, increased sales and local manufacturing, in addition to a significant role of the local Chinese diaspora.

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I would say that the Americans have found themselves unprepared to China's level of activity in the area. They were, it seemed, too late to take the historic turn in their Asia policy, and to introduce the idea of the socalled "Pacific Home." As Philippine politicians and Singapore business pleaded with the US to return, America was under impression that the US were in for a welcome there, and that with a bit of goodwill and lots of money they could create a "sanitary cordon" in the region against the expansion of China. In theory, the Philippines, Vietnam, Thailand and Burma were to oppose this expansion with American support, and this added another powerful lever of influence on China. In all these countries Americans have been pursuing a very active policy. Last year, when then President Obama visited the Philippines, the two countries signed an agreement on US military presence in that country, and confirmed the security treaty of 1951 guaranteeing American protection of Philippine sovereignty. In Thailand the US has been putting pressure on local authorities to remove the military junta from power, and turn the government over to civilians. In Burma Americans have been manipulating the fears of top military brass over Chinese expansion by pushing the figure of their own making, Aung San Suu Kyi, a Nobel Prize winner and a dedicated friend of the US, to become an informal leader of the Burmese, and trying to make her friend the president of the country. They have also been pushing the Burmese military to exacerbate the border conflict with China. Recent altercations near Kokang, when over 40,000 Chinese settlers had to flee into China after Burmese altillery shelling, show that here too Americans are doing well to convince the local government to act against China, and thus promote their course of action gradually.

It is, however, obvious that the US had been used by ASEAN countries to build their own system of counter-

balances. There is no talk of any "sanitary cordon" anymore. If previously the Philippines and Singapore had been considered America's staunch allies, today this is not so. Of ASEAN countries only the likes of Cambodia, the main conductor of Chinese interests in the region, are looking to find a balance in their relations with the US.

Today even Vietnam, which had very recently been almost a regional ally of the United States, is returning to a multi-directional foreign policy. The country is now looking for a balance in its relationship with the US and China. This trend is especially evident in the field of the economy. US-Vietnam trade volume today exceeds \$36 billion, with Vietnam holding a significant surplus (about 80% of that figure is the Vietnamese export). This allows to balance off somewhat the deficit on Vietnamese trade with China (with the total turnover reaching \$54 billion). The US invests more than \$11 bn a year in China, but this is much less than the contribution by China. It is hard to say how long Vietnam is going to enjoy this double advantage, but as of today this country, like other ASEAN countries, is finding a good balance between the interests of the countries that shape the main contours of the contemporary world order.

I would say, nevertheless, that ASEAN's counter-game is quite risky, despite the fact that they managed to bring the US back into the region, and to create a fairly well-functioning system of checks and balances between the two leading players. The American military presence in the region is continuing to grow, and as recent statements by President Trump have demonstrated, this process will continue. The Chinese influence has been growing as well, however, with China relying more on modern submarines, and the US – on aircraft carrier groups. The two countries are raising their stakes in the military confrontation, and I am doubtful that ASEAN countries will be able to continue influencing the regional situation in their favor or, more than that, have control over it.

# A.D. Nekipelov<sup>1</sup>

# **PROTECTIONISM OR FREE TRADE: A FALSE DILEMMA**

It seems that the question from time immemorial – "Protectionism or free trade?" – has been given an unambiguous answer in three recent decades. On the one hand, technological progress assisted acceleration of internationalization of the production activities themselves, blurring borders between domestic and international division of labor. On the other hand, the fact that market economy has become a universal form of economic life's arrangement on our planet after centrally managed socialist economies disappeared forever, served as a powerful incentive for the process of world economy's globalization. It was supposed that disappearance of socialist economies would create the necessary socio-economic prerequisites for quick growth of the level of the world economic space's homogeneity. The main task was to a large extent seen in undeviating measures for the so-called "negative integration," associated with consecutive elimination of limitations preserved on the way of transnational movement of production factors.

Certainly, experts also paid attention to barriers capable to slow down the globalization process. Here the main problems were seen in unequal distribution of advantages and costs between countries, originating in the course of comprehensive liberalization of economic life. Challenges were acknowledged, first of all for the social sphere, proceeding from the danger of institutional vacuum's origination in the course of deregulation of economic processes within national frameworks. Numerous research was dedicated to the monetary and financial system, the prospects of its evolution. However, the prevalent position was that all these problems cannot become an insurmountable obstacle on the way of historical globalization process. Solutions were seen both in enlargement of the world economy's

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structure at the expense of formation and development of regional integration groups, and in coordination of national economic policies, and formation of inter- and supranational managing structures.

Until recently, the correctness of this approach did not cause special doubts either in the expert community, or in case of statesmen of the overwhelming majority of states. And this is not surprising: the evidences of the globalization process' triumphant course seemed very convincing. Until the financial and economic crisis of 2007-2009, transnational flows of goods, services, capital increased quickly. The strengthening of economic inter-dependence of states was evident: it's enough to refer to the rapt attention with which the whole world follows the economic development of China, which in recent decades has turned into the engine of the world economy. Transnational structures were acquiring more and more increasing role in the world economy's functioning, in 2008 there were 82,000 of them<sup>1</sup>. The development of integration processes in various parts of the world went on increasing. The Trans-Pacific and Transatlantic trade and investment partnerships alone, initiated by the United States, were to unite the states, to which the most part of world production and trade is referred, with firm economic ties. Finally, new and new elements of the global economy management system were formed steadily and uninterruptedly (inter-state agreements regulating various aspects of international economic relations, developed system of international economic organizations, creation of groups of states - G-2, G-7, G-20, in the framework of which both strategic aims and economic policies are coordinated).

However, in recent year, evident signs of the globalization process' "skidding" appeared. It was found out that even from the point of view of quantity, the progress in the field of trans-border movement of goods, services and capital is not stable – we witnessed its considerable slowing down in the post-crisis years. The liberalization course for international economic ties turned out to be not so effective as it had been expected: its side effects were very serious crises which the world economy encountered, first of all in the financial sphere. Either these or that states are unsatisfied with the influence of international economic processes on their economic development and take protective measures. The situation is aggravated by the fact that separate groups of countries grossly violate universal international agreements, unilaterally introducing such measures obstructing the globalization process as economic sanctions. A number of the biggest integration initiatives found themselves under a threat. Brexit indicated the start of a new stage of the already taking shape crisis within the framework of the European Union. The announced plans of the new US leaders present a distinct threat for integration processes on the territory of North America, trans-ocean partnerships and the European Union to a certain extent.

The fact that the threat for globalization processes comes from the states referred to as the developed world, turned out to be unexpected and such states as China, India and Russia express serious apprehensions as to quick distribution of protectionist moods. And only recently exactly the developed countries actively convinced everyone that comprehensive liberalization of economic activities is the only way to flourishing.

What is the reason of this paradoxical turn of events?

There is an explanation on the surface, connecting the globalization project's crisis with the role of exclusively political factors. Say, the problems the world economy has to deal with, come from certain actions of separate states, and the latter are political and not economic subjects. It could seem that this conclusion can be supported by such arguments as well. Had there been some miraculous way to refuse from nation-states, set up a world government and introduce common world currency, then there just won't be any obstacles left on the way of "rational economic activities" on global scales.

However, this explanation does not explain much: these or that considerations with certain meaning are behind governments' actions, including purely economic. Let's try to examine from this point of view the reasons for cardinal changes which D. Trump's administration intends to introduce into the US economic policy.

It's known that the result of the course for comprehensive liberalization of economic activities carried out during the recent decades, is a radical change of the American economy's structure: the share of the real sector in the gross domestic product decreased considerably below twenty percent. While the industry's flow from the country was accompanied by the growth of its economic power at the expense of dominating in high tech and financial fields, such trends did not cause apprehension, on the contrary they were perceived as nearly an inalienable feature of the highly developed ("service") economy. But the "natural," meaning exclusively market course of affairs led to a gross financial crisis of 2007-2009, which questioned the very adequacy of the formed world financial system to the requirements of contemporary economy. The financial sector entered the stage of serious and it seems long crisis. Naturally, this turned out to be a powerful blow on the countries specializing in providing financial services. Certainly, a government can watch the events taking place as if from a distance, not interfering in the actions of market forces. However, this policy is extremely risky: the prospects for restoration of the financial sector in previous amounts are very dubious, and overflow of the capital to other sectors of national economy is restrained by conditions of international rivalry. Long stagnation accompanied by high unemployment rates and decreasing standard of living, is fairly probable in this situation. Should we be surprised, taking the above-said into account, that authorities can choose active protectionism giving a chance to fairly quickly return the facilities, which "emigrated" from the country in the past, to its territory? Especially if we are speaking about the government of the leading country in the world which actually may not fear a proportional answer from other states.

The Brexit's immediate reasons are of a different character: the UK was no longer satisfied with the "rules of the game" acting in the European Union. They are migration, industrial and tax policies, the level of dissatisfaction with which turned out to be so strong that the advantages, which belonging to the common economic space of the EU countries gives, went to the background.

However, the deep-laid bases for the cardinal change of the course in the mentioned cases have common nature – understanding of social well-being by decision-ma-

<sup>&</sup>lt;sup>1</sup> See: *Desgardins B.* Clouds Hanging Over Globalization. In: Contemporary Global Challenges and National Interests: the 16th International Likhachov Scientific Conference, May 19–21, 2016. St. Petersburg, 2016. P. 32.

kers seriously changed both in the United States and the UK. The things which were just yesterday considered profitable for the country, are perceived by them today (and they are sure that by the people as well) as contrary to the public interests.

But can we be sure that in such cases they are speaking about the real interests of the society and not subjective ideas of politicians speaking on its behalf? It's impossible to answer this question without touching the famous "social choice problem." In the end, its contents come down to searching the answer to the question: are there are objective conditions for rational behavior of a group, and if there are such conditions, how should its decisions be characterized in favor of general welfare?

The discussion of the issue has been going on for several decades already. It's not possible to go into its details here<sup>1</sup>. We'll only mention that quite often the issue of a group choice is considerably simplified and is put in relation to this or that institutional environment. In this case, a researcher concentrates his/her attention not on the search for the best decision from the point of view of a group's interests. The very result of social choice in the environment of the set institutional limitations becomes the subject of interest.

The basic rules of social choice, assisting harmonization of individual preferences in respect of common deeds are democratic procedures based on voting as well as the market mechanism for coordination of individual interests2. It is known that various voting algorithms are widely used in cases of taking group decisions. However, an organic flaw of this rule of social choice has been knows since the times of Condorcet: depending on the order of alternatives for voting, conducted according to one and the same procedure, the results of voting may be completely different (the so-called "voting paradox"). This state of affairs is connected with the fact that the voting mechanism is incapable to reveal the intensiveness of individual preferences in respect of available opportunities. In this sense the market mechanism differs from democratic procedures for the best: the intensity of individual requirements is in demand's differences, which is presented by the same economic agents in cases of different price levels. In case of the presented viewing angle, the state of the common market balance is a point<sup>3</sup> for coordination of individual interests, i.e. such a position, which none of the participants wants to change.

Under the conditions of democratic procedures for social choice, the above-mentioned institutional limitations lie in the approved by the group voting algorithm (simple or qualified majority, with the latter to take unlimited number of forms). The basic institutions for the market mechanism – and it exactly is of interest to us here – are respect for private property, recognition of freedom of society members in entering into market deals, committing character of terms and conditions provided for in these deals. The attitude of the society members to the results of the market mechanism's functioning depends on the extent of such agreement. If citizens are unanimous in acknowledgement of the basic institutions of market economy, they will look upon the state of the general market balance as a social optimum. Rejection of basic institutions (e.g. negative attitude to distribution of property rights existing in the society), will on the contrary bring about dissatisfaction in the

Here it's important for us to fix the following notion. Search for the optimum group decision in the environment of the set institutional limitations, from the purely logical point of view, is detrimental in the sense that it leads to a closed circle of reasoning. It turns out that in order to coordinate the general approach to solution of this or that issue, group members should preliminary agree upon the way of coordinating the issues being of common interest<sup>4</sup>. But for lack of nothing best - people act exactly like that in reality. And exactly because of that institutional structures preserve their strength until group members agree to results obtained on their basis. As soon as this agreement disappears, there are changes entered into the functioning institutions. If they do not succeed in such a correction, in the course of which interests of the group members clash, group's disintegration is possible<sup>5</sup>.

results of the market mechanism's functioning.

As for the market mechanism as an instrument of social choice, one should pay attention to the following circumstances as well. In some cases well-known to the economics, the market "falters" even in case of absolute "piety" to its basic institutions on the part of the society members. Then the market can find a point of interests' coordination (meaning: get into general equilibrium), though such a point exists in principle. Market failures in regulation of production of public goods, side effects from economic activities as well as failures in coordination of interests of deal participants in the environment of asymmetric information can serve as examples. A strictly economic requirement – and that should be emphasized – for the state's "intrusion" into allocation of resources originates in all those cases.

The following circumstances are no less important. The market is a powerful instrument for finding out and coordination of not all but only a part of individual preferences. It is blind to interests beyond the borders of strictly selfish strivings. Because of that, general market equilibrium is a point for coordination of interests of so-called A. Smith's "economic men"; it's their ideal. But for common people, who are more or less interested not only in their own consumption but also well-being of other society members, general equilibrium is not necessarily a synonym of a social ideal. Taking into account altruistic moods of the society members, the latter will be in the overwhelming majority of cases characterized by placement of resources different from pure market placement. This in its turn means that a requirement in entering corrections into allocation of production factors, forming on the basis of the market

<sup>&</sup>lt;sup>1</sup> See: *Nekipelov A*. Formation and Functioning of Economic Institutions. From "Adventures of a Castaway" to Market Economy Based on Individual Production. Moscow: Economist. 2006. P. 233–272.

<sup>&</sup>lt;sup>2</sup> "In a capitalist democracy there are essentially two methods by which social choices can be made: voting, typically used to make 'political' decisions, and the market mechanism, typically used to make 'economic' decisions" (*Arrow K*. Social Choice and Individual Values. 2nd ed. New Haven: Cowles Foundation, 1963. P. 1).

<sup>&</sup>lt;sup>3</sup> Here we divert from the fact that in reality there can be many such points (Sonnenschein – Mantel – Debreu famous theorem).

<sup>&</sup>lt;sup>4</sup> "The selection of a decision-making rule is itself a group choice, and it is not possible to discuss positively the basic choice-making of a social group except under carefully specified assumptions about rules. We confront a problem of infinite regression here" (*Buchanan J.M., Tullock G.* The Calculus of Consent: Logical Foundations of Constitutional Democracy. URL: http://www.econlib.org (Accessed: 03.01.2010)).

<sup>&</sup>lt;sup>5</sup> Demonstrative examples of such kind are provided by the history of formation, life and disintegration of many states.

mechanism's functioning, appears (at least can appear) not as a result of "political whims" but purely because of economic motives.

The thesis on "economic inevitability" of the more and more complete globalization of economic activities could be unquestionable only in case people on the planet were not interested in anything except their personal consumption. Then we should have subscribed without any clauses to K. Marx's idea that private interests in the bourgeois society "divide each nation into as many nations as there are grown-ups in it."<sup>1</sup> Consequently, the function of the state going beyond the obligations of a "night watch," should be looked upon as definitely excessive and because of that subject to elimination.

But as we've seen, the state of affairs is considerably more complex. Because of special features of historical process, all states are characterized by more or less cultural originality, rooted in values shared by its citizens. Most people feel themselves, first of all, to be citizens of their state and only after that of the whole world. Their idea of a social ideal is first of all associated with the state of their Motherland and only after that the whole planet.

The world economy in this environment turns out to be a very complex system, within the framework of which companies and consumers from various countries, transnational corporations, nation-states, international economic organizations, international integration associations interact. At the same time nation-states, international integration structures are not phantom but proper subjects of international economic relations, aspiring to represent common interests of their citizens or states. The fact that these interests cannot be unambiguously defined, makes the problem even more intricate. As it was shown above, the wording of national interests (interests of integration associations) takes place not "in general," but within certain institutional frameworks, which can be doubted themselves under the influence of the actual course of events.

In this situation striving to rely exceptionally on calls to free trade and assistance to the "objective" process of economic life's globalization, is non-constructive at best and capable to lead to serious conflict on international arena at worst. To a large extent, there is just no alternative to hard everyday work in coordination of interests of all participants of international economic cooperation. It's sensible to expect that the scales of transnational flows of goods, services and capital will in future show a steady upward trend as well. But at the same time the liberalization trend in international economic relations may prevail in some sectors in some periods, and in other sectors in other periods there may be a prevalent trend for strengthening of their regulation ("protectionism") at the level of separate states and their integration associations. The prospects for formation of a uniform economic space on the territory of the whole globe are definitely not urgent in the near future. In that respect a well-known thesis is fairly grounded: "The movement is everything, the final goal is nothing."

The question why some countries are growing faster than the others is the central one in economics. It is in fact the old question about the nature and the causes of the wealth of nations (Smith, 1776). In retrospective view of economic growth this question is often formulated as "why the West got rich before the Rest?" and "why some developing countries are catching up with the West, but others do not?" UnWHY GROWTH RATES DIFFER

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fortunately, there is no consensus among economists what exact policies are needed for engineering high growth (Popov, 2011).

Many agree that institutions is the crucial factor of economic growth in the long term (Rodrik, Subramanian, and Trebbi, 2002; Rodrik, 2004), but there is less agreement on what determines the institutional strength. This chapter uses objective measures of the institutional capacity (shadow economy and murder rate) to trace the trajectories of institutional developments in the Global South and discusses the hypotheses to explain these trajectories.

### Growth, policies and institutions

Here we consider only state institutions, or to be more precise – state institutional capacity defined as the ability of the state to enforce rules and regulations. Subjective measures of the state capacity – indices of government effectiveness, rule of law, corruptions, etc. – have a number of shortcomings (Popov, 2011), so I suggest objective indicators, such as crime rate, murder rate<sup>3</sup>, the share of shadow economy – the ability of the state to enforce its monopoly on violence and monopoly on taxation.

The general rule is that developed countries, East Asia, South Asia and MENA countries have murder rates of

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<sup>&</sup>lt;sup>3</sup> Crimes, especially non-violent, are registered better in developed countries than in developing countries. Here I use the murder rate – in most countries grave crimes, like murders, are registered most accurately.

1–10 murders per 100,000 inhabitants and shadow economy of less than 30% of GDP, whereas in SSA, Latin America and some former Soviet Union republics (Baltics, Belarus, Kazakhstan, Moldova, Russia, Ukraine) the murder rate is higher by the order of magnitude (10–100 murders per 100,000) and the shadow economy is way over 30% of GDP. Economic growth in large regions of the Global South correlates strongly with the murder rate and shadow economy (negative correlation – the higher the murder rate and the shadow economy, the lower is growth). East Asia is ahead of everyone in terms of growth, followed by South Asia and MENA, while Latin America, SSA and FSU are falling behind.

In fact, the murder rate and the share of the shadow economy – the objective indicators of the institutional capacity of the state – turn out to be the best institutional predictors of the long term growth rates of GDP per capita. In regressions for over 50 years (1960–2013) for 80 countries for which data are available, up to 40% of variations in GDP per capita growth are explained by the level of development (GDP per capita) and institutional indicators (murder rate and share of shadow economy). These regressions are quite robust and hold for different sub-periods (1960–1975, 1975–2000, 2000–2013). Among variables that are not directly related to growth, such as investment rate, population growth rates, etc., state institutional capacity turns out to be the single most important predictor of growth.

The negative relationship between growth rate and state institutional capacity as measured by the murder rate and the share of shadow economy is obvious too.

The usual objection to these regressions is that institutional capacity variables are endogenous, i.e. not only they influence growth, but are influenced by growth themselves. The data for the murder rate and for the shadow economy are for the years of 2002 and 2005 respectively – the very end of the investigated period of economic growth (1960– 2013), which may be a problem since the cause should of course precede the effect in time. However, the data on murders and shadow economy for the earlier period are largely missing<sup>1</sup> and it is possible to run reasonable crosscountry regressions (40 observations) only for the very recent short period. The results for growth in 2000–2013 period with data on shadow economy and murders for the 1990s are very strong, but the period is too short to proxy long term growth.

The standard way to deal with the endogeneity is to look for the instrumental variables, but it is virtually impossible to find such variables for institutions that are not correlated with growth. It is possible though to argue that murder rates did not change much in recent half century, and in this case the endogeneity argument does not hold: the murder rate is not influenced by economic growth or is influenced so little that changes during half a century are not significant. In most countries the murder rate did not change much in 1960–2013. Exceptions are countries/territories affected by turmoil, wars and/or transition from communism to capitalism (Northern Ireland in the 1960s, Cyprus in the 1970s, Russia and former Soviet republics in the 1990s – neither of these experienced fast growth). The crucial question then is what determines institutional capacity of the state, if not economic growth. Why some countries have strong institutional capacity for many decades and enjoy rapid growth, whereas others are locked in a trap with poor institutions and low growth?

### **Genesis of institutions**

There are two major schools of thought that offer different answers to these questions (see: Popov, 2014, for description and references), one recognizes key role of institutions, the other – does not. One (evolutionary or Western) school hypothesizes states that countries that we now call developed, or the West, acquired in the 16<sup>th</sup> century and afterwards some features and institutions that were absent in more traditional societies (Landes, 1998; Mokyr, 2002 to name just a couple of contemporary authors). The list of these features ranges from abolition of serfdom and protestant ethics to protection of property rights and free universities.

Another school (Oriental) questions the logic of evolution triggered by social forces themselves (Diamond, 1997; Pomeranz, 2000; Wong, 1997 - once again, just to give several contemporary examples) and pays special attention to seemingly minor historical events-fortunate and unfortunate, but mostly accidental - that pre-determined the development of countries and continents for centuries to come. "In this view, - explain the editors of the book that examines important unrealized counterfactuals in human history, - Western dominance was the by-product of natural forces that reflect no credit on Western civilization: geographical accidents such as location of mountains and coastlines, geological accidents such as the ready availability of coal or gold or arable land, climatological accidents such as the timing of the ice ages or the direction of the ocean currents, and biological accidents (not always so accidental) that affect the susceptibility of various population groups to lethal diseases" (Tetlock, Lebow, Parker 2009).

In recent decades the rise of Asia gave additional credibility to theories that reject the superiority of Western economic model and the inevitability of the Western success. "As Japan, the Asian Tigers and China developed into major economic powers, – writes Ian Morris, – more and more scholars concluded that theories explaining West's success through long-term cultural, environmental, or racial causes simply could not be right. The big story in the world history, they began suggesting, was not the long-term inexorable rise of the West; it was the tale of multipolar world, which the West had only recently, temporarily, and perhaps even accidently come to dominate" (Morris, 2013, p. 2).

The problem with these explanations is that there were many countries before the 16th century with social structures that possessed or were conducive to many of the same features that are credited for the growth acceleration by the Western school and with many minor accidental events that are said to promote growth by the supporters of the Oriental school. But these countries never experienced productivity growth comparable to the one that started in Britain and the Netherlands in the 16th century and later – in the rest of Europe (0.2–0.3% a year in 1500–1800 and 1% and more a year afterwards).

A different interpretation accepted in this paper is that dismantling traditional collectivist institutions in Western countries was associated with increased income inequality

<sup>&</sup>lt;sup>1</sup> For 20–30 observation, these regressions hold for 1975–2013 period with data on shadow economy and murders for the middle of the growth period – the 1990s.

and even decrease in life expectancy, but allowed the redistribution of income in favor of savings and investment at the expense of consumption (Popov, 2014). The elimination of collectivist (community) institutions was a risky experiment that put masses of population below the subsistence minimum and caused a reduction or slowdown of growth of the population – the foundation of the military might (number of people – number of soldiers) in the Malthusian growth regime.

Early attempts to ensure the priority of the rights of individual over the rights of the community at the expense of collective interests and low inequality (Greece, Rome, Byzantine) led to the impoverishment of the masses, higher mortality and foreign conquest. Only in Northwest Europe in the 16–18th centuries this policy somehow succeeded for the first time in history.

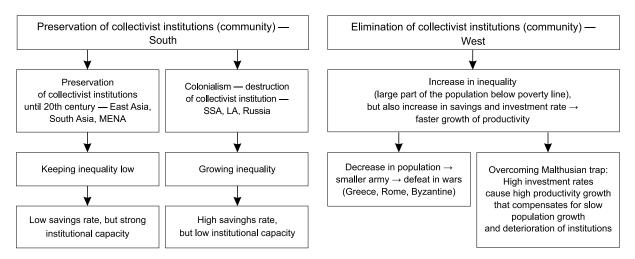
It is not the abundance of competition or entrepreneurship or ideas for technological innovations that allowed the West to accelerate the growth rates of productivity by the order of magnitude, it is first and foremost the abundance of savings and investment that resulted from growing income inequalities and allowed to increase the capital/labor ratio and to cast in metal the ideas for new products and technologies. To pit it differently, the West became rich not due to its inventiveness and entrepreneurial spirit, but due to cruel and merciless dismantling of community that previously provided social guarantees to the poorest.

When the same pattern was applied to developing countries (through colonialism — Latin America, Sub-Sahara Africa, or voluntary Westernization in an attempt to catch up – Russian Empire), it resulted in the destruction of traditional institutions, increase in income inequality, and worsening of starting positions for catch-up development. This group of countries replicated the Western exit from the Malthusian trap – they experienced immediate increase in income differentiation, the rise in savings and investment and in the growth of productivity, but at a price of rising social inequality and deterioration of institutional capacities.

Other developing countries (East Asia, South Asia, and Middle East and North Africa – MENA) were less affected by colonialism and managed to retain their traditional institutions. This delayed the transition to modern economic growth (Kuznets, 1966) until mid-20th century, but allowed to preserve good starting position for economic growth – low inequality and strong institutions. Eventually slow technical progress allowed them to find another (and less painful) exit from the Malthusian trap—increased income permitted to raise the share of investment in GDP without major increase in income inequality, without worsening of institutional capacity and decrease in life expectancy.

More Westernized countries of the Global South (LA and Russian Empire) raised their savings-investment rate and exited Malthusian trap earlier that the others, in the 18th century, but at a price of undermining necessary conditions for future growth - low inequalities and strong institutions. So LA and Russia experienced some acceleration of growth afterwards, but it was not enough to catch up with the West. Colonization of SSA (except for South Africa), unlike colonization of LA and Westernization of Russia, did not result in any considerable transfer of technology and human capital, but only increased inequalities and undermined institutions. So SSA countries were disadvantaged on all counts and had the worst growth record in the world. On the contrary, most of less Westernized countries of East and South Asia and MENA managed to preserve low inequality and efficient collectivist institutions. Their savings-investment ratios stayed at a level below 10% until mid-20th century, so they did not grow before that, but once saving started to increase gradually, it turned out they have all preconditions for fast growth. Some of them became economic miracles, rapidly catching up with the West (East Asia), others were speeding up their development in recent decades (South Asia), while others (MENA countries) are probably best positioned to accelerate their economic growth in the future.

The general model of global divergence is presented at the scheme below (Popov, 2014). Like all schemes this one is a simplification: it does not allow capturing all the diversity of circumstances, but allows tracing the main factors responsible for changes. The fact is that today there are two major groups of developing countries: one (East and South Asia, MENA) has relatively low inequalities, strong state institutions (low murder rate and share of shadow economy) and high savings and investment rate, the other (Latin America, Sub-Sahara Africa, Russia and some former Soviet republics) has high inequalities, weak state institutions (high murder rate and shadow economy) and low savings and investment rate. Quite predictably the first group grows faster than the second.



Scheme. Explanation of the global divergence in growth since the 1500s. Three ways out of Malthusian regime

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### Vasil Prodanov<sup>1</sup>

## FROM GLOBALIZATION TO DEGLOBALIZATION

The world has completed the first large cycle of globalization in the late 1840s. Then, with the beginning of WWI, and especially after the Great Depression of the 1930 the reverse process – that of deglobalization – started.

Currently we are witnessing another return of the same cycle. After the neoliberal globalization that emerged after the crisis of capitalism in the 1970s, when growth opportunities within the framework of the social state were exhausted, capital globalization in 1989 contributed to the demise of the state socialism system that had appeared as an independent zone in Eastern Europe. Now we stand at the beginning of the process of reducing profit accumulation capabilities across the globe. The number of growing contradictions force capitalist states to reestablish borders and seek refuge inside these borders.

### Moving from the Monopolar to Multipolar World and Deglobalization

Deglobalization trends are characterized by intermittent crises plaguing the monopolar world with a clearly defined global hegemon, and a gradual transfer to a multipolar world divided between various competing great powers. The first global hegemon of globalization in the 19th century was Great Britain. By the end of the 19th century the US and Germany caught up with Great Britain and overtook it, starting a war to redivide the world and set up new borders. The US remained the leading force for globalization and global leadership since after the end of WWII to the 1990s.

Now once again we are witnessing the arrival of the multipolar world in which the US is gradually losing its global hegemony. China appears to be the state that wins the most from globalization. A new war is underway for spheres of influence, finding short-term and long-term allies, as various regions across the world disintegrate and local wars start. It was for this reason that back in 2008 one of the most ardent advocates of globalization, Robert Kagan, wrote in his The Return of History and the End of Dreams that just like before WWI, now we are witnessing the return to the real type of politics<sup>2</sup>. The US is losing its leading position, and China, having overtaken the US in terms of its GDP is not yet ready to take its place. Nevertheless, as far back as in January 2017 Xí Jìnpíng said in Davos that his country could become the leader of globalization if the US chooses to "close their borders".

It follows that we are in for a fairly lengthy period of existence of a truly competitive world, with encapsulation of separate states and blocks. The processes of state separation and disintegration will continue. There are such trends underway in Europe, from Catalonia and the Basque Country to Scotland and Flanders, Macedonia and Ukraine. Obviously, every significant historical shift in the 20th century was accompanied by disintegration of states and the growing number of political players. In Afghanistan not so long ago, and in Syria and Iraq today ethnic and religious conflicts are underway with active participation of international teams.

National interests, patriotism and nationalism have already replaced the so-called pan-European values and the neoliberal globalism, which are analogous to the processes before WWI, when the previous model of internationalism was rejected. This is being manifested in the crisis of neoliberal integration, reflected in Brexit, Trump's anti-immigration and protectionist policies, and the failure of two global free trade agreements – the Transatlantic Trade and Investment Partnership (TTIP) and the Transpacific Partnership.

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<sup>&</sup>lt;sup>2</sup> Kagan R. The Return of History and the End of Dreams. Atlantic, 2008.

### Social and Economic Preconditions for Deglobalization

The global market is creating favorable conditions for some social groups and regions at the expense of others, causing rapid increase of inequalities and contradictions. Firstly, it concerns regional inequality inside states and such regional unions as the EU, where Eastern and Southern Europe find themselves on the periphery. Secondly, it involves growing social and economic inequality, with the decrease of the middle class across the world and prosperity of the 1% of super-wealthy people. Globally, a total of just eight people control over one half of global wealth. Millions of people who have grown poor view globalization as a threat; hence, there appear populist and nationalist parties that compete for votes of disillusioned citizens.

Many countries have been reducing the volume of foreign investments and international trade. Increasingly more people are unhappy with the factor behind today's contradictions - the global market that split countries and social groups into winners and losers. Bloomberg Agency has published an analytical study entitled "The Closing of the World Economy", which discusses the emergence of economic nationalism, the willingness and the promise of restricting trade, outflow of capital, and immigration. These ideas were voiced by various politicians, in particular, Donald Trump and Marine Le Pen. The neoliberal market globalization was started by Margaret Thatcher in the UK and Reagan in the US. The opposite process is being observed in these countries now. The number of limitations and discriminatory measures in the area of global trade, introduced by different states in 2009-2015 exceed the number of actions toward their liberalization by three times. In 10 months of 2015 alone, various states introduced 539 initiatives to establish barriers in international trade, for investors and intellectual property owners, setting a record of sorts. "Buy local" campaigns have been going on in the US, the UK and Australia. China forbids purchasing foreign strategic and military technologies, new ecological standards are introduced to block import of those or other products. Financial policy is a trade tool in the US, Europe, and Japan, where a combination of artificially low interest rates, quantitative alleviation and direct currency interventions are used to obtain competitive advantages. Devaluation is used to reduce the purchasing power of foreign investors who become holders of the devalued national debt. Various approaches of limiting capital outflow are being used. Bloomberg agency concludes that "economies of the future will definitely be less open than today"1. A testimony to this fact was the appearance in December 2016 of an article entitled "The End of Globalism"<sup>2</sup> in Foreign Affairs, a leading US journal. The Roman Club has also recently called "to put an end to economic globalization".

In the US the struggle between Trump and Clinton turned into a clash between deglobalization promoted by "losing" workers, small manufacturers and industrial capital on the one side, and protectors of global financial capital on the other.

### **Technological Preconditions for De-globalization**

The Internet and satellite communications, and communication systems of the third industrial revolution have become the technological foundation for market globalization. They brought to the forefront the issues of what is called online security. Given the advantage of the United States where most global Internet servers are located, and in conditions of intensifying struggle for a multipolar world, the rivals of the US seek to free themselves from this dependence. Mobile and network technologies make it possible to invade the privacy of anyone, including leaders of superpowers. Clearly, globalization makes people more vulnerable and subject to influences of economic and informational warfare. As a result, states are forced to adopt measures to lower their risks. Local and regional internet networks are set up in isolation from the worldwide web to protect against cyber attacks and cyber warfare. For instance, China does not allow Google searches since with the help of that search engine the Unites States lead informational warfare, monitor the Chinese online audience and influence Chinese citizens. The Internet has turned into a crime-ridden area with instances of fraud, theft, and attacks, and the degree of online security reflects the dramatically increased instability in the real-world capitalist space all around us. The digital space is becoming a place of theft and deceit, where people are subjected to dangerous information that destroys the moral backbone of the society, turning adolescents into terrorists. Fear and uncertainty are growing, creating new preconditions for isolation, just as in the times when the modern statehood was being formed, the idea of sovereignty was inextricably linked to specific territories on which the states were able to protect their citizens. Currently we are looking at the idea of not only territorial, airspace and aquatorial sovereignty but also digital independence and data protection.

Uncertainty and crises promote the ideas of deglobalization, control over people's movements as well as movements of finances, resources, private capital and information. The dominant feeling experienced by most citizens across the globe is fear – fear of terrorism, attacks, robberies, murders, unemployment or loss of social status.

These growing risks have led to the appearance of a new trend, the fashion for walls, from the walls protecting wealthy neighborhoods to walls between states. The world is moving away from the neoliberal ideology of such freedoms as the freedom of movement between states, the fall of the Berlin Wall, to building walls between states and within them, and these barriers are becoming more substantial and perfect than ever before. Project Syndicate, a popular website, in its study entitled "A World Besieged" notes that *"from Aleppo and North Korea to the European Commission and the Federal Reserve System, gaps in global setup continue expanding... If there is a word that best describes the global economy and geopolicy, then this word is "besieged"*3.

On the other hand, the tendency is to increase border control due to flows of refugees, migrants and terrorists. More and more perfect combinations of biochips and electronic control are being used, and fortified walls are built between states in various hot spots. At the end of WWII

<sup>&</sup>lt;sup>1</sup> Das Satyajit. The Closing of the World Economy. URL: https://www. bloomberg.com/view/articles/2016-09-14/governments-are-leading-theattack-on-globalization (accesed: 14.09.2016).

<sup>&</sup>lt;sup>2</sup> Li Eric X. The End of Globalism // Foreign Affairs. 2016. December 9. URL: https://www.foreignaffairs.com/articles/united-states/2016-12-09/ end-globalism/

<sup>&</sup>lt;sup>3</sup> A World Besieged. URL: https://www.project-syndicate.org/onpoint/ a-world-besieged-2016-09?barrier=true (accessed: 30.09.2016).

there were five walls between the states in the world. In the period from 1945 to 1989 19 more walls were added. After the Cold War ended, by 1991 their number reduced to 12. Then the walls came back again, and by 2014 there were a total of 64 walls, i.e. several times more than at the time of the bipolar world, the era of socialism and capitalism<sup>1</sup>. After the fall of the Berlin Wall forty states erected walls on their borders with 64 neighboring countries to restrict the flow of illegal immigrants. The construction of over 30 of them started after September 11, 2001, and 15 more were added in 2015. Some analysts called 2015 "the year of border walls"<sup>2</sup>.

By this time the US has completed more than 1078 km of barriers on the border with Mexico, including 12,000 motion sensors, a large number of video cameras, 1500 towers for monitoring and control, and as many mobile units moving along the border. According to official data, some 7,000 people were killed or died due to other reasons as they tried to cross borders, but their number must be much higher<sup>3</sup>. Nevertheless, Donald Trump won the US presidential election because he had said these walls are not enough. He declared a need to build the Great American Wall, 3145 km long along the entire border between the US and Mexico. This is likely to become one of the most fortified and well equipped borders in global history. To compare, the length of the Berlin Wall, the demolition of which is being celebrated every year, was 155 km. Ronald Reagan who had started the neo-liberal globalization in his Berlin speech in 1987 called upon Mikhail Gorbachev "to bring down the wall" to guarantee peace, prosperity and globalization. His successor Trump declared his intention to build the wall 30 years later. This wall will be 20 times longer. Shall we conclude, that today we have no peace, or prosperity, or globalization? Trump is not the only one doing it. In Australia, another country of immigrants, there is much talk about "militarizing national borders," and "creating the fortress of Australia"<sup>4</sup>.

A legislative proposal introduced in Bulgaria in 2015 states that to receive any kind of a visa in any embassies, applicants must provide their biometric data, and reliably establish the goals of the visit, providing documents and confirmation regarding places of stay. All these issues shall be subject to more thorough control. It should be noted that similar measures had been previously introduced in the United States and a number of other countries, that is, modern electronic technologies have a kind of "biological power" over individuals, and this leads to even stricter control over borders than ever before. Politically, this constitutes a return to the "New Middle Ages", when the world is divided into parts and the number of borders increases; this process is being accompanied by dominating conservative, populist and nationalist forms of government and legitimacy, and various modifications of authoritarianism and unliberal democracy in our digital age. Starting in the 1970s and to the present day the global community of intellectuals has been popularizing post-modernism, which predicts the collapse of grand narratives and understanding that the humankind is moving in the direction of some universal development model. In the "fenced-in" world everyone will follow their own path to the future in accordance with their own development model.

<sup>&</sup>lt;sup>1</sup> Borders, Fences and Walls. State of Insecurity? / ed. E. Vallet. Ashgate, 2014 P. 2.

<sup>&</sup>lt;sup>2</sup> Why Border Walls Fail // Project Syndicate. URL: http://www.project-syndicate.org/commentary/why-border-walls-fail-by-reece-jones-2015-09 (accesed: 18.09.2015).

<sup>&</sup>lt;sup>3</sup> Palma M.B. Borderland Deaths of Migrants Quietly Reach Crisis Numbers. URL: http://www.truth-out.org/news/item/25116-borderland-deathsof-migrants-quietly-reach-crisis-numbers (accesed: 27.07.2014).

<sup>&</sup>lt;sup>4</sup> Lees Josh. The construction of fortess Australia // Readflag. Newspaper of Socialist Alternative. 2015. 15 Sept.

# H.M. Reznik<sup>1</sup>

# CORRUPTION CULTURE AND ITS EVOLUTION

Everyone who wants to get an objective idea of corruption and attitude to it, will plunge into the ocean of texts of various kinds: international and domestic declarations and legal acts, historical research and documents, non-fiction and scholarly texts, social and political essays, and fiction. And the first thing he/she will find out is lack of unity in the definition of corruption. Both as a social phenomena and a legal concept.

It's enough to proceed from the narrow understanding of corruption as venality, bribability of representatives of state authorities, governmental officials and other people in power to discuss the issue set forth in this report. Bribery, venality are the main meanings of the Latin word corruptio, i.e. use of authority for personal enrichment. Originally the term also included other meanings - strictly negative in assessing: deterioration, defilement, decay. It's not surprising: from time immemorial, even before the ancient times of Babylon and Mesopotamia, corruption has been unambiguously recognized by official morals and law as a danger, threatening the state foundations and was prosecuted as a criminal offence. Aristotle thought that corruption was capable to change the state system, transform monarchy into tyranny. However, wrathful moral condemnation and denouncing as well as severe repressions and penal sanctions were powerless corruption flourished both in the ancient times and in the Middle Ages, taking deep roots in state governance and everyday life.

The new corruption facets began to sparkle with the emerging capitalism. Bourgeoisie was cleaning the way for itself by corrupting aristocracy in power. The fact that intensive purchase of votes of high-ranking officials and politicians not only failed to obstruct but assisted accelerated economic growth, had to suggest a "sinful" thought about the positive role of corruption for social development. But that thought was presented in science much later, in the beginning of the 20th century by Max Weber. Weber came to the conclusion within the framework of the concept of understanding sociology proposed by him, that corruption may be functional and acceptable if it helps acceleration of political and economic changes taking place in the society.

This assumption, as other ideas originating in the West, was to be fully checked up on the territory of our country.

The communist doctrine that announced private property to be the worst evil on Earth, generated the chronic deficit economy in the USSR. On the other hand, lack of many products required by people, in retail, combined with accumulation of big stores of raw materials in the warehouses of state enterprises. The figure was announced at the last Plenary Meeting of the CPSU Central Committee (July, 1991): the basic stocks of raw materials and products finding no sale amounted to RUB 640 billion. Cf.: there was less money allocated from the state budget to culture, education and science taken together.

It's well-known that if a mass requirement is not satisfied legally, it will find a way bypassing the law and bending the rules. Enterprising people started using the products, lying on shelves collecting dust, for making consumer goods. Fashionable clothes, shoes, accessories, spare parts for cars – they started producing all that in underground shops of state enterprises. Private entrepreneurship itself was a criminal offense in the USSR, but owners of those underground shops inevitably generated other actions and operations prohibited by the Soviet criminal law: commercial intermediary activities, speculation, purchase of illegally acquired property illegal origination of which was known, illegal use of brands. And certainly bribery. It's impossible to hide a shop with illegal equipment from the bosses, largescale sales are impossible to keep secret from police and prosecutor's office. Engagement in prohibited business was inevitably connected with giving bribes to the managers of plants and factories, controllers from controlling authorities, policemen, prosecutors, officials from city and party authorities.

Common workers were also engaged in the shadowy production. They did not grumble, they were not indignant or outraged – on the contrary, they were eager to work not for the state but for an illegal entrepreneur for higher wages. Belief in advantages of socialism was undermined by underground businessmen together with commercial intermediaries-speculators also in case of large sections of consumers. The opinion poll conducted in the middle of the 1970s by the Institute for Study of Crime Causes and Working out Measures for Crime Prevention showed that 30% approved of the speculators' activities and blamed those who reported them to the law enforcement agencies.

The ideological dogmas started breaking under the pressure of private interest. In this case corruption served common sense in economic behaviour and assisted, according to an appropriate expression by L.M. Timofeev, "elimination of unreasonable, inconvenient for people order and origination of a new rational and productive order".

In the end of the 1980s, when Perestroika (restructuring) was announced and followed by launching market reforms, private business emerged from the underground out into the open. But a bribe, which had become the necessary condition for the existence of shadowy economy, did not disappear. And what is more, corruption was given a new momentum.

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By the moment of the USSR disintegration, the Treasury was empty, oil prices went down to the minimum figures, and liberalization of prices which had no alternatives devaluated people's banking deposits. The overwhelming majority of residents of Russia, including low and middleranking officials, were thrown back to the poverty level. Meanwhile, in the period of original accumulation of capital, the need in officials with their authority to register, coordinate, permit, control skyrockets. Because of that bribe taking at the privatization stage was predominantly entrepreneurs' paying officials for quick and conscientious performance of their job duties.

Corruption relations of business and law enforcement agencies looked considerably more dramatic. Unexpected and quick fall of the Communist-Soviet regime led to professional crime's attacking business. The shadowy economy could not exist without "shadowy justice". The capitals of owners of underground shops, traders and speculators required protection from blackmailing, extortion and robbery. It was only possible to find protection from criminals with the help of other criminals. Underworld lords (godfathers) also performed the functions of arbitrators when settling conflicts brought about by infringement of "business morals".

After August, 1991, professional crime which was let loose and allowed to come near by shadowy business in the Soviet period, announced its claims for participation in division of looming high profits. Criminals at the head of armed gangs put forward their demands to new owners of enterprises and banks to come under their criminal patronage or even let them in their capital as partners.

Far from all businessmen liked such offers. Many intended to do business legally in the market economy environment. Only law enforcement agencies could fight criminals. But detectives and investigators had no wish to risk and expose themselves to bandits' bullets in the interests of the "new Russians" for a pittance as their wages could hardly make ends meet. And then fighting racketeers began to be additionally remunerated.

In the 1990s, whole police brigades were paid by entrepreneurs. Illegal cooperation brought its fruits: in 5–6 years criminal power pressure on legal business was practically completely eliminated. But relief for the enterprising class did not come. On the contrary, the 2000s became of time of domestic corruption's flourishing, in-growth of middle and high-ranking officials and first of all law enforcement agencies into business.

Corruption component in cases of state orders, state services, allocation of lands to private owners turned into a regularly paid rent. Bandit "krysha" (literally means "roof" in Russian but in this context means protection, fixing, lobbying, arrangement and services) was replaced by "ment" "krysha" ("ment" is an umbrella term encompassing all representatives of law enforcement agencies: policemen, Federal Security Service employees, investigators, prosecutors).

Paradox: expansion of corruption scales accompanied growth of material well-being of large sections of the population, poverty reduction – when oil prices skyrocketed there was enough money for everything.

There was no combating business corruption in the country. Constant calls for its overcoming were just a ritual. Crime statistics was mostly represented by everyday corruption - doctors, teachers, instructors, kindergarten employees were predominant among those found guilty of bribe taking; employees of the totally corrupted State Traffic Safety Inspectorate were added "into the bargain" in small numbers - not to have an absolutely ludicrous discrepancy between the real state of affairs known to everyone and its reflection in state records, e.g. in 2012, the average bribe did not reach RUB 8,000, when according to research of latent crime in business sphere it exceeded US\$ 100,000. But high-ranking officials and representatives of law enforcement agencies did not find themselves in the prisoners' dock, with very few exceptions.

In the 2000s, corruption accompanied the changed political and economic priorities. Centralization of power, cessation of "sovereignty parade", suppression of rebellious Chechnya – solution of these tasks objectively required strengthening of the state machinery supported by national security, defense and law enforcement agencies.

It's well-known that for the power to be sustainable it has to rely on groups that are united and rich. The siloviki (security, defense and law enforcement chiefs) who have come to the state administrative bodies can only eliminate poverty via corruption. However, they do not consider the rent they are getting from business to be such. The psychology of today's statesmen is similar to the frame of mind of the officials of the Russian Empire who "fed on office" – they think themselves to be "the salt of the earth", the regime's support and consequently they look upon bribes as remuneration they have a right to.

If preservation of the regime's stability becomes the main goal of the state politics, it is inevitably paid for by increase of corruption providing loyalty of various elite groups and all outsized bureaucracy. Over the period from 2000 to 2012, the latter increased by 65%. At the same time the inflow of representatives of security, defense and law enforcement agencies to the upper official ranks increased constantly. Now, a person with a security background can be found in practically any region, if not as a governor, then at least as a vice-governor or a head of some key department.

The state increased its presence in the economy in parallel to that. It follows from the Federal Antimonopoly Service's (FAS) report that over the ten years the state increased its presence in the economy twice – from 35% in 2005 up to 70% in 2015. Over the recent three years only, the number of state and municipal unitary enterprises tripled. And collection of corruption rent increases with the state role's increase in the economy. It's not unexpected that nearly a half of the companies surveyed by the Russian Union of Industrialists and Entrepreneurs (RUIE) answered that "authorities treat business as a purse" (48% against 42% in 2014). Sociological surveys show that over the last 10 years approximately one half of the population acknowledges that corruption runs through the whole society. Nevertheless, it's noteworthy that corruptibility not necessarily brings about negative attitudes of the Russians to officials. For example, according to surveys conducted in 2009–2010, a half of Moscow residents believed rumours about Yuri Luzhkov's corruptibility, but at the same time 60% assessed his work positively and thought that he should keep the Mayor's office. High-profile corruption scandals in no way affect Vladimir Putin's high rating, though, e.g. 38% thought that Minister Alexey Ulyukaev's arrest cast a shade on the President.

Lack of active indignation at corruption is not infrequently explained by traditional tolerance of the people. The history of the country really says that our society's resources are large. But nevertheless not unlimited.

The authorities should maintain more or less decent standard of living of various social strata. If economy is feverish, housing, health protection, pension support problems are becoming more acute, masses of people will more likely see corruption as the reason of all miseries. Recent events in the Ukraine and Romania vividly demonstrated that.

It seems that the top leaders are beginning to take this danger in the account in the environment of the lasting too long economic crisis and more and more high-profile denouncements of the ruling bureaucracy by the non-systemic opposition. There are changes in the only accessible for abuse of administrative authority sphere – when there is no wish to change anything in home policy and implement structural reforms in economy – and that is criminal persecution and repression.

An important alteration was entered into the Criminal Code: the "small-scale bribery" article appeared in it. A bribe not exceeding ten thousand rubles has been considered such since June, 2016. Thus, it won't be possible now to camouflage practically lacking struggle against business corruption and supreme power corruption (political leaders, court of law, prosecutor's office, heads of security, defense and law enforcement agencies) in state statistics by informal fees in everyday life.

In 2016, the number of revealed bribes on especially large scale (exceeding one million rubles) increased 2.5 times, and over the two years the average bribe amount

increased 6 times. The "imprisonments" of recent years look serious: a federal minister, four governors, director of the Federal Service for Execution of Sentences, Lieutenant General of the Customs Service, five deputy governors, six high-ranking representatives of the prosecutor's office and the Investigation Committee, five big businessmen with two of them affiliated with the Federal Protective Service.

Criminal persecution and repression cannot cardinally influence the corruption level, but are fairly capable to "shake up" especially greedy officials who believe in their impunity, make them "take according to rank" and not boast of their unrighteous wealth when the majority of the population is poor.

We cannot count on more than that when there is no political competition, effective civil society's control over the state and strong economic dirigisme. The real way to reduce corruption successfully effected over the long period -1970-2000 – in the West consists of maximization of losses and minimization of advantages from corruptive deals.

The state of affairs when corruption stimulates economic life, the possibility of which was granted by M. Weber, fixed by N. Leff, S. Huntington and others, can be looked upon as abnormal – both morally and economically. It certifies that there are insensible laws limiting economic activities, inefficient state governance, lack of the rule of law in the country. Bribing officials by businessmen in this environment is described by a criminological formula: crime is a normal reaction of a normal individual to abnormal conditions.

Corruption distorts and cripples social legal order, impacts the mode of life of large sections of the population, "bedevils" the culture. In the 1990s, such words as "tusovka" (get-together), "razborka" (shoot-out), "bespredel" (offlimits lawlessness), "krysha" (protection) entered the common vocabulary from the criminal jargon and firmly established in it. The 2000s enriched the words "raspil" (sawing up) and "otkat" (rollback) with new criminal meanings (illicit sharing of budgetary funds and illicit pay-off respectively). It will be possible to judge the success in combating corruption including by cleaning the language of the criminal subculture.

### Vadim Rossman<sup>1</sup>

# THE CAPITALS OF COMPROMISE AND THE PROBLEMS OF NATION- AND STATE-BUILDING

Many historical polities were formed as unions of two or more constituent parts: ancient Egypt, the United Monarchy of Israel and Judah, Abbasid Caliphate, Rzeczpospolita (Polish Commonwealth), among other. The new capitals of these states facilitated the political unity and cohesiveness of these countries. This tradition of compromise in capital city making is evident in many modern federations (Washington D.C. in the US, Ottawa in Canada, Canberra in Australia, Brussels in Belgium, Bern is Switzerland), but it is also valuable and relevant for many ongoing nation-building projects worldwide. The article argues that this experience might be useful both for the recently emerged states plagued by ethnic and religious conflicts and civil wars and for the federated nations seeking to improve the quality of their federalism. Today, many of these states debate capital relocation solutions. The boons and potential drawbacks of the compromise strategies should be taken into account.

In time, the new capital cities often mark the historical transition: from monarchy to empire, from empire to nation and more often from the colony to independent nation. The new seats of government epitomize the new quality of the state and the people. In space, new capital cities help to establish a new bond between the constituent entities of the state. Successful new capitals also are the statements about the unity and serve as the very symbols of new nations. Like the new tablets, new capitals represent a covenant or a new contract between the subnational units which are incorporated into the union. If the capital is successful, it facilitates the integration of the constituent entities.

The new national capitals seek to reconcile and integrate two or more different constitutive units of the country: states, territories, ethnic, religious or linguistic groups, tribes and the like. In all such cases, new seats of government play an important constitutive role in the state- or nation-building process. They can promote or diminish the chances to achieve lasting peace and to reach a consensus between these units, thus overcoming their divisions and potential conflicts. Several examples both from remote and more recent history can illustrate such developments.

Historically many countries were formed as a result of the union of the two parts. Ancient Egypt emerged as a result of the merger between Lower and Upper Egypt. The name of the new capital Memphis sited between Buto in the Lower Egypt in the Nile delta and Hierakonpolis (Nekhen) in the Upper Egypt erected by the pharaoh Menes literally means "The Balance of the Lands." It is not an accident that the entire country (Eigiptos) has received its name in Greek from the name of the city that epitomized the union. The deities of these two cities, the snake, and the hawk, were merged in the crown of the Egyptian pharaohs serving as a symbol of the unity of the two lands and the keystone of Egypt's identity. Accordingly, the Red and White colors of the crown represented the Upper and Lower Egypt. Accordingly, the pharaoh was described as the "Lord of Two Lands."

The Israelite Kingdom (United Monarchy) was formed as a result of the merger between the kingdom of Israel in the north with its capital in Shomron and the kingdom of Judah in the south with its capital in Hebron. The new capital city of Jerusalem was a compromise between the two kingdoms.

In the 10th century, the capital of the Arab Caliphate was moved from Damascus to Baghdad. The Umayyad monarchy, essentially Arabic, was transformed into more cosmopolitan Abbasid empire, in which the Persian culture – both bureaucratic and artistic – played the critical role. *Shu'ubiyya*, the movement advocating the equality of all believers, epitomized the unity between the Persians and the Arabs as the elements of Persian culture laid the foundations of the new union. It is not an accident that the new capital Baghdad was built in close proximity to the Persian capital Ctesiphon.

In a similar vein, the capital was transferred from Krakow to Warsaw to mark a transition from the Piast dynasty of Polish monarchy that relied upon the Polish nobility, to the empire that represented the union between the kingdom of Poland and the Grand Duchy of Lithuania (Polish-Lithuanian Commonwealth). Warsaw was much closer to the new parts of the empire, and it was more convenient to control the territories of the empire from there. Notably, Warsaw was sited half way between the old capital Krakow and Hrodna in Luthuania, the *de facto* capital where Polish king Stephan Batory resided. Remarkably, Warsaw was located on the territory of Mazovia that had recently joined the kingdom of Poland and needed to be integrated.

Similarly, the capital of Spain was moved from Toledo to Madrid in the 16th century. Madrid was equidistant from Burgos, the capital of Castile, and Saragossa, the capital of Aragon, the two kingdoms the union of which formed the basis for the unified state. The new capital was founded between the northern kingdoms that served as the springboard of Reconquista and Andalucía in the south that was conquered from the Moors.

In more recent history this pattern of compromise capital has been reproduced multiple times by different emerging nations. In the US Washington D.C. was built on the border between the historic North and South. In Canada, Ottawa was chosen as a capital city because it was on the border between Francophone and Anglophone parts of the country. In New Zealand, the capital city was moved to Wellington as it was located on the border between the north and south islands. Finally, Canberra was selected for the role of the capital because it was located between Melbourne and Sidney and the most powerful provinces of the country that they represent. Likewise, in Belgium the com-

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promise between the Francophone and Flemish parts of the country was reached through Brussels; in Switzerland, the compromise between Francophone and German-speaking parts of the country was found in Bern that is situated between them and close to their border. In 1948 the capital of the Yugoslav federation was placed in the New Belgrade between Old Belgrade, the border town of Ottoman Empire, and Zemun, the border town of the Austro-Hungarian Empire. New Belgrade was also close to the border between Serbia and Chroatia, the two largest constituent entities of the federation.

More complex model of the compromise was chosen in Netherlands and South Africa. In contrast to the nations with clearer dual constitution described above, these countries had more than two constituent entities. At the time of the arrangement, South Africa had four provinces, and Netherlands had 12 provinces. In both cases, the arrangement involved the distribution of capital city functions.

Netherlands chose to leave the nominal capital city title with Amsterdam, the capital of the Protestant North, while all real capital city functions were given to The Hague, the Catholic part of the country in the south. The smaller provinces of the country feared the dominance of North Holland, the largest and most powerful province of the United Provinces, where Amsterdam is situated, and decided that to balance the economic power of Protestant Holland, the political capital should be placed in the Catholic south.

In 1910 the Union of the four ex-colonies – the Transvaal, Orange Free State (previously, Boer republics), and Cape Province, and Natal (former British colonies) – was formed in South Africa. Each one of them aspired to make its own territory or its own capital the seat of government for the unified state. At the end, capital city functions were distributed between three provinces of the country. Executive power was housed in Pretoria, legislative in Cape Town and judicial in Bloemfontein. Natal, the fourth ex-colony, has received some financial compensation for political underrepresentation.

This type of arrangement – compromise capital – is not unique to Anglo-Saxon or other western democracies and can be brought to bear on the current experience of stateand nation-building in many African nations. The compromise strategy in nation-building described above can be especially valuable for the emerging nations that suffer from civil conflicts. It is also particularly relevant for federated nations consisting of several constituent parts, the nations that plan to build or improve the quality of their federations and federalist institutions. Such nations include Ethiopia, India, Nepal, Mexico and Bolivia. Many leaders of these nations are aware of these historical precedents; at least some of them suggest using their models for their own state- and nation-building efforts.

It should be noted, however, that compromise strategies do not always work as smoothly and do not constitute the universal recipe for success. The noble goals of peacebuilding and compromise making do not necessarily translate into the construction of successful and ethnically peaceful states. History is rife with precedents when the dreams of integration via the construction of the new capital failed or even exacerbated ethnic tensions.

In Nigeria, the decision to move the capital from predominantly Christian south to Abuja, in closer proximity to the Muslim north, was at least partially motivated by

the need to achieve religious peace. It was also the official goal of the purpose-built capital project. However, the dominance of Muslim elites and symbols in Abuja was counterproductive and failed to deliver the expected outcome, and the bitter religious conflicts are still dividing the nation. In the Ivory Coast, the transfer of the capital from Abidjan to Yamoussoukro, closer to the Muslim North, also did not produce favorable results in terms of ethnic and religious relations. Although the Muslim-Christian peace was probably not the primary goal for Houphoët-Boigny, the first and the longest running authoritarian president of the Ivory Coast, he promoted Muslim leaders and attempted to stabilize the country. However, he saw Christianity as more progressive religion and made the oversized Christian Cathedral the central landmark building of the new capital. Not surprisingly, after his death, the old ethnic and religious rivalries sparkled to lead to a long civil war.1

In spite of these failures, however, the compromise strategy of capital city building should not be discounted. More successful implementations of this strategy can be found beyond the western liberal democracies. The case in point is Botswana where the new capital was built to bring peace and to consolidate the eight main tribal groups of the country. Notably, the location of the new capital is not central as Gaborone is located on the edge of the country. However, it traditionally served as a meeting point and congregation place for different tribal chiefs. In contrast to the old capital, Mafeking, which was the traditional base of barolong, Gaborone was in the sphere of influence of six out of eight main tribal groups of the nation. In 1858 the capital of Nicaragua was moved from Leon to Managua. It was a compromise between two major cities of the country, liberal Leon and conservative Grenada. Muammar Gaddafi sited the de facto capital of Libva in Sirte, his birthplace, centrally located relative to the three provinces of the country. Although he denounced the very concept of capital city and denied the federalist status of Libya, in essence he followed the old compromise building strategy and used the compromise capital concept to glue three provinces together. The choice of a capital city still plays a critical role in the construction of the national identity.

Today the historical precedents of compromise capitals can be useful for countries where the debates about new capital cities take place. Many of these countries currently debate the issue about most beneficial location for their

<sup>&</sup>lt;sup>1</sup>After independence, the new authorities have rearranged the power dynamics of the newly independent African countries, enhancing the significance of the oppressed under the colonial rule while undermining that of the dominant ethnic groups. Accordingly, the significance of the Christians in the Ivory Coast, of the Hutu in Rwanda and of the Muslims in Nigeria was enhanced, while the dominant positions of the Muslims, Tutsi, and Christians in these respective countries were undermined. Their capital cities were moved towards the more central position, closer to the border with the underprivileged ethnic group. It was Abuja in Nigeria, Kigali in Rwanda, and Yamoussoukro in Ivory Coast. Abuja is sited close to the border between the Muslim and the Christian parts of the country. Yamoussoukro, the new capital of the Ivory Coast, is also placed closer to the Muslim part of the country. Likewise, in Rwanda, the capital was removed from colonial and commercial Butare located on the edge of the country in the south, where the Tutsi minority was dominant. However, the compromise solution did not work out and the ethnic tensions still persist. In all cases, the formerly oppressed ethnic groups have oppressed or committed crimes against the ethnic or religious groups dominant under the colonial rule. In some cases, the conflict led to protracted and intense violence and civil wars. It is also noteworthy that the establishment of the seat of government of the US in Washington D.C. between the North and the South did not prevent the civil war between them in the 19th century.

new capitals. These countries should give most serious consideration to those cities vying for capital city status that have the highest potential to bring peace to the nation. The centrally located neutral places with thin regional identity are most suitable for this role. It might be especially helpful for such countries as Somalia, Libya, and Yemen where the devastating civil conflicts and the deep splits between different constituent units pose serious threats to the very survival of these states. This issue is also important for the emerging states like South Sudan and West Sahara, where new capital city debate is taking place.

It also might be helpful for those countries that seek to develop and enhance their existing federalist principles and to bring them to the next level. These countries include Bolivia, Nepal, India, and several African nations, notably, Ethiopia, Kenya, Uganda, and Zambia. The UK also belongs to this group of countries. Currently, they debate the issue of capital city shift in the context of introduction or improvement of the federalist system of government. The position of the capital city relative to the constituent units can help to strike a better balance in centre-state and stateto-state relations. The described patterns and precedents might offer lessons to countries that consider building new federations. For instance, the East African Federation is a proposed union of the six sovereign states in East Africa (Burundi, Kenya, Rwanda, South Sudan, Tanzania and Uganda). The proposed capital of this federation or confederation is Arusha, almost on the border between two most powerful members of the proposed federation, Tanzania and Kenya. In the process of nation-building, the centrality and betweenness play both practical and symbolic roles.

Clearly, the more central location of the capital by itself cannot solve the problem of ethnic division and conflicts. More should be done to defuse communal rivalries in order to move forward with the reconstruction of the nation. To weaken the ethnic fault lines, it is not enough to place the seat of government there. The emphasis in political debates needs to be shifted from the interests of different ethnic groups to the discussion of policies and common political concerns. Significant institutional changes and reforms should take place to enhance the national cohesion. However, it is clear that the capitals of compromise sited in symbolically significant places, reinforced with the inclusive symbols and iconography, can lay beneficial structural foundations for the reconstruction of the polity and for further nation-building that can facilitate these institutional changes.

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# Jan Aart Scholte<sup>1</sup> TOWARDS GLOBAL REDISTRIBUTION<sup>2</sup>

### Introduction

Today's global economy is marked by astounding inequalities. It means offshore finance, airport boutiques, and highspeed Internet for some people, but dollar-a-day wages, used t-shirts, and illiteracy for others. Recent research suggests that the richest 1 per cent of world population own 48.2 per cent of all assets, while the bottom half own less than 1 per cent of economic wealth (Crédit Suisse 2014). How do these highly skewed distributions happen, and what can be done to counter them?

To answer this question requires three steps of diagnosis, prescription and process. Diagnosis asks how current circumstances of global political economy generate highly skewed distributions of world resources. Prescription asks how alternative principles and rules of global governance could yield progressive redistributions of world resources. Process asks what opportunities and obstacles for implementation face these proposals for change. In short: how did we get here; where do we want to go instead; and how do we get there?

In line with these questions, the next section describes the nature and extent of material inequalities in today's global economy, thereby summarising the problem under investigation. Thereafter the second section identifies broad circumstances that give rise to these resource gaps, noting in particular the role of rules and policies. The third section reviews general types of prescriptions for global redistribution. The fourth section surveys process, assessing

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<sup>&</sup>lt;sup>2</sup> Adapted from *Scholte J.A.* Why Global Redistribution Is Needed // New Rules for Global Justice: Structural Redistribution in the Global Economy / J.A. Scholte, L. Fioramonti, A. Nhema (eds.). L.: Rowman and Littlefield International, 2016. P. 1–12.

key possibilities and challenges in the politics of global redistribution.

### 1. Problem: Global Inequalities

Recent research indicates that, as of 2008, the top 5 per cent of households worldwide obtained two hundred and forty-five times more income than the bottom 25 per cent (Milanovic 2013). Yes, that is an astounding ratio of 245:1. Moreover, this calculation only covers income and excludes assets. The Crédit Suisse research cited above shows how much higher still the ratio rises if the value of private property is also brought into the equation.

Economic inequality across today's global population is larger than inequality within just about every country in the world. The global-scale Gini coefficient is reckoned to be as high as 70 (Milanovic 2012; also Nissanke and Thorbecke 2007). This number is equivalent to the highest countrybased Gini coefficient (namely, for South Africa). A global Gini of 70 makes Brazil at 55 and USA at 48 look egalitarian by comparison, not to mention Slovakia at 26 and Sweden at 25 (Gini 2014).

The focus in the present discussion is deliberately on global material inequality. Researchers have typically calculated resource distributions in relation to country units (cf. Wilkinson and Pickett 2010; Ostry et al. 2014; Piketty 2014). Yet with heightened globalisation over the past halfcentury it increasingly makes sense to assess economic inequality also on a planetary basis. Of course world-scale inequality is not new to recent decades, with economic disparities between continents growing particularly after the early 19th century (Maddison 2001; Bourguignon and Morrison 2002). However, contemporary globalisation has hugely increased the amounts, types, frequencies, speeds, intensities and impacts of transplanetary transactions and interdependencies (Scholte 2005: chs 2, 3). Thus material inequalities are now more deeply entwined in global relations (Weiss 2005; Therborn 2006). Resource gaps have become that much more a function of the ways that people are connected on a planetary scale - and by implication those gaps could be reduced if global relations were organised differently.

Global inequality is complex (Holton 2014). It is not merely, or even primarily, a question of rich countries and poor countries. Nor is it simply a question of wealthy classes and deprived classes. Nor are the cleavages only between western and non-western cultures, or between men and women, or between whites and coloureds, or between middle-aged and youth. These various axes of inequality intersect with each other in intricate ways. Global economic gaps tend to become particularly large and entrenched when several structures of privilege intersect (e.g. rich country and wealthy class) and when several structural disadvantages converge (e.g. female gender and black race).

Enormously skewed distributions in today's global economy fail pretty well every test of equity. Hundreds of millions lack access to resources which could substantially improve their life chances (Collier 2007). Oases of concentrated plenty amidst sweeping deserts of deprivation offend most moral sensibilities (Caney 2005; Pogge 2008). Huge resource inequalities easily subvert democracy as the wealthy capture regulatory processes. Consequent feelings of injustice can weaken social solidarity and fuel (violent) social conflict. In addition, overconsumption by the very rich and resource exhaustion by the desperately poor inflict major environmental damage. In sum, large inequalities undermine a good society: economically, morally, politically, ecologically (Wilkinson and Pickett 2010; Therborn 2006).

And yet so little is done to reverse global economic inequality with proactive progressive global redistribution. 'Aid' and 'development cooperation' have a redistributive motivation, but their flows are paltry relative to global resource gaps. 'Fair trade' constitutes but a tiny fraction of overall world commerce. Transactions in alternative currencies amount to seconds of turnover on global financial markets. Global justice campaigns for *inter alia* debt cancellation and access to essential medicines usually take years to achieve limited results. Meanwhile a more comprehensive systematic programme of global is not in sight.

Certainly there has been periodic collective resistance against global inequality. Already 150 years ago labour movements urged international action to counter class inequalities (van Holthoon and van der Linden 1988). In the 1970s governments of the so-called 'Third World' jointly campaigned for a New International Economic Order (NIEO) that would reduce resource inequalities between rich and poor countries (Murphy 1984). Around the turn of the millennium a so-called 'anti-globalization movement' (AGM) attacked neoliberal capitalism for producing unacceptable material inequalities worldwide (Starr 2001). Similar arguments were revived during 2011–2012 in Occupy and related protests on behalf of 'the 99%' (Sitrin and Azzellini 2014).

Class-based mobilisations of the late nineteenth and early twentieth century achieved some significant progressive redistribution of resources on a national scale. Welfare states developed in certain countries, and anti-capitalist regimes emerged in communist-ruled countries. On the whole national inequalities came down considerably during this period, particularly in the first and second worlds, albeit that they have widened again in many countries since the 1980s (Roine and Waldenström 2014).

Thus far initiatives of the late twentieth and early twenty-first centuries have not achieved similar progressive redistribution on a global scale. The NIEO, the AGM and Occupy have each subsided without advancing a global welfare state or other significant global redistributive policies. However, experience from the era of nationalised capitalism suggests that such outcomes take time. The current moment in the mid-2010s may be a waystation in a long-term struggle for global reallocation. On this reading the need for fresh creative proposals remains great.

### **Diagnosis: Governance Matters**

Struggles for global redistribution can be greatly strengthened when actors understand the dynamics that generate the large inequalities. Strivings for change can be more effective when the sources of the problem are clearly identified, so that campaigners know what to target. To be sure, multiple and at some points conflicting explanations for global inequality are available. Nevertheless, several broad points can be advanced regarding the causes of global resource gaps.

One such point is that today's global inequalities have not developed purely by accident. To be sure, accidents of birth substantially determine whether individual persons land in one or the other household, country, class, gender, race, etc. – and have their life chances affected accordingly. However, the material inequalities into which people are born have not come from thin air. They are a product of particular historically located social forces. Global economic gaps are not random, but result from certain kinds of social relations.

A second key point regarding causes of global inequality is that the huge scale of current gaps is not required in order to incentivise economic innovation and effort. Wealthy people do not need to earn several hundred times as much as poor people before they will work energetically and creatively. Conversely, impoverished people arguably would increase outputs if they obtained more than tiny fractions of overall wealth. Indeed, countries with lower Gini coefficients do not ipso facto have lower efficiency and reduced standards of living. The opposite can as well be the case, as comparisons between low-Gini Europe and high-Gini Africa indicate. Perhaps deeper egalitarianism can somewhat weaken personal work incentive, as certain evidence from the most progressively redistributive social democracies suggests (Lundberg 1985; Andersen 2008). However, global-scale egalitarianism is hardly on the horizon, and lowering the global Gini coefficient from 70 would, one could safely surmise, sooner raise economic productivity than reduce it.

A third general point of explanation is that large global inequalities can be encouraged when capitalism combines with individualism. Capitalism gears economic activity towards the accumulation of surplus, so that people produce ever greater resources beyond their subsistence needs. The question then arises how to divide those surpluses across society. Approaching allocation in a collectivist fashion – where surplus is seen to belong to the population as a whole – tends to yield more even distributions. Approaching allocation in an individualist fashion – where surplus is assigned to personal ownership – tends to produce more skewed distributions. To this extent liberal capitalism – with its emphasis on competition among utility-maximising individuals – can be a major force driving (global) material inequalities.

A fourth broad point on causes of global inequality is that positions along the collectivist-individualist spectrum are substantially influenced by policy choice. Neither capitalism nor the way that resulting surpluses are distributed is a 'natural' process. So-called 'market forces' do not exist outside society and politics. Instead, it is socially constructed rules that bring order and direction to an economy, and these rules substantially shape distributional outcomes. This principle – that governance matters – is as valid for a global economy as it is for any national or local economy.

To take some concrete examples, it matters hugely for the nature and scale of global inequalities when rules governing money determine that certain currencies such as the euro will circulate across the planet, while others such as the kwacha will not. Likewise, it matters substantially for the distribution of global resources when intellectual property regimes divide benefits between inventors and users in particular ways rather than others. It also matters enormously for the division of global wealth when rules of taxation determine who pays how much to which public authority. It furthermore greatly matters how rules of social policy set minimum wages, pension arrangements, access to health care, etc. And it matters considerably for global resource distribution when migration rules allow some people to move with relative ease across the planet, while others are locked into (usually highly disadvantaged) places.

Hence huge global inequalities prevail in good part because existing governance arrangements create and sustain those gaps. By the same token, alternative rules and regulatory institutions for the global economy could significantly reallocate resources more evenly across humanity. Indeed, major progressive redistribution of global resources *requires* major changes in global economic governance.

### **Prescription: New Rules**

How could rules and regulatory institutions of the global economy be reshaped to generate a more even and equitable distribution of resources? The changes can be made in relation to specific regulatory measures as well as through transformations in underlying principles of political-economic organisation. Change in institutional policies would involve, say, a new law or a new tax, while change in deeper structures would involve, for example, a reconfiguration or transcendence of capitalism.

In terms of general policy orientation, prescriptions for global redistribution can be distinguished along conformist, reformist and transformist lines. Of course, like any analytical distinction, this three-way division is overly neat. In practice there is much diversity within each category and some overlap between them. Nevertheless, it is conceptually useful and politically important to highlight broad qualitative differences regarding the degree of change in governance that various proposals seek.

Conformist perspectives hold that existing governance arrangements of the global economy are generally adequate to deliver a suitable distribution of resources (Wolf 2004; Bhagwati 2007). Such analyses suggest that, to achieve sufficient global equity, nothing is needed beyond fine tuning of established rules and regulatory institutions of neoliberal market capitalism (on neoliberalism, see Harvey 2005). Possibly certain philanthropic interventions (à la Gates Foundation) are wanted to alleviate the deepest poverty. Several neoliberal economists have also made equity (alongside efficiency) arguments for the removal of immigration restrictions (Caplan 2012). However, conformist perspectives generally hold that no substantial policy reconstruction is required to obtain a just global distribution.

In contrast to conformism, reformist perspectives regard existing policies as a major force behind unacceptable global inequalities. Reformists argue that altered rules and regulatory institutions within global capitalism can generate more even and equitable resource distributions. The phrase *'within* global capitalism' is key here. For reformists, unacceptable global inequality is not intrinsic to capitalism itself, but a function of the kind of capitalism that policy choices produce. Examples of reformist changes include the development of a supranational global reserve system and a levy on international currency transactions.

In contrast to reformism, transformist perspectives maintain that unacceptable global material inequalities are inherent to contemporary surplus accumulation. On this premise, governance alterations which remain within a deeper structure of global capitalism can never generate a sufficiently even and equitable distribution of resources. For transformists, maldistribution can only be overcome by abandoning globalisation or capitalism, or both. In a transformist vein, some might argue that imperialist inequalities can be countered when peripheral countries decouple from global capitalism and local communities resist commodification. Other contemporary transformist proposals include so-called 'food sovereignty' and 'climate justice'.

In addition to variation along the reformism-transformism spectrum, prescriptions of new rules for global redistribution also hold different views on the suitable spatial scale for the pursuit of positive change. For instance, the food sovereignty movement takes a localist position that distributive justice is best achieved through small communities living within restricted territorial places. Other 'de-globalisation' strategies for equitable redistribution suggest combining local action with a reassertion of the nation-state. In contrast, other proposals emphasise global-scale interventions to counter global inequalities. Meanwhile others suggest a local-to-global transscalar approach that blends grassroots mobilisation, state policy, regional vision and global transactions.

Related to the issue of geographical scale, contemporary prescriptions for global distributive justice need to reflect carefully on the role of the territorial nation-state. For some, the state remains as vital for global redistribution today as it was for national redistribution a century ago. Certainly the state is in most parts of the world still the best resourced and most powerful governance institution. However, other strategies of redistribution place more emphasis on suprastate (regional and global) agencies and policies. These approaches maintain that a capitalism which has substantially escaped country confines needs to be met with considerable regulation beyond the state. Then again localists argue that even the state is too distant from the everyday lives of marginalised people, so that progressive redistribution in today's more global world is most effectively achieved through local action (Hines 2000).

Finally, it is striking that prescriptions for global redistribution nowadays often have an explicit ecological aspect. Links between social justice and ecological integrity were generally missing in the NIEO movement of the 1970s. They were also generally more subdued in the anti-globalisation movement at the turn of the millennium. However, many today underline that redistribution needs to respect the limits of the Earth's carrying capacities. Thus it may not be ecologically possible to achieve a more equitable global resource allocation through additional 'green growth'. Instead, structural redistribution in today's global economy may require a reallocation of existing levels of output, or possibly even lower levels of overall world production (Elliott *et al.* 2008; Jackson 2009).

### **Process: Getting There**

So far this paper has: (a) described the problem of contemporary global maldistribution; (b) identified the role of governance in generating that problem; and (c) surveyed proposals for new rules as a way to counter the problem. It remains to discuss process, namely, the politics of turning prescriptions into practice. After all, alternative ideas which are not implemented accomplish little for actually lived lives. A first point regarding implementation is not to underestimate the strength of resistance against progressive redistribution of global resources. Large global corporations, G7 governments, and high net-worth individuals (hinwis) are generally not waiting to cede their entrenched material advantages. Moreover, this opposition to new rules for global redistribution has enormous lobbying capacities and media influence, as well as privileged access to important regulatory institutions. Elites can go far to preserve their economic and political advantages.

On a more optimistic note, the current rise of new actors in global political economy could improve the prospects for new rules with redistributive effects. However, the role of so-called 'emerging powers' and 'BRICS' (Brazil, Russia, India, China, South Africa) wants careful consideration. On the one hand, forces in Brazil have been key drivers of the World Social Forum as a major site for deliberations on global change (Sen and Waterman 2012), and the post-apartheid government in South Africa has strongly promoted Black Economic Empowerment (BEE). On the other hand, Brazil and India have often aligned with the EU and the USA in the World Trade Organisation (WTO), and reallocation of votes towards the BRICS at the International Monetary Fund (IMF) has not generated substantial policy alteration. Is capital investment in Africa any less imperialistic for coming from China rather than Europe? It remains to be seen whether 'emerging powers' will enlarge opportunities for major progressive global redistribution (among social groups as well as among countries) or whether BRICS will simply be new sites for the perpetuation of old structures of global inequality.

Actors involved in the politics of global redistribution have also changed over recent decades with major increases in civil society mobilisation. Relatively few citizen associations rallied to support the NIEO in the 1970s, but today thousands of advocacy groups around the world back a global justice agenda. They include movements for consumer protection, democracy promotion, environmentalism, health access, human rights, indigenous peoples, labour standards, peace, religious faiths, women, youth, etc. Occasions such as the AGM and Occupy have demonstrated the potential breadth of popular support for global economic redistribution.

The challenge is to convert such passing moments of generalised resistance into large, sustained, impactful campaigns that attain substantial lasting global political-economic change. In particular, a successful contemporary struggle for structural redistribution of global resources arguably requires a coalition across multiple movements (consumer, environment, women, etc.). Old strategies to achieve intra-country redistribution focused on labour unions, but this approach is too narrow today. However, forging wider combinations of a 'multitude' can be challenging (Hardt and Negri 2004).

Also key to forging significant energies for global redistribution is to combine the forces of professional NGOs and grassroots social movements. Such alliances regrettably have remained largely underdeveloped to date. Part of the problem may be that most NGO activists (and indeed academic researchers) are privileged in the established distribution of global resources. Self-critical reflection is therefore required to think through how NGOs use their positions of advantage to unravel those very advantages. For example, how far will middle-class activists (of the kind who blocked the Anti-Counterfeiting Trade Agreement in 2012) go to a deeper reconstruction of economic governance? Relatedly, careful negotiation is needed around collaboration of elites with the subordinated circles who help make elite privilege possible. In this regard, for example, the global peasant movement La Vía Campesina has required that all of its leadership positions are filled by farmers, with elite participants restricted to support roles (Desmarais 2007).

Campaigns for global economic redistribution also face important tactical choices regarding the use of official and/or unofficial channels (Fogarty 2011; Dür and Mateo 2013). Sometimes movements may find it advantageous to engage with formal governance arrangements in efforts to refashion rules of the global economy. That means collaborating with local governments, national states, regional institutions and/or global governance agencies. Going the formal route, change agents might run for office, participate in official task forces, and so on. However, on other occasions mobilisations for global economic change may perceive more advantage in subversive resistance to established rules and regulatory bodies. In this case campaigners could pursue for example illicit trade, boycotts, barricades and occupations. Alternatively, strivings to achieve new rules for the global economy may combine aboveground and under-ground tactics.

Another issue of particular concern to contemporary political struggles for global economic change is the role of new social media (Aday et al. 2010; Fuchs 2014). Digital communications such as Internet and mobile telephony provide today's campaigners with significant new possibilities of virtual mobilisation as well as additional tools for face-to-face advocacy. However, these new technologies may of course also be used to powerful effect by statusquo forces. Moreover, service providers and governments have considerable means to disrupt activists' access to digital networks. For some people the new ICTs can also invite a casual 'slacktivism', where preference clicks, Facebook 'likes' and online petitions displace sustained commitment for change. Thus, like the rise of BRICS, the spread of digital communications should not be automatically and uncritically embraced.

Whatever proponents of global redistribution make of new social media, the content of campaign communications themselves needs to be carefully formulated. In particular, activists must ponder their relationship to prevailing neoliberal talk about 'markets', 'efficiency', 'productivity', 'growth', 'development', and so on. Couching arguments for global justice in such 'commonsense' terms can have the advantage of appeasing elites, or perhaps even winning over elements of established power to the cause of redistribution. However, discourse concerning 'equal opportunity' for 'individual performance' in 'open markets' is arguably also an ideological underpinning of current global maldistributions, so that any appeal to such language could compromise a campaign for change.

An alternative strategy is insistently to invoke counterdiscourses which disrupt established conversations, on the argument that a fundamental re-imagination of social reality is crucial to the actual reconstruction of that reality. Thus, for example, ideas of 'climate justice' offer more radical change than 'sustainability'. The challenge is to make such alternative language accessible and appealing to large publics.

Another form of re-imagination that could facilitate global redistribution relates to consciousness of global solidarity. Progressive resource reallocations within countries became politically more possible following the consolidation in the late nineteenth century of national consciousness. Ideas of national identity, community and solidarity – however mythical – provided a mind-set that disposed citizens to share resources more evenly with 'their people'. Humanitarian thinking ('we are all human beings') has provided some mental underpinning for global redistribution, particularly in disaster situations. However, more comprehensive and lasting measures against 48.2%-for-1%, 254:1, and Gini-70 require deeper consciousness of global connections and global solidarities than generally prevail today.

In sum, the challenges facing structural redistribution in the global economy are many and deep. However, history teaches that structural change which initially may seem impracticable can unfold, sometimes with surprising rapidity. For example, the welfare state was hardly imagined in 1914, but it was extensively operational several decades later. Climate change policies have advanced much further than most people imagined twenty years ago.

Hence the possibilities for structural redistribution in the global economy can be greater than sceptics presume. The historical juncture for change may suddenly ripen tomorrow, and at that point it will be vital to have viable ideas ready. Indeed, the formulation and promotion of new ideas – including through our conference in St Petersburg – can also help to create those conditions for change.

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# Beverly J. Silver<sup>1</sup>

# THE REMAKING OF THE GLOBAL WORKING CLASS: THE POST-2011 UPSURGE OF CLASS-BASED PROTEST IN WORLD-HISTORICAL PERSPECTIVE<sup>2</sup>

The dominant approach in the social sciences since the 1980s had been to assume that labor and class-based mobilizations are a relic of the past. 'Globalization', it was widely argued, unleashed an intense competition among workers worldwide, and resulted in a relentless downward spiral in workers' power and welfare. The restructuring of production – plant closings, outsourcing, automation, and the incorporation of massive new supplies of cheap labor – was said to be undermining the established mass production working classes in core countries and creating insurmountable barriers to new working class mobilization everywhere.

This argument came to be known as the *race-to-the-bot-tom* thesis. It was an argument that left its proponents flat-footed when it came time to make sense of the worldwide upsurge of labor unrest and class-based mobilizations taking place since 2008. This new upsurge has taken a variety of forms: a wave of strikes by factory workers in China and other parts of Asia, militant wildcat strikes in South African platinum mines, occupations of public squares by unemployed and underemployed youth from North Africa to the United States, anti-austerity protests in Europe. These were

just a few of the signs that the tide was turning. Indeed, it is likely that we are just at the beginnings of a new worldwide upsurge of labor and class-based mobilization.

### A Worldwide Upsurge of Class-Based Mobilization

In order to make sense of what is unfolding before our eyes, we need an approach that is sensitive to the ways in which the recurrent revolutions in the organization of production that have characterized the history of capitalism, resulted, not just in the *unmaking* of established working classes, but also in the *making of new working classes on a world-scale*.

Those, who over the past several decades, have been pronouncing the death of the working class and labor movements have tended to focus single-mindedly on the *unmaking* side of the process of class formation. But if we work from the premise that the world's working classes and workers' movements are recurrently made, unmade and remade, then we have a powerful antidote against the tendency to prematurely pronounce the death of the working class every time a historically specific working class is unmade. The death of the labor movement was pronounced prematurely in the early twentieth century, as the rise of mass production undermined the strength of craft-workers; and it was once again announced prematurely in the late-twentieth century.

By focusing on the making, unmaking and remaking of working classes, we are primed to be on the lookout for the outbreak of fresh struggles, both by new working-classesin-formation and by old working classes being unmade; that is, struggles by those experiencing both the *creative* 

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<sup>&</sup>lt;sup>2</sup> Data on the long-term trends in labor and social protest from 1815 to 2016 are being collected by Silver et al with the support of a grant from the National Science Foundation (USA)–PI: Beverly J. Silver "Economic and Geopolitical Crises and Waves of Social Unrest" (Award Abstract No1460434, April 1, 2015 – March 31, 2018).

and *destructive* sides of the process of capital accumulation, respectively. I have called these two types of struggles *Marx-type* and *Polanyi-type* labor unrest. Marx-type labor unrest is composed of the struggles by newly emergent working classes, challenging their status as cheap and docile labor. Polanyi-type labor unrest is the struggles by established working classes, defending their existing ways of life and livelihood, including defending the concessions that they had won from capital and states in earlier waves of struggle.

In the current upsurge we see both of these types of labor unrest, with the strike wave by China's new migrant working class most closely corresponding to the *new working-class-in formation* type and the anti-austerity protests in Europe most closely corresponding to the *established working classes being unmade* type.

### Struggles at the Point of Production

The ongoing wave of strikes in China is the latest manifestation of a dynamic that can be summed up in the phrase: *where capital goes, labor-capital conflict shortly follows.* Put differently, the successive geographical spread of mass production across the globe from the mid-twentieth century to the present has resulted in successive waves of new working class formation and Marx-type labor unrest. We can see a déjà vu pattern whereby manufacturing capital moved into new geographical locations in search of cheaper/more docile labor, but even though labor was weakened in the sites from which capital fled, rather than creating a straightforward race to the bottom, the result was the creation of new working classes and strong new labor movements in each new favored site of production.

This dynamic was visible when the "manufacturing miracles" in Brazil and South Africa in the 1960s and South Korea in the 1970s, were followed within a generation, by the emergence of "labor movement miracles" that dismantled the labor-repressive regimes that had guaranteed cheap and docile labor. And it is visible in China today.

One response of capitalists to the wave of labor unrest in China has been efforts to relocate production to sites with even cheaper labor. Factories are being moved from the coastal areas to interior provinces within China and to poorer countries elsewhere in Asia such as Vietnam, Cambodia and Bangladesh. But almost immediately, the thesis that where capital goes, conflict follows received fresh confirmation, with reports of strikes in the new favored sites of investment. It is more and more beginning to look like there is nowhere left for capital to run.

Another response of capitalists has been to accelerate the long-term trend toward automating production—that is, solving the problem of labor control by removing workers from the production process. Yet, labor unrest *at the point of production* continues to be an important component of overall labor unrest. The complete removal of human labor from the production process remains elusive. Moreover, the post-Fordist reorganization of production has actually increased the disruptive power of workers at the point of production in some sectors—notwithstanding the widespread tendency in the literature to exclusively focus on the ways in which these changes have weakened workers' power.

For example, just-in-time production, by eliminating all buffers and redundancies from the production process, has

strengthened the disruptive power of workers at the point of production. In the automobile industry, parts are delivered 'just-in-time' from supplier to assembly factories. With the elimination of the buffer supply of parts, a strike that stops production in one key parts factory can bring assembly operations throughout the corporation to a halt within a matter of days or less. Indeed, this is precisely what happened in China in 2010, with a strike in an auto parts factory leading in short order to the shutdown of all of Honda's operations in China.

Likewise, the globalization of trade and production has increased the bargaining power of workers in transportation and communications, as strikes in these sectors raise the specter of disrupting regional and national economies as well as the entire global supply chain. Thus, while the standard story of the February 2011 Egyptian uprising focuses on the protests in the street and the occupation of Tahrir Square, it was when the Suez Canal workers went on strike–with all the attendant implications for national and international trade–that Mubarak resigned from office.

### Struggles in the Street

While it would be a mistake to underestimate the present and future role of workers' struggles at the point of production, it would also be a mistake to underestimate the role of struggles in the streets. Indeed, the intertwined nature of these two sites of struggle can be derived from volume 1 of Capital. On the one hand, what happens in the "hidden abode of [factory] production" was Marx's focus in the middle sections of volume 1 of *Capital* – where he catalogues an endemic labor-capital conflict over the duration, intensity and pace of work. The endemic nature of labor-capital conflict at the point of production remains relevant today. On the other hand, by chapter 25, Marx makes it clear that the logic of capitalist development, not only leads to endemic struggles in the workplace, but also to broader societal-level conflict, as the accumulation of capital goes hand-in-hand with the "accumulation of misery" most notably in the form of an expanding reserve army of unemployed, underemployed and precariously employed workers.

Seen from this point of view, historical capitalism is characterized, not only by a cyclical process of creativedestruction, but also by a long-term tendency to destroy existing livelihoods at a faster pace than it creates new livelihoods. This points to the necessity to conceptualize a *third type of labor unrest* in addition to the protest by working classes who are being made (Marx-type) or unmade (Polanyi-type). This *third type* (for which I do not have a name) is protest by those workers *that capital has essentially bypassed or excluded;* that is, those members of the working class who have nothing to sell but their labor power, but have few prospects of selling it *during their lifetime*.

All three types of labor unrest are the outcome of different manifestations of the same processes of capitalist development. All three are visible in the current global upsurge of labor and class-based unrest, with protests by the vast numbers of unemployed youth around the world as a paradigmatic example of our third type. Finally, the fate of all three types of struggles is deeply intertwined with one another.

### Unity and Division Among Workers of the World

Marx's optimism about labor internationalism and the transformative power of proletarian struggles was in part grounded in his assumption that all three types of workers - those who are being incorporated as wage workers into the latest phase of material expansion, those who are being spit out as a result of the latest round of restructuring, and those who are surplus to the needs of capital – could be found within the same working class households and communities. They lived together and struggled together. Put differently, distinctions within the working class - between employed and unemployed, active and reserve army, those with the power to impose costly disruptions on capital at the point of production and those who only have the power to disrupt peace in the streets – did *not* overlap with differences of citizenship, race, ethnicity or gender. As such, the workers who were the embodiment of the three different types of labor unrest were one working class with shared power and shared grievances, and with the capacity to produce a post-capitalist vision that promised the emancipation of the world's working class in its entirety.

Historically, however, capitalism developed hand-inhand with colonialism, racism and patriarchy; dividing the working class along status lines (e.g., citizenship, race/ ethnicity, gender) and blunting its capacity to produce an emancipatory vision for the class as a whole. Today there are some signs that these divides are hardening – the rise of anti-immigrant and xenophobic sentiments, efforts to restrict migration flows and to reinforce privileges based on citizenship. But there are also signs that these divides are blurring if not breaking down, opening up prospects at the local, national and international level, for mobilizations that bring together in solidarity the protagonists of all three types of labor unrest and that have the capacity to generate emancipatory projects for twenty-first century.

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# THE 21ST CENTURY – RADICAL TRANSFORMATION OF THE TYPE OF CIVILIZATION DEVELOPMENT

Today, it's nearly evident that modern civilization has entered the stage of inconsistency, crisis states and instability. These processes are always a kind of indicator of fundamental, qualitative, systemic changes.

Comprehension of these processes presumes application of two interrelated types of knowledge: 1) content-rich concept of civilization development, 2) systemic vision of this development, application of methodological principles, taking into account complex historically developing systems in the course of its analysis.

When analyzing the today's changes in civilization development, it's not enough to single out only certain aspects and factors of this process. It's important to see global civilization changes as a complex systemic wholeness. Application of standard civilization approach does not solve the problem. Generalization and transformation of this approach are required. Such a transformation is conveyed by the concept of the types of civilization development.

I've already presented the fundamentals of this concept in my papers, including my previous reports at the Likhachev Scientific Conferences. Because of that I'll only briefly outline its main ideas in order to present the position I think productive for analysis of the modern civilization's prospects.

It's possible to single out two types of civilization development in human history – traditional and technologyrelated. Each of them included respective kinds of civilizations, differing from each other by species specificity but at the same time united by common typological features.

The standard civilization concept emphasizes the specific character of different kinds of civilization. Their difference is determined via special features of the cultural-genetic code in accordance with which they are reproduced.

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The idea of types of civilization development presumes revealing of some invariant in these codes, some common system-forming nucleus, which unites civilizations of one type and separates them from civilizations of another type. One can single out a number of key worldview universals (concepts, categories) of culture, interlinked and functioning as basic reasons for being and values of each type of civilization development, as such a uniting and separating nucleus. This nucleus is presented by universals "man", "nature", "activities", "traditions and innovations", "individual", "rationality", "power". The essences of other categories of culture – freedom, justice, faith, good and evil, etc. – are correlated with the essences of these basic universals, their understanding and feeling.

Understanding the typological value and essence nucleus, represented by basic universals, radically differs for the traditional and technology-related types of development. This value and essence nucleus in the culture of each certain kind of civilizations, referring to this or that type, gets additional concretizing interpretations, in the result of which it appears in the form of unique cultural-genetic code that distinguishes kinds of civilizations, expressing the specific features of their lifeworlds.

Certainly, each type of civilization development should be viewed in its historical evolution. The traditional type of development was the first historically. The technology-related one appeared later, in the European region of the planet. The Renaissance, Reformation and Enlightenment eras were its original stage, they formed the spiritual matrix, the system of new values and reasons for being, forming a kind of genome of technology-related societies.

It included understanding the man as an active creature transforming the surrounding world; understanding activities as creative action generating qualitatively new objects, states and processes; the ideal of innovations as the priority over traditions (the ideal of progress); seeing nature as a kind of field being transformed by the man, a resource tank for activities; the cult of rationality with dominating scientific rationality; the ideal of sovereign autonomous individual, not joined from birth to a certain social community (caste, clan, class, estate), able to enter various social communities; the idea of power not only as supremacy or domination of man over man but predominantly as domination over objects (natural and social).

This genetic nucleus of technology-related societies determined their reproduction and historical development. One can single out pre-industrial, industrial and today's post-industrial stages as the main stages of this development. Qualitatively different stages may be fixed in each of them in their turn. From this point of view, it's possible to point at differences and special features of the industrial stage before World War I and after World War I, named the first and the second modernism in the Western literature.

Modernizations spread here without any radical change of the value matrix, which was the typological nucleus of the cultural-genetic code of the technology-related type. The technology-related civilization had been coexisting with traditional societies for a long time, exerting all the time increasing pressure on them. It colonized many of them, the others had engaged in catching up the updating, based on adoption of technologies and educational systems of developed Western states. Such kind of borrowing was always connected with transfer of Western culture layers to traditional soil. Values, providing the technology-related type of development, collided with traditional values in the course of this process, modifying and transforming them.

Finally, in the course of modernization, traditional societies turned into a special version of technology-related societies, preserving and adapting some aspects and fragments of traditional values to the axiological nucleus of the technology-related type.

The concept of the types of civilization development does not eliminate positive contents of the standard civilization approach (A. Toynbee, N. Danilevsky, etc.), but includes it. At the same time it can also be coordinated with a number of the key provisions of the Marxist formation concept, which is an alternative to the standard civilization approach. It's not difficult to find out that the basic values of the technology-related type of development are at the root of the Marxist understanding of the society. The formation concept described the pre-history and history of the technology-related civilization, but had well-known difficulties if applied to traditional societies in the East. The two alternative and incompatible approaches (civilization and formation) appear within the framework of the concept of the types of civilization development as additional descriptions of one and the same complex systemic reality, emphasizing various aspects of this reality.

The technology-related type of civilization development gave numerous achievements to the mankind, and it was perceived as the main way of social progress for a long time. But already in the second half of the 20th century numerous global crises as variations of the two main ones – the ecological crisis and the anthropological crisis – originated and started turning for the worse.

The history of the last half a century certifies that great technological breakthroughs, globalization, formation of the consumer society and arrangement of the world economy according to the principle of stimulation of the outrunning consumption's growth, spreading market relations to all new areas of human life-sustaining activities – all these essential characteristics of the today's civilization development led to the ecological and anthropological crises' turning for the worse more and more.

As a result, there is a problem of new strategies' development, which could provide overcoming of cardinal global crises, threatening with civilizations' destructions and even self-annihilation of the mankind.

These strategies presume reinterpretation of the typological nucleus of the socio-cultural genome of the modern civilization. And such a reinterpretation in its turn is the first step on the way to a new type of civilization development, the third one in relation to the traditional and the technology-related types.

Such kind of transition, leading to the change of the system's quality, is often named a phase. Generally, it is described in the terms of the complex systems science. In case, when we are speaking about a historically developing system, it may lead to increase of its complexity level, appearance of new system's organization levels, which, affecting the previously formed levels, change them, restricting them in certain ways. As a result, the previous self-regulation (homeostasis) changes into a new kind of self-regulation.

Synergetics integrally characterizes the phase transition process in the terms of dynamic chaos and self-organization. But it's possible to describe this transition differentially, singling out its three stages.

The initial stage is origination of dynamic chaos when the previously formed programs for the system's self-regulation mutate and the order indicators that originated before, stop working. Any of the possible scenarios for the system's development, originating in bifurcation points, may be realized, even the most improbable from the range of them. The number of such scenarios may be fairly big but not unlimited. Their range includes only the scenarios not in contradiction with the formed objective laws.

Realization of any of the possible scenarios depends on numerous accidental factors. It is characterized as the action of probable causality that generates attractors in the nonlinear medium. Several attractors may be formed at this stage of phase transitions, according to various, including alternative, system's development scenarios.

Competition of scenarios at the second stage of phase transition may lead to gradual domination of one of them. In this case, original probabilities of each of the scenarios change. When one of them starts defining the course of the system's changes, the probability of the others' realization decreases.

Finally, we should single out special states of dynamic chaos, characterized in synergetics as the escalation mode, as the third stage. S.P. Kurdyumov paid attention to the special importance of this mode and not once. At this stage, the dominating scenario, determining the course of the system's change, hikes the probability of its realization, becomes irreversible. There is a kind of purposeful movement to the new level of the system's arrangement, formation of the new self-regulation program and respective order indicators. The target-oriented causality plays the main role in this movement.

S.P. Kurdyumov integrally characterized these processes as the impact of the future on the present and even the past. It looks irrational from the outside but only from the outside. The kind of the future's impact on the present and the past has a fairly rational grounding if one takes into account the new level of the complex system's arrangement that originates at the final stage of the phase transition, the level with retroactive effect on the previously formed levels, imposing certain restrictions on the interaction of their elements and thus providing formation of the new type of the system's wholeness. Because of that forecasting a complex system's behaviour always presumes that the possible future becoming the present is capable to change the past.

Phase transitions may take a long time in case of such radical changes to which formation of the new type of civilization development should be referred. Formation of the technology-related type of development was historically stretched for more than two centuries. Certainly, the development rates in the today's society are different, and here the phase transition may take several decades. Many futurologists think that the middle of the century should become critical in civilization development. The sudden growth of today's instabilities and crises may be interpreted as the first stage of phase transition when dynamic chaos originates, bifurcation points and alternative development scenarios are outlined.

Today's argument about globalization strategies may be examined from this point of view. The unipolar world scenario presuming the unconditioned dominance of contemporary Western values is targeted at continuation of the already accepted technology-related development strategy, while the multipolar world, where there are technology-related values as well as preserved and adapted to them fragments of traditional mentalities, creates more opportunities for transfer to the new type of development, stimulating the dialogue of cultures and search for new value orientations.

Today, it's especially important to single out the ideal of preservation of the humankind as a special biospheric subsystem and the biosphere itself as an axiological, complex, developing system and fix it as the initial line for the search. This ideal is far from trivial if we take into account the forthcoming breakthrough to the new technological wave, presuming mastering of convergent NBIC technologies. Usually attention is drawn to positive opportunities provided by new technologies. Negative risks connected with them are mentioned generally. But the transhumanistic program has already been defined - genetic and cybernetic transformation of humans, which, as its followers announce, should lead to a principally new type of thinking creatures, standing at the higher evolution level in comparison with humans. But the history of the 20th century knows a lot of examples when virtuous slogans of human improvement, creation of a new future human turned out to be quite the opposite, led to deaths of millions in the course of their realization. There is no doubt that NBIC technologies present great opportunities for treatment of various diseases, prolongation of human life span, all proper vital activities in the old age. But if we are speaking about fundamental changes of the human nature, here are such risks and such possible scenarios that will only bring us nearer to annihilation of humans and destruction of culture.

On the whole, when NBIC technologies are worked out and implemented, they will require accompanying sociohumanitarian expert examination, analysis and assessment of brought about social, ecological and cultural consequences. In this case, the ideal of the biosphere's and humankind's preservation should each time perform the function of the triggering mechanism and regulator for such activities.

It's not once that I had to mention that new values will not come from any place outside, they should start forming in the depths of the technology-related culture, and it's important to find their growth points.

Careful analysis is already capable to find the commenced modernization and transformation of the axiological nucleus of the technology-related type of civilization development that determined this development starting from the Renaissance. In our times, the ideal of progress accelerating innovative changes is modified into the ideal of sustainable development when priority is given to such innovative scenarios that just neither break, nor eliminate the tradition, but, adapting to some of its aspects, transform the tradition selectively and gradually.

The ecological crisis makes one comprehend the concept of "nature" in a new way. In contrast to the era of the technology-related civilization's formation and industrial development, when the natural environment, surrounding humans, was looked upon as an inorganic field for transformations and a bottomless resource tank, science already in the 20<sup>th</sup> century formed an alternative idea: the surrounding us nature is a live organism, biosphere, global ecosystem, in which the human society is included as a special subsystem. The natural environment of human habitation is not an inexhaustible resource tank for activities, many types of such resources are limited. The ideal of human supremacy over nature is opposed by the ideal of co-evolution of the society and nature.

These new images of nature and human activities are somehow related to traditional ideas of nature as a live organism, though they are not their simple repetition. They are the result of scientific achievements included in the scientific worldview. Rational interpretation and comprehension of these ideas as a part of the current educational system are the required prerequisite for formation of ecological conscience. But realization of these prerequisites requires special public efforts. Theoretically we understand the necessity of environmental protection, but in practice we often proceed from old ideas. This refers both to individuals and states. The developed economically states, outsourcing production of their corporations to developing countries of Asia and Africa with cheap labour do not spread their nature protection laws to them with rare exceptions (Germany). As a result pollution of the environment on global scales only increases. But the main barrier for blocking the world economic crises that is turning for the worse, is hidden in the fundamental principles of arrangement of today's market economy. It is orientated to the constant consumption growth as a condition for GDP growth. However, in order to provide consumers' demand, it is arranged artificially, via advertisements offering to accelerate replacement of fairly suitable items with more fashionable ones (though often not of a better quality), via simplifying technologies, orientated to production of quickly wearing out products. The principle of "the more we consume, the better we live" is the deep-laid basis of the contemporary market economy as the well-known futurologist Ervin László emphasizes. László assesses this principle as the way to ecological catastrophe.

Collision of alternative ideals in the issue of human attitude to nature may be viewed as the state of the society in a transitional period, when various scenarios and respective development programs run across each other at the stage of dynamic chaos. Understanding the necessity of nature protection measures and environmental security by the society sets in motion respective social forces, which are opposed by other forces. But without such collisions new values and fundamental worldview meanings are not established as understanding and feeling the world by humans.

And now some words about another growth area for the new values that transforms axiological foundations of the technology-related type of civilization development. I'm speaking about establishment of a new type of scientific rationality in science in the end of the 20th century and the beginning of the 21st century. This type of rationality, which I offered to name post-neoclassical, is orientated to mastering complex, developing, man-sized systems (systems including humans as a special component). This type of systems is becoming a dominating object under study on the forefront of modern science. One of the special features of post-neoclassics is finding insufficiency of traditional for science forms of methodological and ethic regulation of academic research. In order to provide mastering of complex, developing man-sized systems, it's required to compare intra-academic ethical regulations with wider, going beyond the scope of science proper humanistic principles. Comparison of such kind is achieved in the course of socio-ethical expert examination of scientific and technological programs and projects. The former understanding of scientific rationality, intrinsic to technology-related culture, is modified. If it was thought in the past that autonomy of science provides generation of the objectively true knowledge in it and automatically realizes humanistic ideals, now it is found out that achievement of these targets in science of the 21st century requires additional socio-ethical control, which could provide the choice of the most favourable scenarios, not threatening with biosphere's and human sociality's destruction, out of numerous possible scenarios of scientific and technological development.

Finally, I'll speak about the problematization of the meanings of the "power" concept, characteristic of the technology-related culture. These meanings, defining the socio-political climate of technology-related societies, emphasize the understanding of power as control over an object.

In the second half of the 20th century, the power functions of society's governance were centered on the control over social institutions, their modernization and operation. Democracy's and human rights' development provided feedback for the "society – authorities" system to a certain extent, including control over authorities on the part of society. But in the end of the 20th century and the beginning of the 21st century this system started breaking. New technologies affecting conscience of masses of people provided ample opportunities for information violence, manipulations with public conscience by anonymous groups of the elite in power, connected with the interests of financial oligarchy and its role in the arrangement of the contemporary world market.

There are still no growth areas for new values, sketching scenarios for overcoming today's power crises, found. But the very problematization of the fundamental meanings of the "power" concept, defining the technology-related type of civilization development may also be assessed as a kind of indicator of the commenced transformation of the technology-related culture's values.

Today, solution of the problem of the new value matrix's formation is a condition for transition to new strategies of civilization development. The idea of sustainable civilization development and overcoming global crises cannot be realized without fulfilling this task.

# P.P. Tolochko<sup>1</sup> WE ARE TO AWAIT WHAT WE'LL DO OURSELVES<sup>2</sup>

The world is contradictory right from the outset. Its main driving force is interests. Man's, society's, state's. As a rule, they do not coincide. Most often national interests are not in accordance with international interests. And even in case when this or that state is a member of a united community, European, Eurasian or some other. There are leaders in all those unions who are at a higher level of economic development and have considerably bigger military potential and resources. It is them who determine the conceptual meaning of unions – political, economic, military, etc.

They are also the main beneficiaries in these unions, which is not always taken resignedly and without a murmur by the other members. Some start thinking about the expedience of their participation in such unions and some leave them. Like the UK, the people of which voted for the exit of their country from the European Union. Similar processes are characteristic of the Eurasian community as well, the members of which, including potential, are constantly worried as to how not to become strongly dependent on Russia, the unquestionable integration leader in the post-Soviet area. It is more noticeable in the relations of Russia and Byelorussia unable to achieve reasonable price parity in case of energy as well as customs transparence at the external border.

And no matter the ideal declarations or agreements at the root of such unions, they are incapable to provide universal justice in them. Not common interests but national interests are always the priority. As the saying goes, everyone is out for himself and blood is thicker than water.

There are immeasurably bigger contradictions between separate economic or military and political unions. An illustrative example is relations in the European Union with the USA at the head, and Eurasian community with Russia at the head. These contradictions are old, coming at least from the time of the Soviet Union. They were given rise to, as Western politicians and statesmen assured us, by organic rejection of the socialist system, Soviet state system by them. It seemed that if that principal irritant disappeared, the way to mutual understanding of the West and the East would be open. The reality did not meet the expectations. More than 25 years have passed since the collapse of the socialist system with the Soviet Union at the head, the dear to the old Europe's and the USA's hearts capitalism returned to Russia, but the attitude of the West to Russia did not change principally in the least. It may have become even tougher, which is certified by strengthening and expanding of the Euro-Atlantic alliance – NATO. Now, its forces and military bases are already in immediate vicinity to the Russian borders.

And still fairly recently, after liquidation of the Warsaw Pact military alliance, it seemed to many people that the same fate would befall NATO. It has become an anachronism in the new environment, coming from the time of the Cold War between the West and the Soviet Union. The expectations turned out to be futile. Only the East said goodbye to the Cold War and its attributes, the West stayed in it, brotherly embracing. Thus, it confirmed that its confrontation with Russia did not depend on the state system. It is deeper, including confrontation of civilizations brought about by traditional contradictions of the Roman Catholic world and the Orthodox world. In the new times, when the religious factor stopped playing the decisive role in the European political life, this is more a historical stereotype but it turned out to be surprisingly tenacious.

Similar contradictions exist in other civilization communities. There is no peace under the "Islamic olives." Sunnis and Shiites traditionally fight each other. In the new times, this constantly glowing conflict was heated by brutal intervention of Western civilizers into the traditional Muslim life. As a result, the world got a terrorist organization of the Islamic State, tormenting the people of the Near East and North Africa. It also got millions of refugees rushing to Europe and creating a real threat to its internal stability.

Are there hopes for the world's becoming more peaceful in future? One would like to hope for that. But proceeding from the fact that this future, at least the near future, is being already created today, and to a considerable extent by politicians from the past, it's hardly realistic to think that it will be principally different from the present. It won't be bad if we managed to at least stop plunging the world into a Cold War, which took place during the whole presidency of Barack Hussein Obama in the USA.

Some signs of that are really appearing. They can be seen in particular in the new Western political leaders. The newly elected President of the USA Donald Trump said many times during his election campaign that he hoped for mutual understanding with the President of Russia Vladimir Putin. Especially that refers to efforts in fighting world terrorism. And he is not enthusiastic about the sanctions policy of the West either, which is mutually destructive, and NATO. He told in his interview to representatives of German and British periodicals four days before his inauguration that NATO was really an anachronism in the present environment and required reformation. Certainly, the reality is not always adequate to intentions but taking into account D. Trump's business pragmatism, one can hope that he was sincere in his declarations.

Encouraging signals are coming from France as well. It looks like the implicitly obeying B. Obama's will President F. Hollande will be replaced by a more independent politician. The chances of a well-known statesman, Socialist François Fillon look better. In the opinion of a former President of France Sarkozy, supporting Fillon as a candidate,

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<sup>&</sup>lt;sup>2</sup> This simple truth was clearly worded by D.S. Likhachov // D.S. Likhachov – Meeting at the University. St. Petersburg: SPbUHSS, 2007.

such a choice would not be the worst for the Kremlin. But certainly for Europe as well, which cannot expect anything good from continuation of the irreconcilable confrontation with Russia. It is possible to play one's way into an open conflict. In the opinion of F. Fillon, lifting sanctions should become the first step in establishing relations by the West and Russia. Marine Le Pen, a right-wing politician, leader of the National Front, known for her loyalty to Russia, conducts her election campaign taking a similar attitude.

There is less optimism for the leader's change in Germany, though taking into account the leading role of this state in the European Community as well as the fact that Angela Merkel, the Chancellor of Germany, was the most consistent adept of B. Obama's confrontational international policy, her leaving could be very desirable. First of all, for Europe but also for Germany, tired of millions of migrants from the Near East and the North of Africa, kindly invited by A. Merkel. It's difficult to say if it is possible to find anyone in the present politicum of Germany, capable to challenge Merkel, but it is absolutely evident that in order to win another Chancellor's prize she will have to change her rhetoric and probably the real politics as well. Especially in relation to migrants. If it does not happen, the chaos of the Near East flowing to Germany, approved by Merkel, will turn out to be fateful for both.

Certain changes in the rhetoric of high-ranking state officials are also taking place in the UK, the anti-Russian policy of which is traditional. Boris Johnson, the UK Secretary of State for Foreign and Commonwealth Affairs, unexpectedly said that probably there was already enough demonizing Russia after his visit to the USA and consultations with President D. Trump's team.

Figuratively speaking, pigeons easing tension have really started appearing on the global political sky. Certainly, not by themselves but under the influence of the public opinion. People are tired of endless heightening of tensions, wars going on in the Near East, Afghanistan, in the North of Africa, they are tired of civil conflicts detonated by these wars. They are also tired of the West's obsession to bring freedom and democracy to other people. They want to live in the traditional for them world, stable and predictable.

All that gives some hope for the better future. Unfortunately, only some. "Pigeons" appear, but "hawks" have not disappeared. American ones in the person of the leaving his office President B. Obama and his administration managed to do so many hostile to Russia things in the last months in power that there could be enough of them for decades in case of others. In this respect, we can mention Russia's unambiguous appraisal as an enemy of the USA threatening the US interests. Here are feverish expansion and prolongation of economic and political sanctions. Demonstrative deporting of 35 Russian diplomats from the USA as well as quick dispatch to Poland of American troops numbering 3.5 thousand soldiers with 80 battle tanks and armored vehicles are in the same line of anti-Russian actions.

Only God knows why Poland needs this force. It seems that no one intends to attack it. Russia said that officially and not once. It's surely not to be expected from the Ukraine or Byelorussia. And nevertheless, the Poles met foreign saviors with enthusiasm as it was shown on TV, probably thinking that now they will feel safe as the troops are as dependable as the Rock of Gibraltar. Certainly that's not so. In case, God forbid, of a large-scale military conflict of the West and Russia, it is exactly because of these American defenders that Poland will not escape. Russia will inevitably have to react to this provocation and others similar to it by aiming in response at the NATO and American military bases in the states in Central and Eastern Europe. Should we prove that aggravating military tension would not make life in the region more peaceful?

In contrast to the countries of Western Europe where the voices of common sense are becoming better and better heard, calling not to bring confrontation with Russia to the boiling point, the states which in the past were a part of the Soviet Union or the Socialist community, do not hide their antagonism to Russia. They are acting in accordance with a well-known Ukrainian proverb: it's not the serfs that bully people most but their clerks. They can be understood to some extent. Each of them has its scores to settle with Russia as the successor of the Soviet Union with which they connect not the best pages of their history. They try not to remember that it was exactly the Soviet Union as Russia before it that saved them from the Nazis and other invaders and not once at the expense of lives of hundreds of thousands of their sons. It seems that even Bulgarian "brothers" forgot about that, they who owe their identity and statehood to Russia but inevitably, they find themselves united with its enemies at critical historical moments.

But we should live not in the past but in the present and the future. Vindictiveness is the lot of the weak. And it cannot bring anything good. It's a pity that the present political elite of the said countries cannot or does not want to understand that, and their allies – instructors in the USA and Brussels go along with the spread by it horror stories about Russia's aggressive intentions. However, they may not believe that but they carefully nurture this geopolitical loyalty and their young allies' confrontation with Moscow. The Baltic states, Poland, Bulgaria, the Ukraine and others get financial and military help as well as constant political support for that.

Before the 2017 New Year, US Senate Republicans John McCain and Lindsey Graham visited the Ukraine and the Baltic states, where they assured the authorities that there was still serious support in the US Congress for providing them military help. Militant Senators were presented high state awards in the Ukraine - the Order of Liberty and the Order of Prince Yaroslav the Wise. As President P. Poroshenko said, "for their personal contribution to strengthening of relations between the Ukraine and the USA." On January 16, 2017, Vice-President of the USA J. Biden visited the Ukraine when there were four days left till the end of his term of office. He had said once that he met and spoke over the phone with the President of the Ukraine more often than with his wife. And this time he assured the Kiev authorities in firm support by the USA of the Ukraine's struggle for independence and inviolability of its territory. However, as well-informed analytics think, the purpose of this visit was mostly to thank P. Poroshenko for assisting business interest of J. Biden Jr. in the Ukraine.

All those feverish actions of President B. Obama's leaving administration were directed to two addresses. Certainly, they are against Russia. But at the same time they are against President D. Trump as well. In order to complicate his life, not to allow or at least make maximally difficult normalization of relations with Russia. Petty predecessors created numerous unthinkable obstructions on that way, besides, they enlisted support of their legislative authorities. Certainly, Democratic authorities but Republican as well. It's not accidental that members of the new President's team – future Secretary of State Rex Tillerson, holder of the Russian Order of Friendship as well as Secretary of Defense James Mattis, who were confirmed by the Congress and the Senate – had to say that Russia threatened the US interests and was the main enemy of the USA. Certainly, they were mostly politesse declarations meant to bring about a favorable attitude of the Senators to them, but caution and looking back at the Congress and the Senate will definitely accompany their practical activities as well. President D. Trump will have to take into account the opinion of legislative authorities as well in order not to subject himself to the threat of impeachment.

European colleagues of American Conservatives will oppose improvement of American-Russian relations no less. Especially in the post-Soviet states and states from the former Socialist community. And certainly not so much because of a Russian threat, the mythicalness of which, we should think, they understand, as because of their fear to lose help of the rich West, which they regularly get in the environment of rivalry between the USA, NATO states and Russia. The Polish Minister of Internal Affairs Witold Waszczykowsky said about that honestly enough. "One should not criticize anyone wanting to improve relations with Russia," he said. "We are neighbors of Russia and we also want that. Our message to the Americans is: we like it, but only not at our expense." Certainly, they will say the same in other countries getting financial and military help from the USA and EU. There is no doubt that there is more slyness than sincerity in the Polish Minister's words. He cannot fail to understand that it is that "Polish account," including American military brigade with 3.5 thousand men and 80 battle tanks and armored vehicles by the borders of Russia, which is the real obstacle on the way to improvement of the international situation. There are similar "accounts" in the Baltic states, Bulgaria, Romania, the Ukraine. And while they are generously paid by the USA and EU, there is no hope for normal good-neighborly relations of the said countries with Russia.

Distinct signs of sanity were demonstrated in Robert Merry's article "Stop Poking the Bear" of December 24, 2016, Merry is the political editor of *The National Interest* (USA). It is assumed that he just retold Henry Kissinger's (an old advocate of lessening tensions) plan for normalizing relations between the USA and Russia, worked out for President D. Trump. The author thinks that there is a signal for the world in it to "change shoes" quickly. Tomorrow the USA and Russia will stop being enemies and those, who fail to understand it, may regret it.

Certainly all hopes for the future are connected with the USA and Russia stopping to be enemies as they were at the time of B. Obama's administration. It seems that it is not realistic to suppose that they'll become friends. Such relations do not exist in case of great powers. But it is enough for the world for two powers not to be at odds with each other. Everyone on the Earth will feel more peaceful after that.

# Zh.T. Toshchenko<sup>1</sup>

# GLOBAL WORLD'S AND MICROWORLD'S DIALECTICS IN PUBLIC CONSCIENCE OF THE RUSSIANS

The global world is not represented directly in living arrangements and public conscience of most social groups, strata, classes in all countries, it is represented in a hidden, latent way and quite often in insignificant amounts. The global world's problems directly and immediately worry a comparatively small group of experts and officials politicians, leaders of political parties and heads of sociopolitical organizations, some scientists - politologists and specialists in international affairs. And what is more, one can say that excessive enthusiasm for the problems of the world order in real political world together with the desire to intrude in their solution in all cases without exceptions (as e.g. in the policy carried out by the former US President B. Obama and his team) leads to their flux perception, hypertrophy of their understanding and consequently inadequate reaction to the changes in the world.

One can say on the basis of sociological data that it is not global problems that worry most people in the first place – they are interested in what makes sense in their immediate environment where they live, and that living environment reflects principles and values according to which they live (or striving to live). In this case, the global world is reflected in people's life latently, in a captured way and mostly as a background, which forms a kind of picture in a frame but expressed individually or for a group.

But does it mean that the global world is not related or related insignificantly to the everyday life of the people? Sociological data allows to come to the conclusion that in case of a part of the people (but far from all) in all countries, including Russia, world problems appear before them in a special way – as evaluation of the position of other states, having certain direct relations between each other – either confrontational or friendly. The most vivid part of the global world's and microworld's inter-connection in public conscience, in the world order of the people is revealed exactly in that. Much more complex interactions between them are formed when we are speaking about other sides of public and personal life in the fields of labor, culture and recreation, everyday life.

No matter what politicians and analytics say when trying to explain the attitude to global, international, and national problems, people are first of all worried about what

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directly affects their purposes, principles and values, their interests making sense in their lives, which orient them to respective deeds and actions. And because of that it is interesting to see, basing on the data of sociological research, how the dialectics of the surrounding world's perception reflects in this situation at various levels of its arrangement. Note, please, that using this approach we operate with the notion of the "lifeworld," which we interpret as complex and contradictory existence and functioning of the main subjects of social action - people, social groups and communities, their potential and possibilities, their perception and reaction to changes taking place in the society and the world. It is exactly from here that (non) readiness to understand/ reject, take/not take, assist/be passive/oppose carried out or supposed transformations originates.

Note, please, that the lifeworld is different, it exists in variety, manifesting as special features of the individual, the special and the universal. We'll speak exactly about these characteristics of the lifeworld as this world, notwithstanding the abundance and variety, still has one universal structure [Husserl, 2004]. And this uniting structure is formed by *life purposes*, which no matter all the varieties of characteristics of people's lives are such entities which express a specific vision of this world, its main (basic, determining) principles and values [Toshchenko, 2016: 153–185].

In order to have a comprehensive and complete characteristic of the lifeworld, let's start from finding *its basic essences*, forming one whole of the contents of such of its components that are directed to finding out and determination of the leading, significant and most important life purposes and principles, embodied in the main institutional positions of an individual, and in which the global world's problems are reflected differently.

First, the lifeworld of an individual *as a citizen* is mostly manifested in two hypostases:

a) as a global world's man, having this or that attitude and/or perception of problems taking place in other countries, their unions, in international organizations;

b) as a man from a certain society (state), where economic, social and other kinds of policies affect his living arrangements.

Second, a certain influence of the global world tells on an individual *as a resident*, which reflects the level of territorial arrangement (of a city, settlement, village), as there is no doubt that the mesic environment surrounding an individual, though concentrating attention on everyday life, touches upon the aspects of world problems that can influence an individual's living arrangements in a settlement to a certain extent.

Third, *people also have a microworld*, which is also really embodied in a man's lifeworld as: a) *a worker* (level of inclusion in production process, process of labor); b) *as an individual* (level of social micro-environment – family, neighbors, friendship).

Let's discuss that in detail basing on the data of the All-Russian research of the Russians' lifeworld (LW-2014) and data of other research centers – Institute of Sociology, Institute of Socio-Political Research of the Russian Academy of Sciences, All-Russian Public Opinion Research Center and Levada Center. 1/ At the same time we'll try to find purposes from the point of view of inter-connection of world and personal problems in socio-economic, socio-political and All-Russian research "The Russians' Lifeworld and Evolution of Forms of their Participation in Bringing State and Public Transformations into Life (1990–2010)" (Russian Science Foundation's project No 14-18-02016), carried out on October 25–30, 2014. 1,750 people in 18 regions of the country were surveyed, taking into account representative sampling according to gender, education, marital status, place of residence, form of ownership and work experience. The survey took place in all economic regions of the country representing Central Russia, the Volga Region, the South of the country, the Urals, Siberia and the Far East as well as two megalopolises – Moscow and St. Petersburg *(LW–2014)*.

### A Russian as a citizen of the global world and nation-state

First of all, let's pay attention to what is vital for the people, what they orientate to, what they prefer. The analysis of information from all the leading sociological centers without exception shows approximately the same distribution of value orientations. According to the LW-2014, the most vital for the Russians in their lives were their family (95%), health (87.6%), work (69.4%). And at the same time politics was acknowledged as very important (16.2%) with 33.4% refusing to recognize the politics' role in their lives [The Lifeworld... 2016: 350]. This allows to come to the conclusion that politics plays not the main but an auxiliary role for the people, and sometimes it is a neutral role when determining one's real life arrangements. At the same time it's possible to suppose that politics is presented to a common citizen from two main perspectives - as foreign policy (touching upon the general evaluation of the world situation and relations with other countries as well as the most significant events of international scales) and home policy referring to economic, social and cultural policy of the state. An individual's features as a citizen are first of all manifested exactly in these appraisals.

As for the attitude to international events, the interest of the people is manifested not in relation to the geopolitical situation in the world, but it is revealed when evaluating relations with states (countries) which in this or that way touch upon the interests of Russia, its position and the role on the international arena. That's exactly the reason why the reunion of the Crimea and Russia was of the most interest and supported by more than 90% of the Russians (95-96% residents of the Crimea also voted for this decision). If we take big political events of the last decade, events in the Ukraine, war in South Ossetia, participation of Russia in neutralization of the Muslim state of ISIL in Syria did not leave people indifferent. In our opinion, such actions of Russian foreign policy are supported by big groups of the population with relying on feelings characterizing the idea of Russia's position in the world: 47.2% said that they'd wish "Russia to return the status of a great power" [The Lifeworld... 2016: 364]. Here features of the civic stand of the people are manifested clearly irrespective of their position in the society and that influencing or not influencing their personal life.

No less significant is the civic stand of the people when they evaluate political, economic and social actions of their state. There is no direct correlation here between a socioeconomic position of an individual and his/her attitude both to the state policy in general and separate political decisions. Sociological data certifies that some generalized vision of the conducted policy comes to the foreground, and an individual acts from the position of a citizen of his/her country, and to a less extent from his/her personal positions. By the way, it's possible to notice in a lot of data that a Russian often, like a Soviet man, more actively worries about the state of events, actions, the state of economy and politics common to all Russia then he/she demonstrates in relation to his/her family or personal status and he/she worries even less about international affairs. Here the influence of the macroworld (global world) is manifested in a more indirect way.

Let's examine that in more detail. According to the LW-2014, at present there is no unambiguousness in evaluating economic reforms: with 38.4% being sure that they are going in the right direction and 22.7% denying it, nearly two out of five (38.9%) refused to evaluate them, and that, in our opinion, tells about great doubts in determination of one's civic stand. Exactly this mass - 38.9% more likely doubts than supports the carried out economic policy. Attempts to find out such a contradictory evaluation lead to getting information, indirectly having an exit to an original opinion: besides complaints on inefficiency of internal economic policy, people quite often appeal to the experience of China, the USA, Germany, Sweden and other countries, depending on personal preferences and understanding of the existing state of affairs. To put it differently, the global world in the form of nation-state and society in the conscience of the Russians represents a not yet formed contradictory evaluation, in case of which it is difficult and even impossible to speak of a common civic stand.

It's exactly at this level that ideas of *social justice* are formed, it is understood and interpreted differently - and it should be emphasized – by people depending on many conditions and factors. To put it differently, there are many ideas in their conscience - and various ideas - about justice. The common is how an individual perceives and evaluates the attitude of the state and society to him/her, what attitude to the world is formed in his/her case when interacting with those official organizations he/she contacts. And now 39.3% of the Russians (LW-2014) say that they feel injustice. And this is a very significant number, which, in our opinion, is the basis of the present and future social tension. How to change this alarming conviction? It seems that the opinion as to how the Russian state should treat its citizens first of all becomes such an indicator of justice. When "The Russians' Lifeworld" survey (LW-2014) was conducted, 63.2% of the Russians connected that with just attitude of the state to them, equal rights for all and guarantees of social well-being. When analyzing justice, one should pay attention to the fact that each ninth Russian (11.9%) felt "shame for the present state of their country," and that, in our opinion, was influenced, on the one hand, by comparison with the USSR experience, which was reckoned with in the world, and, on the other hand, comparison with achievements of the states, which developed successfully in difficult years (China, India, Germany).

The influence of the global world is manifested to a certain extent when identifying oneself as a citizen of one's country, as a person proud of belonging to it. And though the wording of this question in questionnaires is criticized for directness, there are doubts in its competence for violation of intimacy, a number of researchers still ask this question. According to the LW-14, 54.4% considered themselves citizens of the Russian Federation, 9.1% citizens of the USSR. One should note that public surveys in the beginning of the 1990s showed that most people did not divide belonging to the USSR and the RSFSR. This trend began to manifest itself originally in the course of the quarter of a century - in increasing a number of people identifying themselves not with the citizenship but with their nationality - there were already 39.2% of them in 2014. In our opinion, it can be explained by the surge and even hyper-activation of ethnic and national conscience, advancing under the influence of the state policy to a considerable extent [see also: Drobizheva, 2003; Simonyan, 2003]. But in application to Russia as our data shows, there are still civil stands and not ethnic and national, or ethnic and confessional that prevail in public conscience and respectively in the behavior, being a guarantee to observance of guaranteed stable state development.

Such a characteristic of the essence of citizenship as *patriotism* certifies that practically three fourths (72.6%) said that they shared this individual conviction (LW–2014). It's noteworthy that notwithstanding frenzied criticism of this feature of conscience and behavior in the 1990s, when liberal propaganda implemented the slogan "Patriotism is the last refuge for scoundrels," there has been no refusal in mass conscience from acknowledging oneself as a patriot, though bitterness and criticism of changes taking place and consequently disagreement and rejection were considerable. This was manifested especially vividly in attempts to discredit the most outstanding demonstrations of patriotism – the feats of 28 men under the command of Major General Panfilov and Zoya Kosmodemyanskaya.

### A Russian as a resident

Perception of the surrounding world by an individual at this level - meso-level - lies in the problems which characterize his/her everyday life, organization of all aspects of living arrangements as a city resident, settlement or village dweller. And this is manifested in appraisals of one's living quarters, communal and consumer services, provision with and accessibility of basic goods, the state of public transport. Speaking about the main purposes of the Russians' lifeworld in the economic realm, one can say that infrastructure characteristics, providing living conditions, are an important problem for them. As the LW-2014 survey showed, residents of both cities and villages are worried about the problems of providing and creating acceptable for them conditions of life, among which the first place is taken by satisfaction of elementary basic needs: 54.7% are worried about unsatisfactory solution of housing and communal problems. According to other research centers, it is exactly these problems in recent years that appear in public surveys as the most urgent and significant to arrangement of everyday life of the people together with price increase, basic everyday goods becoming more expensive [See e.g. Gorshkov, 2015; Levashov, 2016].

Besides, at present a Russian as a resident at the same time with poor solution of these problems (54.7%) is no less worried about the state of the public health system (55.7%), possibility to provide effective education for children (28.1%), poor ecology (20.5%), criminal situation, crimes (18.7%), poor transport connections (18.2%), lack of environment for cultural life (14.8%). As we see, a whole range of everyday realities was named, it includes practically all sides providing rational arrangement for functioning of a big range of territorial organizations of people as residents. Here global aspects are manifested indirectly, in latent, captured way, when living conditions of people in developed countries are compared. And it is exactly them that serve as basis for evaluation of actions of local authorities: only 12.3% of the Russians think that they can influence decisions of city (regional) authorities to this or that extent, and only 5.9% are ready to address to them for help in difficult situations [The Lifeworld... 2016: 356, 362].

When evaluating their urban/rural life, people appeal to the experience of arrangement of this life abroad more and more often on the basis of personal acquaintance as a result of business or tourist trips as well as a possibility to familiarize themselves with everyday life of other states and people by way of mass communication means.

#### A man as a worker

General appraisal of the economic policy and economic reforms from the point of view of the life-purpose contents of personal life closely correlates with appraisal of the standard of living. In October, 2014, 54% of people said that they live from payday to payday, and 10% said that they "hardly make ends meet." This appraisal allows to come to the conclusion that striving to provide a respectable social level of vital consumption for most people has not still been realized, though there are some positive changes. At the same time, notwithstanding frequently sounding accusations of people in "consumerism," it's hardly appropriate to say that they bring down the essence of their living only to providing their material existence, desired standard and quality of life (even by their standards). Prosperity and well-being was, is and will be the most important purpose of people's activities when arranging their lives.

In this connection it is important to notice evaluation of labor as means to achieve well-being. The Russians are worried about payment for their work, the place occupied by working activities in their lives, their profession, their inclusion in economic realities, hierarchy of social statuses and social prestige. According to the LW–2014, only every fifth (20.1%) thinks that his/her work is appraised justly. The rest either doubt (39.6%) or deny (24.7%) the justness of payment for it. To put it differently, the purpose of working life, aimed at acknowledgement of respectable payment for labor, is not attained by most, which also becomes the basis and grounds for social discontent and tension.

Widely spread information about payment for labor in developed countries, forms of worker's participation in the management of organization, trade unions' activities in protection of his/her rights, employment and social assistance guarantees influence this perception of one's working life and evaluation of one's position as a worker a lot.

# The role of interpersonal communications in the Russians' life

People see the essence of ideas in the field of culture, first of all, in *preservation of spirituality*. However, this orientation is not embodied in real life: most - 62.4% - are very worried and 31.5% are moderately worried about moral decline. Notwithstanding attempts to rely on religion, historical traditions, desire to adopt experience of other states, they do not give the required effect because this striving is undermined by:

a) the prevailing mindset (which is realized) that success in life is provided by owning capital, financial resources (opinion of 67%);

b) conviction that promotion (career advancement) depends a lot on influential contacts (opinion of 57%);

c) having power or its servicing (opinion of 58.2%);

d) media and first of all TV orientation to commercial success, the result of which is orientation to inferior and quite often perverted tastes;

e) liquidation of upbringing functions in all educational structures – from preschool to higher educational establishments (opinion of 93.6%) (LW–2014). This is even more demonstrative as the role of the spiritual and axiological factors is considerably reduced: the role of education and professional training in successful building of their lives was mentioned by 19% only, and practically the same number of respondents – 19.9% – mentioned importance of personal qualities (attractiveness, intellect, talent). [For details also see: Zapesotsky, Smolin, 2016].

Thus, the essence of spirituality should be looked for not only in the field of culture, education, science, religion. It is also generated by public life, the structure of relations with the immediate surroundings as well as what negative phenomena people see in modern Russian society. In this connection we'd especially like to underline that human measurement of these phenomena is characteristic of most people - 93.6% do not want to put up with drug addiction, 93.9% - alcoholism and hard drinking, 91.9% - rudeness and offensive behavior. As for negative processes in the society, 87.4% disapprove of corruption and bribe taking, 84.3% - bureaucratism, 92.4% - stealing, 72.1% - passion for enrichment. However, we have to state that this expression of worries about negative phenomena is passive and verbal and it is practically not realized in any way in certain public activities. The fact that 80.3% said that they were not members of any non-governmental, non-commercial organizations, speaks about that indirectly. And another 82.5% said that in the year of survey (2014) they did not take part in any cultural events.

All that allows to come to the conclusion that seeing one of the purposes of their lives as being spiritually rich people and wishing to have a worthy society in which they live, people do not do much in order to assist cultural unity of people, respectable way of life and peace of mind for the sake of personal and public future. At the same time it is possible to say that in the spiritual field many Russians, while comparing their country with numerous Western, first of all West European countries, reject a number of unacceptable for Russian mentality features – tolerance without principles, justifying homosexuality, multiculturalism which brought people to a dead end, negation of national special features of culture and inter-personal communications. To put it otherwise, forcing on principles of living arrangements under globalization brand is not acceptable for the Russian culture and Russian mentality if we take all their features. Exactly that raises the question of the complex dialectics of relations with various components - global, national and individual - in an individual's lifeworld. And what is more, we run across an interesting paradox in the spiritual field: if the Russians are inclined to appraise achievements of developed countries in the economic realm, social sphere highly enough, in the spiritual field most Russians are sure of the opposite - the Western world has something to learn from the Russians. In this connection, attempts of many liberal actors insistently forcing a number of dubious values, directly opposite to national mentality, on the population of Russia, are absurd and inacceptable.

In the end, I'd like to say the following. The intelligentsia has always played a significant role in spiritual and cultural development. However, its influence is at present evaluated rather modestly, and if we say it more precisely, it lost the role of that moral force which had been played by its predecessors from the end of the 19th century and practically during the whole 20th century. According to the LW-2014, only one third of the Russians (31.6%) thinks that intelligentsia influences the life of the society to a certain extent, while 23.7% speak about its insignificant role, and each fifth (19.7%) about practically no role, with 25% having trouble answering. All that allows to come to the conclusion that at present intelligentsia in Russia is not the force which could fully personify the moral potential of the society, could be a shining beacon for young people starting their lives, a judge on the way of understanding the purpose of life.

Thus, the dialectics of the global world's and microworld's interaction is specifically reflected in the people's lifeworld. The global world interests people, as they perceive themselves as citizens, who are not indifferent to the fate of their state, their people. The Russians have always actively reacted to the events of international scales, when, in their opinion, the problems of Russia's importance on the international arena were touched upon. In their everyday life these problems reflected as a comparison with achievements or downfalls of other countries or comparison with the historical past. And at the same time the fact was revealed that as internal problems become more difficult, attention to international problems weakens, stimulating various internal problems – ideology of isolationism and reticence, growth of nationalism and social tension.

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EUROATLANTIC UNION: NEW WORLD ORDER

### V.T. Tretyakov<sup>1</sup>

AND OUR (EURO-ATLANTIC) CIVILIZATION NATO involved erbated by the fact that the united Europe seems to be un-

able to unite before the threat, neither as the EU nor as the continental Europe as a whole. The EU does not recognize the fact that Russia, which is fully independent from the EU is also a part of Europe. The heart of the problem is that the entity that had been earlier known as Europe and must now be called the Euro-Atlantic Civilization (EAC) is autocratically controlled either by the US, separated from all potential war theaters by two oceans and thousands of kilometers, or (now that the EU is at odds with the US after the election of Donald Trump), by Brussels or Berlin, and never by the EU, Russian (the Russian Union) and the US together.

This is exactly what I call the main challenge for Europe today and in the near future. It is this challenge that our civilization must find an answer to.

Over the past decade the US, the EU and NATO involved in autocratic and absolutely unmotivated activities in Europe, and that has led the continent to the brink of a civilizational conflict with the Muslim world and full loss of its ethnic and cultural identity. This tendency is further exac-

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In its historical essence, our civilization has three sources, and when the US or the EU seek to represent its interests outside this civilization or, even more so, on its territory, their actions cannot be justified and are irresponsible, since they ignore the interests of Russia, a natural part of the EAC.

No matter how far-fetched this scenario might seem, it is this development that can help the EAC out of the crisis caused by the arrogance of the United States, the split persona of the EU and the fact that Russian interests are habitually ignored. Sooner or later, I am sure, we will undoubtedly come to something like this. Or we will simply vanish.

The survival strategy of Euro-Atlantic Civilization at the time of internal and external threats must include at least the following provisions:

1. Recognition, and documentary confirmation of the unity and the tri-partite character of the Euro-Atlantic civilization, by means of signing the Euro-Atlantic Charter by the European Union, Russia and the US, and creation of the EAU (Euro-Atlantic Union). The Charter must include the main of the provisions described below.

2. Recognition of the unity of the Euro-Atlantic civilization, which is based on:

— Christian cultural and civilizational tradition;

 Democracy and responsible use of the institute of civil and democratic rights and liberties in the interests of the entire Euro-Atlantic civilization, separate countries and people, its citizens;

 Refusal to use force to solve internal (intercivilizational) conflicts and unfair competition in all areas and spheres, including ideology;

 Collective responsibility for the fate of the Euro-Atlantic civilization and for preserving its leadership position in the world;

— Recognition of the fact of historic leadership and higher historical responsibility of three pillars of the Euro-Atlantic civilization – Russia (the Russian Union), Europe (the European Union) and America (the United States of America). This must include recognition of responsibility of three major countries of the EAC for the territories historically entrusted into their care;

— Consideration of historic uniqueness of development scenarios of various EAC members and their responsibility for emergency, development and functioning of democratic institutions in different parts of the EAC by each of the three main members of the EAC in the borders of their canonical territories;

 Free competition between the three main pillars of the EAC and joint actions outside the EAC.

 Readiness of the EAC to competitive yet friendly neighborly relations with other civilizations of the Earth, protection of legal interests and assuring presence of the EAC on its canonical territories;

Collective defense of canonical territories of the EAC from foreign interventions;

 Guarantee of free development of external territorial entities of other civilizations on the territory of the EAC, provided that they recognize the principles, ideas and moral norms of the EAC;  Possible admission of other countries and territories to the EAC after a free vote of their people and approval of ascension by the highest legislative body of the Euro-Atlantic Union.

3. Foundation of the Euro-Atlantic Assembly (pre-parliamentary structure of the EAU, a standing body with four main goals):

a) Development of the EAU Constitution;

b) Adoption of decisions that will be obligatory for all EAC nations, touching upon the interests of more than 1 EAC member state;

c) Creation of collective bodies that will oversee the common interests of the EAC before the adoption of the Euro-Atlantic Constitution;

d) Disbanding of all obsolete international bodies and structures that do not correspond to the interests of the EAC as a whole that continue functioning on its territory.

4. Deputies of the Euro-Atlantic Assembly shall be delegated by parliaments of EAU member states according the following quotas:

50 deputies from the EU;

50 deputies from Russia (Russian Union);

50 deputies from the United States;

1 deputy from all other EAU countries that do not belong to the three main pillar countries of the EAC.

5. Any country of the EAU not part of any three main constituent members of the EAC, shall be entitled to hold a referendum on admission of that country into one of the three main constituents on whose canonical territory it is located.

6. NATO shall be disbanded, and US troops will leave the territory of Europe.

7. At least three currencies – the US dollar, the euro and the Russian ruble – shall be used on the territory of the EAU. Use of other, national currencies shall be the legal right of any member country of the EAU.

8. Collective use of force of the EAU outside its canonical territory shall be authorized by at least 75% of deputies of the Euro-Atlantic Assembly. In other cases, each of three main constituents of the EAC shall be entitled to act alone and be guaranteed the neutrality of other main constituents and members of the EAU, but not its support.

9. Territorial integrity and national security of any EAU member state shall be guaranteed by other members of the EAU who will defend its members militarily in case of an outside invasion.

10. The canonical territories of Europe (the EU) and the Russian Union shall be defined in direct negotiations between the two. We welcome the creation of a belt of neutral countries between the EU and the Russian Union. These countries will be represented in the Euro-Atlantic Assembly separately from the EU and Russia.

The canonical territory of Russia (Russian Union) may include the former Soviet republics of Central Asia who will want to join the EAU.

The canonical territory of the US is the United States of America.

11. Reformation of the United Nations with consideration of the created Euro-Atlantic Union.

### Taşansu Türker<sup>1</sup>

### CASES OF MODERNIZATION AND POST, POST-POST OR NEO MODERNITY

Likhachov Square has been a platform for me for improving my thoughts on a comparison of the West, Russia and Turkey for the last three years. I have structured that comparison especially on the perspective of a historical view which especially focuses on 19th century. I first of all do wish do underline the fertility of comparison of the two cases of modernization; Russia and Turkey. Just on the shores of the West, the two cases have enjoyed the benefits of modernization for the last three centuries while they have created their self-consciousness on that impact and also were largely determined by geo-strategies related to the West again. Very similar to each other to compare and very different from each other to produce analysis, those two cases needs to be compared in depth. The layer of modernization idea, the layer of implementation of modernity and the layer of the real politics which are founded on geo-strategies of and related to the West brings the West itself to a focus in that comparison. Those three layers mentioned above can give a huge opportunity of analysis and even creating paradigms for all areas of social sciences on that triangle zone. And, without questions, depth on that zone should be a historical view which especially focuses on 19th century since not only talking about the similarities of contemporary and 19th century is becoming more popular each day, but also the patterns coming from that century is still determinant and instructive still.

Last year at the plenary meeting, that was the reason that I tried to underline the necessity to rethink about 19th century with enthusiasm. So as to do that Bauman and Bordoni's "liquid modernity" term referring the current crisis of modernity was at the center of my report since modernity itself could be founded as a status quo during and after the long 19th century and 21st century is again a period of obscurity a quest for a new status quo or the description of today by Umberto Eco, "a trespassing for tomorrow's unsettled contingency, yet." Bauman and Bordoni at their book "State of Crisis" were arguing that a two way crisis is actual for modernity; where the first is the impotence of the states and the second is the *radical change in social structures*. And the results of the crisis of modernity can be categorised as political and social. The most prominent political result, which I want to underline can be titled as the loose of identity or a collective consciousness which was created by the nation-states for their continuity and the whole international system depending on those again. That identity or collective consciousness has two faces: The local one describing the particularity referencing nation, language, religion, history etc. by providing cohesion inside the borders of the country, and the universal one referencing security, justice, democracy, human rights, etc. by providing the continuity of the values system and even international system as

well. Except for the debates on universalism vs. particularism here, I guess it is acceptable that the particularity of nation-states is depending on the universality of values which creates the international system, meaning that a huge erosion for universal values is another important fact. Another side of the political result can be summarized as the weakness of the state against the political demands of the masses where legitimate and effective ways for governance are still searched. Here, throughout the demands of the masses, social results can be linked to political ones. It can be argued that the demands of masses have transformed as well. In current social debates it is observed that masses do not know what they want, but they know very well what they do not want, which makes those social wishes less governable throughout modern ways like representation, parliament or parties, even civil society. The other side of social results is the mass hunger for consumption. As authors' conceptualisation, a *consumer society* is the new fact for all social and political spheres instead of citizens and that makes the consumption is the current telos. The crisis of modernity and the current fluidity which are summarized above are actually indicating the crisis of sovereignty and the crisis of democracy as well for the modern world.

Post version of modernity was generally founded on those evaluations by the claims of postmodernity as supranational organizations and micro nationalisms will be replacing nationstates and nations even, updated versions of democracy will be improved by the means of social media, civil society, etc., number of blue collars will be reduced by white collars and economy will depend on more technology and innovation. A short glance at the program of World Economic Forum from January 2016 in Davos can explain much about that apprehension for tomorrow. A few titles from the program are; A Common Stance against Extremism, A New Platform for the Digital Economy, A Social Contract to Transform Our World, A World without Work, Around the World without Fuel or Fear, Culture and the Fourth Industrial Revolution, From Migration to Integration, Ethics and Corporate Governance, Infusing Emotional Intelligence to Artificial Intelligence, Internet Fragmantation, Humankind and Machine, Educating the Masters of Fourth Industrial Revolution, Education for One Million Refugee Children.

In 2016 the developments in world politics, but especially at the domestic level of the West have not only challenged, but also unsettled that apprehension of a postmodern tomorrow. First Brexit, than Trump becoming the President of the US, and moreover rising tide of rightwing populism in the Netherlands, France and Italy was a shock to the new world imagination of postmodernity. And also the rise of leftwing populism against those has created the result of loosening the center of politics nearly every corner in the West. The first speech of Sean Spicer, spokesman of the White House, was a milestone in American politics with the occupation of classical, conventional or modern figures in that speech. Automotive sector, promotions, industrial employment, tax issues, American values, being American, etc. were the themes reminding the old, modern America and appreciating the voters of Trump who have support-

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ed him by their modern demands. Brexit was the result of nearly same intentions and demands of the British people. France, the Netherland and Italy are expected to get on that track of modernity as well in this year. What is seen up to now is a renaissance of modernity? Is this period a time of post-post modernity or a neo-modern era has begun? Or just a tactical retreat of postmodern ideals of Greenwich village of Manhattan, Bloomsbury of London, entire Berlin, Bolotnaya square of Moscow or Taksim square of Istanbul?

I consider the answer is important and will be content with only underlining the fact that intellectuals are generally more farsighted than the progress of the society itself which does not mean that their expectations are utopic and again which does not mean that their apprehensions are the perfect predictions. History does always create itself sometimes disappointing the intellectuals, but not making them entirely wrong. The important question is when, in which intellectuals are generally wrong meaning that the world is temporary in a period of modernity that can be described as post-post or neo modernity. The return of the conventional in every area will be the essence of that temporary period. Blue collars, social politics, industrial societies, nationalism, nationstates, national interest based international system, etc. Turkey and Russia by resisting to those postmodern winds for approximately the last fifteen years are advantageous or disadvantageous at the moment can be a timely question now.

Actually the modernist challenge in the 21st century has come from Russia with the concept of "sovereign democracy" as a signal flare of this post-post or neo-modernist tide. Any historian writing or speaking about 21st century Russia could easily focus on the continuity of her modernization process of three centuries. Sovereignty, democracy, infrastructure investments, centralization attempts, etc. were all the modern arguments and implementations. Russia of this century can be said to have the motto "classical is good" which made her the champion of modernity by permanent modernization. Turkey getting on that track later than Russia was more uneasy than Russia, but on the same track. Nation-state, national interest based foreign policy and infrastructure investments have been the main themes of her for at least the last five years. Above timely question deserves the timely answer here of both countries are more adoptive and advantageous to the new conjuncture. However for future predictions a short glance to historical patterns of the two with the West can give some aspirations.

Turkey and Russia have had relations with the West in opposite positions as a rule except for two periods in history, first the last quarter of 19th century and the second is the first decades of the 21st century. The opposite positions were the results of geostrategic choices, but which have determined the comprise processes of the western impact. The similar positions were both for conservative and defensive motivated. 19th century can be summarized as Ottomans trying to catch the West in spite of the fact that nationalism winds destroying the empire and Russians trying to stop the western impact in the country. Crimean war is an essential example for that contrary positioning and the west-sceptic government in Russia and western hegemony in Ottoman capital. Entire 19th century while Russia was championing the ancient regime, Ottoman empire was in a fast modernization process even at the cost of endangering the integrity of the empire. While Turkey chose to be articulated to the Western system, Russia was in a quest for an alternative model, at the cost of staying underdeveloped. Abdulhamid II and Alexander III created an exceptional period to that pattern at the end of 19th century which in Turkey is very popular nowadays to compare to contemporary politics.

As a result some questions and references can be put as an epilogue here: – Ideals and political implementation of postmodernity is entirely dead? Referring "Europe is dead." By Alexander Herzen. – Post-post modernity or neo-modernity are the same with modernized Russia and Turkey? Referring the 1876 constitution of Ottoman Empire and 1905 of Russia? – Geo-strategy can disperse domestic politics? Referring the modernization patterns of two cases. – In a post neo modern world will two cases have the advantageous position again? Referring to the fact that ideals of French Revolution have succeeded after 1815, 1830, 1848 and 1871 in a more different way, but essentially.

### Csaba Varga<sup>1</sup>

### GLOBAL FUTURE, SYSTEMIC CHALLENGES Changes in the Profiles of Law?

Law is only distinct in so far as there is an institutional claim that posits distinctiveness a notional *sine qua non*. As an agent in action, however, law is never detached from the human component and the latter's sociality.<sup>2</sup> At the same time, as an aggregate of abstract conceptual categories, the

#### law reflects intersubjective relations as *universally* typifiable *social* relations transformed into jural relations, which serves self-justification within its own system of fulfilment as a quasi-logical consequence and its perpetuation/enforcement with questioning excluded. Thereby social order is mediated by legal order as the final and supreme factor of social integration.

What needs (re)solution here, according to whatever general standard, is a conglomerate of human interests, with arising tensions and opposition amongst them. **Karl Marx** and **Carl Schmitt** equally described how human interests, even particular ones, have ever been asserted as universalised ones in history and how laws, both ancient and more contemporary ones, got a stamp of legitimisation by referring to their godly roots or natural law foundation or, par-

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<sup>&</sup>lt;sup>2</sup> Варга Ч. Загадка права и правового мышления: избр. произведения / ред. М.В. Антонова. СПб.: Алеф-Пресс, 2015.

ticularly in present times, being sprung/deduced from human rights. Human manipulation and ideological intervention notwithstanding, our intellectual world is ours: we are at home in it and routinised within it. It gets perceived and cognised via presuppositions mediated by socialisation and education ceaselessly,<sup>1</sup> the framework of which is pegged out by universalised moral principles, lived through as the natural condition of human existence, and is also shaped by *human imagination* within the bounds of what is conceived as *normality*.

Globalism is a politically motivated process the new potentialities of which are afforded by the contemporary scientific and technological revolution. Without prophesising on its possible outcomes in perspectives of a coming world economy and world society, it can be taken for granted that our present-day law's conceptual network, axiomatised by conventionalised principles within an ideally coherent system, will be wholly or partly shaken with consequences unforeseen.

#### **Challenges in Need of Direct Response**

Technological development ceaselessly raise challenges that are to be responded instantly. Biotechnics, nanotechnics, physical and chemical reconsiderations on both macro and micro level from armament to pharmacology and, last but not least, social explosion that may arise from new achievements of information technology, that is, a series of new actors/factors may become the source of new dangers, crying, as imminent calls, for regulation on a global scale – such as what to do with space or atomic garbage or with technologies that make information multiplication and distribution uncontrollable, for instance.

Accordingly, foundational values and basic principles are eminently targeted, with an urge to reconsider them, their reflective equilibrium, and the new - still toleratable balance amongst them, with no hope of much reliable prognostication. Well, how to react if, by inventing easy-to-use facilities, personality can be manipulated, programmed, changed all through? if abortion can be achieved through (as replaced by) organic regression? if undetectable arms will be developed with long delayed or very far reaching effect? if chemical, radioactive or cyber warfare is made available on a mass scale, which is easy to operate by one single person in isolation, under conditions when there will remain no genuine chance to identify the wrongdoer?2 if life expectations of human groups, either genetically specified or otherwise targeted, can be worsened or changed, almost at please and with no trace posteriorly successfully detectable? or, if there will be no reason any longer for copyright regulation at all, as technological innovation will by itself exclude any chance of control?

As known, technology is used to be seen as merely instrumental and, as such, quite neutral a function. However, lessons that can be drawn from 20th century brutalities show parallelity between the technological achievement of producing big earth moving machines like bulldozers, on the one hand, and genocides perfected on almost an industrial mass scale, on the other, so that the apparently deep human inclination to murder fellow creatures for political reasons could only materialise at a time when bulldozer machines were already invented and thereby it became possible to take over and move any amount of physical weigh to another place and reassemble it at please, involving the burial of human bodies, their concealment deep in the soul or dissipation in water streams. Perhaps it is not by chance that visions on the philosophy of history like Oswald Spengler's The Decline of the West have for long been associated with the idea of technological self-development, with technical processes becoming autotelic as a factor in the death of subsequent civilisations.

Who will then decide in technologically relevant issues? Following the direction of the development of post *legal positivism* having transformed into *legal socio-positivism* (transubstantiating judicial process into a multi-actor intercultural and multi-criterial discourse),<sup>3</sup> decision will certainly be done or prepared at least by experts' panels, presupposing not more demand on behalf of lawyerly assistance than mere channelling, drafting, and internal coherence testing – only provided that it will not be followed by American-type re-juridification again, wedging the lawyers' cast in the process again, in order to regain for the latter the monopoly of control, diverting the whole, socially all-inclusive process into American-type jurispathy.

#### New Dimensions of Law

Due to ongoing technological revolution, the legal phenomenon may gain *new dimensions* if it is given, among others, multiplied presence, qualitatively higher level of orderliness (as arranged "in books") and/or more centralised focus (as practiced "in action"), and – either as the main goal or as a side effect – technics enhancing/intensifying the scope and depth of its regulation.

How was the law objectivated and legal knowledge distributed in earlier times?<sup>4</sup> *Codex Hammurapi* once carved; the *Leges Duodecim Tabularum* versed for and memorised by pupils like the child **Cicero** was expected to do; the *Magna Carta* placarded on church gates once a year; the pre-revolutionary French *cahiers de doléance* as penny literature printed and sold at markets; and all the empiredom's laws card-indexed by the once All-Soviet Institute of Legislation, in order to enable the office establishing authoritatively what exactly and with what wording was in force; ending in the Austrian *eGovernment*, which is to give a computerised and, thereby, automated answer. What about the future of the laws' coherence? and of the new instru-

<sup>&</sup>lt;sup>1</sup> Varga Cs. The Paradigms of Legal Thinking [1996/1999] 2nd ed. Budapest: Szent István Társulat, 2012. [Philosophiae Iuris] & <a href="http://mek.oszk">http://mek.oszk</a>. hu/14600/14657/>.

<sup>&</sup>lt;sup>2</sup> For the British S[pecial]A[ir]S[ervice] Gibraltar action practically executing three I[rish]R[epublican]A[rmy]/A[ctive]S[ervice]U[nit] agents on March 6, 1988, see <a href="http://en.wikipedia.org/wiki/Operation\_Flavius">http://en.wikipedia.org/wiki/Death\_on\_the\_Rock</a>, with complaint dismissed by the European Court of Human Rights, see McCann and Others v United Kingdom Series A, No 324, Application No 18984/91(1995) in <a href="http://www.leeds.ac.uk/law/hamlyn/gibralta.htm">http://www.leeds.ac.uk/law/hamlyn/gibralta.htm</a>. As to practically undetectible wrongdoing, with effect of troubling (to crashing) basic working systems, cf. <a href="http://en.wikipedia.org/wiki/Cyberwarfare">http://en.wikipedia.org/wiki/Cyberwarfare</a> and Johann-Christoph Woltag Cyber Warfare Military Cross-border Computer Network Operations under International Law (Mortsel: Intersentia 2014) xviii + 314 p. [International Law 14].

<sup>&</sup>lt;sup>3</sup> Cf.: *Varga Cs.* Comparative Legal Cultures On Traditions Classified, their Rapprochement & Transfer, and the Anarchy of Hyper-rationalism. Budapest: Szent István Társulat, 2012. [Philosophiae Iuris] & http://mek.oszk. hu/15300/15386. P. 124.

<sup>&</sup>lt;sup>4</sup> Cf.: Varga Cs. Codification as a Socio-historical Phenomenon [1979/1991]. 2nd ed. Budapest: Szent István Társulat, 2011. VIII + 431 p. & <a href="http://mek.oszk.hu/14200/14231/">http://mek.oszk.hu/14200/14231/</a>.

mentalities making laws and legal changes globally radiated? in a form and with means enabling law to rule society with supreme normative force? while closing any channel through which *mores*, tradition, and common sense could any longer infiltrate it?

As known, the increasing brutality of warfare and the awakening conscience as the best humane reaction have eventually given birth to what is called international humanitarian law. Contrary to the way human conduct is processed in especially criminal law, here it is not facts legally defined that do constitute a case in law, but intent and foresight at the time of tactical planning and commanding execution of military operations, which get posteriorly reconstrued and assessed, judged in law.

Or, what role law is dedicated to play at all? As we, in sociology of law in Hungary, back in times of communist dictatorship, already professed, the law's exclusively effective – optimum – job cannot be more than the reassertion of ongoing social processes by the law's specific means and authority, that is, a final, symbolic, authoritative stamping. Albeit law is mostly – or too frequently at least – forced into the ugly and impossible role of a *Mädchen für alles*: to act as a demiurge, a substitute to all other means of social reform, taking on what is hardly more than political voluntarism.<sup>1</sup> Albeit making laws – instead of genuine allsocial reforms made – is sham action. Otherwise speaking, it is bound to fail while it degrades the law's prestige, too, at least on the long run.

And in what normative environment and with which expectations is law called to work? For millennia, in integral social organicity, law used to serve cementing community as (a) a frameworking ethos, (b) a prime agent of accumulation of societal experience of transcendence, institutionalised step by step, and (c) the final support of morality, which function became lately assisted also by (d) the lawyers' professional deontology, classically named as juristische Weltbild. As known, all this has subsequently been denied by the post-1968 Western world, with the very idea of social normativity dissolved under the aegis of libertinist individualism and with only law to remain as reduced to the role of a mediator amongst duellers, under conditions of social atomisation with neutral look at law-breakers and lawenforcers alike, just as if none of them were else and more than rivalling partners in a sporting event.

#### **Changes in Law**

It goes without saying that basic changes in how humans are organised into society and in the technology/culture by which their conduct can be influenced, may provoke basic changes in law as well.

In the future, possessing already a kind of information technology that enables it to process and taxonomise the whole variety of opinions of millions and to call, directly, masses for public actions, civil society may grow up to the point when, replacing state machinery, it takes power on politically organised society. For nowadays, by the way, as especially American research in social sciences has shown, random representation of civic opinion is used to prove more prudent, grounded, responsive and responsible as compared to so-called expert opinion, on the one hand. And, though random reaction is characteristically fuzzy, or, properly speaking, spread and scattered, in statistical probability their effect is by far foreseeably certain, on the other.

Hardly can anyone foresee now what technics for influencing human behaviour will be operated in the future. But perhaps it is enough to recall how much modifications in the implementation of social changes have been assisted by the mass media, new phenomenon of the 20th century, and how extensively the full instrumentality of mass manipulation has been recoursed to in both dictatorial and democratic regimes of the same century and afterwards. The same holds for social normality as well. For even our present image of personality has already been shocked by such novations like organ transplantation and biotechnics, and the mere technological potential of causing public danger, thanks to means easily available now or in the future, is in itself a challenge to classic freedoms, which already need to be heavily narrowed, or limited, by antiterrorist measures.

Still in its quality of a distinct phenomenon, law, tending also to preserve its own systemicity, develops mostly by changing the volume or extension of its rule-based regulation through narrowing or enlarging (via analogy) the scope it applies to. Any of the components will easily be shaken, as scientific-technical revolution may equally shape organic reproductive processes, disperse information in the electronic space, create virtual realities by projection (I mean here artificial reasons particularly, mastering us already in the field of finances, economic organisation, rule by law, and so on), up to annihilating life on earth – within the limits drawn by the law's general structure and abstract conceptuality.<sup>2</sup>

#### Change of Paradigms in the Understanding of Social Order

In the meantime, there has been a change of paradigms in our very understanding of the nature of sociality, of the way action is followed by reaction in the social space of normativity. Until the middle of the 19th century, the physical world outlook (once built by Nicolaus Copernicus and Isaac Newton) was adapted to social world, too: we were to search for causes and effects (and isolate them for analytic purposes as much as possible) in the chain of processes. However, the investigation into individual factors (i.e., causes/energies/effects) in those chains of (quasi-)causality was then replaced in thermodynamics and sciences of elementary particles by the turn of the 19th to 20th centuries, by a vision built on the average of what can be experienced in case of statistic masses and their probabilities. This led to the imagination of half closed, half open systems, exemplified by so-called autopoietic processes, in which the coordinates (or laws) of any ongoing operation are getting defined through (while and for) the operational process itself, that is, individually for each case. Accordingly, the idea of "order out of chaos", unthinkable beforehand for both scientific and theological reasons, became the explanation for micro-physics, and - gradually - for anthro-

<sup>&</sup>lt;sup>1</sup> Cf., e.g.: *Varga Cs.* Law and Philosophy: Selected Papers in Legal Theory // Comparative Legal Cultures. Budapest, 1994. XI + 530 p. [Philosophiae Iuris] & <a href="http://mek.oszk.hu/15300/15333/#">http://mek.oszk.hu/15300/15333/#</a> P. 43–76.

<sup>&</sup>lt;sup>2</sup> Legal machinery permits both discretionary answers and mutually contradictory conclusions to be drawn from the same wording, once there is support by sufficiently motivated legal reasoning, digging deep enough in what is meant by law. См.: *Варга Ч.* Право, юридический процесс и судейское сознание // Российский юридический журнал. 2011. № 4. С. 14–24.

pology, sociology, and the legal field as well.<sup>1</sup> Moreover, treating law as just one of the considerations rather than the sole *definitivum*, it became identified as the operational principle making the European Union work as well: the union and the national states, i.e., union laws and domestic laws challenging / responding to one another, and creating eventually thereby, from apparent diversity (close to sheer anarchy for micro-analysis), an unprecedentedly high level of law and order (at macro-level).<sup>2</sup>

Accordingly, oriented toward individual actors/acts and their inherent teleology, classical legal positivism is to respond to classical physical world outlook, while the "order out of chaos" vision — with a concept of order extended from micro-physics to the universe of the humans' world — corresponds to the stand taken by contemporary anthropology, sociology, and international legal scholarship. In neo-**Kant**ianism, methodological purity was a *sine qua non*. Now, in the legal regime of the European Union, memberstates continue following the old paradigm whilst their interaction both amongst them and with the European Union law proper, exhibits the new paradigm's features.<sup>3</sup>

It might be seen as symptomatic that in the twentieth year of the *Internationales Rechtsinformatisches Symposia* at Salzburg, there is a standing section devoted to *Science Fiction & Utopia*. For since the time of **Aldous Huxley's** *Brave New World* (1931), the world may have changed, but the past's vision of **Arthur Koestler's** *Darkness at Noon* (1940) so much as the totalitarian technicality forevisioned by **George Orwell's** *Animal Farm* (1945) have proved to be underestimated, compared with the hidden moves of contemporary historical reality.

Law tends to be conservative but, as known, within its own system of justification, optional technics with contradictory outcomes tolerate, permit, and sometimes expressly call for complete turns, with genuine volte-face, in judicial interpretation and construction. In accordance with it, possible renewals of law will mostly be the result of what we do perceive of as prerequisites of social/societal existence. This is to say that our present-day preference of preserving free choice to stately and individual entities will necessarily be counter-balanced (if not overruled) by the priority of what the security of bare community existence demands under new conditions. Perhaps the centuries old fight for liberty in modern times will also be remembered with resignation and nostalgia, as a failed Golden Age Two.

In contemporary public speech, buzzwords like 'natural law', 'constitutionality', 'human rights', and 'the Rule of Law', are highly popularised and defended as highestvalued goals themselves, although none of them can be an exception to the main ontological rule. For they stand for nothing but *instrumental values* within the realm of law. Consequently, their genuine value is a function of what fundamental values they mediate. Or, in the subsequent era of scientific-technological revolution, they may also be exposed to transformation hitherto unimagined/ unimaginable.<sup>4</sup>

Summing up, even some decades ago visions of future could be outlined through present tendencies extrapolated, for the future would only be what present tendences, their varying shifts of emphasis had accumulated. As to the present – the fact notwithstanding that the 20th century interwar period was already imprinted with the widespread feeling of *Weltkrise* –, not event directions can be taken as granted. The future will emerge from actions still to be carried out. In conclusion, a long series of alternatives is the only help to preview anything from the future.

### Jerzy J. Wiatr<sup>5</sup>

### TOWARD A NEW WORLD ORDER OF THE 21ST CENTURY

One hundred years ago, in the third year of the First World War, two unrelated events affected the world order for many future decades. The Russian Revolution of 1917 and the seizure of power by the Bolsheviks resulted in the ideological polarization of international relations. The newly established Soviet state perceived its relations with the outside world in terms of ideology (communism versus capitalism) rather than in terms of conflicting national interests. "We assert – Lenin declared in May 1918 – that the interests of socialism, the interests of world socialism are superior to national interests, to the interests of the state" (Pipes 1993, p. 166) The outside world reciprocated by treating Soviet Russia as an ideological enemy. Even after the normalization of diplomatic relations and the access of the Soviet Union to the League of Nations ideology remained the dominant factor in mutual relations between USSR and the outside world.

It was also in 1917 that, in his congressional address (of April 2) President Woodrow Wilson – when asking for the declaration of war against Germany – defined the goals of the United States in terms of values rather than interests.

<sup>&</sup>lt;sup>1</sup> Cf. Varga Cs. The Paradigms of Legal Thinking.

<sup>&</sup>lt;sup>2</sup> Варга Ч. Порядок из хаоса? Философия создания и применения европейского права // Коммуникативная теория права и современные проблемы юриспруденции: к 60-летию Андрея Васильевича Полякова / ред. М.В. Антонов, И.Л. Честнов. СПб.: Алеф Пресс, 2014. Т. 2. С. 54– 77; Правоведение. 2014. № 6. С. 218–235.

<sup>&</sup>lt;sup>3</sup> Or, a normative piece of information is issued by a union agency and, then, reacted to by some domestic agency, which then gets reacted/disputed/retorted to by any union or state level agency calling on domestic/union reconsideration, which latter will be responded to by a second union agency piece of information – which looks like a game itself, played/playable to infinity.

<sup>&</sup>lt;sup>4</sup> Varga Cs. Theory of Law Norm, Logic, System, Doctrine & Technique in Legal Processes, with Appendix on European Law. Budapest: Szent István Társulat, 2012. [Philosophiae Iuris] & <a href="http://mek.oszk.hu/15400/15409">http://mek.oszk.hu/15400/15409</a>. P. 189–201.

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Wilson declared that the United States "shall fight for the things which we have always carried nearest to our hearts – for democracy, for the right of those who submit to authority to have a voice in their own Government, for the rights and liberties of small nations, for a universal of dominion of right by...a concert of free peoples" (Whitney 1978, p.250).

After almost three centuries, Ideology re-entered international relations as the crucial factor. It does not mean that after the First World War states ignored their interests but it means that along with national interests - and sometimes even above them - ideological conflicts became dominant factors shaping the world order. What after the Westphalian Peace Treaty of 1648 and after the Vienna Congress of 1815 was the essence of world order - the balance of power based on national interests - has been replaced by ideological divisions. The Second World War was an armed confrontation between three distinctly different ideological camps: (1) the "Axis" of Nazi Germany, fascists Italy and nationalistic Japan. (2) the coalition of liberal democracies led by the United Kingdom and the United States, and (3) the communist Soviet Union. While each of this camps had its state interests, the war was fought for the goals which extended far beyond narrowly defined national interest. The victorious powers made an attempt to build the post-war world order on the mutual recognition of their respective national interests, as reflected in decisions of the Yalta Conference in February 1945 and in the Charter of the United Nations. Soon, however, it became clear that the fundamental ideological differences made lasting co-operation between two blocs of states impossible. The "cold war" was called (by the US President George H.W. Bush) "the struggle for the very soul of mankind" (Leffler 2007, p. 3). It was only because of the dramatic growth of the magnitude of weapons of mass destruction that the ideological confrontation between the two blocs have not resulted in the third world war.

Toward the end of the "cold war" the last leader of the Soviet Union Mikhail S. Gorbachev made an ambitious attempt to free world politics from ideological confrontation. He has abandoned the Leninist concept of the dominant role of "class interests" in international relations, replacing it by the appeal to "universal human values". In his main book he called for the establishment of "common European home" (Gorbachev 1987) and accepted the democratic transformation as well as the full sovereignty of the socialist states of Central Europe. The British historian Archie Brown stressed the importance of Gorbachev's approach to the new world order. "The notion of one civilization, of which the Soviet Union should be a part, and of one international economic system... - wrote Brown - figured prominently in Gorbachev's thought and speeches in the second half of his General Secretaryship" (Brown 1996, p. 315).

The utopia of one "common home" has not materialized for several reasons. One of them was the rapid and unexpected collapse of the Soviet Union following the abortive coup of August 1991 and the prolonged crisis of postsoviet republics, including the Russian Federation in the last decade of the twentieth century. The other, and more lasting one, was the emergence of new ideological divisions after the cold war.

These divisions took two main forms.

The first reflects the ideological orientations of the principal Western powers, particularly the United States

of America, committed to the policy of promotion of values and institutions of liberal democracy all over the world. The most dramatic manifestation of such policy was the American-led attack on Iraq in March 2003, which for several years to come poisoned the international situation and resulted in the intensification of what Samuel P. Huntington called "the clash of civilizations" (Huntington 1996). Former National Security Advisor to President Carter and an internationally recognized political scientist Zbigniew Brzezinski called this policy "catastrophic" and warned that "democracy becomes a subversive tolls for destabilizing the status quo, leading to an armed intervention that is justified retroactively by the argument that the democratic experiment has failed and that the extremism it produced legitimates the one-sided employment of raw power" (Brzezinski 2007, p. 155-156). The subordination of American foreign policy to ideological criteria of liberal democracy was the strongest during the administration of George W. Bush (2001-2009) but it continued during Barrack Obama's administration, even if in less fragrant forms. One of the consequences of the dominance of ideology is that in their relations with other states the United States tended to be guided by its evaluation of their domestic policies, particularly by the criteria of human rights. During his electoral campaign Donald Trump declared his intension to reorient American foreign policy from ideology to pragmatically interpreted national interest. It remains to be seen if - and how - this approach will affect the world order.

The second challenge came from the rapid growth of Islamic fundamentalism. Its growing influence and radicalization change the very nature of the world order. Radical Islamic fundamentalism ignores national interests and is ready to sacrifice them at the altar of faith. Its objectives are total and cannot be subject to compromises. After the second Iraqi war and particularly after the Arab Spring the confrontation between radical Islamism and the rest of the world intensified. Civil wars in Libya, Syria and Yemen as well as political tensions in Egypt and some other Arab states have a lasting, destabilizing impact on the world order.

The crucial question for the coming years is whether the crucial powers will be willing and able to depart from ideological approach to international relations and to return to the old paradigm of national interests. In several of my writing, including some published in Russian (Wiatr 2013, Wiatr 2015), I have postulated such approach arguing that it is by far easier to reach acceptable compromises when relations between states are based on mutually recognized national interests than when they reflect conflicting ideological goals. National interests do not exclude conflicts but the nature of such conflicts is different from the nature of conflicts based on ideologies. When conflicts result from opposing interests, there is always ground for a compromise. Conflicting sides agree to solutions which satisfy them partly (and, by definition, leave them partly dissatisfied). Diplomacy become an art of compromise. It may fail, but if conducted wisely it can produce mutually acceptable solutions. When, however, conflicts are based on values and ideologies a true compromise is very difficult and often quite impossible.

In the present world there is only one ideological conflict which cannot be solved through compromise. It is the conflict between radical Islamism and the rest of the world. As long as this challenge continue to grow, major powers of the world have no alternative but to present a common front in opposition to the Islamic challenge. Samuel P. Huntington was right when he postulated the alliance between two great civilizations (those of Western and Eastern Christianity) in their opposition to aggressive Islamism. For years (perhaps decades) to come this is going to be the main international conflict, which will call for common effort of all powers regardless of the differences in their internal political systems. The liberal democracies should and will defend – I hope successfully – their institutions and the spirit of freedom on which they are based. They should, however, be able to cooperate with other powers whose domestic order differs from so-called Western values. Democracy is born and develops out on domestic roots and cannot be effectively exported from abroad. In the new world order we should be able to cultivate common interests and peacefully solve our conflicts of interests where such conflicts emerge. In this we may benefit from studying the lessons of the past. The centuries preceding the dominance of ideological were not a "paradise lost" but they were by far less dangerous that the times of the great ideological confrontations.

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### A.V. Yakovenko<sup>1</sup>

### PRAGMATISM AND MESSIAHSHIP IN WORLD POLITICS: BATTLE OF PARADIGMS

International relations today are in the midst of deep transformation. This is a very natural period of transition from the unipolar (in many ways illusionary and mythical) worldview to a polycentric model. The transformation process in its turn is accompanied by competing foreign policy trends of pragmatism and messiahship of leading world nations.

Since recently separate representatives of the world community have been trying to impress upon us (and, obviously, upon themselves, too) that Russia's foreign policy is the policy of messiahship. With enviable regularity they offer condemnations that say that Russia exists specifically in order to teach other nations a lesson, or, to the contrary, to show how things are not to be done. This is, to put it mildly, untrue. Russia has never intended and never will impose ideas on others.

Russian foreign policy is focused first and foremost on its national interests, respect of international law and principles of equality. In the process of trying to find a balance in the system of international relations we value above all transparency and consistency. It is hard to ignore the fact that over centuries Russia has played a balancing role in the development of the world civilization. Moreover, if we choose to abandon empty slogans, we will see that over centuries Russia has proven again and again in practice her adherence to the principles of stable and sustainable world order. International security is something we do not take lightly. Among the practical (far from ephemeral) measures implemented by Russia in order to promote international stability are contributions to the Middle East peace process, counteracting organized crime, drug trafficking, and many other threats and challenges.

Historically speaking, any ties to messianic ideology were cut off quite logically ever since the dissolution of the USSR. Moreover, Russia abandoned all other ideologies in favor of the ideology of life. The ideological component has been removed from Russian foreign for more than 20 years. We simply don't need that. Instead of exporting fanatically the values, thoughts and ideas (as the West often does), Russia calls upon other nations to get together and to face the common challenges and threats, exercising the pragmatic model of multilateral diplomacy in its most adequate form.

Those of our partners who are sincerely focused on the primacy of international law, justice, healthy traditions and values, and those who build rational collective approaches to solving present-day problems, fit well into this main vector of Russia's foreign policy. They will not be confused by colorific verbiage on supposedly "destructive force of Russia's foreign policy," supposedly geared toward damaging the West, in the state of "relative decline." On the contrary this rhetoric is more characteristic for aspiring "world leaders" who are never shy to use the methods that are inconsistent with international communication rules and human ethics overall. They are also possessed by the desire to spread their values worldwide. In our view, however, these are pseudo-values, or post-Christian values. Moreover, the attempt to force someone to accept others' opinions has always been met with resistance. Messiahship in foreign policy is just a waste of time and energy that leads to zero re-

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sults and sometimes even to devastating losses. The Cold War, essentially repeated the experience of religious wars in Europe. Now, just as then, there are no alternative to Westphalian principles, which take the ideology beyond the framework of international relations. In short, Russia has long chosen the path of balanced pragmatism, which on the one hand provides for the countries development, and on the other rests on the premise of universality of political and diplomatic methods of approaching international relations.

### A.S. Zapesotsky<sup>1</sup>, E.F. Cheberko<sup>2</sup>

### TRANSFORMATION OF ECONOMIC RELATIONS IN THE ENVIRONMENT OF TODAY'S CIVILIZATION CRISIS

#### Capitalism, Socialism, Contemporary Economy

As it was already said at the Likhachov Scientific Conference, transformations of the world socioeconomic order are required urgently.

Academician O.T. Bogomolov wrote the following in connection with that: "Unfortunately, development of both political ideas and public conscience in the world community definitely does not keep up with understanding the essence and special features of changes taking place. The ideology, political practice and morals ruling in the world discredit themselves. Because of that the need to find new models for state and economic order as well as global order, which could be adequate to challenges of the "macroshift" taking place, is becoming more and more urgent. It was not accidental that the motto of the 2014 Forum in Davos was 'The Reshaping of the World: Consequences for Society, Politics and Business'. The discussions showed how important it was to have not only principal improvements of market and managerial mechanisms finding a suitable place in new models, but also humanitarian and democratic values, people's striving for peace, harmony and social justice''<sup>3</sup>.

Speaking at the 15th International Likhachov Scientific Conference, R. Grinberg, corresponding member of the Russian Academy of Sciences, said: "This or that way we know one thing, that we witness death of two great utopias – collective plan utopia and free market utopia<sup>"4</sup>.

Until recently, violent political confrontation of two world systems made their advocates try to prove that economy in which exclusively the planned system or exclusively the market system are governing, can be viable and self-sustainable. The essential characteristics of these models were opposed to one another as mutually exclusive and impossible in one economic system.

The capitalist and socialist economic systems were viewed upon as exact opposites in four key aspects: form of ownership in respect of production means, economy's driving forces, producer's motivation, the state's role in economy.

Without arguing the objectiveness of economic laws, one should not forget that they, in contrast to laws of nature, are referred to human behavior, they are interpreted by human conscience and affected by social and cultural factors.

The efficiency of these or those forms and mechanisms of the economic activities' arrangement is determined by social and cultural context of their realization to a considerable if not decisive extent.

The idea of efficiency is a special issue. What is efficient for some social strata may be inefficient for the others, or for all national economy, outplayed by others in global competition.

It's known that the most powerful country – the USA – is the advocate of liberal ideas today. It's thought that these ideas provide world dominance for this state. Americans created and maintain the myth about devotion to market economy. But really they have planned economy to a considerable extent. The level of development according to plan in the USA, the market economy which is considered the most "liberal", is higher today than the level in the Soviet Union. The biggest American corporations, creating most

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He was awarded the Order of Friendship, "For Life Saving" medal, "In Memory of the 300th Anniversary of St. Petersburg" medal, K.D. Ushinsky medal, Gold medal of the Russian Academy of Education. He was awarded the Diploma of Merit by the Ministry of Culture of the Republic of Bulgaria, SIMURG medal by the Azerbaijan Association of Culture and Academician Sapargaliev medal (Kazakhstan).

Russian Federation Government's Prize winner (2007) and St. Petersburg Government's Prize winner (2010, 2016) in education, Gorky Literary Prize winner (2007), RAS G.V. Plekhanov Prize winner (2015). Doctor Emeritus of universities of the USA, Ireland, Ukraine and Poland. Academician of the Academy of Sciences and Arts (Paris), European Academy of Sciences and Arts (Salsburg).

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<sup>&</sup>lt;sup>3</sup> Bogomolov O.T. The World in the Process of Radical Changes // Contemporary Global Challenges and National Interests: The 15th International Likhachov Scientific Conference, May 14–15, 2015. St. Petersburg: SPbUHSS, 2015. P. 46.

<sup>&</sup>lt;sup>4</sup> *Grinberg R.S.* [Discussion at the section "National Economies in the Context of Global Challenges"] // Contemporary Global Challenges and National Interests: The 15th International Likhachov Scientific Conference, May 14–15, 2015. St. Petersburg: SPbUHSS, 2015. P. 484.

of the gross national product (GNP), exceed the ministries that existed in the USSR in the scales of their activities. All of them use planning and directive methods for production process management. Their plans are embodied in orders to thousands of suppliers and subcontractors all over the world. The state budget is a form of directive planning at the macrolevel on a nationwide economic scale in the USA, more than forty percent of the gross domestic product (GDP) created in the country goes through it.

Most Soviet economists firmly stated that planned nature is not just more preferable than the market system but also absolutely incompatible with goods/money relationship, and as it is well-known it led to serious negative consequences.

On the contrary, Americans did not refuse from borrowing any important experience from the USSR. And though they overruled (perhaps for ideological reasons) Senator Humphrey's and Noble Prize winner Vasily Leontyev's draft law on introduction of national economic planning presented to the US Congress, they effectively apply in practice such method of state regulation as target programs. As a result, the system in which pragmatic ideas won over apologetic ideas won by the end of the 20th century, and the ratio of the planned character and market nature came closer to the optimum proportions.

Defeat in the Cold War and disintegration of the USSR led to fading of the discussion of the economic world order for a short time. Meanwhile, contradictions inherent in the capitalist system, did not disappear anywhere, and in time they became aggravated up to the evident crisis. And so severe that discussion started on the historical resource of this production method.

Refuting the opinion of its being exhausted, the former President of France N. Sarkozy, speaking at the World Economic Forum in Davos, said: "The crisis we're experiencing is not the crisis of capitalism. This is the crisis of unnatural capitalism – the crisis connected with the loss of values which have always been the basis of capitalism. Capitalism has always been inalienable from the system of values, the idea of civilization, the idea of humankind. Purely financial capitalism is distortion, and we saw the risks it presents for the world economy. But anti-capitalism is a dead end, and that is even worse. We can save capitalism by its restoration, by restoration of the moral aspect"<sup>1</sup>.

However, many people think that today's capitalist system has already exhausted its internal resources for development and the "purely financial capitalism" mentioned by Sarkozy is not a distortion but expected degradation of this production method. Restoration of moral aspects of the past is not a new idea but no one has ever managed to do it until now. And won't manage.

For example, W. Sombart tells about futility of attempts to change the nature of capitalism by "inserting" some ethical norms into it. "Those who hold the view that giant-capitalism destroys nature and people, will hope that it will be pinned down and returned in the cage from which it broke out. And they thought to bring it back to its senses by ethic persuasions. It seems to me that such attempts will fail pathetically. It tore the iron chains of ancient confessions and there is no doubt that it will not allow to tie itself with silk threads of Weimar and Königsberg doctrine of wisdom".

<sup>1</sup> The Global Competitiveness Report 2009–2010: Report at the World Economic Forum. Davos, Switzerland, January, 2010. Moscow, 2010.

At the same time the scientist thinks that capitalism, resistant to outside strikes, has a self-destruction source in its very nature: "But will its madness continue forever? Won't it get tired running? I think that it will happen. I think that a trend for decaying and killing it from inside lies in the nature of the capitalist spirit"<sup>2</sup>.

It seems that the attention of theoreticians and practical workers specializing in economic relations will be focused on the issue of crisis of the contemporary capitalism's nature and ways of getting out of it.

#### Entrepreneurship Development and Decommercialization: Counter Trends in Contemporary Economy's Evolution

Today, we're speaking not only about the change of the role of market mechanisms and developing according to plan mechanisms of economy's functioning but also about the change of their essential characteristics and forms of interaction. There are changes in capitalist economy that are called the decommercialization process3. The trend for stratification in two parts is more evident in world economy: noncommercial activities of economic character and business as a process of getting profits. The boundary between them cannot be always definitely determined, however, as a rule it is clearly sensed by the participants of the processes. In the beginning of the previous century, property ownership was separated from management in western countries, in the beginning of this century separation of business from the rest of the economy is becoming stronger in the same way.

Surely, budgetary expenses of the state for social security, science, education, health, law enforcement, etc. make the noncommercial sector of the economy. And this part of the economy is quickly growing in developing states. We'll also mention such phenomena as charity, volunteer work, crowd sourcing, protection of fauna's and flora's ecology, fighting for political correctness and a number of other kinds of activities not focused on getting profits by the participants. According to some estimations, noncommercial activities in developed countries take about one half of individuals' active time.

Noncommercial activities of numerous international organizations engaged in political, cultural, educational and health protection activities, including the United Nations, UNESCO, UNICEF and others are expanding and deepening.

If we take theories, all concepts grounding refusal from expansion and deepening of market principles of the economy in favor of fuller taking into account principles of justice, moral debt to the society, care of man, are strengthening. The aggregate of these concepts is already called the decommercialization paradigm<sup>4</sup>.

The counter trend in respect of decommercialization is penetration of entrepreneurship into culture, education,

<sup>&</sup>lt;sup>2</sup> Sombart W. The Bourgeois. The Jews and Economic Life. Moscow, 2004. P. 354–355.

<sup>&</sup>lt;sup>3</sup> *Kleiner G.* Decommercialization of Economy as Cultural Project on the Way to Formation of Culturological Theory of Economy // Humanitarian of the South of Russia. 2015. No 2; *Kleiner G.* Decommercialization Paradigm: Global Imperatives and National Interests // Contemporary Global Chalenges and National Interests: The 15th International Likhachov Scientific Conference, May 14–15, 2015. St. Petersburg: SPbUHSS, 2015. <sup>4</sup> *Kleiner G.* Op. cit.

sport, science, politics. Serious changes are taking place here as well.

The state of affairs, noticed by Canadian scientist P. Dutkiewicz is of interest in this connection: "In order for the market system to function, everything that can be turned into a commodity is turned into a commodity, given value through transactions realized on the market. Everything is for sale and everything is for buying – the free market has entirely transformed society as instead of the economy being "embedded" in other social relations, social relations are embedded in economic system. Globalization (or internationalization of global proportions) enlarged the scale and depth of that process, making globalization equal to worldwide commodification of social relations"<sup>1</sup>.

The trend opposite to decommercialization is described. But who needs the world in which all relations acquire a commodity form: friendship, love, free creativity, relations between parents and children?..

Commercialization of democratic institutions of the society nullifies competition as the most important element providing effective functioning of the market and expands our ideas of corruption.

Big corporations all over the world are more and more often getting profits as an absolute rent, realizing their political and economic supremacy. Today, there are numerous ways to increase profits without satisfying the society's requirements. Financial speculations are widespread. Money together with providing production needs turned into independent production means, by-passing commodity exchange. Such capitalism cannot be effective.

Expansion of entrepreneurship sphere and decommercialization as counter trends of economic life have deep historical roots.

Here we can remember that already Aristotle divided human activities into natural, connected with creation of prizes of life, and activities focused on acquisition of monetary riches. He named the science of creation of the first kind of riches economics and the second – chrematistics.

J. Schumpeter mentioned "the contrast of two types of behavior which we can imagine as antithesis of two types of economic agents: 'just owners' and 'entrepreneurs'"2. He writes about that without moral characteristics. But in W. Sombart's works we find assessment of changes in economic ethics of capitalism. W. Sombart distinguished 'oldstyle bourgeois' and 'highly capitalistic spirit' of contemporary to him western society. In his opinion, the first is still not treating riches as a goal in itself. He respects only riches that were obtained honestly. There are still moral limitations proceeding from the existing understanding of decency in business relations. The highly capitalistic spirit is characterized by the principal change of value-based preferences. Here an entrepreneur is governed by "two abstractions: profit and business"3. All other values are actually moved aside.

One can say that the misbalance of entrepreneurship and decommercialization of economic activities has destructive consequences as the Russian experience convincingly certifies. There was an attempt to fully refuse from economic activities in the form of entrepreneurship in the Soviet period. After understanding the lack of prospects of this way, our country started another, no less erroneous experiment where there was an attempt in the course of liberal reforms to solve all problems of economic development basing exclusively on entrepreneurship model.

#### **Contemporary Convergence**

When discussing the issue of effective ratio of market and development according to plan, specialists address the convergence theory. Such outstanding scientists as P. Sorokin, J. Galbraith were among its advocates<sup>4</sup>.

Today, China attracts special attention in this context. The contemporary Chinese model demonstrates high efficiency, and many states having to solve the problems of economic system's transformation, are inclined to imitate China. It's significant that Stephen Halper named his work "The Beijing Consensus: How China's Authoritarian Model Will Dominate the Twenty-First Century"<sup>5</sup>. Halper calls the Chinese system authoritarian and Russian scientists call it convergent<sup>6</sup>.

In this connection academician Bogomolov mentions: "Many states from Latin America to the Middle East are inclined to imitate China. China is really looking for a postreform development model, naming it socialist harmonious society. And this model is called to combine civilized market relations and socialist justice as well as regulating role of the state. Europeans, especially Scandinavians practice what is named welfare state model, and in Germany it is called people-first market economy. These new models have already taken root in Europe and justified themselves in many aspects"<sup>7</sup>.

The opinion of the convergence's essence changed: "This is not tainted capitalism and as if failed socialism drawing together because capitalism is not eternal and not without sins, and there has never been any socialism 'in kind'. In our times, convergence is seen in private entrepreneurship economy and developing according to plan economy drawing together constantly, their starting inter-penetration with mutual enrichment and disappearance of not required elements"<sup>8</sup>.

The new approach means that instead of contrasting two antagonistic systems, institutional variety of economic models is examined. A comprehensive economic model is built, creatively borrowing some institutions from one another and transforming them.

It seems that the principle of alternatives has exhausted itself. It's not accidental that academician V.S. Styopin

<sup>&</sup>lt;sup>1</sup> Dutkiewicz P. Market, Modernization and Democracy. Inter-Civilizational Debate // Dialogue of Cultures Under Globalization: The 12th International Likhachov Scientific Conference, May 17–18, 2012. St. Petersburg: SPbUHSS. V. 1: Reports. P. 84.

<sup>&</sup>lt;sup>2</sup> Schumpeter J. The Theory of Economic Development. Moscow, 1982. P. 177–178.

<sup>&</sup>lt;sup>3</sup> Sombart W. Op. cit. P. 131.

<sup>&</sup>lt;sup>4</sup> Sorokin P.A. The Main Trends of Our Times. Moscow, 1997; Galbraith J.K. The New Industrial State. Moscow; St. Petersburg, 2004.

<sup>&</sup>lt;sup>5</sup> Halper S. The Beijing Consensus: How China's Authoritarian Model Will Dominate the Twenty-First Century. N.Y., 2010.

<sup>&</sup>lt;sup>6</sup> *Tsagolov G.* The Great Chinese Convergence. About the New Book by E.P. Pivovarova "Socialism with Chinese Special Features" // The Journal of Economic Issues. 2011. No 11.

<sup>&</sup>lt;sup>7</sup> Bogomolov O.T. Dialogue of Cultures Brings Peoples Closer and Enriches Them // Dialogue of Cultures: Values, Meanings, Communications: The 13th International Likhachov Scientific Conference, May 16–17, 2013. St. Petersburg: SPbUHSS, 2013. P. 32.

<sup>&</sup>lt;sup>8</sup> Deikin A.I. Obama Saves Capitalism // USA–Canada. Economy, Politics, Culture. 2011. No 4.

thinks that one of the main reasons of the Russian reforms' of the 1990s failure was contrasting the market and regulation of the economy by the state<sup>1</sup>.

In the nearest future, it's very likely to expect rivalry of various configurations for building convergent economy, based on various national and cultural historical experiences. It seems that the contemporary capitalism development crisis will be overcome in the course of such rivalry. Surely, if it is overcome at all.

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<sup>&</sup>lt;sup>1</sup> Styopin V.S. Russian Mentality and Market Reforms // Economy and Social Environment: Unconscious Inter-Influence. Proceedings and Essays. Moscow, 2008. P. 147.

# Plenary Session GLOBAL WORLD: SYSTEM SHIFTS, CHALLENGES AND CONTOURS OF THE FUTURE

# May 18, 2017 Petrov Theatre and Concert Hall, SPbUHSS

## PART I

### CHAIRPERSONS:

K.I. KOSACHOV	Chairman of the Foreign Affairs Committee of the Federation Council of the Federal Assembly of the Russian Federation
M.A. MORATINOS CUYAUBÉ	Minister of Foreign Affairs of the Kingdom of Spain (2004–2010), Dr., Honorary Doctor of SPbUHSS
M.V. SHMAKOV	Chairman of the Federation of Independent Trade Unions of Russia, Vice-President of the International Confederation of Free Trade Unions, Vice-President of the European Regional Council of Trade Unions
V.S. STYOPIN	Head Section of Philosophy, Political Science, Sociology, Psychology and Law of the Department of Social Sciences of the RAS, academician of the RAS, Dr. Sc. (Philosophy), Professor, Honorary Doctor of SPbUHSS
A.S. ZAPESOTSKY	President of SPbUHSS, corresponding member of the RAS, Dr. Sc. (Cultural Studies), Professor, Scientist Emeritus of the Russian Federation
SPEAKERS:	
E. AGAZZI	Professor of the University of Genoa (Italy), foreign member of the RAS, Ph.D.
E. BAĞIŞ	Minister of European Union Affairs of the Republic of Turkey (2011–2013)
V.A. CHERESHNEV	Director of the Institute for Immunology and Physiology (the Urals branch of the RAS), member of the Presidium of the RAS, academician of the RAS, Dr. Med., Professor, Honorary Doctor of SPbUHSS
P. DUTKIEWICZ	Director of the Centre for Governance and Public Management at Carleton University (Canada), Ph.D., Professor
A.A. GUSEYNOV	Principal Adviser for Academic Affairs of the Institute of Philosophy of the RAS, full member of the RAS, Doctor of Philosophy, Professor, Honor- ary Doctor of SPbUHSS
G.A. HAJIYEV	Judge of the Constitutional Court of the Russian Federation, Doctor of Law, Professor, Honoured Lawyer of the Russian Federation, Honorary Doctor of SPbUHSS
H. KÖCHLER	President of the International Progress Organization (Vienna, Austria), pro- fessor at the University of Innsbruck, Ph.D.
V.L. KVINT	Head of the Financial Strategy Chair at the Lomonosov Moscow State Uni- versity, foreign member of the RAS (USA), Dr. Sc. (Economics), Professor
V.L. MAKAROV	Director of the Central Economics and Mathematics Institute of the RAS, academician of the RAS, Dr. Sc. (Physics and Mathematics), Professor
A.S. MAKSIMOV	Chairman of the Committee for Science and Higher Education, St. Petersburg Administration

J.A. MARCH	Ambassador Extraordinary and Plenipotentiary of the Kingdom of Spain in the Russian Federation (2008–2011)
A.A. PANKIN	Director of the Department of International Organizations of the Ministry of Foreign Affairs of the Russian Federation
J.A. SCHOLTE	Professor of the Peace and Development Department at the University of Gothenburg (Sweden)
V.A. SEVRIKOV	Deputy Plenipotentiary Representative of the President of the Russian Federation in the North-Western Federal District
V.T. TRETYAKOV	Dean of the Higher School (Department)

J. WIATR

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Minister of National Education of Poland (1996–1997), deputy to the Polish Parliament (Sejm) (1991–1997, 2001), Dr. Sc. (Sociology), Professor

of Television of Lomonosov Moscow State University

Plenary Session. Global World: System Shifts, Challenges and Contours of the Future

A.S. ZAPESOTSKY: - Dear colleagues! I'll traditionally say a few words on behalf of the Organizing Committee of the Likhachov Scientific Conference.

This year, our forum is held for the 25th time. The Likhachov Scientific Conference was launched in 1993 the Days of Science were organized in the St. Petersburg University of the Humanities and Social Sciences. The Days of Science were initiated by outstanding Russian scientist and humanitarian, academician of the Russian Academy of Sciences Dmitry Sergeevich Likhachov, and he participated in them for several years. After D.S. Likhachov passed away, writer Daniil Granin and I addressed the President of Russia Vladimir Putin, suggesting to memorialize Likhachov. The decree was drawn up in the Department of Presidential Affairs of the Russian Federation within three days and signed by Vladimir Putin, it contained a number of measures for immortalizing Dmitry Likhachov. One of them was holding the International Likhachov Scientific Conference. Thus, the Days of Science turned into the International Likhachov Scientific Conference. The Scientific Conference has been held for many years already with the support of the Russian Academy of Sciences and the Ministry of Foreign Affairs of the Russian Federation, using state resources.

About fifteen hundred people take part in the Likhachov Scientific Conference annually, with 750 of them being the best schoolchildren from Russia and foreign states, who took part in the "D.S. Likhachov's Ideas and Modern Times" contest during the previous year.

This year, representatives of more than 25 countries of the world from all continents (except Antarctica) take part in our forum, they are the leading scientists-humanitarians and outstanding state and public figures. There are more than 170 reports by the participants on our website. More than 95 % of the participants are Doctors of Sciences. May be, a drawback of the Conference is a small number of young people taking part in it (Candidates of Sciences, etc.). But it's extremely difficult to compete when papers are selected for the Likhachov Scientific Conference.

Traditionally, we do not read reports, but offer people to speak shortly, presenting the main ideas and discussing the other reports. There will be three panel discussions and sectional meetings besides the plenary meeting held as parts of the Conference.

What do we expect from the Likhachov Scientific Conference? As D.S. Likhachov taught us, every time we select the most important for Russia and the world community problems of our times for the Conference. We consult outstanding representatives of the world scientific community about the issues we would like to discuss. And we think that practical results of our discussions should be first of all interesting for the people determining the world politics. After consulting colleagues, we've worded the topic of this Likhachov Scientific Conference, close to the one suggested by scientist-humanitarian from Canada, Professor Piotr Dutkiewicz - "Global World: System Shifts, Challenges and Contours of the Future".

The forum provides an opportunity to take our ideas to the world community, the information and reports are presented on our website in Russian and in English.

One of the most serious tasks today is to define what is happening to the global community, the leadership of the West and the USA, the civilization model, where the West has been the locomotive for many years. Currently, this model has lost its dynamism. For example, many representatives of Asia think that the Western model can no longer serve as an example to be followed. Most Western countries, especially leaders in economic development, are looking for the ways, being most fully in accordance with their national interests. We are witnessing the most complex processes taking place within the today's globalization.

Currently, the globalization processes are slowing down, which seemed impossible only two or three years ago, and some of them even reversed their course. Return to nation-states is beginning to show, that's turning back from the idea of association of various states into transnational unions (that was promoted after World War II by Charles de Gaulle and Churchill, adopted by Stalin, etc.), when the world transferred from the idea of dominating nation-state to setting up big transnational associations. We are watching the crisis of European community - today, events, which were impossible in the past, are taking place. The European Union after its boost and demonstrating the world an example of building harmonious relations in various fields (economy, law, the system of values) is in crisis. The UK is exiting the EU. The President, who announced refusal from participation in globalization as one of the items of his program during the presidential campaign, won the election in the USA. It's important for us to discuss this state of affairs here.

There are other interesting topics for discussion as well. A lot of people in Russia, which is going its own way, ask the following questions: does a scientist-lawyer have the right today to stay only a lawyer, or does he have to comprehend and interpret the legal issues in the general context of culture, to understand how they are connected with the development of the country, world community, economy, politics? Can an economist limit himself today to calculating dividends, the method of distributing profits, or should he look upon the phenomena much wider, taking into account the connection of various subsystems of culture? Can a trade union leader, who is solving various problems (including those connected with wages), think today only about raise of wages, or should he analyze the laws governing historical development of his country, national interests, the way economy is developing in his country and how all that is coordinated with general trends of global development? Can politicians, who are building the international system, do it today, guided by customs and not taking into account what happens to the system of international law, economy (which is according to Marx is a driver of politics)?

Currently, it's required to give a new meaning or interpret differently some phenomena, to understand how the nature of capitalism changed and what it means in the developed Western countries, emerging Asian economies and certainly in Russia. I think that each of us should go beyond our narrow scientific interests and see how certain knowledge, which we are getting, and ideas, which we are working out, are correlated with the general picture of the world, comprehend what awaits us today and in which direction we should move. This is the main goal of the Likhachov Scientific Conference. I wish you success in your work!

The floor is given to Vladimir Alexandrovich Sevrikov, Deputy Plenipotentiary Representative of the President of the Russian Federation in the North-Western Federal District.

V.A. SEVRIKOV<sup>1</sup>: – The President of the Russian Federation V.V. Putin sent his welcoming address to the participants of the 17th Likhachov Scientific Conference:

"Dear friends!

I'd like to welcome you on the occasion of the 17th International Likhachov Scientific Conference.

Your meetings have become an important, expected event in the public life of St. Petersburg and the whole country. It's encouraging that in all those years organizers and participants of the Conference have been keeping alive the established traditions, paying most serious attention to important, basic issues referring to civilization development and dialogue of cultures. They follow the precepts of the great humanist and educator Dmitry Sergeevich Likhachov.

I'm sure that this forum will work creatively and constructively, will be remembered for interesting, productive discussions, informal and really friendly atmosphere.

I wish you success.

President of the Russian Federation Vladimir Putin".

**A.S. ZAPESOTSKY:** – The floor is given to the Director of the Department of International Organizations of the Ministry of Foreign Affairs of the Russian Federation Alexander Anatolyevich Pankin.

**A.A. PANKIN<sup>2</sup>:** – Dear friends! Allow me to read the welcoming address by the Minister of Foreign Affairs of the Russian Federation S.V. Lavrov to the participants, guests and organizers of the 17th International Likhachov Scientific Conference:

"I'd like to sincerely welcome organizers, participants and guests of the 17th International Likhachov Scientific Conference.

Your regular meetings in St. Petersburg certify that the academia and groups of experts, large sections of the population in various states are inclined to actively help searching for optimal solutions of numerous issues of the modern times in order to maintain trust and mutual understanding of nations. Your meetings are invariably characterized by the impressive composition of participants, hard-driving, varied agenda.

The topic of the present forum is fairly urgent. In the environment, when old crises and conflicts remain and new originate, it's required to unite efforts to overcome them politically and diplomatically on a firm basis of international law. Any unilateral steps, attempts to thrust one's will, values, development models on the others, on the contrary, aggravate the world situation, which is already turbulent.

Consequently, we proceed from the fact that progressive development and flourishing of all humankind is impossible without real democratization of international life, arrangement and setting straight of mutually respectful, intercivilization and inter-cultural partnership. Russia continues working on strengthening healthy principles of world affairs, on the whole formation of sustainable polycentric world order consistent with the requirements of the time.

I wish you interesting discussions and all the best!"

The topic of the 2017 Likhachov Scientific Conference "Global World: System Shifts, Challenges and Contours of the Future" is the issue of great interest and pressing concern. There will be a lot said about shifts, challenges, NATO, polycentricity, threats, terrorism. But in order to outline the profiles of the future, it's necessary for this future to be. Today, we've come to a red line, when certain actions can deprive us of the future. Because of that efforts should be concentrated on keeping peace and not allowing

<sup>&</sup>lt;sup>1</sup> Deputy Plenipotentiary Representative of the President of the Russian Federation in the North-Western Federal District. In 2004–2007 – assistant to the Plenipotentiary Representative of the President of the Russian Federation in the Southern Federal District; in 2007–2008 – Deputy Plenipotentiary Representative of the President of the Russian Federation in the Southern Federal District; in 2008–2009 – Deputy Head of the Department of Presidential Affairs of the Russian Federation for Home Policy; in 2010– 2011 – Deputy Plenipotentiary Representative of the President of the Russian Federation in the Ural Federal District. He was awarded the first-class medal of the Order for the Service to the Motherland.

<sup>&</sup>lt;sup>2</sup> Director of the Department of International Organizations of the Ministry of Foreign Affairs of The Russian Federation, Envoy Extraordinary and Plenipotentiary, first class. In 2001–2005 – senior adviser in the Permanent Mission of the Russian Federation to the United Nations Office and other international organizations in Geneva. From 2005 to 2010 – Deputy Director of the Department of International Organizations, in 2010–2014 – First Deputy Permanent Representative of the Russian Federation to the United Nations Office in New York. He was awarded the Certificate of Acknowledgement by the President of the Russian Federation, the badge For Distinguished Service by the Ministry of Foreign Affairs of Russia.

any global conflict. A kind of the Bible was created to regulate such processes – the code of laws and principles that is called the Charter of the United Nations. It has not become outdated over the last 70 years, and it is adapted to the contemporary environment. It is impossible to lead civilized life without rules. It's very dangerous to change rules on the way, without coordinating them with anyone, because of that it is necessary to pay attention to the fundamentals of the world order, norms and the role of the United Nations in our discussions as we did in the past, and not as an institution but as an aggregate of opportunities that allow member states of the UN Organization to agree and determine their future.

A.S. ZAPESOTSKY: – The floor is given to a member of the Presidium of the Russian Academy of Sciences, academician Valery Alexandrovich Chereshnev.

**V.A. CHERESHNEV**: – Dear colleagues! Allow me to continue the official part and read the welcoming address by the acting President of the Russian Academy of Sciences Valery Vasilyevich Kozlov:

"I'd like to welcome participants and guests of the 17th International Likhachov Scientific Conference on behalf of the Russian Academy of Sciences!

Over the past years, the Likhachov Scientific Conference has become a recognized and important venue for scientific discussions of the today's key issues. Now, your scientific forum focuses on such important for everyone topics as "Profiles of the world order in the 21st century", "The crisis of civilization: the future of man and humankind", "Economy and law: systemic changes, challenges and profiles of the future". Comprehension of the main global development trends based on the creative legacy of D.S. Likhachov and his humanistic ideas will help searching for efficient answers to common to all challenges. The Likhachov Scientific Conference invariably interests Russian and foreign scientists, statesmen and public figures united by their understanding of system shifts that took place in the global world and striving to determine the profiles of the future.

I wish fruitful scientific discussions, personal and professional achievements to all participants of the scientific forum!

Acting President of the Russian Academy of Sciences, academician V.V. Kozlov".

The things we today call challenges, global world, globalism, etc. are the issues of ideological character. And currently the ideology is promoted not by the Eastern bloc, but the Western elite, which until now cannot refuse from neoliberal globalist approach. In this sense, the role of science strongly increases as false information, fake messages, the so-called alternative facts have filled the whole information space. The methods for affecting mass conscience are developed more and more. And here it is impossible to do without science that can give an answer, investigate and understand these artful designs and cunning tricks.

I'd like to draw your attention to the new scientific theory, which is fully correlated with today's issues. It was worded by academician of the Russian Academy of Sciences, Director of the Institute of Philosophy Andrey Vadimovich Smirnov and got the name "Collective, Cognitive, Unconscious" (CCU). This theory is referred to culture, conscience, global problems of the modern times: collective – to the laws governing development of culture, cognitive – to mechanisms of conscience. The conscience in the process of processing information is always basing on intuitive inquiries, which are realized by representatives of this or that culture. The collective, cognitive, unconscious is present in every nation, people of every country, it has many variants. But in practice big agglomerations of culture (Islamic world, Western world, China, India, Russia) are always using one variant of the collective, cognitive, unconscious, independent of them.

I'll give an example. There is a definite dichotomic division into secular and spiritual (music, power, etc.) in the history of the West. There is no dichotomy in the Moslem world with clear distinction of the other world and this world. They can exist only when they exist together and in dynamics. That is, a Moslem's personality is always triune. The 20th century corrected this understanding. After World War I, when the Ottoman Empire fell, Atatürk came to power and started building secular state quickly. Sultanate was abolished in 1922, caliphate was abolished in 1924, and they are spiritual ties or braces. In 1925, Sheikh Abd Ar-Razzaq's book Islam and Fundamentals of Governance was published, he wrote in particular in it that the spiritual should stay with Islam, and everything terrestrial should be given to secular institutions. There are definite criteria presented in the book for expediency and efficiency. He offered to transfer to the Western model and worded the theory of cultural Islam, but it was supported by only a few people As an answer, he got the theory of Moslem theoreticians presenting the concept of political Islam, they flatly rejected his theory thinking it to be an intrusion in Islam.

In our times, political Islam is spreading wider and wider and metastasizing in the form of the 'Islamic State' as an extreme manifestation of political Islam. And these metastases still cannot be eliminated by any therapy, even bombardments. It would seem that it is possible to give a simple answer to this difficult question, if we used the CCU concept. This happens because cultural Islam made an attempt on the most sacred for a Moslem - it tried to tear the triune structure of his personality. And these processes can exist only together and in dynamics (one domineering at first, then the second), and the celestial is always correlated with the terrestrial. No hierarchization, dichtomization, there can be no division. But they do not understand it. And the stronger cultural Islam presses CCU of traditional Islam, the stronger spring is compressed, and the quicker it uncoils, and it does it really quickly and using force.

Today, exactly that happens in Libya, Iraq, Afghanistan, Syria – Western models are forced upon them, and they answer with war, violence, terrorism. What is to be done? It could seem that traditional thinking prescribes elimination of political Islam and giving way to cultural Islam, besides, physical annihilation of all terrorists. But it's required to follow not the logical thinking, but act the other way round, that is give the right to cultural and political Islam to have a dialogue with the help of other civilizations. And Russia here can offer a concept, formulated in the 19th century by Danilevsky and Dostoyevsky – the concept of the all mankind development and not common to all mankind. The all mankind development may be based on its own foundations, borrowing positive ideas from other cultures. If we manage to develop this project, it will become attractive to other states – and it will be Russia's contribution to the new civilization approach, comparable with the Russian Academy of Sciences and Russian universities scales.

A.S. ZAPESOTSKY: – The floor is given to the Chairman of the Committee for Science and Higher School, St. Petersburg Administration, Andrey Stanislavovich Maksimov.

A.S. MAKSIMOV<sup>1</sup>: – Dear Alexander Sergeevich, members of the Presidium and participants of the Likhachov Scientific Conference! Allow me to perform the honorary mission and read the welcoming address by St. Petersburg Governor Georgy Sergeevich Poltavchenko:

"Dear friends!

I'm happy to welcome participants and organizers of the International Likhachov Scientific Conference in St. Petersburg!

Over the years of its holding, this representative forum has taken an important place in public and cultural life of our city. The participants discuss issues that are of pressing concern today, basing of the richest creative and scientific legacy of the greatest educator of the 20th century – academician Dmitry Sergeevich Likhachov.

Today, the whole world is living in challenging times. The mankind has to deal with new challenges, the scales of which are not limited by one country or one continent. And it's extremely important to make plans for the future in this environment, acting for the benefit of all national cultural systems and maintaining the balance of interests of individual states and the world community as a whole.

I'm sure that academician Likhachov's lessons will become a guiding light and a source of inspiration for all who strive for peace, good and mutual understanding.

I wish the participants of the 17th International Likhachov Scientific Conference creative enthusiasm, fruitful discussions and new achievements!

St. Petersburg Governor Georgy Sergeevich Poltavchenko".

I think it an honor to say Dmitry Sergeevich Likhachov's words when speaking from this rostrum, the words directly referring to the topic of the 2017 Likhachov Scientific Conference: "Russia is a great country. Great not because of its territories, not its military glory, even not industry or resources of raw materials, but first of all its onethousand-year culture that gave the world unique works of literature, architecture, music, arts. This 'greatness' of Russia cannot but bring about hostility towards it. On the contrary, the great culture is reconciling in its essence". These Dmitry Sergeevich's words should direct discussions that will take place as a part of the Likhachov Scientific Conference.

**A. S. ZAPESOTSKY**: – I give the floor to the Chairman of the Foreign Affairs Committee of the Federation

Council of the Federal Assembly of the Russian Federation Konstantin Iosifovich Kosachev.

**K.I. KOSACHOV<sup>2</sup>:** – Dear Alexander Sergeevich, dear colleagues! I'd like to tell you that the Chairwoman of the Federation Council (and St. Petersburg Governor before that) Valentina Ivanovna Matvienko sends you her sincere greetings and wishes of successful work. She remembered with warm feelings how she had spoken from this rostrum in 2009.

I'll quote Dmitry Sergeevich Likhachov's *Letters about the Kind and Beautiful*: "...in order for the speech to be interesting, it should be interesting for the speaker himself to speak". I admit that it is interesting for me to speak at the Likhachov Scientific Conference, including because it is held in the wonderful University of the Humanities and Social Sciences. I am here for the first time, and I am full of the kindest emotions I got in your higher educational establishment.

The genre of the event is brought about by the individual, whose name was given to the Conference, blessing it. D.S. Likhachov would have been happy today to see the level of the intellectual discussion and the quality of thoughts pulsing within these walls. The announced topic is also interesting – "Global World: System Shifts, Challenges and Contours of the Future". Today, we are participants of our country's conflict with the Western world. They are trying to explain it in the West by either geopolitical considerations (say, Russia cannot reconcile itself with the lost imperial role and is still fighting for the spheres of influence), or value considerations. They have already built the democratic society, and we here, in their opinion, are even not intending to do that.

I am sure that this conflict is much deeper and brought about by different attitudes to how the world should be governed – by the power of law or by the right of force. This well-known dilemma has not lost its urgency. Discussions on the subject have not stopped since the end of World War II. It seems that the end of the war and creation of the UN Organization should have finally established the principle of the power of law in the world. But that did not happen, and the recent history in the post-war period demonstrates competition of these two approaches.

I'd single out three eras within the post-war period (each of them lasted approximately 20–25 years), three systems, and I'd call our times the systemic shift to the fourth era. The first era is the 1950–1960s, when attempts were made to realize national interests and provide national security at the expense of superiority over the adversary, first of all military adversary. The symbols of that era were creation of nuclear weapons, military blocs, the Cuban Missile Crisis (Caribbean Crisis) and other events. The armament race exhausted itself rather quickly as a factor for providing national security. It became evident that it was impossible to achieve definite military superiority over the opponent and adversary. The world entered the second era with-

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<sup>&</sup>lt;sup>2</sup> Chairman of the Foreign Affairs Committee of the Federation Council of the Russian Federation, Cand. Sc. (Law), Ambassador Extraordinary and Plenipotentiary, full state counselor 2nd class of the Russian Federation. Author of a number of papers, including: "Concept of the International Law Development in the Field of Fighting Nuclear Terrorism", "What is Looked upon as a Threat in the West Today", etc. He was awarded the Order for the Service to the Motherland, IV degree, the Order of Honour, the Order of Friendship, etc. Commander of the Polar Star (Sweden).

out any special agreements - the 1970-1980s, when national interests and national security itself were provided not at the expense of one's own superiority over the adversary, but by not letting the adversary to become superior over oneself. The opposing parties started coming to an understanding, and the first agreement in the field of strategic armaments was signed (in 1972), then the agreement on limitation of anti-ballistic missile systems (1972), the final act of the First Summit of the Heads of State and Government of the member states of the CSCE (Conference for Security and Cooperation in Europe) that took place in Helsinki in 1975. The period, which can be called 'disarmament', started. In the 1990s, the Soviet Union disintegrated and consequently blocs of states disintegrated as well. It seemed to us that we would live in the same environment, but only more safe and secure. However, exactly the opposite happened, because the West actually returned to the reasoning of the first period, when national interests are realized by superiority over the adversary.

We will not go further, to the fourth stage, if we fail to answer two systemic questions that continue stirring up international relations. The first is correlation of principles of inviolability of territory and the right of nations to selfdetermination (read: the Ukraine). The second is correlation of principles of national sovereignty of states and the right to intrusion (humanitarian, military, etc., read: Syria). While someone tries to rule the world with the right of force and not the power of law, these two dilemmas will be interpreted in the interests of those, who have the advantage and try to turn the world in the direction of their own interests. This is not in the interests of Russia, because of that answers to these two important questions of the modern times are in the national interests of the Russian Federation. I'd like the Likhachov Scientific Conference to assist in solution of this task.

**A.S. ZAPESOTSKY**: – I invite the Head of the Section of Philosophy, Sociology, Psychology and Law of the Department of Social Sciences of the Russian Academy of Sciences, academician Vyacheslav Semenovich Styopin to the rostrum.

**V.S. STYOPIN:** – It's nearly evident today that the modern civilization has entered the stage of inconsistency, crisis states and instability. These processes are always a kind of indicator of fundamental, qualitative systemic changes.

When analyzing global civilization changes, it is important to see them as a complex systemic wholeness. Application of the standard civilization approach does not solve this problem. It is required to generalize this approach. The concept of the types of civilization development is this generalizing.

It is possible to single out two types of civilization development in human history – traditional and technologyrelated. Each of them included respective kinds of civilizations, differing from each other by species specificity but at the same time united by common typological features.

The standard civilization concept emphasizes the specific character of different kinds of civilizations. Their difference is determined via special features of the cultural-genetic code in accordance with which they are reproduced. This code is often not perceived in everyday life, but it determines our comprehension, understanding and feeling the world. V.A. Chereshnev mentioned that in his speech, referring to A.V. Smirnov's works.

The idea of types of civilization development presumes revealing some invariant in these cultural-genetic codes of various kinds of civilizations, some common system-forming nucleus, which unites civilizations of one type and separates them from civilizations of another type. One can single out a number of key worldview universals (concepts, categories) of culture, interlinked and functioning as basic reasons for being and values of each type of civilization development, as such a uniting and separating nucleus.

What system of values and reasons for being do we run across when we speak about the today's technology-related civilization? This system of values was formed in the Renaissance, Reformation and Enlightenment eras and then determined the following development of the technologyrelated civilization. It included understanding the man as an active creature transforming the surrounding world; understanding activities as creative action generating qualitatively new objects, states and processes necessary for human consumption; the ideal of innovations as the priority over traditions (the ideal of progress); seeing nature as a kind of field being transformed by the man, a resource tank for activities; the cult of rationality with dominating scientific rationality; the ideal of sovereign autonomous individual, not joined from birth to a certain social community (caste, clan, class, estate), able to enter various social communities; the idea of power not only as supremacy or domination of man over man but predominantly as domination over objects (natural and social).

The technology-related civilization originated later than traditional societies, which historically were the first type of civilization development. It co-existed with these societies for a long time. But then, outrunning them in development, it started putting pressure on them, more and more. As a result, many traditional societies engaged in a number of catching up modernizations that transferred them to the way of technology-related development.

This type of development gave numerous achievements, but it also generated global planetary crises - the ecological crisis and the anthropological crisis, which brought about a threat to the very existence of the mankind. Various aggravations of these crises at the contemporary stage raise the issue of looking for cardinally new development strategies. There is every reason to believe that such kinds of cardinal changes can mean transfer to a new type of civilization development, the third one in relation to the traditional and technology-related ones. Transformation of the value foundations of the technology-related culture, working out a new system of values should be the start of such a transfer. There are questions raising in this connection about prerequisites of their formation in the contemporary social changes, about finding points of new values' growth in the technology-related culture, the values corresponding to the ideal of biosphere's and mankind's preservation.

It is already possible to fix such growth points. The idea of accelerating progress is being transferred today in the idea of sustainable development. The idea of nature as a field for transformations and a kind of resource tank is changing. According to the today's scientific picture of the world, the surrounding us nature is a live organism, biosphere, one whole global ecosystem, with the laws of which we have to weigh our activities.

Finally, it's possible to fix changes in understanding rationality. I developed this idea in connection with post-nonclassical rationality in science, demonstrating that as soon as science starts working with complex man-sized objects, the type of rationality changes as a component of the spiritual matrix of the technology-related culture.

And the last thing: it is important to analyze what is happening to the 'power' concept, how it changes, what happens to democracy, human rights in the contemporary civilization. Only after analyzing this phenomena we'll be able to assess the scenarios of the possible future, among which there are many catastrophic for humans, and it is required to avoid them.

**A.S. ZAPESOTSKY**: – Mr. Moratinos, Minister of Foreign Affairs of the Kingdom of Spain (2004–2010), Honorary Doctor of our University, is invited to the microphone.

**M.A. MORATINOS CUYAUBÉ:** – Dobroe utro. Let me first express my thanks to this university, this faculty, this rector, my friend Alexander Zapesotsky to congratulate him and all of you for the 25th anniversary of the conference of the great philosopher and scientist Mr. Likhachov. It's not my first participation in such a gathering, I think it's my fourth. Every year I have this privilege to come back to Saint Petersburg and every year I have a chance to address to this audience, to the students, to the present and the future of Russia, the present and future of the world, accompanied by great scientific philosophers, politicians to try to figure out how we have to really address the main challenges of today's world.

Let me recall again. We are in transitional phase, we are in a world that is abandoning the old system, the old order and coming and building up the new order. And you know, my friends, when we are in these transitional phases that is the right place for contradiction, for conflict, for identify how we are going to shape the future of all of us. So we should not be extremely concerned, it's normal when you are abandoning an old system and you are becoming and building a new one that conflicts come and that's life, that's the dynamic of societies. The question is that this new world order have to combine the all traditional agenda with a new open agenda. The old traditional agenda is the traditional of territorial disputes. Mr. Kosachov said, well, how you combine the territorial integrity and the self-determination, how you combine sovereignty and the military intervention, how you are combining national interest and global challenge. That is a real challenge we all have, how we dedicate our time for solving crisis and conflicts, like Ukraine, Middle East, North Korea. The traditional threats and challenges of diplomacy, and the new challenges of today's world: climate change, refugees, emigration, crisis of energy, cyber-attacks, how you are going to respond to global terrorism - these are the new elements. And unfortunately we tried to be back to nationalism, that's happened in the United States and in some populist attitude in Europe, where isolationism, protectionism, unilateralism were defended instead of going for multilateralism and engaging together to create a new world.

My dear friend Sergey Lavrov, in the Security Conference in Munich, few months ago he said we should start to create a new post-west order, my dear friend I have nothing against that, my dear friend, about west and not west. I'm of course defendant of west ideas, because I consider they can be useful for all of us. Ok, let's go together, west and no-west to create a new world order. And that will be the main agenda we should play. How we are going to create this new post-west order, while we have to identify the main threats and main risks that we are facing? And that's for that reason we have to start to understand that the world have changed. And for that we need politics. We need diplomacy and I have to share with you that unfortunately these days politics and great politicians are missing. We are completely under the control of the so-called intelligent services and look what is happening now with cyber-attacks. We don't know if the president of one state can share his information with the foreign minister of other countries. No, because it's hard evidence, and that creates a big problem. How the intelligent services are interfering in political decision. We need more direct diplomacy, high diplomacy. In the history of humanity every time we have been passing from one old order to a new world order we have been through important diplomatic conferences. It was in the 17th century the Westphalia order, it was later the Berlin congress in 1815, it was Paris conference after First World War, Bretton Woods in San Francisco after Second world war. So, we are in need of a big encounter of main actors to try to defend a new world order. And for that I think main politicians, the new actors have to work together and they have to do is to really have a clear will to put certain kind of vision and a strategy for the future. And I think that could be done in the G20 next time in June in Italy, which the main actors will try to think about the future. I will conclude, my dear friends, we are living in a fantastic world, but a fantastic world with a lot of problems and lot of confusion about contradiction. Let me quote a very important writer, an English writer Charles Dickens, that said in his "Tale of two cities" a beautiful sentence: "it was the best of time, it was the worst of times, it was the despair of winter, it was the hope of summer. Let's have a hope of summer for all of us, thank you".

**A.S. ZAPESOTSKY:** – The floor is given to Gadis Abdullaevich Hajiyev, a judge of the Constitutional Court, Honorary Doctor of SPbUHSS.

**G.A. HAJIYEV:** – It seems to me that the venue of the Likhachov Scientific Conference suits to remember today the respected by me moralist Sergey Adamovich Kovalev. And his speech on March 2, 2000 on the occasion of his 70th anniversary in Moscow, in the House of Architects.

Konstantin Iosifovich Kosachov said what was the main nerve of the contemporary politics – contradiction in the international law between inviolability of territory and acknowledgement of nation's right to self-governance. These two contradictory principles co-exist in the international law.

Sergey Adamovich was not a lawyer, but he gave the following definition of the international law: "This is an archaic and contradictory statute, which is shameful to call a law". Surely, the Charter of the United Nations is the achievement of the mankind, but the crisis of the international law is real.

Later Kovalev wrote assessing what was going on in Chechnya: "It is a crime and it is silly to shed blood on the threshold of the 3rd millennium for self-determination, and even more so for preservation of inviolability of the territory". There were no today's conflicts then. He said that not talented enough national intelligentsia was often guilty of all conflicts. In essence, he foresaw what later happened in the Baltic states, and he turned out to be a visionary to a certain extent. "Mono-nation-states, which first of all start making mincemeat out of their minorities and on the whole all those, who do not share the patriotic impulses of the majority" were created. Speculation in patriotism always turns into national and patriotic hysteria, bringing a lot of damage to the conscience and public morals, it is a big evil.

The following was said to Sergey Adamovich Kovalev (by the way, a Ukrainian born in Sumy Region) by his democratic friends in 1992 at the CIS states Parliamentary Assembly: "The truth of the 60-million nation is 600 million times more valuable than one man's truth".

There is another prophesy in Kovalev's report that came true. He speaks about the right of choice: people have the right to choose the way of life, which they consider right for themselves. And what if these people voluntarily choose the way of life, which is criminal from the point of view of democratic criteria? This is the main problem of liberalism, and here is the contradiction.

Liberal Kovalev overcame liberal convictions in himself: "There was a time when I thought that democratic international community was capable to make those who are not ready to follow the rules of civilized behavior themselves to behave in a civilized way. I thought that I had strength, a priori superior to any national defense means. It is enough for international community to only threaten the infringer by using this force. It seems that it is not exactly that. People may sincerely and fiercely, till the last drop of blood protect their false idols, but is it admissible to annihilate people for overthrowing false idols?".

Then he speaks about his new convictions: "Any idea brought on bayonets turns to be imperial, even if it is the idea of liberty, equality and fraternity". We already had all that in our history. Bolsheviks also said in the 1920s: "We'll bring the mankind to happiness with an iron hand. Live a new way, scoundrel, or I'll break your head" (that's the words they used at that time). This inevitably leads to origination of one type of state – ferocious.

Here are the new Kovalev's prophesies presented in 2000: "What will the world government turn into, what will the new world order turn into? I am afraid that it will very soon turn into police anti-utopia".

The answer to the question "What should be done?", which A.S. Zapesotsky addressed to K.I. Kosachov, is present in Kovalev's report, though may be it is not fully detailed. He writes that politicians have special morals, if that can be called morals at all, and because of that it is necessary to come to agreements at the level of public structures. Alexander Sergeevich called this format the international club of diplomats. Surely, we'll traditionally rely on regional political structures such as the Council of Europe, the EU. But besides that, keeping in mind special features of political morals, we should develop what you are doing now. **A.S. ZAPESOTSKY**: – I give the floor to the Director of the Center for Governance and Public Management at the Carleton University, Professor Piotr Dutkiewicz.

**P. DUTKIEWICZ:** – I'd like to ponder over how fear determines politics. In my opinion, fear does not only penetrate politics, but it becomes politics itself, acquiring the system-forming character. Fear has always been used by politicians for various purposes (fear of migrants, Moslems, populists, etc.). Today, fear is a completely different in quality phenomenon. This is a new stage of development, when we transfer from the politics of fear to fear as politics. It has already stopped mobilizing and started paralyzing. This is not Freud's or Heidegger's fear that mobilized the society, put up barriers in front of society. The society and politicians tried to redefine it, interpret it differently and oppose it. Now, fear just paralyzed us.

Why did it happen? Three variants of the answer to this question are possible. We use the concept of the liquid fear introduced by macrosociologist Zygmunt Bauman, who provided a certain intellectual impetus in this sense, mentioning that liquid fear differs from usual fear by the fact that we do not know how it originated and how we should react to it. We are basing our answer as to how this happened on his concept of fear.

The first variant of the answer is: we lost our trust in the fundamentals – either the state or the market on which we relied and in which we saw the meaning of our future. Starting from the beginning of the 20th century and up to the last crisis of 2008–2010, we lost trust both in the market and the state. We watched the end of this process – loss of trust in the state and the market – at the time of the last crisis, when trust in the principal regulators of public processes nearly disappeared.

The second variant is very low quality of contemporary elites. The political and economic classes lost their assurance in their theories. Even bankers do not believe in what they are saying, to say nothing of Presidents and prime ministers.

The third variant is separation of politics and power: politics is about what to do, and is about how to do, it's the managerial part of politics. These two concepts, which had existed within the limits of nation-state, were separated, because the state has global goals, and the ways to solve them are local. Politicians can promise a lot, but later, when they start acting, they fulfill no more than 10 % of their promises.

And the last answer to the question why it happened is connected with considerable growth of social inequality. According to the conclusion in the Oxfam report at the World Economic Forum in Davos, currently, 8 people own 50 % of global wealth. In Russia 10 % of the population have 75 % of national wealth.

First, fear in our understanding becomes an element of political will's projection, it changes political and social systems. Second, it becomes a new political dogma, superideology. Each of the existing ideologies (liberalism, neorealism, populism, etc.) includes a considerable element of fear. Third, currently, fear is an alternative to power's legitimization. If we take all that into account, we'll comprehend that fear is not only a manifestation of politics, fear is politics. And this is sad, because it makes politics short-term, unstable and more authoritarian.

**A.S. ZAPESOTSKY**: – invite the Chairman of the Federation of Independent Trade Unions of Russia Mikhail Viktorovich Shmakov to the rostrum.

**M.V. SHMAKOV**<sup>1</sup>: – The topics, which we are discussing at the Likhachov Scientific Conference, are urgent not only in Russia but all over the world as well. I took part in several representative forums in various countries, where both elites and residents criticize life and democracy formed in their states, inequality, which increases in these states, about which the speakers said today.

Today, we are the stage of rethinking philosophical approaches to further development of civilization and humans. And here the thesis that philosophy is the principal science among sciences again comes to the forefront. If we do not find answers to the questions in philosophy and culture, we won't find solutions in any of the focal areas. I agree with academician Styopin's conclusion that we are having technology-related civilization now. It is developing and yields new and new fruits, but at the same time gives us new challenges.

The future of the world of labour was discussed at the forums in which I participated. But we do not fully realize that every person lives for labour. Any activity (even gambling on the stock exchange) is labour. But there is less and less labour in the world, and more and more people, who want to express themselves in labour processes and relations. Technological, digital revolution, robotization lead, on the one hand, to increase of riches of every country, production growth, and on the other hand, they bring about job cuts and lack of jobs. Many professions will disappear in the next ten years, including accountant, reporter, driver, etc.

There are already technological values today, based on platform business. A vivid example is Uber taxi, when there are no intermediaries, only client and performer, who contact via a digital platform, and then the service becomes available to the one who booked it. Such technological, digital platforms become wide-spread in many fields of human activities. But this entails temporary employment, odd jobs and considerable reduction of permanent contracts. Because of that there are arguments now about finding a way out, but at the same time the issue of new jobs creation is researched.

I'd like to offer philosophers, who are assembled here, another approach – return to the ideas of Marxism and Marx's conclusions, which he presented 150 years ago. Everyone refused from them now, thinking that this stage is already in the past, the tainted past. We don't realize what universal basic income, which the Swiss rejected, is: it was supposed that every citizen would be monthly paid a certain amount but he or she would not have a permanent job. And then if an individual makes some money besides that at an odd job, he/she will live better, strive to advance his/her skills, become more and more in demand. And if not, then he/she will live on the subsistence minimum only, which will provide an opportunity to live normally but at a low level within the limits of his/her state.

Let's remember Marx's thesis that free time is the main value. May be we should change the approach to the employment and labour law, and arrangement of work, for people to work not 40 hours per week (now there are offers of 60 and even 80 hours per week, change of the employment and labour law and return to the 19th century). It's better to make 10-hour employment per week bringing income, compensating 40-hour or 60-hour work-week. Because of that, today communism is actually being built in Finland, Spain, Kenya, where experiment are going on with introduction of universal basic income.

I see a philosophical task in this case, and it should be thought over, because opposite trends – creation of new jobs and increase of working time – in my opinion will not lead to progress. All extreme movements play exactly this tune.

**A.S. ZAPESOTSKY:** – The floor is given to outstanding philosopher, academician Abdusalam Abdulkerimovich Guseynov.

A.A. GUSEYNOV: – This year, the topic of the Likhachov Scientific Conference contains the word 'future'. This concept takes our discussion to a new stratum. In the previous years, we mostly reviewed globalization problems in the horizontal aspect: dialogue of cultures, interaction of various nations, East-West, geopolitics, and the concept of the future makes us turn to the historical aspect. And real politicians outran us in this sense. The President of France E. Macron won after founding his own political party named "Forward!". Hillary Clinton launches political movement "Onward Together". D.A. Medvedev, when he was the President, wrote an article under the title "Russia, Forward!" And what is in front?

What is the future? The Chicago University has been printing *The Bulletin of the Atomic Scientists* with the symbolic Clock for more than 70 years already (since 1947). This is the Doomsday Clock, pointing at the threat of a global catastrophe, the hands are getting nearer to the 'nuclear midnight', and the minute hand is set at several minutes to midnight. The board of directors of this authoritative journal together with invited experts (about two dozen Noble Prize winners) decides how to move the hand. In 1947, the original setting was 7 minutes to midnight, the nuclear apocalypse. The most optimistic forecast was in 1991, when the Clock was set backwards to 17 minutes. In the last two years the Clock was set at three minutes to midnight. After Trump was elected the President in the USA, the minute

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hand was moved 30 seconds forward and now there are two and a half minutes left to a 'nuclear midnight'. This is one of the possible variants of what awaits us in future.

In order to deal with the future, one important methodological distinction is necessary. In this case I proceed from A.A. Zinovyev's point of view, which he presented in his work The Understanding Factor: it's necessary to tell apart physical time and social time. Physical time fixes the consequence of events in the world, and the events are only reference points for abstracting, they themselves mean nothing. Social time fixes attention at events, real life in time. The future looks different in accordance with this distinction. Say, the future in the physical time aspect is everything that takes place after the moment of calculation, this moment exactly is considered the present. The present is a moment, the ideal point, which separates the past from the future. The present in the social time aspect is prolonged, it is included in the human activities space. The future in the social time aspect is open, accessible for human impact. This is not just what takes place beyond the border, which we mark as the present, but exactly what our actions are aimed at. The future in this case is some tank for historical creativity. Here the issue of what this future will be comes to the forefront

There are two versions of the answer. The first is when the future is looked upon as a simple prolongation of the present, the same as we have now, but a little bit better, etc. For example, a lot is said now about the gap between the rich and the poor, and we also spoke about it at our meeting, there was an issue raised about this gap not being so wide as it is now, and not about getting rid of it in principle. The second understanding of the future is connected with qualitative transformation of the present, the ideal, breakthrough into the new state, new type of civilization.

What kind of future is hidden behind the slogan 'Forward!'? Is it really the future in the social meaning of this concept? Really, they are speaking here about prolongation of the present, cleaning what is taking place now. But not the future in the social, historical sense, which is connected with qualitative transformation. Because of that the today's state of affairs in Russia and Western countries in respect of the attitude to the future can be characterized as follows: we are in the environment of the future with no future. We have to discuss if it is possible to return the future and how we can return the future to our practice as a real and working phenomenon.

**A.S. ZAPESOTSKY**: – The floor is given to the Minister of European Union Affairs of Turkey Egemen Bağiş.

**E. BAĞIŞ<sup>1</sup>:** – Dear friends, I'm honored to be invited to one of the most prestigious universities of the Russian Federation. I'm very happy to be here, I would like to thank my dear friend former Foreign Minister of Spain Mr. Moratinos and Ambassador March for building this bridge between me and rector Zapesotsky, who is by far a very successful academician, a leader and director who has made this university which is known as the Harvard of Russia.

All the speakers mentioned importance of cooperation and dialog. We have to admit we live at such a time that nobody is safe until everybody is safe. We live in such a period that Berlin cannot ignore Bagdad, Washington cannot ignore Cairo, Paris has to be involved with Oman, and London has to worry about what's happening in Kashmir. We have to support each other and we have to fight against our common threats, we have to fight against terrorism all together, because terror is such a phenomenon that no country can deal with it on its own. We need international cooperation. Therefore meetings of this sort are very important and I'm very happy that we have convened here in Saint Petersburg, one of the most beautiful cities in the world to discuss our common future. This city and this region of the world had a great impact on my history. It is no secret that the mothers and wives of most of the most successful Ottoman sultans came from this part of the world. So we are family, we are related and we see the reflections of our similarities on the way we deal with issues. Today, Turkey and Russia enjoy strategic relations. We're so happy that we receive more Russian tourists into Turkey than any other country. Our bilateral trade has exceeded 25 billion dollars, which is a higher figure compared to the trade volumes of many of our NATO allies. Turkey today is the main hub for Russian energy resources to reach to European markets and other markets as well. But this approach between our two great countries has created some sort of jealousy with some other power centers around the world. And it is not secret that some traitors within our own societies have fallen into traps caused by these power centers to create problems between our two nations, at times even between our two great leaders. But our two leaders, president Putin and president Erdogan, thank God, had the foresight to realize the source of the problems and the vision to declare normalization of the relations and to decide on strengthening the friendship between Turkey and Russia.

Therefore I was very much honored when I received an invitation to become a member of the Global Friends of Saint Petersburg from the rector and I accepted the invitation in that spirit because I believe in the future of our relations and I'm grateful to be the part of this family again. Thank you.

**A.S. ZAPESOTSKY:** – The floor is given to academician Varely Leonidovich Makarov.

V.L. MAKAROV: - It seems to me that the future is quickly accelerating. Vyacheslav Semenovich said that we, living in the technological world, are moving into the digital world, where many things change, including ethic concepts, social standards. For example, it is considered in all religions, cultures that it is bad to kill, but if there is war, it is good on the contrary, the more enemies you kill, the better. Now, the concepts of peace and war changed greatly in the digital world, the borderline disappeared. And it turns out that what seemed bad in the past, for example, to tell lies, to deceive and the like, now becomes very popular when the difference between war and peace is erasing, and the more beautiful are your lies, the higher you are rated. And on the Internet, it's absolutely impossible to tell when people are telling the truth and when they are lying, it's so mixed. All that accelerated so much in the digital world.

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Another aspect of no small importance, referring directly to the digital world, is the concept of trust. It is fundamentally changing now. For example, everyone heard that there is the Blockchain technology that was launched with cryptocurrency, and now it is spreading very quickly. And the concept of trust thanks to this technology is related to its distribution between people more or less equally, etc. Because of that standards referring to trust, will have to be reviewed. And lawyers, who will deal with that, will have very big difficulties.

And the last thing I wanted to tell about. There are too many databases in the digital world now, which are becoming more and more powerful. All of us are already in various databases, which are more or less global. What does it lead to? To the world becoming more transparent, and soon all will know everything about all in all details. So, knowledge of everyone about everyone will greatly change various things and standards, including legal. I want to warn everyone. We are reviewing and discussing many global issues in our discussion. This is absolutely right, but keep in mind that everything will change so much in the digital world that we'll have to use a completely different approach. So, Alexander Sergeevich, I suggest to speak more about the digital world and the following transformations at the next Likhachov Scientific Conference.

H. KÖCHLER: - Distinguished Rector of Saint Petersburg University of Humanities and Social Sciences, Excellencies, Ladies and Gentlemen! The topic of my presentation is "World order in an age of transition". It does not need any further emphasis that the present state of international affairs is one of chaos and disorder. Under the current circumstances, one cannot fairly speak of global order - as a system of clearly defined rules that would ensure stability and steady development towards goals commonly agreed upon. It is important for all of us to be aware of the causes of this situation the world is now faced with. The decisive event, in this regard, has been the collapse of world order as it existed in the form of a bipolar balance of power between the United States and the Soviet Union up to the end of the 1980s. When this system suddenly disintegrated, what happened was something that one has witnessed all too often in the course of history. The arrogance of power, so to speak, became a decisive factor of this transition, an attitude that is always associated with the illusion of power, or with a self-delusional state of mind of the presumed victor of the power struggle. What I mean is that, at this moment in history, the United States saw itself in the position of global hegemon. This meant that, from the 1990s onward, it sought to exploit the situation – believing that it would be possible for it to arrest time, or to stop the course of history, according to Francis Fukuyama's fashionable slogan of the "End of History," and to remodel the world in its own image. This was accompanied by an agenda aimed at imposing upon the rest of the world the hegemonial power's system of politics, decision-making, democracy, and in particular of the economy, and to reshape other civilizations according to a specifically Western understanding of these notions. Such was the arrogance of power and the delusional attitude that the hegemonial power believed that, now and forever, it would be able to establish an order according to it's own model. This has triggered a development that resulted in a kind of clash of civilizations at the global level. One might argue

that what Samuel Huntington predicted at the beginning of the 1990s has now become a self-fulfilling prophecy.

The emphasis on global rule by the country that considered itself as the victor of the Cold War, this stress on the exercise of power come what may, has resulted in a kind of chain reaction of counter-tendencies and movements. Peoples in all corners of the world, representing different civilizations, have begun to assert their identity and their own system of values in a more determined manner than would otherwise have happened – if there would have not been this insistence on global rule by one country alone. Such is, one might say, the irony or - "dialectics" - of history. The insistence on the preservation of a unipolar order was also expressed in that country's National Defense Doctrine that was proclaimed at the beginning of this millennium. The doctrine insists that never must arise a situation in which the dominating global power would find itself in a position of equality with any other competitor. The proclamation of the "unipolar moment" has quite quickly produced a counterreaction on the part of those who were subordinated to this imperial claim. As one will see after one or two decades, this may indeed have been the "decisive moment" for the reshaping of the world according to a multipolar scheme.

May I conclude with a reference to what has been earlier said by several speakers. One of the main problems in the present constellation is how this new multipolar order can *actually* be developed – as long as we have a system of rules that contains many contradictions. What I mean is the system of norms of international law, in particular of the United Nations Charter, in regard to sovereignty, sovereign equality, self-determination, and non-interference. In the Charter, there exist logical inconsistencies between some of these basic norms. I think that it would be a very important task also for the new global think tank, which the Rector of the university has told us about, to pay attention to these contradictions and to come up with proposals for a viable system of international law which will be consistent and which will make it possible for the peoples and nations of the world to unite along multipolar lines. Thank you for your attention.

**A.S. ZAPESOTSKY:** – Dear colleagues, I offer for your attention the speech by Honorary Doctor of our University, academician Petr Petrovich Tolochko (Ukraine).

**P.P. TOLOCHKO**: – Dear colleagues, the topic of the future is eternal. And the mankind is thinking about making the world better at every historical stage. But the world is traditional, it developed on the basis of contradictions, and these contradictions are very stable, they do not change. I can demonstrate that, presenting one example: the Slavic East and the West. Millennia pass, and opposition stays. In the Soviet period, it was motivated by another system's forming. But the system was the same in the tsarist times, the system is the same today, but opposition did not disappear. There are some global laws governing development, not allowing to reach harmony, about which the mankind dreams.

Academician Dmitry Sergeevich Likhachov said that the future would be like we would make it ourselves. It seems a simple but wise thought. The future is created not by the 'young, unknown tribe' sitting here and listening to us, but those grey-haired men speaking here. Well, I'm speaking figuratively. We had a hope that something will change: Trump will come, possibly, Fillon will come and Merkel will leave. But it turns out that nothing like that happens. Abdusalam Abdulkerimovich says that the future with no future awaits us. The future will be as it is today.

There is some worldly wisdom in our assembling here and speaking about that. I think that our super-goal, specifically ours and globally, is not to make the world better, this is beyond our powers, but to exert efforts for it not to become worse. Possibly, we'll be able to do it. Professor Dutkiewicz presented a wonderful idea, I have it in my report as well - this is fear. It seems to me that today it is more speculative in opposition of Russia and the West. The Baltic states and Poland, and others know that no one is going to attack them. But their authorities actively promote this idea of fear among their citizens, as if someone will occupy, annihilate, etc. them very soon. And because of that three-thousand-men corps, with 100 tanks each, are coming from the other side of the ocean, there are maneuvers by the borders of the Russian Federation. This is also a speculative fear idea. Perhaps, it should be rejected? But it seems that these small powers lack something, because some investments come and jobs are created when Army men come. That is, they profit on that speculative fear. Perhaps, Western countries, including the United States, should refuse from these donations, whipping up fear that does not allow the world to live peacefully and develop normally.

Such issues are on the agenda, and they should be solved. I repeat, probably we assemble here and take part in other similar forums in order for the world at least not to become worse. When Trump came to power, I was writing my report, there was euphoria everywhere, but even then I did not think that expectations would come true and prove correct. And I wrote there that the United States and Russia will never become friends and will never love each other, but if they do not become enemies, that's good already, and the world will feel more comfortable because of that.

**A.S. ZAPESOTSKY**: – The speech by outstanding Italian philosopher, academician Agazzi is offered for your attention.

E. AGAZZI: - Thank you very much for this invitation, dear friends & colleagues. This is an extremely important forum in which I participate for the first time. But I am convinced that it deserves to be improved and repeated every year, due to the very important issues it addresses. My point here is to analyze in depth the idea of globalization, which has been practically identified with an economical and financial phenomenon in the sense that, what happens at the stock exchange of Tokyo or Hong Kong has immediate inputs on London, or Wall Street or Moscow. This is true and has is to do with the kind of contraction of the space and time distances that are typical of contemporary world. The world – as Marshall McLuhan had already said – is becoming a "global village". So globalization comes from this idea that was bound with the impressive development of quick information But today the increase of globalization has to do with another fact: commodities and people come closer and closer, and this produces a deep change in the quality of our existence, a change that is linked with the phenomenon of migration Migration was usual also in the past, but was something very limited. One person, two per-

son or small family groups went to different countries. And what they had to do? They had to become part of the new country. They had to be assimilated. And this could happen rather smoothly for small groups but now, when we have thousand and thousand of migrants who come to our country this is not a phenomenon which can be handle easily. There are causes of this phenomenon, that chiefly consist in local wars, political prosecution and poverty. Of course we could start removing those causes, but this is a gigantic issue, a global problem that lies outside of my present focus. My modest aim is to consider this phenomenon from the point of view of general system theory. Every system has many subsystems and it can function owing to a certain homeostatic equilibrium among its different parts which contributes to the wellbeing of the whole system (like, for example, in a living organism). What happens when something is coming from outside? Of course this homeostatic equilibrium is broken, but there are internal mechanisms that re-establish a different homeostatic equilibrium in the system. This is the point of view that I want to apply to our problem. Let us imagine how can we figure out the future equilibrium, the future homeostatic equilibrium in a world where the phenomenon of migration will have become irresistible. Of course, it is not possible and not even good to imagine this in the form of the traditional assimilation. So it is not the model of the "melting pot" that will inspire our policy. The "melting pot" was the ideal adopted when people of different origin (Italian, Polish, Irish, British, etc.) came to the United States: they became more or less easily absorbed and unified in the "melting pot". Now we have to do with profoundly different cultures, traditions, customs, ways to conceive the world, the family, the society, the religion, the sense of life. How is it possible not to appreciate how rich are these systems of ideas, of meanings, fr sense of life? And this is why it would be really a loss if, in order people to find a home elsewhere, they should renounce, give up their own identity, the identity of their culture and their own personal identity. The result would be the anonymity, the destruction of identity, the loss of the sense of life, relativism. So what we can and what we must try to imagine for the future is precisely an order in which the different religions and cultural traditions - with their typical sense of life and world views - remain and can interact. But what does it mean to interact? It means to open the mind and the heart, in the sense of recognizing that pluralism is not just a strategy for living quietly. Pluralism means opening the mind to dialogue. And a dialogue implies not only listening to the other but also learning from the other, to be deeply convinced that we have something but the other too have something for us. If we are able to reach this consciousness we can work for a better world which will be a new world, a future for our civilization.

**A.S. ZAPESOTSKY:** – The floor is given to a foreign member of the Russian Academy of Sciences, academician Vladimir Lvovich Kvint.

V.L. KVINT: – Dear Alexander Sergeevich, dear colleagues! Luckily, my topic and the focal area of research allow me to evade politics to a maximum possible extent and focus on the issues of economics, values, interests and realization of the new level of the quality of life, for which all of us are actually striving, and all of us are striving for progress. On the whole, economic processes are developing, forming and dying affected by various global governing laws, and these governing laws mostly affect economic processes. On the whole, it is impossible to change them, it is necessary to know how to adjust to them, to know how to use them in one's interests. And it is required to understand that each governing law has its term, sooner or later its impact begins to recede. Here is, for example, such global governing law as integration. International economic integration as subsystem affected this world in which we live to a considerable extent. But what happened? Political systems began changing under the influence of this governing law, and not only economic, social. The ideas of such integration - inside countries, international, finally global originated to form entities, which not only coordinate economic ties and compensate social problems, but also take political decisions. As soon as such ideas originate, the positive idea of integration immediately starts slipping.

What happened to the European Union? While the ideas of economic integration, improvement of the standard of living prevailed there, everything was normal. But when several years ago, in 2007, the idea to draw up a Constitution for Europe, according to which the European Union would live; common Parliament above European national parliaments, which still functions but is not so prestigious as national parliaments; supranational government, the decisions of which should be obligatory for the member states, not only the states beyond the European Union failed to like it, the states inside the Union did not like it either. And they voted 'no' in referenda on the European Constitution. And thank God. There can't be a government appointed by no one knows whom, and some Areopagus governing the world. But gradually a new trend grew out of several global trends, including integration - globalization, enforced by scientific-technical development trends and ideas of economic (I emphasize: economic) freedom. And a new phenomenon originated, first economic, and now socioeconomic to a considerable extent - global market space, in which markets, products, corporations and states interact from the point of view of improvement of efficiency of economic interactions.

When borders started opening under the globalization impact - political, economic and technological, including under the influence of contemporary Information Revolution - a new socio-political and economic phenomenon originated - the global community. Today, when Alexander Sergeevich opened the plenary meeting, he spoke about that. But the global community also requires openness. What openness am I speaking about? Investors, business require freedom, but today most foreign investments go to China. And in China, by the way, they have a one-party system. So, investors are first of all interested in economic freedom and scales of opportunities for taking economic decisions, increase in efficiency on this basis, etc. When the global market, not fully corresponding to the world economy as these are different categories in volume, started forming, the global emerging market originated inside the global economic space, with new market relations, where China and Russia, and East European countries, and even some member-states of the European Union are included. And here is some discrepancy in case of political and economic borders. Thus, the world global community, which is slowly forming and developing, should find a new paradigm, which could allow to elevate the level of economic freedom, economic progress, and the mankind's flourishing, avoiding political conflicts.

**A. S. ZAPESOTSKY**: – The floor is given to our guest from Sweden Mr. Scholte.

J.A. SCHOLTE: – Thank you! Thank you, academician Zapesotsky, and esteemed colleagues, thank you very much for your invitation to join your dialog. The conference is about global challenges, a global world and its challenges, so I thought I would use my minutes to talk first about what globality entails and then three possible responses to its challenges – liberal globality, anti-globality and alternative globality.

The global is maybe straightforward. We are living in a global world. It means that people – wherever on the Earth they might be located – have immediate and direct contact with and consequences for each other. We see it in the Internet. We see it in diseases. We see it in finance, in migration between continents, in climate change, in sport competitions, and in world religions. Put all of that together – economic, political, cultural, ecological, psychological – and you have a more global world.

The question is what we do with this global world. It is a different world It is a world of a different geography: geography is more than countries now. It is a world of a different governance: governance is more than states now. It is a world of different identities: group identities involve more than nations now.

One policy approach to this situation is liberal globality. This view was especially prominent in the 1990s, and it remains strong in many circles today. Liberalism says to face a global world by making it more open, reduce the trade barriers, reduce the controls on movements and transactions between people wherever on Earth they might be. Liberal globalizers also often advocate privatization and a reduced role of the state. With such measures liberalism promises a world that is more prosperous, more peaceful, more just, and more ecologically sustainable.

Second we have anti-globality, an approach which has often appeared as a backlash against liberal globality. Anti-globality challenges liberal claims and says that a global world actually brings losses rather than gains of welfare, greater rather than lesser ecological destruction, reduced justice, increased inequalities, and losses of democracy. Many say that we are today having a larger anti-global movement. However, two qualifications might be noted about this claim. First, remember that anti-globality is not new. There were major anti-global movements in the 1990s in the global North and also earlier in the global South (in Latin America, Africa, and Asia). Second, we should not the extent of anti-globality today. After all, Brexit in Britain only won by a few percent. Donald Trump did not actually win the popular vote in the United States Presidential election. Geert Wilders and his Freedom Party only had 13 % of the vote in the recent Netherlands elections. In France Macron is not an anti-globalist. Media hype can sometimes maybe think that anti-global movements are bigger than it may be.

Then there is a third alternative, other than liberal globality and anti-globality. Several previous speakers have noted it already, and that is to think about alternative globality, which involves neither liberal openness nor nationalist backlash. But going beyond the usual liberalist-protectionist debate requires invention and creativity in terms of how we approach a global world. Alter-globality probably means new rules for a global economy: different kinds of rules for money, intellectual property, and so on that can bring a more even equitable distribution of resources in the global world. On the cultural plane, too, we need a new ethics for global cultural diversity: not western-liberal universalism which says that everyone must become like us; but also not a communitarianism which says different cultures should stay separate. What we do need is a new ethics for transcultural dialog. Regarding ecology we clearly cannot continue in the global world as we have been doing. Population increases, pollution increases, climate change and so on are just not sustainable over the long term. We need a new ecological politics, and we need to find that ecological politics together through global dialog. We probably also need to re-invent democracy for a more global world. By that I don't mean taking the liberal democracy of the west and globalizing it, but actually trying to find a new kind of democracy, which is neither western, Russian, Chinese, Indian, Brazilian nor anything else, but a new form that actually works democratically for the global population as a whole.

Alternative globality – moving beyond old debates to new politics – involves major challenges. It calls for large leaps of intellectual creativity and political courage. Whether we have the political leaderships at the moment to take us through this intellectual innovation and political struggles is an open question. I hope it will be answered positively. Thank you.

**A.S. ZAPESOTSKY:** – Mr. Wiatr will be speaking now, Doctor of Sociology, Professor, Minister of National Education of Poland for many years.

**J. WIATR:** – Dear Alexander Sergeevitch, ladies and gentlemen. Once more thank you very much for the invitation to this great gathering. Sixth time for me and I enjoy it always.

We are now living in a very peculiar international situation, the situation in which previous hopes are replaced by contemporary fears. Some of these are conducted in several countries of Europe and North America. In last fifteen years show a steady increase of those who believe that the Great world war would happen during their lifetime, which is a new phenomenon, because previously after the end of the cold war there was a different phenomenon, the rise of optimism. The question is - what happened? What went wrong? There are various theories and interpretations, the one of which I would like to suggest links the present fears with the confrontation of ideologies. That is confrontation of ideologies is nothing new: the cold war was about confrontation of two global ideologies but it was mitigated by the common fear of the consequences of the nuclear war. After the end of the cold war we hoped that that kind of controversy would wither away. But it did not and it did not because a new ideological phenomenon has emerged, which is a tendency to replace the dialog and also conflict of ideologies. We set tendency to establish one universal ideological homogenate. At the beginning of this century I happened to attend a meeting national prayer breakfast in

Washington at which newly elected president of the United States George Walker Bush made his first speech to the international gathering in which he said among other things that it was God given mission of the United States to promote democracy all over the world and that he as a newly elected president considered it his honored duty to see that this mission be completed. Later on instructed the policy of the United States particularly but not only during Bush administration to try to establish ideological hegemony of the United States, part of the result of which was the unnecessary conflict with the Russian Federation. Let me link it to main theme of this gathering "Likhachov's concept of the dialog of cultures". The dialog of cultures is an answer. I think it is a noble and wise answer to the tendency of ideological dominance. Dialog means speaking, talking but also listening. Listening with the will to accept what is reasonable in the position to the other side. I think Tocqueville in 19th century was right when he said, that there were two great nations, the destiny of mankind depends on. Tocqueville said, because of the will of the God, there were two great nations - the Americans and the Russians. The Russian Federation with all great problems inherited from the Soviet time is now an important factor in the world politics standing against ideological tendencies to dominance. This is often presented also in my country as a danger, as a challenge. I don't share this view I see it rather as opportunity, an opportunity to establish certain balance in which true dialog will become or is becoming possible. So let me complete by saying that I wish success to all this efforts to do away with ideological confrontation to replace ideological confrontation with meaningful dialog and I think, I believe that these gatherings have its role to play. This is part of its noble effort. So once more thank you very much for this.

**A.S. ZAPESOTSKY:** – Before giving the floor to the next speaker, I'd like to read to you, dear colleagues, some welcoming addresses sent to us. Here is the telegram from the Chairman of the Government of the Russian Federation Dmitry Anatolyevich Medvedev, who visited our University many times: "It's necessary to strengthen humanitarian cooperation, scientific and public ties, and the International Likhachov Scientific Conference serves a vivid example of them. I think that it will again provide you a good opportunity to share opinions, experience and outline joint projects. I wish you interesting and fruitful discussions and I also wish vivid and unforgettable impressions of the time spent in the Northern capital of Russia to participants from abroad".

Here is an extract from the telegram sent by the Speaker of the State Duma of the Russian Federation Vyacheslav Viktorovich Volodin: "The Conferences are an important scientific and public venue where useful discussions of humanitarian issues of pressing concern have been taking place for many years. Proposals and recommendations worked out in the course of the Conferences are practically important, including for law making".

And here is what the Minister of Culture Vladimir Rostislavovich Medinsky writes: "I'd like to emphasize that the Likhachov Scientific Conference invariably taking place in the St. Petersburg University of the Humanities and Social Sciences, every year unites outstanding representatives of the Russian and world science. I wish you further creative achievements in your honorable service to the Russian culture with all my heart". "I wish successful and fruitful work to organizers and participants of the Scientific Conference", Minister of Labour and Social Protection of the Russian Federation Mr. Topilin says in his message.

We also received a wonderful letter from Director-General of UNESCO Mrs. Bokova, who highly appraises the activities of the participants of the Conference and wishes us every new success. The Organizing Committee on your behalf thanks all ladies and gentlemen, who sent us their greetings.

And now I invite the guest from Spain, Ambassador Juan Antonio March.

J.A. MARCH: - Thank you very much, rector Zapesotsky, for inviting me again to be with all of you. We have limited time so I will concentrate what I have deliver in my contribution to this conference in very key points now. The main subject here today is systemic changes, challenges, amplifiers of the future. Well first one- systemic changes. In my view there is one big systemic change in our days. This big change is that the engine of the world nowadays are the individuals. You, the citizens, you are here, all the young generation this is the big force of the world of today. Why? Because of technology. Technology is given the possibility of all of you to communicate, all of you to transform ideas into realities. Look what has happened with the flight companies, all the big established companies are now surrendering to a few group of individuals who have transformed the air flight business into low cost business. What has happened with the taxi drivers? What is happening with the medical industry? The individuals have the key of the world. Challenges. What are the challenges? The challenge is how to organize the public space where you are living. In a public space that is no obstacle, no limit to the creativity of the individuals. We have only two possibilities: either to go to a kind of world order, where the public power is a global public power that is just a referee allowing you to flourish or you are a little bit fearful and you go back to the shield of the nation. The shield of the nation gives to the people a kind of local security, the only problem is that nations always go to confrontation. So the second path is no longer interesting for the young generation. We have to put the north, we have maybe to sacrifice the timing but the only solution is to go to a global order with a global referee, that is based on human rights. And then we go to the problems, problems are two. One is to avoid those who are the losers and which are clear losers in this moment? One is very clear it's an Arab world. Why? Because its private sector is no longer competitive on global scale. And second because they don't manage, not because of their fold, because many elements to organize performing political system. But the other one that is more dangerous is the decline of the existing leading powers. Leader powers now are the United States, Russia, Europe. Why they are going to go into decline, because of the cancer of the aging generation. We have deliver, very good societies, very cultural societies, there are no young enough generation to support the richness of our estates and the longevity of the people. So this is a big problem and this is what is explaining this kind of defensive attitudes in many of those countries. Because they see that the world they have been delivering, and open world is going to be a very difficult world for them in the new competition. And then we arrive to the key point. The

key point is that in this global world we have to deliver. And we have not to try to have the desire of delivering we have to be able to deliver. When we have seen what has happen to China is the clear example you can deliver. China from 1954 to 1982 went to 300 to only 380 dollars per capital income. In thirty years they only managed to deliver eighty dollars in addition. From 1982 to 2016 they have gone from 380 to 8 000. If you understand that this is a movement of 1.5 billion people it means that something extremely difficult has been achieved. Well, we have to do something similar. The only way Europe, Russia can survive in the future is giving a great project to the young people. And the young people have to understand that they have to move to what is considered the large Europe. They have to be enthusiastic, building something together. I will finalize by saying that the 20th century was the century of the enthusiasm on technology, we were enthusiastic to go to the outer space, to get to the moon, to mars. Ok, we deliver that. Now we are more confident on technology, so the key thing in this 21st century is to make of this planet a jewel. This is what we have to manage to do, to be clever enough to create the public architecture, to transform this planet in something unique. Why? Because... and I'm finishing... Because we will go to the universe and we have to go to the universe as capable species. As the species that have been capable to organize well its own space. This is the Odyssey of the 21st century and what I'm happy to say to you is that each of you will be the new Ulysses, the new person going to Ithaca. The trip will be long, but the result will be fantastic. Thank you very much.

**A.S. ZAPESOTSKY:** – I offer Vitaly Tovievich Tretyakov to take the floor – he is the Dean of the Higher School (Department) of Television at the Lomonosov Moscow State University and a famous Russian journalist.

V.T. TRETYAKOV: – Thank you, Alexander Sergeevich, thank you, everyone present here. The things I want to speak about have something in common with what Piotr Dutkiewicz said about fear and a little bit with what Petr Tolochko said about the constants that stay unchangeable, notwithstanding scientific and technical progress and new digital civilization. And surely with what Konstantin Kosachov started his speech – dilemma of the power of law and the right of force. Numerous lawyers will again and again persuade us that the power of law is more important, and we'll achieve it, if not in this century, them definitely in the next.

However, let's look at the international (and not only) reality: a weak individual is not equal to a strong individual, even if they are two peaceful and good-willing men, living close to each other. I repeat: the weak are never and nowhere equal to the strong. I call that the law of international gravitation. It's impossible to say from the point of view of abstract mathematics that an apple falls to the ground. Really the ground and the apple are moving closer to each other. But common sense tells us that this is the apple falling. Why? Because the mass of the Earth is bigger, that is, it is stronger. Similarly, there are nations in the world, and approximately the same nations for many centuries, which are stronger than the others. The rest, weaker nations, are moving in this or that way in this 'gravitation field', coming closer to these nations or other nations. This is inevitable. Consequently, the issue is not to attain equal rights for the strong and the weak. This is impossible – they are unequal from birth. By the way, the thesis of the Enlightenment that all people are equal from birth, does not stand up to criticism. Everything contradicts it in real life, even the way babies look. Nevertheless, they go on charming us by this thesis, taking our attention from real problems.

In my opinion, the question should be put differently: do the strong have to take care of the weak? And if yes, in which humanistic views and ideas as if persuade us, do they have at the same time the right to demand something from the weak and punish them? According to humanistic views and ideas, the strong should take care but cannot demand. But that again is contrary to the whole course of the world history. If we are just thinking out theories for entertainment on the margins of world history, this is certainly an interesting occupation, but then let's not say that we understand world history and can engage in world politics.

What should the weak do? First, they can unite with the other weak and thus counterweight the strong one (in order for that they should at first hate the strong one). Second, they can arm additionally. For example, weak North Korea sees the only chance to oppose the strong by creating powerful weapons, and it is not important where missiles are flying and where they fall. Third, it's possible to sabotage, quietly undermining the power of the strong or pretending as if you are together with the strong one. That exactly is done by many counter-elites, and sometimes a part of elites in various countries, including in the world community system. The same processes go on in the European Union as well, which will sooner or later disintegrate, and that's inevitable. Fourth, there is an opposite method (but with the same effect): to resign oneself to the strong one's control and flatter the strong one all the time, very well understanding that sooner or later the strong one will stop being self-critical and fall himself under the weight of praises.

Further discourse on the topic may be long, but the main thing is to refuse from an abstract goal: victory of some law over some force. It never was and never will be. Consequently, we have to analyze the behavior of the strong – that's the first thing. The second is to understand that the strong are not a constant for centuries and millennia. And the third is the necessity for the weak to find more efficient tactics and strategy for their behavior in this world today. I repeat, division into the strong and the weak is inevitable, no matter how much we try to achieve the opposite.

**A.S. ZAPESOTSKY**: – Vitaly Tovievich, you spoke as a radical orator. And I'll allow myself to answer by a small comment.

One of my favorite occupations is to read reports sent for the Likhachov Scientific Conference. Surely, I would have liked to see a lot of people here: both Vladimir Putin and the American President. I miss Karl Marx in this hall very much. It's very interesting that the paper version of his *Capital* was recently printed again in the West. And more than one million copies were sold in English only, and the book is expensive. Marx is not studied anywhere in Russia. If I am not mistaken, there is only one Department in this country where he is still included in the program. Marx's teachings are treated in our country as hopelessly outdated. But I am not sure that this is right. All our lives, you and I have been witnessing crises and destruction of the two great formations. One of them is socialism which came earlier than Marx had supposed. He thought that the society and the man should be ready for socialism as subjects of social relations, and these social relations themselves should reach a certain stage of development. The Soviet Union started building socialism, greatly outrunning its readiness according to Marx, and we paid for that. But we understand that there is movement to socialism in the world. Let's for example look at Scandinavia and other countries of the Western Europe – they have capitalist social production built there, but at the same time distribution is effected based on socialist principles.

Another formation is capitalism. We see the Karl Marx's prophesy coming true: capitalism will become outdated and transfer into another phase of development, turning into something different. Marx had no opportunity to analyze the principal changes that took place later, in the 20th century, including Information Revolution. And the changes, which took place, were really qualitative - such that as a result capitalism lost its force of nature. 25 years ago when, unfortunately, the Soviet Union disintegrated, we believed in the power of the market, competitiveness, democracy. However, currently, there is neither democracy, nor competiveness, nor free market in the West. Fundamental, essential transformations of capitalism took place. But Western politicians pretend as if they still have magic recipes. In my opinion, this generates all crises in the Western world. The matter is that the principal change of the 20th century is not just Information Revolution, but transition of the production's gravity center from material product to the spiritual production sphere, to essences.

Today, a giant part of any product's cost is a non-material asset: brand, prestige, reputation, etc. As a result, we have total manipulation of consciousness. Democracy in the sphere of politics becomes a product with its purchase and sale technologies, when strange persons, who are fake presidents, come to power. We often do not understand at all who governs us. We do not understand modern processes in economy. In particular, who stands behind blowing financial bubbles. The banks acquired a completely new meaning since the time of Karl Marx, then they were financial institutions, operating in finance to stimulate production, now they became institutions not stimulating anything and getting profits independent of the real sector's activities. They create independent product, which actually has no real value. Blowing bubbles is creation of fake product and one of the reasons of world economy's destabilization. Fake governments, fake products, fake news - this is a completely different reality and different capitalism.

They elected the President in one of the Western countries, who had healthy ideas in his program – and what are we seeing now? He got a mandate for changes he cannot bring into life. And he sees that he can be thrown out, removed from power, notwithstanding the mandate from the voters. Not voters, no – establishment and mass media which, anyway, is also a part of the establishment. Is this capitalism? The elite there regenerated, and the show is run by people who promote ideas, determined not by national interests, not expediency, but only striving for personal advantages and profits. All ideals of the today's capitalism – human rights and the rest – now remain only on paper. It would be nice for us to comprehend these fundamental changes.

# PART II

### CHAIRPERSONS:

A.A. AKAYEV	President of the Kyrgyz Republic (1990–2005), foreign member of the RAS, Dr. Sc. (Engineering), Professor
A.G. LISITSYN-SVETLANOV	Chief research fellow of the Institute of State and Law of the RAS, academician of the RAS, Doctor of Law, Professor
A.D. NEKIPELOV	Director of the Moscow School of Economics at the Lomonosov Moscow State University, academician of the RAS, Dr. Sc. (Economics), Professor, Honorary Doctor of SPbUHSS
A.S. ZAPESOTSKY	President of SPbUHSS, corresponding member of the RAS, Dr. Sc. (Cultural Studies), Professor, Scientist Emeritus of the Russian Federation

### **SPEAKERS:**

L.C. BRESSER-PEREIRA	Emeritus Professor of Getúlio Vargas Foundation (Brazil)
G.B. KLEINER	Deputy Director of the Central Economics and Mathematics Institute of the RAS, corresponding member of the RAS, Dr. Sc. (Economics), Professor
V.A. LEKTORSKY	Chief Researcher of the Institute of Philosophy of the RAS, academician of the RAS, Dr. Sc. (Philosophy), Professor
V.K. MAMONTOV	Director General of "Govorit Moskva" (Moscow Speaking) radio station
G. METTAN	President of the United Chamber of Industry and Commerce "Switzerland – Russia and CIS States", Executive Director of the Swiss Press Club (Geneva)
M.F. MONTES	Senior Advisor on Finance and Development, The South Centre (Geneva, Switzerland), Doctor of Economics
A.A. PANKIN	Director of the Department of International Organizations of the Ministry of Foreign Affairs of the Russian Federation
H.M. REZNIK	Vice-President of the Federal Chamber of Lawyers, candidate of sciences (Law), Honoured Lawyer of the Russia, Honorary Doctor of SPbUHSS
B.J. SILVER	Director of the Arrighi Center for Global Studies at the Johns Hopkins Uni- versity (Baltimore, USA), Doctor of Sociology, Professor
Zh.T. TOSHCHENKO	Head of the Department of Theory and History of Sociology of the Russian State University for the Humanities, Chief Researcher of the Institute of Sociology of the RAS, Corresponding Member of the RAS, Chief Editor of the RAS journal "Sociological Studies", Dr. Sc. (Philosophy), Professor
T. TÜRKER	Director of the Research Center for Eurasian, Russian and East European Studies, Professor, Doctor of Political Sciences Faculty at the Ankara University (Turkey)
C. VARGA	Professor emeritus of the Institute of jurisprudence at the Hungarian Acade- my of Sciences and the Péter Pázmány Catholic University (Budapest), Ph.D.

**A.S. ZAPESOTSKY:** – Dear ladies and gentlemen! We are beginning the second half of the discussion at the plenary meeting.

I invite outstanding Russian philosopher, academician of the Russian Academy of Sciences Vladislav Alexandrovich Lektorsky to the microphone.

V.A. LEKTORSKY: – First of all, I'd like to object to what highly esteemed Vitaly Tovievich Tretyakov said. When we are speaking about shifts in the global civilization, we first of all mean value concepts. Vitaly Tovievich thinks that there are strong and weak nations, strong and weak people, and there is no equality between them and in life in general, and there cannot be. This is a very serious topic. For some reason a lot of people think that the ideal of equality is uniformity, leveling. Many people think that it was one of the most negative features of the Soviet civilization, it's necessary to fight it, eradicate it. I remember that about 20 years ago I often had to hear and read: "Off with equality, long live inequality!". In particular, one wellknown author insisted in his article "Equality and Liberty" that if you were free, there could be no equality.

But let's remember the slogan of the French Revolution "Liberty, equality, fraternity". What equality was meant? Surely, all people are different, they can't occupy the same position in the society, because it should be determined by their achievements. But they originally should have equal opportunities and rights. When the French Revolution advocated equality, what did they speak about? About class inequality, which should be liquidated. Equality before the law, the legal system is necessary - that's the most important, and no one argues with that now. Equality of opportunities is another matter. This is a more delicate matter. At one time American philosopher John Dewey, the ideologist of liberalism, wrote about equality, and in his thinking he came up to the issue of equality of opportunities. What does it mean? If an individual is born in a rich family, he has certain opportunities, if in a poor family, there are different opportunities. It may well be that the second child is many times more talented than the first one, but he has no chances to develop his talents. How to achieve equal original opportunities for all, for the success to depend not on external environment, but abilities and labour? When Dewey started thinking on the topic, he was accused of devotion to socialism.

And now to the issue who is strong and who is weak. Let's remember the well-known subject. Roman prefect Pontius Pilate, personifying the power of the great empire, and the weak man in rags standing in front of him and saying strange things. What should be done to him? Crucify! And the weak man was crucified. However, several hundred years later Christianity became the ideology of the Roman Empire and later became the foundation of the whole Western civilization. And everything done in this civilization, including science and technologies, which became the source of giant power, cannot be separated from original values, accepted at one time in the past.

We know from history that weak children were thrown into a precipice in Ancient Sparta in order for the society to consist of strong people. But let's imagine it happening several centuries later. A child was born in the second half of the 19th century – his health was far from Herculean, his success at school was average... His name was Albert Einstein. Had he not been given certain opportunities, the mankind would possibly have no relativity theory. Criteria change, and it's not rare that what seems weakness turns into strength. There was a time when Europe was much weaker than the Ottoman Empire and Arabic caliphate, but in time the balance of power changed radically.

Today, all global problems, which we are speaking about, come up against value orientations. We are speaking not only about strength and weakness of states, their military power, though this is important. What is strength required for? As one well-known Soviet politician said, we have to become strong, otherwise we'll be crushed. And we, that politician said, have to cover the same way Western Europe covered in one hundred and fifty year, in ten years. That is, strength is required for protection, so this is not a goal, this is means. But what are we protecting? The system of values. And equality is included in it – it's one of the most important values of the today's individual.

About the present and the future. Usually we forecast future on the basis of what we had before, we extrapolate the past on the prospects and forecast. Sometimes it works, especially when we are speaking about movement of celestial bodies or artificial satellites. Everything is more complex in the humanitarian sphere. Recently, Nassim Taleb's book *The Black Swan* was published in the USA. He showed how many events that took place in the 20th century, changed the course of history, but all of them were unpredictable. And who could foresee about five years ago that the world will be like it is today? Had I heard such a forecast, I would not have believed it.

But we can treat the future differently. We can forecast it not only basing on the previous experience, but also creating, constructing something consciously. This year, we are celebrating the 100th anniversary of the October Socialist Revolution, scientists are discussing the Soviet project. A lot was tragic in it, but there were also some interesting things, which were not always written about. In particular, there was an idea to design the future: social environment, social system, humans. Lev Semenovich Vygotsky, a classic of world psychology (some Western psychologists divide the whole history of world psychology into two stages: before Vygotsky and after him), carried out his research for creation of the new man, he believed that it was possible to form and improve an individual.

Now, the ideas, which seemed utopist for many years, are being revived and even become super-actual. I'll remind Michurin's thought: "We can't wait for favors from nature. Our task is to take them from it". Now, this is again discussed all over the world, but not in connection with plants. How to treat these ideas in connection with new technologies? People work out fantastic projects. What future shall we build with their help? We can make life much better or, on the contrary, considerably worse and harder – a lot is in our hands, but that also depends on a lot of other factors.

**A.S. ZAPESOTSKY**: – I give the floor to the next guest. Professor Luiz Carlos Bresser-Pereira, you are welcome.

**L.C. BRESSER-PEREIRA:** – Well, I'm very happy to be here. I'm very happy that Brazil is part of the BRICS together with Russia, China, India and South Africa. We live in a time of a globalization and in this time of a globali-

zation two countries are profiting strongly from this, from this globalization. Well, it's China and now it's India. Recently this is not the case of Brazil, not a case of South Africa, and not a case of Russia also. And I believe that major objective for us is to grow, to make the catching up. The world only be a better world when not only the differences within the qualities among the persons diminish, but also as far as the differences of income between nations also diminish. For this I am strongly persuaded there is one problem fundamental that Brazil and Russia and South Africa face. And this problem is the "Dutch disease". What's the "Dutch disease"? It's a long term overvaluation of the exchange rate of a country, because he spots commodity and this is commodity's benefit from "ricardian rents" and so they can be exploited at profit with exchange rate substantially more appreciated then the exchange rate that makes competitive firms the industrial firms in the country utilize technology into old state of the art. So when you neutralize this "Dutch disease" you destroy if you had before your manufactory industry or if you didn't have you're never going to have manufactory industry. The ways that countries normally neutralize the "Dutch disease" is by imposing a hi-techs on imports of goods. This is a partial neutralization, because if impose of techs ... imports of goods, the national companies become competitive in national terms, in domestic terms not internationally. They cannot spot. I've been working very much on this vector, I have been working very much on the "Dutch disease" and model of developmentalism, developmentalism as an alternative to economic liberalism. And I'm persuaded that countries like Brazil and Russia could profit a lot from this ideas. I was able to develop a model of neutralization, describing the "Dutch disease". It's not a neoclassical model, it's a model historical, structuralist historical model and where the neutralization of the "Dutch disease" is made through an export techs on the commodities that create that cause the disease, 03:49 that cause long term overvaluation of exchange rate. I'd like very much to be able to more Russian economists about this, because this is their interests as it is in ours. But it is very interesting how difficult it is for people who learn about new ideas, but I think that these ideas would be very important for our countries. What about China? China has no "Dutch disease", China does not has spot commodities. Nevertheless when very interesting thing is that when you have the "Dutch disease" my model shows you suppose to have a current account surplus, not a current account deficit. Developing countries should not have "Dutch disease" definitely should not have a current account deficit because there is a relation between the current account and the exchange rate and you should have deficit in your current account, this means that you overvaluated exchange rate. What the west or the north tells us is that on other best thing to do for account then to attract foreign capitals. According to the idea that is natural that capital rich countries transfer their capital to capital poor countries. I say that this say is true as it is true that the Earth is flat. So it is seems to be but wrong. Actually I can show this very clearly in the model and in the research made, that these countries should have a current account surplus. China for instance has always a current account surplus. So this does not mean that you don't except international corporations, you can accept them but not for the capital. You accept them for their technology, for their capacity open new markets, not for the

capital, because when you have a current account surplus, this means that you don't need foreign capitals. Thank you very much.

**A.S. ZAPESOTSKY:** – Allow me to invite Mrs. Silver to the rostrum of the Likhachov Scientific Conference – our guest from Baltimore, Professor and Chair of the Department of Sociology, the John Hopkins University.

B.J. SILVER: - Thank you very much to the organizers for inviting me. This is been extremely stimulating discussions so far. I want to start with a quote... actually I've got to turn this off... I want to start with a quote from Antonio Gramsci written in the 1930s, which I think captures the moment in world history that we're in. Gramsci wrote, that "the old is dying, the new cannot be born and in the period in between many morbid symptoms appear". So we're in a period of transition to what we're not sure. And we're definitely in a period where many morbid symptoms are appearing. What is dying in part it's a century of US domination, the long twentieth century and one of the dangers which is happened in previous transitions from one world power to another is the danger of tempting to hold on to power too long, to tempt to maintain number one status, when that's no longer possible. So we see this were currently happening in terms the move toward a second American century under George Bush, now the return to language about to make America great again which has the domestic component to it but also an international component to it. So I'll return to this problem in a minute but what I want to take my time to talk about was to try and think about where we're headed by comparing the present with analogous periods in the past. And I want... there're different comparisons we can do, but I want to suggest that the comparison, one very useful comparison is with the early twentieth century, in other words the crisis of British world to Germany and the transition that was eventually came through, the middle of the twentieth century to period of the US and Germany. And what's interesting is the both periods - the early twentieth century and the early twenty first century are characterized by financialization, they've been characterized by a weakening of established labour movement. So in the early twentieth century we have an undermining of craft workers, unions and now in the late 20th and late 21th century the undermining of the movements that were based on mass production workers. And the final point in similarity is very important and several people have referred to it, that were in a period of extreme inequality within countries and extreme class and a quality. And not unrelatedly another similarity which is related to this extreme inequality and this change and status, rankings is the rise of fascist and far right movements. So we are in a moment of danger both in terms of the dynamics within countries, in terms of right wing populous movements, but there're also tied to changes in a balance of power between countries. We can have this right wing movement tied to movements of militarism. But I think there's also analogies to look at that would make us more optimistic about the potential for the avoiding some the... a long period of systemic chaos like happened in the middle of the 20th century. So if we look in part... we're having a hard time finding enlightened leads, enlightened state leads, because one of the most urgent things is to begin to pursue policies that move us away from this increasing in a quality. I had hoped that after the 2008 crisis that there would globally more movements toward decreasing in a quality and that state leaders would take state and capital would both take a leading role in terms of even an enlighten self interest because we're in a moment of deep crisis even for capitalism in terms of crisis of legitimacy for capitalism. But this kind of change is going to require, and historically it's required, pushes from below, from movements from below. And my written intervention focuses on some of the new movements from below that are coming up including new workers movements, talks a lot about a wave of strikes that have taken place in China over the last decade and the ways in which that has been moving China which has gone through good decade of very rapidly increasing in a qualities in a direction toward razing wages and reducing in a quality. And there are other kind of movements, there's again it's in my written piece I won't have time to talk about it, but there's lots of potential strength from below. So at the moment the craft worker unions in the 1920s have been completely weakened everyone was talking about the end of history, the end of the role of labour movements in determining outcomes and advancing welfare for the majority of the population. And just as they were sure in the 1920s that the labour movements were over we get the big waves of mass production worker labour unrest on 30s, 40s, 50s. And the same thing I think may be happening today which again I speak a little bit about in the written piece, that we may be underestimating, we may be talking about the end of history from the point of view of labour and labour movements, but that what we actually have is the restructuring of the working class globally and the potrntial for the emergence of some new pushes from below can take us in the direction of greater equality and welfare and wellbeing for the majority of the worlds population. Thank you.

**A.S. ZAPESOTSKY:** – Thank you, Professor Silver. Academician Alexander Dmitrievich Nekipelov is invited to the rostrum.

A.D. NEKIPELOV: - Dear participants of the Conference! I'll speak about certain issues related to changes, serious in many respects, of systemic character, which are taking place in international economic relations. When Alexander Sergeevich Zapesotsky was opening the Conference, he worded the problem of contemporary phenomena in globalization: are we dealing with the process that paused or reversed, or is it transiting into some new form? The matter is certainly not in definitions but in essence. And the essence is that we are seeing processes that were impossible to foresee just two years ago. They are the cardinal, at least announced, change of the attitude to international agreements in the United States of America, and the exit of the UK from the European Union, and many others. The state of affairs is paradoxical. Those who insistently promoted the idea of borders' abolition on the way of commodities, services and capital flow, those who assured that costs connected with that will be repaid with interest by the following profits - it is exactly them today, who announce the transfer to politics basing on protectionist measures. What happened? It is certainly possible to explain everything by political system's oddities, unexpected results of elections, but such explanations don't satisfy me as an economist. I do not reject the role of some or the other political factors and even coincidences, but nevertheless I'd like to understand if there is an objective foundation under all that.

Let's remember how globalization was interpreted until recently. There was a practically generally accepted understanding of it: market economy rules in everything in the world, science and technologies develop, the world as if shrank. Transport, communications, new commodities and the rest – all that connects us with each other. And this is inevitable, so national restrictions should be abolished and natural processes should be moderated in a certain way. It was supposed that they were moderated also by way of formation and enlargement of the very structure of world economy, formation of big integration associations. In principle, the general idea was as follows: movement to the common market environment with elements of common global governance. This in essence is a neoliberal variant, which had an analogue in the Soviet period. Probably, many people remember Vladimir Ilyich Lenin's words about the trend for creation of the common cooperative of nations.

And suddenly there is a turn in the opposite direction. What happened? The labour distribution model, which was formed lately and identified with evident progress, in any case in developed countries, means transfer to service economy. That is, services are given the domineering role. But services can be different: they may satisfy production requirements, human requirements or just be necessary for efficient functioning of market economy – for example, the financial services sector. And the 2007 crisis broke out exactly in this sector, and world economy has still not managed to overcome the consequences of it. In my opinion, the financial crisis of 2007–2009 served the basis for serious changes in the world.

But let's look at the economy of developed countries. The real sector's share in the United States GDP has been considerably lower than 20 % for a lot of time already and the financial sector's share is considerably more. The same can be seen in the UK and other Western countries. And this most important sphere suddenly found itself in a long crisis with very unclear perspectives of getting out of it. Striving to build politics on returning the real sector of economy to the country naturally follows from that – on what was previously actively transferred to countries with low costs and cheap labour.

All that certifies that world economy has entered a painful and very long period, in the course of which the rules of the game will be excruciatingly reviewed, and the states will occupy positions proceeding from their interests. I repeat, this process will be long and difficult. It is useless in this environment to use notions "you are for liberalization" or "you are for protectionist measures" – that's not the issue. There will be many talks, going forward with great difficulty, trade wars and other unpleasant actions and events. And only in this way the world economy can be reshaped and will gradually be reshaped.

**A.S. ZAPESOTSKY**: – Dear colleagues. Mr. Guy Mettan takes part in our Conference for the first time.

**G. METTAN:** – Thank you, dear friends, dear colleagues. Thank you, professor Zapesotsky, because inviting me here. It's an honor for me to be here for the first time as a journalist and as a politician from a small country. I have just a simple message, I am not an academic, I have

just one idea to share with you. My idea is that we are now facing transition, the transition between imperial republic into empire or state authoritarian empire. It's not the decline of the global western order in my view, it's on the contrary the rebuilding of a new order more stronger than ever. The transformation of our current western world into an empire. Look, it's not new, my thesis is not new. I think many of you have seen the movie "Star Wars", designed by George Lucas, the famous saga, science fiction saga "Star Wars". What is the story of "Star Wars"? It's exactly this scenario, it's a transformation of the imperial republic, corrupted by greed, corrupted by ambition, personal ambition into an empire. President is transforming itself into an emperor thanks to a putsch, with the support of whom with the support of the federation of trade. This federation of trade is conquering new planets, new markets in order to transform the republic, the galactic republic into an empire. That's the same story now, look at the history. In the Roman republic, how do Roman republic the second century before Christ started to transform itself into an empire which was achieved by Julius Cesar, then Augustus. The republic was corrupted by big increase of what?, big increase of new territories, big increase of social difference between the rich and the poor, the big increase of social classes difference inside the republic who corrupted the institution and helped to transform them into an empire. What are the characteristics of an empire? It's also nor new it's the famous Ibn-Khaldun, arab philosopher, who was the advisor of the sultan, who define what is an empire. Empire hate borders, the empire don't like the limits, because the limit it's a limit imposed to itself. Without limit you can conquer any territory, any new state you wish by regime change, by freedom of commerce of any kind, by soft power, by any kind of mean. So empire likes some limits in certain case for instance between Mexico and United States, but very-very few of the empire are never clearly define, because it's more interesting to expand itself. Secondly, empires define not by the rule of law, but by the law of rule. Exactly the opposite that's one low to rule the world, it's not the rule of low. So empire like freedoms but hate freedom, like to split the freedom of every human being into many freedoms - freedom of circulation, freedom of trade, political freedom certainly, freedom for all kind of minorities, LGBT and so on, all kind of minorities, so on. But the freedom in general for every human beings is declining. The other characteristics the transmission of power inside the same family. When I was young student for me in western Switzerland it was just incredible to think that in The United States you can transmit the power from the father to the son, from Bush the first to Bush the second. to transmit the power between Clinton, the husband, and Clinton, the wife. What's its name? It's not democracy, that's empire, that's kind of oligarchy, that's kind of monarchy, that's not democracy. So we are entering into post-democratic era. Empire is also qualified by the term peace and security inside and war and chaos outside. So there is an organization of strategic cause why to do that in Khaldun is very clear - it's to keep the population quiet inside to ensure and to exploit better, exploit the world outside, to attract the money from the peripherical outside. And that's exactly what we can see with all the cause belt we can say from Balkan to Middle East and to Africa surrounding... just positive conclusion. What are the means to fight against the empire. If you look at the "Star Wars",

there are two possibilities. One is the rebellion, the armed forces, the armed rebellion against Darth Vader and the emperor, but it is not clearly a good idea in the era of nuclear weapons, it's very dangerous. The other means it's the Jedis', Jedis represent a spiritual force, represent the intellectual force, represent what you are young students here, what we try to..., it's a kind of wisdom and peaceful manner of fighting the empire. So like Mahatma Gandhi, who was fighting with success with British Empire with peace and bravery. So I just call you to be the next Jedis against the next empire, thank you.

**A.S. ZAPESOTSKY:** – Allow me to invite outstanding Russian lawyer, academician Andrey Gennadyevich Lisit-syn-Svetlanov to the rostrum.

**A.G. LISITSYN-SVETLANOV**: – Dear Alexander Sergeevich and dear participants of the Conference! It is not the first time that I participate in the Conference, and I've noticed that when we discussed globalization's development in the past, we were more optimistic. Now, looking into the future, we are often pessimistic, and that is probably well-grounded.

I'll speak about some paradoxes of the current processes. I agree with academician A.A. Akayev that legal foundations of globalization originated when the United Nations Organization was created. I mean the Declaration on Principles of International Law concerning Friendly Relations and Cooperation among States in accordance with the Charter of the United Nations. Exactly these principles have been the main regulators of the international law till now. These are the so-called jus cogens, or 'the compelling law'. To review these norms will be wrong because they are saturated with the spirit of cooperation, love and trust in the future. But what happened? Basing on these principles, we've come to the state of affairs when it is right to speak not so much about globalization and universalism, but about crisis. When the principles were approved, there was no issue raised as to self-determination and territorial integrity of states, while today this is one of the main problems and a barrier in the international law's development.

Just a little time passed after the principles were adopted when two opposing blocs were formed - the Western and the Eastern. After a number of years China launched reforms, the Eastern bloc disintegrated. It could seem that the way to globalization was open. However, as soon as there are crisis situations, we do not understand how to deal with them. If we apply to the economic side of globalization, its basis is the World Trade Organization (WTO) from the point of view of law. Yes, currently, the WTO rules are in force, but the imposed sanctions and other limitation measures nullify all issues related to tariffs. There is a saying that after the head is cut off, it's useless to cry about the hair. That is, when we are speaking about limitations in essence, the amounts of tariffs do not matter. In this case, we run across certain legal obstacles on the way of further globalization development, and, on the contrary, protection measures are required which will never be universal, but will be different in different countries.

What efforts are taken to overcome the existing problems or create something new? The attempt of transatlantic agreements is opposed by elites on both sides of the Atlantic Ocean. We are speaking about Trans-Pacific cooperation – but in this case a more dangerous mine is buried, because two economic giants operate there, the USA and China. Currently, there are signals certifying serious contradictions between these states, and it is not clear for me, for example, what all that will end in. No matter what, we are speaking not about universal principles as the legal globalization tool in both cases, but about regional integration, though these regions are very big and large-capacity regions.

As for Russia, our closest partner is the European Union. Everything done in Europe from the time of the common market's origination, was welcomed and taken as proper and right. When the common market became the European Union, integration was also taken as a blessing, but some apprehensions appeared. However, then the crises struck – at first economic, and now political as well, and not only Europe but the rest of the world turned out to be encompassed by it. The former Cold War was replaced by opposition, including various aspects. Today, there are talks of hybrid wars, information wars, cyberwars, etc. The question arises: how Russia should build relations with the European Union? The European Union is not a state and not an international organization but a supra-state formation, the affairs of which, by the way, are not going well from the point of view of economic policy and decision taking processes. What should be done? There are two legal tools: either build new relations based on agreements (and that is connected with difficulties, with the confrontation that was brought about as a background), or advance bilateral relations. Probably, the second variant will be more promising in future.

And several thoughts in the end about academician V.L. Makarov's ideas about cyberspace. Until recently, I called all laws 'the laws of the stretched arm', meaning that legal settling of affairs – no matter what: democratic, non-democratic, based on law and decisions of courts of law, or administrative principles – is done by the state within the limits of its borders. And there is power that will stimulate or restrain, punish or pardon, but will always act in certain space, in certain jurisdiction. As for cyberspace, it originally, in its philosophy, does not proceed from the territorial principle, it is based on extra-territoriality. And here lawyers will have to rack their brains. But this is the task for young generations already.

**A.S. ZAPESOTSKY**: – Now, Professor Taşansu Türker is invited to the microphone.

T. TÜRKER: – Mr. Rector I really want to thank you once more, it's a great honor for me to be here. And I really appreciate this initiative of your university which reminds me more Novgorod than Suzdal, more Saint Petersburg than Moscow. And it reminds me again that Saint Petersburg and Russia is open to the world and connected to the world and city is creating new ideas. Please don't take that as an exaggeration, but I believe that this kind of organizations especially this one organized by SPbUHSS can be some contribution to the world peace. Don't take this as an exaggeration, don't take this as eastern promises, let me explain it.

I think everyone here agree that we, all the world, are in a crisis or we are in a transition period; and there are so many things obscure, so many things undefined, there are so many things unpredictable. All the reports here today

were about that which I may just see on the faces of the students, too. Last year actually I was talking about crisis of modernity, this year we are talking about the same thing and we will be talking about those more. At this moment there's one thing which is really very important for me, there is a crisis and this crisis is in the west, so it's the crisis of modernity and now we're talking about post-postmodernity or neomodernity, again or revival of postmodernity, but they are all related to the West. Our social scientists in Russia and in Turkey and many other countries are related to western sciences. And I think that this is really very important because when we talk about French revolution and when we talk about transition of Europe in 19th century I think we may just say that French revolution was in 1789 but we should remember congress of Vienna of 1815, we should remember 1830, we should remember 1848 and so on, and we should remember World War I. So it's a long process of transitions of societies, and especially in the West. Last year I was saying in my report that Russia and Turkey are really very similar to each other. They are not the West, but they are westernizing, they are modernizing their selves, so they can be accepted as a part of the West and they can be accepted as non-western powers. This brings me to two points which are really very important, for Russia and Turkey, both countries I think, we should think about spontaneous dynamics, our local dynamics, and we should think about how those dynamics will be affected, what kind of influences we will have throughout this change now the West is living, or the transition now the West is in. And second thing I want to mention is, in modernization period those two countries brought enlightenment and secularization from the West, and science from the West. This time we already have them so it means that we have an opportunity to make contributions to the change and it gives us on opportunity to be a part of the change what the West is living already. And I think this will match the world more peaceful not only for Turkey or Russia, not only for the West, but for all the world. I think that kind of organizations, not western-oriented only but bringing people from different kinds, different parts of the world and bringing people from different views and different spheres of science, gives an opportunity to make contributions to the change itself and it is an opportunity to create a more peaceful and real and more adjust world. That's why last year I was saying to the students especially that 19th century was an era of enthusiasm so, it was intellectual heaven in the world history, I will say this again: I think, like 19th century, now we are in another foundation period and let's be a part of it because we will suffer the crisis so let's enjoy it a little bit by contributing to it. Thank you so much.

**A.S. ZAPESOTSKY:** – The floor is given to outstanding Russian diplomat, Director of the Department of International Organizations of the Ministry of Foreign Affairs of the Russian Federation Alexander Anatolyevich Pankin.

**A.A. PANKIN**: – The atmosphere in the hall, the tonality and outspokenness tune to the unusual dialogue, not so much scientific and political as a free exchange of ideas and appraisals. Today, the following direction of the discussion was outlined – the conflictogenity potential is increasing in the world. It is still not clear if we are moving to war or not, if the world will be sustainable, what will happen to the property or wealth status. On the one hand, inequalities in wealth are increasing, on the other hand, the fruits of information and communication revolution, technological revolution, industrial revolutions allow to smooth them out, move forward (even for those who could not even think about it in the past). Some financial projects are brought into life, the others are destined to fail.

Confrictogenity is provided by inertial factors as well – decades of distrust between Russia and NATO, countries in various regions (not only the East and the West, but Africa as well). Surely, Africa does not occupy the first place in international politics as well as Asia and the Middle East. The multi-century inertia of backward Middle Ages meets state-of-the-art technologies and is laid on that. Today, we can watch the 500-year-old way of life in the Middle Eastern countries meeting the today's reality (cell phones, Internet, etc.). Sometimes, this happens in a civilized way, and sometimes strengthens negative phenomena (terrorism, fundamentalism, wish to revenge, take from the neighbor "what belonged to us" 700 years ago).

It's customary to think that after World War II, when the United Nations Organization was created, we turned a page in the world history. But this is only one page, and the next one is post-colonial heritage, because the borders were established not in 1945. There were other borders before the colonial period between the constantly migrating nations. Today, this brings about various conflicts.

It was said here about fear as a driving force of the contemporary politics – this is the first factor. The second factor is greediness allowing business to master such spaces that were difficult to imagine 50, and especially 100 years ago. Because of that financial pyramid schemes, soap bubbles, etc. originate. At the same time, climate 'horrors', inflectional diseases 'horrors' that may eliminate half of the world population are inflated and exaggerated in world politics. All these factors do not help stability.

But if we come back to the issue as to where we are going, no one is purposefully leading to a world war. Because of that conquering territories is senseless with rare exceptions. It is possible to dominate in other ways, including control economies of the others via financial systems, etc. But a random factor can provoke a conflict, which will develop in an uncontrollable mode, but I hope that it will not lead to a global catastrophe. Because of that it is important to follow what is taking place at the United Nations venue and in bilateral and other formats. Regional conflicts may lead to a world war. We know that one match can cause a big fire. Because of that the world community paid special attention to the Korean Peninsular, Iran's nuclear program and now switched its attention to the Middle East. Besides that, the state of chaos started domineering in the world: now there are no exact scenarios, either political or financial. Everybody ventures at random.

In the 1950–1970s, there were many scientific institutions, which worked out scenarios hypothesizing varying development, some of them were brought into life 30–40 years later. Today, no one does that, and if someone writes scenarios, they are so multi-variant that actually provide a lot of opportunities and do not allow to orient oneself. People do not understand where the world is going, because scientists do not offer development variants (where it is said what actions should be stopped).

Public diplomacy and 'brainstorm' are one of the best means to convince our colleagues that Russia has an idea of what takes place in the world and its own opinion as to what should be done in order to avoid the worst scenario and realize the best one.

**A.S. ZAPESOTSKY**: – The floor is given to Mr. Montes.

M.F. MONTES: - I thank you very much, rector Zapesotsky, it's a big honor to me to be addressing such a big audience and so many young people were worrying about the crisis I've been talking about. And my paper and I would like to try to present it so that the young people will try to look for it in the website and try to read it, it's not very long, I think it's eight pages. It's called "The International liberal order versus human rights". Ok, so I'm trying to make the point so that the international liberal order actually does not protect and in many cases it violates human rights, and what the paper actually does, it illustrates this: with respect to two things two chapters in the Transpacific partnership agreement, right, which was something that was a bone of contention during the US election. And the way this became a bone of contention during US election is that Donald Trump said, that the worst trade agreement that the United States signed on to 01:11 was called NAFTA. And now the US is about to sign the Transpacific partnership agreement, right. And what was wrong with NAFTA? Well, Donald Trump said that what was wrong with NAFTA is that it was bad to the US, but good for Mexico and maybe good for Canada and NAFTA is not American free trade agreement as three countries. All right, but when you look actually at the record during the period since NAFTA which was signed on 1994 all three countries were growing, right. So at the national level all three countries are growing and actually you have to look underneath the data to see why, what the cause of NAFTA were, right. And that was an economist a long time ago... the discussion this morning, who actually knew what... this kind of problem, the national economy can grow, but it is bad for the populations that are involved with this national countries. And what was going on is a lot of the benefits of NAFTA went to capital and this award that these economies like using, right. It went to rentiers and to capital and it didn't go to labour and the working classes of these countries, right. So, in the end for example if you think Mexico, Mexico grew from NAFTA, but in the end of the day it was less industrialized than when Mexico signed on to NAFTA. So it actually was a regression from NAFTA, the Mexican private sector became very dependent on foreign capital, so it was like re-colonization of Mexico. And this is why it is bad, so one thing you can say is that, well, Trump at least asked the right question. But he had the wrong diagnosis and one of the first things that probably describes this discussion that we are having, the first thing we have to do is to diagnose the issue, ok. And one thing that I'm trying to put in my papers is to say, well, the problem with these rules is that they're... maybe they're no good. But what I'm saying and people are always justifying that, well, at least they are for human rights, right, nobody can complain about human rights. So what I try to do in the paper, which is very short, I try to show instances where it can violate human rights, I mean human rights are an obligation of national states and what I do is to explain two chapters in NAFTA. One of them is intellectual property chapter and the other chapter is a investment treaty chapter, where I show that actually it ties the hands of national authorities from fulfilling the human rights. Human rights are obligations of states, right. So let me try to see, well, there's another political angle to this, right. Before the elections Donald trump's advisory Hillary Clinton said that TPP (the Transpacific Partnership agreement) is the gold standard, right. So what does it mean the gold standard? Well, I'm trying to show in my paper why someone like Hillary Clinton would say that it's the golden standard, right. And basically it's the gold standard because it allows a complete freedom of action, unfettered action if you read my paper there are some examples. Unfettered action for you call it capital, you call it private sector is to decide what it wants invest, how long it wants to invest it and under what terms it's going to invest its capital. So let me talk about the fist example, if I ran out of time I will just stop talking, right. And by doing that there's the last... there's the third section where I actually talked about how globalization if you just look at the numbers is actually reversing, trade is actually reversing and then there are some ideas there about what kind of reforms might be used. But let me talk about the first example, I call it "TPP versus the right to health". The right to health, the United Nations came out with, I mean, a long time ago, the universal declaration of human rights in 1947. It said that everybody has a right to health, right, everybody has a right to health services. The problem with the Transpacific Partnership agreement is that it protects the intellectual property of the pharmaceuticals that produce the medicine or theoretically that invent the medicine. Now, intellectual property say that human made, man made invention. The invention is given to a private parties in order to motivate them to do research, in order to invent, right. And actually what happened in 1994... I cannot even do the second one... let me... can I just finish this one? In 1994, right, these intellectual property rights are... used to be stated at the national level. There are now large world trade organizations, therefore they became international rights, it allows private investors to decide wherever they want to do, the invention. And in the end... the idea was that it would stimulate the invention but in the end, between 1994 and now, there are only two new antibiotics that have been invented and we are now facing the possibility the there would be anti-microbial resistant before climate change, people might die off, right, because of anti-microbial disease and so it didn't increase the innovation, it makes the cause prohibitive for ordinary citizens, especially for developing countries in the sense. And what I actually sight in the paper is an article from Lancet, for those of you who are medical doctors you would know that Lancet is the most prestigious international journal and they say that it would be a human tragedy if TPP had been approved, it would be a human tragedy because it would made intellectual property right enforcement even stronger. Thank you very much.

**A.S. ZAPESOTSKY:** – The Vice-President of the Federal Chamber of Lawyers Henry Markovich Reznik is invited to the rostrum.

**H.M. REZNIK**: – Alexander Sergeevich usually assigns me the part of a troublemaker or peace disturber. But this time this role was brilliantly played by Vitaly Tovievich Tretyakov, who sang a hymn to social Darwinism and abolished the law (however, he mostly spoke about the international law).

I'll quote a poem by Hans Magnus Enzensberger, the favorite Brecht's pupil:

> Great intentions are really wonderful: Paradise on Earth, universal fraternity, permanent destruction. All that could be fairly achievable, had it not been for the people. Only people interfere: get in the way, always want something. There are only troubles from them. It's necessary to storm - save the mankind, but they go to a hairdresser. Today all our future is at stake. and they say, "It'll be nice to have a beer!" Had it not been for the people, what a life could be!

Representatives of the Enlightenment (Voltaire, Diderot, Rousseau) shook the foundations of the medieval society and called to build life, basing on the mind, and they thought what to do with the masses of weak people (uneducated, inert, poor). They called to liquidate this class in order to avoid injustice when some oppress the others.

Any power establishes order in the society on three foundations – violence, suggestions and the Roman law common to all (I am speaking about legal rights and legal equality). I am not interested in the global world as it is, but Russia in the global world. We should pay attention to our own problems. Power based on two criteria before bourgeois revolutions – violence and suggestion. Then the common Roman law originated, and later the international law. It laid claims to regulating international relations after World War II, because the mankind was horrified by what a totalitarian state can do to the people and the world.

Currently, we are in a turbulent state. Each state uses violence at least minimally. Now, we've run upon suggestion – propagandist Bacchanalia on TV channels. Currently, the law works but not as we would like to: in order for the law to be effective, a strong independent court of law is required (and we have problems with that).

Let's pay attention to the international arena. The Western civilization is based on the mind, all achievements of the mankind connected with improvement of life come from the West, they are based on freedom and respect to individuals. The traditional world (currently this is the Islamic world) thinks and not without grounds that freedom shakes traditions. The global world really erodes traditional foundations of national identity.

V.T. Tretyakov said that we, the older generation, create the future for young people. I'd be careful to speak about that. About one hundred years ago the mankind decided that it is impossible to live without hot water and warm toilets. Now we cannot imagine our life without a cell phone and young people cannot live without the Internet. V.T. Tretyakov was right to mention that we are in a turbulent state, I hope that this state of affairs will be overcome. The USA behaved unceremoniously invading Iraq and realizing its right of force. And I'd be happy that the Crimea reunited with Russia had I not been a lawyer. But I hope that this state of affairs will normalize though not soon.

Another issue is our emphasis on the antiquity, returning to the so-called traditional values. I think that this is very dangerous. Yes, the mind and science as well as introduction of technology have been eroding traditional foundations of human existence for many centuries. I won't dare speak about what will happen in the next 10– 15 years. And it is possible that in one hundred years new generations will look at us, living now, as we are looking at Neanderthal men.

**A.S. ZAPESOTSKY**: – Dear colleagues, the floor is given to Professor Georgy Borisovich Kleiner.

**G.B. KLEINER**: – The abundance of general and particular issues, which we are discussing here, makes one look at our problems from the high inter-disciplinary positions. In this respect, I'd like to remember Boris Slutsky's words, he was a wonderful Russian poet who said about 60 years ago:

> Somehow physicists are honored. Somehow lyrists are neglected. The reason is not dry calculations, The reason is the world law.

What law did Boris Slutsky mean? It seems to me that looking for this law is the pathos of the Conference this year. If we look at the world today, we'll see that globalization, about which so much was said, fails and misfires, it is replaced by localization, national protectionist priorities, etc. What really happens? Are we speaking about global restructuring of one trend to get another? Is it a kind of swing - globalization at first, localization after it, then globalization again, localization again? Is this the essence of the law? It seems to me that no. What is lacking for it to become a law? In order to answer this question, let's remember what globalization is. This is an imperfect kind of development, movement, distribution of resources, erasing borders, etc. What proceeded it? Another epoch, which we sometimes call the era of disarmament, detente, stability. What will follow the globalization process? Localization? No. A different process follows the globalization process or global erasure of borders.

Look at what happens in the world. It was said about it here: the contents of states are changing as well as their borders, new states originate, as well as recognized, not recognized, semi-recognized, prohibited states. The world is shaking because of all the events. The era of changes, to be more exact accidents is coming, that will shake, if you want to, the world boat. What will happen next? Another era will come, we see its contours, the contours of the future. This will be the era of country house-building. And the four-part cycle, reflecting the general regularity of systems' development, will end with that – it refers to global, local, meso-economic and micro-economic systems. The consequence of movements from the first, object-type, organizational system to the exit beyond its borders is characterized by globality. The second system is environmental-type. It is followed by the process-type system, this is exactly the process we call globalization. And finally, the period of changes, projects. These four types of social order replace each other, change priorities.

Surely, there are precedences and processes, but the change of priority directions is the law governing the movement of world structures as well and I'll be brave enough to say that also the movement of what Boris Slutsky said. What law did he mean? Who is between physicists, representing the real, object-directed, objective view of the reality, and lyrists, spreading their emotions, views, feelings to the others? The first are referred to the object-type systems, the second to the process-type systems. Who is between physicists and lyrists? There are those between physicists and lyrists whom I'd conventionally name clerics, they are representatives of some stable environment, not necessarily religious, this may be an environment based on a different world view, for example, communistic. The transition from physicists to lyrists goes via clerics.

And finally, who comes after lyrists? Why is it not possible to return back to physicists in this cycle? Unfortunately, I could not find a more suitable word to define people, representing this type, and please, do not be offended, but after physicists, clerics and lyrists, the rule of schizophrenics comes, in the good sense of the word. They are people, who have their own views, they are not attached to the system, they perceive the world as an aggregate of projects, as geysers that start bursting here and there. Many of them initiate projects themselves, take part in them. This is a necessary stage, the very stage of changes. And combination of these four types of systems, dominating of each of them in this or that historical period is that very world law, which we are subjected to, which Boris Slutsky meant and with which we'll have to live.

**A.S. ZAPESOTSKY**: – And now wonderful Hungarian philosopher Csaba Varga will speak.

**C. VARGA:** – Ladies and Gentlemen, it is a great honour for me to get invited here for the second time with the commission of addressing to you. Remaining within my own field of research, of which I have been an academic scholar for the last 52 years, I shall speak on legal problems strictly, but at the same time addressing the main issue.

There is a human precondition for balanced life that somewhere one may feel to be at home. This is to mean that in both action and reflection we humans are routinised and live mostly with preconceived ideas, amidst a humanly made second nature which is more or less to correspond to the environment as we perceive and inhabit it. In the first half of the 20th century, there was Carl Schmitt, then in the second half, the psychiatrist Thomas Szasz as well as the Marxist Michel Foucault who all spoke about normality as a special category, serving as a coordinator of our everyday life. Later on, the legal theoretician James Boyd White revealed that human imagination on what is used and bound to happen - that is, what stands for normality - is the frameworking core of any legal regulation. Otherwise speaking, only that what can be foreseen as able to happen may and shall be conceived as calling for regulation. That means that anything of futurology, i.e., foreplanning, is unjustified. For it cannot be but extrapolation from the present as seen in the present, in the same way as neither the law could transcend its limits, having reduced its service to offering responses to nothing but actual challenges.

As to the chances and unpredictability of future, I shall have some examples. One, what is about if human personality itself turns be manipulatable? If emotion turns to be a function of organic regression? If arms will be developed, undetectable but having far reaching effects, which can exert their killing effect on a mass scale at a later time, when no one any longer can identify the action of whom and what it has been? If life expectations for genetically specified groups of people, too, can be simply shortened or troubled? If copyright regulation turns to be illusory, due to the immense development of informatics technologies? Moreover, I draw your attention to the brutal fact that independently of whether or not murder runs against human nature, genocide at mass scales appeared in history as dependant not on exclusively moral but also on technological niveau. For the construction of big smoothing machines like bulldozers, able to efficiently relocate corps, is the precondition for that killing on an industrial mass scale can at all be contemplated. So, all the above shows that our most noble principles and expectations on law notwithstanding, we cannot jump out of the environment we live in: law cannot be but contemporary response to the given challenges of the age in which we do feel at home and have been routinised in.

Two, the dimensions law may feature now and in the future may be just fundamentally differing. Just to have mention of the milestones the law could offer communicating to its addressees. Code of Hammurabi on nine diorite steles in the realm or the Law of the Twelve Tables with Tullius Cicero remembering that it was versed as redrafted in form of a poem and in school pupils had to memorise it. Or, the Magna Carta that advanced Martin Luther in that, yearly at least, it had to be posted up on church gates and also publicly reannunciated while sermon. Then came the lettres de doléances with cries of suffering and popular claims and the more and more radicalised and radicalising French pre-revolutionary papers, all them produced on a genuinely mass scale for extremely low expense by early printing. To end listening past patterns and means, in 1968 I was in Moscow, among others visiting the Federal Institute of Legislation established as an official organ of last authentification of what are the laws and their textual wordings in the Soviet Union and its republics, in a mechanical system of huge a many boxes of card-fiches, filling the whole palacelike building. Please relate these dimensions of law to what is e-law now and what it can develop into, with easy re-enactment and reorganisation in no time but unerringly sure reach of addressees.

**A.S. ZAPESOTSKY:** – I'd like to invite outstanding Russian sociologist Zhan Terentyevich Toshchenko to the rostrum.

**Zh.T. TOSHCHENKO**: – Dear colleagues, the detailed analysis of the problems, the today's world has to deal with, has already been presented from this rostrum, and the conclusion was made that they have economic, political, diplomatic and legal factors. It seems to me that attention should be paid to another very important aspect,

which is significant from the scientific and practical point of view and about which Professors Chereshnev and Dutkiewicz spoke today - this is the problem of the 'soft power' in world politics and life of the society. What does it really mean? What are the role and importance of public conscience in our life? Public conscience as 'soft power' sometimes becomes the primary force in comparison with the listed by me factors. We see that with the events that took place in the Ukraine as an example. There were contacts between the government of our country and the government of the Ukraine for a long time in the post-Soviet period, and they referred to oil, gas, our Navy in the Crimea, mutual debts, but no one paid attention to what happened to the population of the Ukraine. And other forces worked with it at that time. And the time came when neither economic, nor political, nor other factors but that 'soft power' lead to what we are having today.

I'll pass to a wider generalization. You know, I as a sociologist do not care in principle about what Merkel, Hollande and other political leaders of Western Europe think about Russia. I am more worried about the opinion that is now spread among the population of Western Europe. I know as a sociologist that there is a fairly sustainable opinion formed, I'd even say that they are rather hostile to what takes place in Russia today. I am afraid that even if Merkel and other political leaders are replaced, the opinion of the Western society that has already formed, will not change. Because of that the issue of who and how influences public conscience is the problem of both scientific and directly practical importance.

With this state of affairs I'd like to remind you Marx's words, who said that "the idea becomes a material force when it has seized the masses". It is not rare that exactly mastering respective ideas leads to solution of some or the other issues. I'd like to end my speech by an interesting saying by English historian and philosopher Carlyle, which I like very much. According to him, revolutions do not take place on barricades – they take place in minds and hearts of people. And if they happen there, people will go to barricades.

**A.S. ZAPESOTSKY:** – Zhan Terentyevich, if you allow me, I'll ask you one question. Once mass media reported that a taxi driver was wounded in the Ukraine when he refused to chant "Hail to the Ukraine!". Petr Petrovich Tolochko said that such things impress people horribly. This is real Fascism, terror. Tell us, please, as one of the leading sociologists in Russia and probably the world, how do you think, is correct sociological research possible today in the Ukraine, with clear data we can interpret?

**Zh.T. TOSHCHENKO:** – It's difficult to say. Now, I have data of the survey that took place in the Ukraine and Russia as to the attitude to the Ukraine in Russia and to Russia in the Ukraine. I should mention the following. When the matter refers to characterizing the Ukraine and Russia as states, both here and there the attitude is very negative, up to 70 %. And when the matter refers to the attitude of common people to the Ukrainians or the Russians, here, on the contrary, the majority is sure that relations are still good or it is possible to set them straight. Because of that people's diplomacy and 'soft power' are our reserve, with the help of which we can solve the most difficult issues. A.S. ZAPESOTSKY: – Thank you. I invite Vladimir Konstantinovich Mamontov to the microphone. The world of journalists and readers of Russia knows him well as the leader of *Izvestia* newspaper at one time and one of the leaders of the collective of journalists of *Komsomolskaya Pravda*.

V.K. MAMONTOV1: - It is a great honor for me to be present here and even more so to end the plenary meeting after so many brilliant speeches, I'd say, such an intellectual feast. I have several observations that do not aspire to any serious conclusions, but nevertheless I'd like to present them. It was said here about the main dangers that exist in the world today as a whole, including in journalism and academic community, as to how we started perceiving each other in international life, world politics. I think that one of the main misfortunes of recent times is some fantastic simplification. Piotr Dutkiewicz spoke about fear here. This is primitivization, when everything comes down to fear, simplifications, some things, which seem easy to understand, being a kind of political multiplication table, but only there is a difference. Mathematical multiplication table is right in all instances, and ethic, human, political multiplication table is very dangerous and unstable, two times two is not always four there.

It seems to me that we started forgetting that. I think that it probably happens under the effect of the war going on, no matter that it is hybrid, it may be any. May it be that everything is simplified like that at the time of war? We remember how it was at the time of the Great Patriotic War: kill the enemy where you meet him - that was written by Erenburg and repeated by Simonov. And these lines changed into more complex, stereoscopic by the end of the war. Recently, those who demonstrate some old school in international relations, trying to understand what is going on, are right. The first who does that among our diplomats is undoubtedly S.V. Lavrov. Henry Kissinger, so to say, the pillar of that old school attitude to business, wrote an article about Russia, in which there are the words, "To understand Putin, one must read Dostoyevsky". And whom is it necessary to read to understand modern politicians, the actors of the fuss taking place in Syria, accompanied by explosions and bombing? Whom of the American classics is it necessary to read to understand Trump? William Faulkner, Mark Twain or perhaps Kurt Vonnegut? And whom must we read to understand such figure as Macron? Charles Perrault's fairytales?

#### V.T. TRETYAKOV: - Maupassant.

V.K. MAMONTOV: – Yes, may be Maupassant. You see, it seems to me that this is the most dangerous that we have in our life. We should try to overcome it by joint efforts. There were appeals here for intellectuals to return intellectualism into politics, into our life. It seems to me that we here are doing just that. I think that our humble efforts will not be in vain. And thank God that we are speaking about that.

Today, a lot of surprisingly correct thoughts were presented. I think that we can deal with the present state of affairs only ourselves. And I have no hopes for anything else,

except the internal humanitarian component of all of us. We have to endure and fight. Everyone who can say something, for example, in the Ukraine as Petr Petrovich Tolochko, should do it. Surely, it is difficult for him now in his Motherland, but he says what he thinks. He knows that he can suffer for it, but he does it. We've been acquainted with him for a long time, and I have an impression that he is a hostage of the understanding that everything will change there. There was a question here as to who makes the future – the grey-haired or, on the contrary, the young. If an individual, partly so-called schizophrenic (a lot of wonderful terms were presented here) in the good sense of the word, revolts against simplification, fear, does not want to be afraid and wants to move forward, it is not important if he has grey hair or long hair, if he is young or old, it is wonderful. His attitude to life is important, the way he behaves and opposes the structure that does not let us live quietly and peacefully. If an individual reads a lot, knows a lot, he is clever, ethical, strong, in the end he will win in this struggle.

**A.S. ZAPESOTSKY:** – Thank you, all of you, dear colleagues. The plenary meeting at the Likhachov Scientific Conference is coming to the end. I do not intend to sum up the results of today's discussion. That's not my goal. Just one idea. There is no doubt that there are people in the humanities, who are gifted or qualified to foretell the fates of the mankind, the fate of civilization. And some of them are taking part in our Conference, for example, Vyacheslav Semenovich Styopin. He wrote a number of papers already in the 1990s that allowed an attentive and thinking reader to see what was to happen to the world in the 2000s. These papers reached the Presidential Administration, but there was no thoughtful reader there, there were no people wishing to look forward, and our state governance system presumes solution of problems when they originate...

Listening to the speeches of the participants today, I remembered one wonderful scientist, Merab Mamardashvili, who wrote a brilliant paper about the fate of intelligentsia already in the Soviet period. He wrote that intelligentsia was a disappearing class. In the past, it was the class of freely thinking people, who could allow themselves to write and say what they thought, then all of them became hired employees. They were commanded by big corporations. Let's remember history. How people were impressed by sayings of the great thinkers of the 19th century, for example, Leo Tolstoy! How important for the public opinion the great writers of the first half of the 20th century were, who came to Russia and later spoke about what was taking place here in Western Europe, in the United States of America! And how important the words said by Jean-Paul Sartre or Herbert Marcuse were for the world! These people ruled over the minds, they were real intellectuals. Who came to take their places? Now moneybags rule over the minds, those who control mass communication tools, mass media, employ reporters, who in their turn engage in mystifications.

I as the organizer of the Likhachov Scientific Conference would like it very much for the accumulation of the scientific knowledge that takes place inside these walls and then in our collected works, to make its way regardless of what was said by outstanding philosopher Mamardashvili, in order for the ideas of great people to control the social development in the world. I thank all of you for the first day of the Likhachov Scientific Conference.

<sup>&</sup>lt;sup>1</sup> Director General of the Govorit Moskva (Moscow Speaking) radio broadcasting station, Director of the Razumniy Internet (Sensible Internet) web initiative endowment. Mamontov is the author of the books "Seven Dreams in September: social fantastic fusion", "How to make a newspaper that will be read?".

May 19, 2017 Petrov Theatre and Concert Hall, SPbUHSS

### **SPEAKERS:**

J.A. MARCH	Ambassador Extraordinary and Plenipotentiary of the Kingdom of Spain in the Russian Federation (2008–2011) (moderator)
A.A. AKAYEV	President of the Kyrgyz Republic (1990–2005), foreign member of the RAS
E. BAĞIŞ	Minister of European Union Affairs of the Republic of Turkey (2011–2013)
B. DESGARDINS	General Manager at Banque Eric Sturdza (Geneva, Switzerland)
M.A. MORATINOS CUYAUBÉ	Minister of Foreign Affairs of the Kingdom of Spain (2004–2010), Honorary Doctor of SPbUHSS
A.A. PANKIN	Director of the Department for International Organizations of the Ministry of Foreign Affairs of the Russian Federation
M.V. SHMAKOV	Chairman of the Federation of Independent Trade Unions of Russia, Vice-President of the International Confederation of Trade Unions, Vice-President of the European Regional Council of Trade Unions
A.S. ZAPESOTSKY	President of SPbUHSS, corresponding member of the RAS

**A.S. ZAPESOTSKY:** – Dear friends! We are implementing new forms of work, which were never used before in the academic community, at the Likhachov Scientific Conference. Seeing businessmen, managers of enterprises communicating at panel discussions arranged at various economic forums, we decided to arrange communications in this format. Today, influential public figures from various countries, people involved in state governance are assembled at our forum. There is a representative of the Ministry of Foreign Affairs of the Russian Federation, bankers, trade union leaders present in this hall, that is various parties are represented, somehow connected with the life of the international community and its results. People, whom the current state of affairs really worries, who analyze it and think how it is possible to correct it.

We titled our meeting "Global Stability under a Threat: Today's Challenges and Urgent Answers" and we would like it very much for the answers to be given to these questions today. There is a wording in diplomacy: in personal capacity. So, dear guests, tell us what you personally think about what takes place in the world today. The old friend of our University Juan Antonio March – Ambassador Extraordinary and Plenipotentiary of the Kingdom of Spain in the Russian Federation from 2008 to 2011, will be the moderator of this panel discussion. Mr. March, please, you are welcome.

J.A. MARCH: – Thank you very much, rector Zapesotsky for inviting all of us to this very lively first session

of the second day of the Likhachov conference. We're going to organize debate in the following way, each of the participants are going to make a short statement on how they see the present moment in the world. Then we are going to have a second round where we are going to have identify each of the three biggest challenges to the world stability. And then a third round where they are going to propose response to the major challenge they identified. But then we go to the last part, that we also think is very interesting is to have you questions. We would like that you put questions very well defined not statements, but questions, that enlarge our debate. So I remember when I was ambassador here, in Russia, that all the students at the university were very active so this last part will be especially open for all the young generation here in the room. So we start with the president of the Kirgiz Republic, mr. Askar Akaev. You have the floor for an initial statement of how you see stability on the world.

A.A. AKAYEV: – Surely, the world today is less stable than in the 1980–1990s. There are various conflict zones in various regions, first of all, surely, in the Middle East, though other regions are restless as well. And the world community today has to deal with a lot of unsettled issues. Currently, such great powers as Russia, China are offering positive, constructive ways to solve problems related to providing security and sustainable, stable world development. I'd like to give SCO – the Shanghai Cooperation Organization as an example. The principles, on which cooperation in founded in the Shanghai Organization, were named 'the Shanghai spirit'. They are equality of nations in this organization, mutual trust, mutual advantages, noninterference in internal affairs of other states, not only SOC parties. And finally there is striving for common, flourishing, stable, sustainable development.

Our discussion is exactly called upon to find ways for providing safe, sustainable world development. I think that the future is in the principles, on which the Shanghai Cooperation Organization was founded. I'd call other international communities in the West to follow such principles in international relations.

Today, Russia puts forward a wonderful initiative to establish integration, i.e. partnership, within Big Eurasia. And the new China's project, reviving the Silk Road in the 21st century, is a good addition to this initiative. This is that very 'soft power', which will allow, in my opinion, to solve many problems. The Shanghai Organization is expanding, this year India and Pakistan are joining it. And three great powers – Russia, China, India – are becoming the three bigwigs providing safe, stable development of the Eastern part of Big Eurasia. I hope that this will spread to the West and encompass the whole Eurasian continent and after that the whole world. I am an optimist, because of that I hope that safe, sustainable, stable development in the 21st century will be provided for the sake of peace and flourishing of nations.

J.A. MARCH: – Thank you very much, president Akayev, for these visions very were focused on the Asian, especially Asian area. You know politics are extremely important, but they are extremely important but they are always based in the good functioning of the economy, without the economy working well politics with great difficulty deliver real stability. So now we are going to have the vision of an economist, one of the most prestigious economist in Europe, mr. Bruno Desgardins. He is at the top of one of the most prestigious Swiss banking and he is going to deliver us his vision on the world stability from an economic point of view.

**B. DESGARDINS:** – Thank you. I would like to underline three points. One positive: the world population has increased rapidly from 1.6 billion in 1900 to 7.5bn today. In the meantime, famine has practically disappeared. In 1980, 50 % of the world population was earning less than 1,9 dollar per day. Nowadays we have only 10 % of the world population under this level. So, since 1980, world population went up a lot, but world poverty went down a lot. This is the consequence of the fantastic development of China, of the development of India and of some other countries.

Second figure: Let's have a look to the world economic growth. Between 1960 and 1974 global GDP growth was 5.2 % per annum. Between 2008 and 2015, although interest rates were kept artificially low to stimulate growth, GDP growth did not exceed 2.8 % per annum. To explain this slowdown, you need to analyze productivity. In the United States of America, over the last 30 years productivity was going up more than 2 % to year. Last year it was 0.5 %. So to summarize: nowadays economic growth is much lower and productivity is very weak even in country like in the US and so we will have to discuss about all the changes which are the consequence of this new world economic environment.

And I will finish with the final point: if this world economic growth was weak, in the meantime the world debts went up a lot. Since 2008 world debt went up by 60 trillion of US dollar, 60 trillion, just keep in mind that the world GDP is less than 80. So this means that since 2008 just to stimulate world economic growth debt has went up a lot but the final resort is rather disappointing.

**J.A. MARCH:** – Thank you very much, mr. Desgardins for placing such a well fundamented vision of what is in the roots of the evolution, the working of the economy, how productivity progresses, how we're going to depth, how the future can be limited by our actions in the present. So keeping in mind how is economic... picture is very important. But obviously the economy has to be also accompanied by a social dimension. So we have with us today Michael Shmakov who is a chair person of the federation of independent trade units of Russia to give us vision from the social point of view.

M.V. SHMAKOV: - Trade unions are organized workers. Though trade unions today do not unite 100 % of working people in the world and in our country, nevertheless our organization is capable to formulate its conclusions, claims and demands as to how the world should develop in the most concentrated way. Because the life of each individual depends on the way the world, economy, all political and vital processes are developing. Because of that, currently the main challenge every individual and the society as a whole have to deal with is justice, just distribution of the produced product in any country of the world. And today the gap between incomes of the main mass of the population, working people, and the most highly paid, high-income groups of the population, is widening. And the concentrated capital acquires giant sizes, and in all countries. For example, recently I was in Canada. It is known that 8 Canadian families control 80 % of economy and respectively this country's revenues. The same can be said about Brazil, where revolutionary events are taking place, and that is not an exaggeration. My colleagues from Brazil characterize everything that took place there over the last year as a coup d'état, when one President was dismissed, the previous President da Silva, intending to run for presidency at the next presidential election, is now accused in the universal crime of our times - corruption. So, 6 families from that nation control 100 % of mass media and about 80 % of national product of Brazil.

Such a gap in the incomes of the main mass of the population and more well-to-do people can be found in all countries, including Russia. We know such examples. By the way, the differentiation in Russia is less than in many developed nations, because in our country approximately 10 % of the population control 75 % of revenues. And in those countries just several families control more than 80 %. Because of that we, on the one hand, have a long way to go catching them up, and on the other hand, on the contrary, we should not catch up, but build a more just society from the point of view of incomes. I emphasize once again that just economy, just distribution of incomes is the main challenge today economically and the main detonator of all protests and contradictions on the globe.

At the same time, the stake was on globalization, which was spoken about as some panacea or a new spiral in the global, world economy development, which follows the market, read - capitalist way. It was thought that it would be a benefit for all. However, today, the opposite opinion is being established more and more in all countries, including the most economically developed, and unjust globalization is criticized, this is the form it took in recent 10–15 years. Actually, globalization was beneficial only for transnational corporations, the power, revenues of which grew and which are taking national governments under control. This creates another point of tension, a new challenge, which is embodied all over the world in various negative processes. And this partly leads to origination of extremist trends, which call to one thing with critique of the today's global economy development as a background - to return to the Middle Ages, and they act mostly using medieval methods by implementing state-of-the-art technologies. And the whole civilized world has to fight these trends today.

**J.A. MARCH:** – Now, we'll listen to the opinion of the Minister of European Union Affairs of Turkey Egemen Bağiş.

E. BAĞIŞ: – Thank you very much, mr. moderator, ambassador March. Rector Zapesotsky asked us to be very open and sincere and explain the problems of the world as we were explaining to family members. So I will be very frank, I think one of the biggest problems of humanity today is international hypocrisy. I remember in my own lifetime there were two important security poles Warsaw Pact and NATO. Most of the Warsaw Pact countries are now members of European Union. And the country where I come from, Turkey, which was in NATO defending a very difficult flank of NATO has been trying to join the EU since 1959 and cannot. And president Akayev mentioned Shanghai economic cooperation organization. Turkey today is seriously considering the option of joining Shanghai rather than EU. But it's just one example of this international hypocrisy that I mentioned. We have major problems going on in the Middle East today, as a matter of fact we can sincerely claim that there are two new countries in the Middle East. One is Russia, the other one is the United States. One has full military basis in Syria, the other one in Iraq. What concerns me as a human being however is more than 3 million Syrians are in my country, because they have escaped the atrocity of their bloody dictator who bombed his own cities and who killed his own citizens. And more than 60 % of Syrians have left their country today. They are either in Jordan, in Lebanon, in Turkey or other countries. And more than half a million Iragis are also in Turkey, because they have escaped the atrocities there, starting with Saddam and coming all the way here.

We are dealing with a terrorist organization for the last 40 years, called PKK and PKK is responsible for more than 40 thousand lives only in Turkey. According to our partners in Russia the foreign minister of Russia declares PKK is a terrorist organization. The united States, the European Union also declared PKK as a terrorist organization. Well, this PKK has an offspring and mother organization like a sister organization called YPG, which is based in Syria fighting against this so called Islamic State ISIS and they are supported by the international community. So on the one side

they are on the list of terrorist organizations, on the other side they are using equipment and ammunition provided by many countries to fight in various parts of the world. We remember a country called Libya, we thought there was the dictator who was very dangerous named Kaddafi, but under Kaddafi daily oil sales of Libya was 500 million euros per day. Today Libyan people are probable the most economically disabled when the country is below international poverty rates and cannon even use their own oil anymore. So we have to be sincere in the international community. We cannot have good terrorists and bad terrorists, we cannot have good stability or bad stability, we cannot have good problems for others or bad problems for us, we have to deal with global cooperation mechanism. Unfortunately today the United Nations cannot respond to the problems of humanity. Either we have to revise the protocol of the United Nation or come up with some sort of a solution where the problems of humanity are at rest. I said something here on the stage yesterday, at the opening preliminary, I said "nobody is safe until everybody is safe" and I mean it because now we're all live in a global village. What happens in Bagdad has an affection, has a reflection, has an impact here in Saint Petersburg, what happens in Aleppo has an impact in my city Istanbul, what happens in Oklahoma has an impact in Beijing. We cannot escape the fact that the world is now much smaller, as Bruno said, economy is much more relevant. So we have to find base to please our common problems. As I said during dinner last night, if all the money spent by the rich people to lose weight on diet centers, sport, gyms, for diet products could be spent to feed all the hungry people in Africa, in Asia, in other poverty countries there would not be one single soul left which needs food. So we have a problem and we will discuss in the next round. Thank you.

**J.A. MARCH:** – Now, I'd like to give the floor to a representative of the Ministry of Foreign Affairs of the Russian Federation Alexander Anatolyevich Pankin.

**A.A. PANKIN:** – In my opinion, the three main world problems that are interrelated today and consequently require interrelated solutions, are, first, counteracting terrorism and extremism; second, overcoming total distrust and geopolitical misbalance in the world, and, third, liquidation of poverty. A lot was said about terrorism. However, less people die because of terrorism than, for example, in traffic accidents. What is more relevant or primary? Surely, fighting terrorism, because this is a cancer tumor, unnoticeable, not manifesting itself at all or manifesting by some hardly noticeable symptoms, but in this or that case fairly quickly leading to death.

Today, we have stunning opportunities to use networks and cyberspace, financial cyberspaces, any modern information and communication technologies to transfer money, recruit fighters and, most important, buy modern weapons. I hope that we won't come to crossing the line of mass destruction weapons' non-distribution, though chemical weapons were already used by non-governmental forces both in Syria and Iraq, no matter how much it was tried to hush it up or move to the background. But a nuclear bomb in the hands of a madman from the 15th century is pure horror, there are no means against it. The financial support channels should be cut, and finances come not only from the pseudo-state of ISIL or Jabhat al-Nusra using oil sources, but also from big donations by various states in the region and beyond the region, from private foundations, various dummy organizations, etc. That is, stopping, prevention are the only things that can be done. Naturally, it's necessary to operate in the ideological sphere, be it a mosque, or a club for young people, or a blog, or a social network.

As for the second issue, which I called geopolitical total distrust, if you look at the world, it is pierced by the following distrust vectors: Russia-West, West-China, North-South, i.e. to a large extent between developed and emerging countries. They are Pakistan, India, etc. in Asia. Few people know Africa, but believe me, Africa is a cauldron of contradictions: pre-colonial, post-colonial and modern. North Korea stands separately – it is a special case. And there is distrust everywhere - between neighbors, inside one region. Turkey and Saudi Arabia distrust Iran, Israel distrusts Palestine, Arab countries on the whole - and this is a special case of distrust. This distrust is generated not so much by rivalry on the market, as there is enough oil and profits from it for everyone as well as profits from other fields of activities. There are also enough resources to overcome hunger. Distrust is motivated by completely different things, which if discussed today, are discussed in academic environment, without transferring into politics. Everyone knows that Israel has a problem with Palestine, how to overcome it is another issue.

The third problem is extreme poverty. Really, we've managed to achieve a lot thanks to achievements in health care and appearance of new generation of medicines, reduction of prices for them, distribution, probably at the expense of GMO as well, that increased the output and the scales of agriculture. But my French colleague was right to say that mostly China, India and a number of big African nations spurted forward, they are mostly those with powerful sources of raw materials. Most other countries stay in outlying districts, they are marginal, and this is very dangerous. It is dangerous because poverty creates a breeding ground for problem number one - terrorism. It's much easier to enlist, recruit a poor, illiterate individual, ready to do everything he is told for money, join terrorist and radical networks, than a more educated, well-to-do, seeing prospects, etc. individual.

**J.A. MARCH:** – Thank you very much, director Alexander Pankin and I'm going to give the floor to the former minister for foreign affairs of the kingdom of Spain, mr. Miguel Angel Moratinos.

M.A. MORATINOS CUYAUBÉ: – Thank you, Juan! Dobroye utro! More than 200 years ago the old traditional monarchies, including Russia, were under the feelings of fear, anguish, because the French revolution was starting to be consolidated. And the famous diplomat, the Austrian famous diplomat Prince Klemens von Metternich, said that was the "universal anarchy". Today as we've been discussing since yesterday this new world, this new globalization, the new paradigm is putting to all of us in similar state of mind. In order to see how we are going to confront the new challenge, the new realities of today's world. So I will try to be even more concrete in proposing some specific let's say ways out of this crisis. How the permanent dialectic between "balance of power" and the collective security system, which has been existing since Berlin congress in 1815, could live together. The "balance of power" means that some countries, the powerful countries decide what is going to be the future of all of us. The collective Security System was born by a very attractive and positive idea of philosopher Kant in his book "perpetual peace", that was later developed and led by President Woodrow Wilson in the Versailles Treaty, and was further promoted by the League of Nations and Later by United Nations. That allows whatever country like Kirgizstan or Bhutan or Benin have their saying in the future of the people. But today, the return of "balance of power". Today we are looking to a new hegemony. Of course United States, Russian Federation, China, new actors, European Union will be the leading actors but they will not be able to resolve all the problems alone. They will need to work together. And that's what we have to be trying to reach in the next years and decades. Well, so we have to try to figure out what could be the global governance. It will be United Nations, why not? We should not surrender; United Nations could be the main house for everybody to participate, to be represented and to take action. We know that United Nations is under very difficult situation, with the UN reform, Security Council reform. It's going to be very difficult. And maybe we have to start to think in a new global government, and not only in state nations. They will be new actors, private corporations, companies, conglomerates, media, civil society. Sure we should try to understand today's world, the world has changed, it's not a traditional world of states. No, there are states, there are private corporations, there are media, there are NGOs, there are civil societies. So we have to start to imagine that in a new equilibrium, this new share responsibility we have to include all these new actors in order to respond with efficiency to the new challenges and threats, so that's number one. So, yes, we have to regulate, I say regulation versus anarchy. Yes, we have to regulate internet, yes we have to regulate hackers, cyber. Can we continue like that, accusing each other? One day it's United States another it's Russia another - European Union.

Put order, my dear friends, we have to put an order together and have some rules, some regulation, international law and diplomacy has been always the right to put rules in the world. And I say we can do that. That will be the work and the objective of the UN. And then we will have to combine reality, "real politics", we cannot ignore that United States, that Russia, China, European Union are strong powers and they have to take the lead, because we need somebody to lead and to create this new momentum. And I think that will be the combination between collective security systems and balance of power, we have to meet the synergies between the two. And the final world, is this new global world, in this globalization we have to start to think how we are going to address the complexity of this globalization. I like assessments of the former minister of Morocco, Mr. Benaissa who said, "globalization has killed neighborhood". People prefer to buy one product in Singapore or in China instead of buying from Spain to Morocco. Why we have to go so far? For that reason, European Union will be extremely prepared for the new world, because we've been the fathers of regionalization and the new future regionalism is going to be the answer. Three "quartier d'orange". One in East Pacific with China and South East Asia. Other The America with United States, Canada and South America and then one between Africa, Mediterranean and This will be the vertical in the relations between north and south. So that is I think the way we should try to solve the problems of today's world and the future of all of us. Thank you.

J.A. MARCH: – Thank you very much, minister. We arrive to the most difficult ten final minutes, we have only ten minutes, but we are going to have to imagine two rounds. We're going to have one round, I'm going to give the floor one minute only each of the members of the panel to give one initiative to improve life in the world, only one. So it's like a beauty contest they have to be very selective priority, giving just the idea they defend to the public to improve the situation. It will take us exactly five minutes and then I will give the floor to the audience for two questions, very short questions, very precise questions. And those putting the questions have to be young people and they will be nominated by rector Alexander the prima donna of the audience. So I'm going to give the floor to the president of the Kirgiz Republic mr. Akayev. One proposal, one minute!

A.A. AKAYEV: - Surely, the main challenge is collapse of geopolitical sustainability. The leaders' political will is required, capable to give an adequate answer to these challenges. As an example, I'd like to give the issue of Syria, about which we spoke. Political will of Russia, Turkey, Iran is a very positive example of the partnership of three states allowing to stabilize the situation in Syria. Surely, there is a long way still till the final solution of the problem, establishment of peace, national reconciliation and further successful development of the country. Syria was one of the most flourishing states in the Middle East. We hope that it will again become similarly attractive for tourists and businessmen. But now the state's political will is required. If other nations do not interfere in the process, it seems to me that the partnership of Russia, Turkey and Iran will allow to bring the problem of Syria to the final solution. We hope that it will happen soon.

The second important challenge, in my opinion, is, surely, inequality. Our colleague here, the leader of the Russian trade unions, one of the leaders of the global trade union movement, was right to say that the world today requires decisive measures to provide just distribution of incomes and revenues in the society. Here the leaders' will be required as well. I'll give just one example from the history of the Unites States of America: they had their Great Depression in the 1930s, but great President Roosevelt appeared and managed to solve the problem. The powerful middle class formed in the USA at that time. Today, there is practically no middle class there, we see polarization of the rich and the poor, fantastic concentration of capital in the hands of a small number of families, about which our colleague said. It seems to me that the main conclusion, which both political leaders and the world community should pay attention to, is surely just distribution of incomes and revenues.

Several years ago, Noble Prize winner Joseph Stiglitz said that if American government would not solve the problem of social inequality, inequality of incomes, the second socialist revolution would take place in 2017 in Washington and New York. 2017 is not over yet, we'll wait. I think that this is one of the main challenges, to which all governments of the world, all leaders should pay attention first of all, because the problem of polarization, division of the world community into the rich and the poor, has surely crossed all conceivable borders. And because of that Karl Marx is in demand today, it seems to me that he is the figure from the past, whose works are most popular. Everyone reads his *Capital* and writes that the issues raised by him are again of pressing concern in the 21st century.

**J.A. MARCH:** – Thank you very much. Now, we'll ask Mr. Desgardins to answer the question, which two challenges are the main ones from his point of view.

**B. DESGARDINS:** – Ok, thank you. So to continue this introduction, if I told you that first of all we have seen quick rise of the world population, then slowdown in economic growth and very low productivity. Two key changes for the future are concerning young people on one side and then older people on the other side.

As far as young people are concerned, we are here in the university so I think it's good to speak about education. In the United States, over 30 million people, or 10 % of the country's population, are illiterate. Today in the OECD countries, spending on education is on an average 5.8 % of GDP. This is not enough. The Scandinavian countries are spending much more : Danemark devotes 8.7 % of its GDP to education and Sweden 7.3 %. Inequality is lower in these countries, because education is much better. We cannot continue in our different countries to have a high percentage of the population with very low level of education. These persons face difficulties to find a job and difficulties to live.

Education is concerning also emerging countries. When, in Africa, one-third of the children do not complete primary school, there can be concerns about future employment. Education is the key aspect.

Now the second challenge is regarding population in the world which is getting older. If the world's population is stabilized at 2 children per woman, at 1.5 children per woman, it declines by 25 % per generation. Today in many countries, such as Italy, Spain and Germany there is between 1.4 and 1.6 children per woman. In Italy today 25 % of women don't have children, and 25 % have only one child. The situation is even worse in Eastern Europe: by 2050, the UN estimates that the population will decline by 5.5 million in Poland, 4.3 million in Romania.

This population ageing, which varies from one country to another, will have an impact on geopolitical balances, favouring India whose population will exceed that of China by 2030, and affecting Russia, whose population will be the same as Turkey's in fifteen years' time. The under-provision of pensions poses a problem. Efforts to protect pensions, which already cost 11 to 13 % of GDP in Western countries, will continue to penalize wage-earners.

Another challenge of ageing population is increasing health expenditure: healthcare systems are expensive, accounting for 9 % of GDP in Sweden and Italy, 11.5 % in France, more than 17 % in the United States. It is not easy to control spending because life expectancy in the world has increased significantly, from 47 years in 1965 to more than 71 years in 2015.

So when you are governing a country, you have to put all these figures on the table. Financing the social welfare system poses a problem. While everyone agrees on the need for the State to maintain social cohesion, the question is: At what cost?

Regarding education, 5–6 % of GDP, you need to increase spending because the young people represent the future. Spend insufficiently on education and infrastructure, or allow debt to spiral out of control or sacrifice the climate, and it will be the coming generations that will pay the consequences.

Regarding old people, retirement system costs around 11–12 % of the GDP in Western Europe. In a study of 20 OECD countries, Citigroup assesses the scale of the underprovision at \$78 000 billion, a figure to be compared with their gross public debt of \$44 000 billion. Bearing in mind that a pension is deferred remuneration, which together with wages constitutes one of the two components of the employment contract, it is not easy to lower pensions. Hence the need to postpone the retirement age.

The shortfall in education spending or in pensions is flagrant when making a parallel with spending on arms, especially in some emerging countries which have large defence budgets, above 5 % of their GDP. So when you are in a government you need to look in all these different aspects and you need to make arbitrages.

**J.A. MARCH:** – Thank you, Mr. Desgardins. It seems that you showed the real picture and probably convinced our young generation that big families are needed in Russia as well as the second sexual revolution. If the slogan in 1968 was "Make love, not war", now it is necessary to call to have more children. I give the floor to Mr. M.V. Shmakov in order for him to tell us about the two main challenges.

**M.V. SHMAKOV:** – First of all, I'd agree with the last words of our moderator that it is better to pass over to solution of the demographic challenge in practice instead of just talks at various governmental forums. I suggested that long ago. Besides jokes, we witness the really threatening demographic situation in Russia. Before speaking about the two main challenges to which we should pay attention as it was suggested, I'd like to say a couple of words about the thesis of efficiency of labour, regularly exploited by all economists.

We still have not agreed what to understand under this definition. Each has his or her opinion and at the same time gets various figures, sometimes the one he/she wants to get. If we count efficiency in wages, then it is five times higher in the Russian Federation than in the United States of America. If we count efficiency in units of manufactured commodities, this will directly depend on technologies, and if technology is old, efficiency will be low, and if technology is up-to-date, efficiency is high. And conclusions made are directly opposite, and they are often used by this or that government for political and, most important, forecasting and economic purposes. I insist that we in our country should agree on the common understanding of efficiency of labour in order for everyone to agree to this assessment. Otherwise it is just an empty sound, which is used only for propaganda.

Now, about the two main challenges. I'd put the philosophy of the future world development paradigm in the first place. We already said that we are at the turning point or the point of change: the old development paradigm has reached its limit, and the new one has not formed yet. This is a big philosophical task, from which the rest proceeds, including old-age pensions, creation of jobs, economy's development in these or that regions. All of these issues are the consequences of the main issue, to which we have to find the answer here, and the world philosophy as a whole has to find an answer and a recipe. I have already given the example that 150 years ago Marx offered his recipe. Life confirmed something, did not confirm other things, nevertheless new formulations and new target are required, which the mankind should set.

The second main challenge is, as I have already said, just distribution of produced products. Here the following should be mentioned. We discussed the topic of fear as a philosophical concept, as a stimulating factor, which affects actions of individuals and governments. So, the result of fear, the world experienced 100 years ago at the time of the Russian Revolution, including economically and socially, was the International Labour Organization set up in 1919. This new genius mechanism allowed to coordinate the interests of various strata of the population – entrepreneurs, governments and employees in order to come to some common conclusions and actions outside the revolutionary process. Today, this mechanism is universal: all International Labour Organization's conventions and recommendations were approved by various countries to this or that extent. And basing on this foundation, the International Labour Organization can become one of the elements in just world building.

Trade unions insisted on their participation and making various international associations trilateral within the limits of this general concept. Thus, G20 today is trilateral, as head of states, business leaders and active members of trade unions assemble there and formulate their offers based on the topics of the meetings. Recently, trade unions' offers were handed over for examination at the meeting of state leaders that will take place this year in Germany. The same mechanism was set up on the insistence of trade unions, but has not yet been fully and legitimately recognized as a part of BRICS. We offered the same as a part of the Shanghai Cooperation Organization, the New Silk Road Project, but ran across opposition, first of all, from the Chinese side. As we see, this is not an easy task. With all the propagandist rhetoric of various states about their wanting flourishing for their people, they do not always really agree to listen to their people. This is the challenge. But at the same time this is the recipe that is working today.

#### J.A. MARCH: - I'd like to give the floor to Mr. Bağiş.

**E. BAĞIŞ:** – Thank you. In the first round I had mentioned, that I see global hypocrisy as one of the main problems. Ant to fight with our common challenges we need justice. Today world requires to be fair and just. Miguel said we need order, I agree with him 100 % and United Nations is the most important organization, yes. But we all know that most of the decisions at UN are not taken at the general assembly, but by the security council where five members are permanent members, they have the right to veto all the decisions. And when you look at today India's one of the aspiring powers they are not represented at the security council. Germany is the main engine of European economy, they are not interested in the security council. There are many Moslem countries around the world, not even one of them is represented in the security council. So there is lack of justice which creates a credibility problem, so we have to deal with the justice issue. I agree with Bruno, education is a very-very important issue, we have to deal with the concept of education. The more enhanced people's intellectual levels are, than we can switch to philosophy as the main paradigm. But with lack of education you cannot expect people to understand the concepts and contributions of the philosophy. One more issue that I wanna raise your attention is the need to decentralize the decision-making process. We have a habit of centralizing, we want United Nations to be the center of all major decisions, we want European Union to be the center of all European problems and solutions, we want capitals of every country to become the solution source of all the issues that the citizens of that countries deal with. But the people live locally and the solutions imposed on them from the higher centers may not always be appropriate. So we have to decentralize the decision-making process on issues that have direct effect on the lives of the people. If you live in Saint Petersburg the decisions made either in Moscow or in New York at United Nations or in Brussels cannot have the same emotional sensitivities that you deal with. So overall there's this global trend to centralize things but we also have to understand, yes, we have to have the central rules and regulations about how to keep secure the world, how to fight against terrorism, have to be fair, have to be just, but you also have to have the local touch.

Without this local touch there will always be resistance. We live in such a world that every human being counts, there's no more room for kingdoms to decide under actions of the citizens. Every citizen wants to be heard and that can only be achieved through localization.

**J.A. MARCH:** – Thank you very much, Mr. Bağiş. I give the floor to Mr. A.A. Pankin.

A.A. PANKIN: - In my opinion, the two main challenges are related to the issues we spoke about here: the first is erosion, which is taking place, the crisis of many-sidedness and international law, and the second is lack of a precise and clear development and help-providing paradigm. As for the crisis of many-sidedness, if the world is compared with an organism, in which some illness is developing, or having chronic diseases, probably it requires a board of doctors, concilium, and not one super-doctor, who can do surgery, therapy and knows prevention measures. And not even any concilium, consisting of doctors trusting each other, can take the right decision. It is then that the United Nations Organization, OSCE and other international venues will be required. The United Nations Organization is as strong or weak as its member states are strong or weak, the organization itself is just a venue, it is not an independent player, member states make it a player. And if the Security Council consists of 25, 30, 45 people, it won't become more efficient while disagreements are not overcome, basing, it seems, on fundamental or current interests.

Surely, one very important aspect is preservation of the state system by the member states, because we see a lot of examples when interference that seems beneficial, for example, to fight a dictator, oppressing his people, destroys the state system and leads to paroxysms. It happened in Libya, Yemen, Iraq, it is taking place in Syria. It's possible to call it 'dissection' of states and depriving them of the state system. This is frightening. Destruction is going on not only by way of armed or other interference, but also by erosion of states' rights and obligations, because there is no one except state to provide the rights of its people. Neither transnational corporations nor civil society, which aspires to be people's conscience, have opportunities or tools to do that.

Now, about the development paradigm. To say it figuratively, which may be not characteristic of the diplomatic language, they have the state of affairs in the Western countries when everyone is trying to make a four-star hotel out of a three-star hotel, and then a five-star hotel, and then catch up those who have six stars. But they forget that they have slums around them and the residents of the slums should not be only sent trucks with food, slums should be cleaned and improved, territories should be zoned. If we imagine the world as the only construction site, and you are not free to select your neighbors, then surely, you have to think not only about jumping from three stars up to five stars like the neighboring hotel, but also about liquidation of slums, that occupy the biggest part of the space. Then there will be no migration problem, the problem of crime will reduce, vacuum will disappear.

**J.A. MARCH:** – Thank you, Mr. Pankin. Now, the floor is given to Mr. Moratinos.

M.A. MORATINOS CUYAUBÉ: – Well, thank you. I think I will join our friend the president of Kirgizstan Akayev and Mr. Shmakov. They are two, one is peace, second is inequality. In reference to peace, you don't feel any more anyone talking about peace, that permanent word is abandoned and replaced by the word security. Today terminology is invaded by security, "let's guarantee security, let's create security. where is the insecurity"... If you have peace you will have security, if we are concerned about security we'll not have peace. So the first goal is to make peace and that allow me to talk about the Middle East and of course Syria. But the main urgent action will be to put an end to the permanent conflict of Palestine and Israel. That will be the urgent action of international community, it can be made. If we want to solve the problem we should try to make peace in the Middle East, in the Palestinian and Israeli issue. Secondly, inequality. Mr. Shmakov, Mr. Akayev, everybody talks about inequality. There is two level - national level, international level. Let's first start with international level, that is poverty, it is the fight against hunger and that is still absolutely unacceptable that today there is still 900 people that dying due to hunger. How can we look at ourselves in the mirror every morning when we wake up and say that, as we are talking now, in 5 seconds children are dying due to hunger and poverty. It is a root cause for any emigration, for instability and for all kind of crisis and conflicts in different countries. So that is the international level. And at the national level. My dear friend, now everybody talks about inequality. I was used to talk about inequality but now you will listen from the prime minister of the UK, she has made the first address in front of 10 Downing Street and she said: "I will fight inequality". Good, coming from conservative, neoliberal lady, this is very good, or even is a miracle. That is very good, but how are you going to

fight? What is going to be, what will be the distribution of salaries. How are going to be increased or how has been decreased, or how has been freezed, and on the contrary how we have indebted all economy and all social classes. So equality needs politics and politics need politician that want to really share the burden of the whole collectivity. So that is has to be the two issues – peace and equality, but to fight inequality need a right political agenda in order to achieve your goal

**J.A. MARCH:** – Thank you very much, Mr. Moratinos. Now, we are passing over to the final part of our discussion. Please, choose your priority and present the main approach that should be realized to improve the life in the world, to our audience.

A.A. AKAYEV: – My main suggestion refers to the future development paradigm. It exists, it should only be promoted. This paradigm was formulated by three great Russian scientists – Vladimir Ivanovich Vernadsky, Pitirim Alexandrovich Sorokin, Professor at the Harvard University, and Nikita Nikolaevich Moiseev, who thought that the future is in the humanistic and noospheric integral system and civilization. Let's tell the whole world that this is the only, as I think, paradigm of the future flourishing, sustainable world development in the 21st century, and promote it.

**B. DESGARDINS:** – Ok, to be short. Development of technology is there. And I like this word of Shimon Peres asserting that the revolution brought about by Facebook and mr. Zuckerberg has greater consequences than the Communist revolution one hundred years ago. Innovation will remain a key factor of success because everywhere, even in emerging countries, there has been a sharp increase in the number of researchers.

If we want to reduce inequality we need to think about the future of the state. Robotization is a challenge in some sectors, but on the whole is is less a cause of unemployment than rigidities in the job market and shortcoming in training. It is essential to organize the occupational conversion of employees made redundant and the training of those people demoted by technology. Robotization should allow greater flexibility of production.

**M.V. SHMAKOV:** – For globalization to be just and successful, it's necessary to approve international rules of behavior for transnational corporations and make them observe these rules with the help of the United Nations Organization.

**E. BAĞIŞ:** – Well Bruno mentioned Shimon Peres, there's another statement of him that I really like. He said for peace to stay it has to be privatized. So we have to find economic models which will ensure the instability, inequality, poverty that we've been discussing where everybody wins. But to do that we have to reform the United Nations. I think that's my only solution. Thank you very much.

**A.A. PANKIN:** – I think that it is required to tighten financial markets' regulation, especially speculative markets, because of which the whole financial system is misbalanced. More and more money is spent on 'soap bubbles', which then burst, and the real economy is more and more distanced from the financial system. Hence share market fluctuations, surges of exchange rates and giant losses accompanying them, especially in small and middle-sized nations.

**M.A. MORATINOS CUYAUBÉ:** – Well, I must tell you I believe in this new agenda. The world is complex and that's the reason 193 countries gathered and approved the new agenda. 2030: The new agenda are a sustainable development goal that includes fighting hunger, poverty, and guarantee water resources, equality of gender, industrialization, and economic growth. The 17 SDG have the answer. We have to make it a reality.

**J.A. MARCH:** – Thank you very much to all the speakers, to be so precise and I see a common element in all of them is optimism, the think that the things can improve and I will give now the floor to the audience because for us it's very important to have a final input of the new young generation. The future is yours and maybe the answer is medium generation here existing.

## Panel Discussion GLOBAL WORLD: SYSTEM SHIFTS, CHALLENGES AND CONTOURS OF THE FUTURE

May 19, 2017 Petrov Theatre and Concert Hall, SPbUHSS

### **SPEAKERS:**

A.S. ZAPESOTSKY	President of SPbUHSS, corresponding member of the RAS (moderator)
P. DUTKIEWICZ	Director of the Centre for Governance and Public Management at Carleton University (Canada), Ph.D., Professor
G.W. KOLODKO	Deputy Prime Minister and Minister of Finance of Poland (1994–1997, 2002–2003), Director of the Research Institute at the Kozminski University (Warsaw), foreign member of the RAS
A.D. NEKIPELOV	Director of the Moscow School of Economics at the Lomonosov Moscow State University, academician of the RAS, Honorary Doctor of SPbUHSS
V.N. PLIGIN	Member of the Supreme Council of the All-Russian political party "United Russia", leading researcher of the law and state theory sector at the Institute of State and Law of the Russian Academy of Sciences
J.A. SCHOLTE	Professor of the Peace and Development Department at the University of Gothenburg (Sweden)
T. TÜRKER	Director of the Research Centre for Eurasian, Russian and East European Studies, Professor, Doctor of Political Sciences Faculty at the Ankara University (Turkey)

**A.S. ZAPESOTSKY:** – Dear colleagues, please, concentrate on the topic suggested for the discussion: "Global World: Systemic Changes, Challenges and Profiles of the Future". Systemic changes are taking place in the world. We would like to discuss challenges the world community has to deal with today, outline the profiles of the future.

Mr. Dutkiewicz, a globally renowned scientist, one of the leading experts of the Valdai Club, challenged all of us intellectually, and that challenge is presented in the topic of the Conference. I ask the initiator of this way of putting the question to be the first to speak.

**P. DUTKIEWICZ:** – I single out six systemic changes. The first one is separation of power and politics, with the consequences in reinterpretation of the role of state, sovereignty, elites. The second is regionalization – globalization of the new type, in which regionalization plays an important role. The third is multi-polar world, formation of new centers of power and riches. The fourth is global elites' alienation from their societies, the consequences of which are new social movements such as DAISH (ISIL), populism, growth of social upheavals, manifesting in new forms of dissatisfaction with the authorities. The fifth is hypocrisy, when practically everyone is lying to all, there is no trust either at the national or international levels (this is typical *Realpolitiks*, when the problem of talks takes the main place). The

sixth is fear paralyzing us, fear of the new, of the future instead of thinking how to overcome it. I named six features of the new system, in which we'll live 40 years according to Wallerstein, 20 years according to Stiglitz.

**A.S. ZAPESOTSKY:** – Mr. Dutkiewicz, tell in more detail about the first, the fourth and the fifth problems.

**P. DUTKIEWICZ:** – The first problem is separation of power and politics. Political power may promise changes, for example, in economy, but really nothing happens because politics is local, national, and economic problems are global. Because of that Greece, for example, speaking against injustice in relation to it, is nevertheless asking for money from Brussels. The Prime Minster of Greece A. Tsipras is left-wing, he can promise a lot, but will do only 10 % of what he promises. The same happens all over the world: Trump, Macron and others.

**A.S. ZAPESOTSKY:** – But there is no populism in that.

**P. DUTKIEWICZ:** – Populism is consequences and not reasons. The reason of populism is fear of the future, people feel that something is wrong. The elites lie to us: they do not know in which direction to go further, and they

say that they do know. This is exactly the problem of trusting the main market institutions, when after the crisis we stopped trusting the state, banks and other institutions, on which market economy is based.

Several words about the fourth issue. Elites live in their own world, and they have achieved really a lot over the last 30–40 years: they became rich, stabilized, they fully concentrated power in their hands. They forgot that there are common people and turned individuals into consumers and not citizens. This metamorphosis when an individual is turned into a consumer and everything is possible to prove to him with the help of advertising, is the elites' failure: they feel that they are alienated and have no strength to control already. Elites live in a kind of 'soap bubble' and are afraid of it.

**A.S. ZAPESOTSKY:** – Let me ask Mr. Kolodko one question. Poland is one of the few European countries, where the state of affairs in economy is more or less stable in comparison with the other countries. There is positive dynamics seen in recent decades. But there is tension in the Polish society, conflicts, confrontation prevail there, influential forces are clashing. Why did this state of affairs develop when everything is not bad in Polish economy, and political life is so tense? And what changes if we speak about Poland, the European Union and the world as a whole?

G.W. KOLODKO: - Poland has its special features. If applied to Poland as to many other countries, the old systemic analysis does not work any more - there are neither the left nor the right, systems are mixing. The economic policy of the Polish government is too liberal, this is social government in what refers to economy, but it is conservative in other areas. The same happens in the USA, Turkey, France. People do not trust elites in Poland like in other countries - this is reaction to bad establishment. Populist sentiments in our country are wide-spread, and this is economic populism - as an answer to failures of the neoliberal policy. According to neoliberal ideas, the rich will be becoming even richer at the expense of the majority, the poor. That was presumed. New nationalism will not be spread either in the USA, or Poland, or France. I think that new pragmatism will provide moving forward. So, the economic situation in Poland is more or less stable in comparison with what we had in our state in the past and what is taking place in other countries. However, our political situation is extremely tense.

**A.S. ZAPESOTSKY:** – Alexander Dmitrievich, what systemic problems can you name?

**A.D. NEKIPELOV:** – I am an economist and I'll try to answer from the economic point of view. A lot was said about serious shifts in the political system and the system of values at the Likhachov Scientific Conference. We are watching the crisis of the liberal globalization model. Development of technologies, colossal progress are accompanied by the following trends: mutual cooperation develops considerably quicker than economic growth, the most developed countries turn into service economies, transferring the core production to the real sector of economy with cheap labour, etc. Certain problems were acknowledged,

but it was thought that future profits would considerably exceed costs, and problems were just present-day or routine problems.

Today, we have the state of affairs as a result of the 2007–2009 crisis in the financial sphere, when the countries which were considered the main drivers of the liberalization process, have to reconsider their tasks. The liberal model's crisis shows that we underrated the state's role. We supposed that the market was the ideal mechanism for finding people's preferences, and because of that all other problems would be solved. But it turned out that the market reveals only that part of preferences, which is directed exclusively at one's own well-being. It turned out that people are tied to their environment, the system of values, their state. Change of interests brings about a long period of new rules' formation and change of configuration of countries, regional associations, etc.

**A.S. ZAPESOTSKY:** – Mr. Pligin, has the existing system – Western, Russian or Eastern – exhausted itself in your opinion?

V.N. PLIGIN<sup>1</sup>: – The existing system is transforming in a certain way. There is no doubt that the system of views, which we operated with recently, should be modified. Because traditional fundamental concepts, first of all, the concept of sovereignty, should be replaced by new ones. However, elites are often not ready for formulating new sovereignty concepts, there is even reverse movement, for example, in case of international associations and organizations.

Shifts are beginning to take place in the fundamental theory – the concept of human rights that determined development in the second half of the 20th century. The concept of human rights that originated based on fear, generated by World War I and World War II, is being forgotten, it is becoming more and more difficult to work out approaches, because states do not understand non-citizens that appear on their territories.

Transformation of quantity into quality is taking place. The global population increased by 4 billion people over the recent 50–60 years. It's natural that regulation systems, which were offered in the past, do not work now, it's necessary to work out new approaches or identify new power patterns.

I'll name four shifts, or mega-trends of the today's world. The first mega-trend is growth of industrial opportunities. Technological changes, taking place in the world, provide opportunities for growth of opportunities. The second is demographic trends. The third is dependence on climate change (food, water supply, energy, etc.). The fourth is spreading influence.

**A.S. ZAPESOTSKY:** – What does Professor from the Gothenburg University Mr. Scholte think about that?

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J.A. SCHOLTE: - Thank you very much for the question. If I had to highlight one systemic shift in contemporary society it would be a move towards greater complexity. With greater complexity there are many more forces shaping history. Moreover, those multiple forces are interacting with each other, so that it is very hard to predict what course of history will emerge. That makes politics and policy very difficult, because it is hard to shape changes that are so difficult to follow. Just to give several examples. The geography of our world used to come down basically to countries, but now localities, regions, and global spaces also come into play – and those national, local, regional and global spaces interact in complex ways. In terms of governance, regulation used to come down to the state, but today regulation is being done by many actors – by business, by civil society, by engineers, and by academic circles as well as by governments. So making rules in today's world is very complex. Trying to navigate that complexity so that we can more deliberately shape our more global complex world: that to me is the main systemic challenge in contemporary society.

**A.S. ZAPESOTSKY:** – Alexander Dmitrievich, how to you think, is economy the base and all the rest superstructure? Does economy determine everything existing in the society?

**A.D. NEKIPELOV**: – I thought exactly that for a long time, but now I think differently. Various social sciences are engaged in analysis of not certain sectors of the society separately, but present different views of one and the same object – the society. In this sense, the problem of values is principally important for an economist, because values affect human behavior, including economic behavior. The arrangement of the political system and the character of decision taking are also important for an economist. Group choice is the main problem of not only political science but economics as well. This problem determines instability to a large extent, and that state now characterizes both the global and national economy.

**A.S. ZAPESOTSKY**: – What is meant under the group choice problem?

A.D. NEKIPELOV: - It was thought until a certain time that individual human preferences can be integrated and thus it is possible to get the function of group or social (depending on the group we are reviewing) usefulness. In his time, Kenneth Arrow made a revolution, when he demonstrated that there was no transfer from individual preferences to group preferences. Nevertheless, groups exist (all of us are members of many groups), work, take decisions, live, die, etc. The situation is complicated by the fact that the point for coordinating interests of group members depends on the rules of the game they follow. But the rules of the game are also the result of their agreement or disagreement. J. Buchanan in his time called this phenomenon infinite regress. Various attitudes to interests are possible. It seems to some that the interests of the group lie in one area, to the others in something else, and there is no objective answer to this question. It's a game situation and very mobile. When the rules of the game are questioned (and it seems to me that this is the most important), there are difficulties in transfer to formulating, first, new rules and, second, interests. This is a painful process, for example, there are heated arguments about national interests in the USA today.

A.S. ZAPESOTSKY: – The market in economy as one of democracy's subsystems stopped working. It does not exist in the classical version any more. Marx thought that needs were produced in the same way as products. Needs are thrust upon in the today's society, they are the product of manipulations with conscience to a large extent.

I'd like to address Professor Kolodko with the question: is economy today the base for the society's development, or are there other powerful and competing with the economy factors?

G.W. KOLODKO: - Contemporary economics is first of all involve in international reaction and it is neither created by the demand nor by the supply. It is mixed system and as far as societies are concert there are very much diversified. When I'm listening to this debate I'm coming to the conclusion, that what is going on in the world, that it not a convergence, we do not have and in the forcibly future we won't have any kind of economic and political or social system which can apply to the world. It will be just diversification that was definitely not the end of history, that is not the triumph of so called the liberal democracy, but it is not going to be the triumph of state capitalism less or more corrupted either. There's the multi-track future and all the time there will be the interaction between the individuals, the firms or the enterprise, including transnational corporations and the governments and international organizations ant the elites. But now I would say that the elites are these of us which manage the information and they use this information to manipulate the society, to facilitate the needs of the elites pretty often at the cost of different social strata, so the situation is more and more conflict. I think that now we have to look in research and science and also in NGOs, in public activity for the systemic solution to address the conflict-prone situation before there will become open conflict. So I was taken by surprise when I was going here and I've seen "Registracia faculteta confliktologii". So there is the conflictology faculty at this famous university and I think that much more to be given as far as attention is concerned. This conflictology is within the societies which are split and diversified not along the traditional borders or the lines of the vision. It's a kind of pre-revolution, there is no business is usual, the world is really are the dangerous stirring of the history, there's no clear future. So there is no just an alternative, we have very much different systems in Turkey, in Russia, in the US, maybe you've seen the cover of the november issue of the Economist, the most influential weak link in our economic balance, they call it new nationalism and they put on the same cover president Trump, president Putin, mrs. Le Pen, and mr. Lafarge. They put them in the same basket which is a great of a simplification, but there is the risk of the surges of neo-liberalism and the risk of the surge of new populism, which are a kind of economic and political and social system but with the wrong value along my axiology.

A.S. ZAPESOTSKY: – Many lawyers, to whom I talked while I prepared for this meeting, say that simple problems should be solved at first: international law should be working, it is necessary to solve the sovereignty problem (there is a collision related to nation's right to self-determination) and the problem of the United Nations' advancement. If we manage to agree on perfection of the United Nations Organization – we are to expect idyll. Say, a lot of contradictions have accumulated, and after we discuss them at the Helsinki–2 forum (hypothetically speaking), everyone will start observing the international law. I doubt that it is possible. Because if someone does not observe the international law and does not want to come to agreements, it is not accidental. And what is more, it is not clear at all, who should come to agreements.

Who makes the global politics today? Whom is it possible to agree with? If it is difficult to come to agreements, why?

**V.N. PLIGIN:** – The law is the matter that disappears quickly if it is not required, or if this requirement is not worded clearly and precisely. Currently, the international law has fallen apart. The same happened at the time of the 1917 revolution (St. Petersburg is the city of two revolutions), several years were required in order for the need in law to appear again.

**A.S. ZAPESOTSKY**: – May be, a revolution or a war are required for everyone to come to agreements, aren't they?

**V.N. PLIGIN:** – The Prime Minister of one state said the following phrase once at a closed roundtable: "The two world development sources have disappeared: one of them was wars, the second epidemics. It's good that it happened". World war is already impossible.

Currently, we unfortunately are not ready to speak about problems openly and frankly for a number of mental reasons. I tried to discuss problems of the Mediterranean region. Some time ago, hundreds of people died there every day, trying to get to the other shore in boats from the countries where conflicts are raging. In order for these people to get to the shore, it was required to build a small number of small-size vessels that could save people in the Mediterranean Sea.

**A.S. ZAPESOTSKY**: – And then they would have taken the whole Africa to Europe...

V.N. PLIGIN: – You just named the main reason why it did not happen. Are we ready to save? This is necessary to do, because we signed the Universal Declaration of Human Rights. Had the reasons been clear and precisely worded, answers would have been found. But that would have required long talks and agreements.

In particular, one of the reasons is technological changes, for example, appearance of Skype. Currently, there are 300 mln migrants in the world, who in the past returned to their countries every year. At the moment, these 300 mln people live in other countries without leaving them, because they communicate with their families via Skype, and they no longer need to go home for that.

Thus, while we do not understand the reasons of the phenomena, we are not ready to speak about them honestly. What should be done with a child in a boat in the Mediterranean Sea? Why are we not saving this child? Because we are not ready to take these people into another world.

Technological phenomena will develop in such a way that the world will be more understandable globally, more transparent, but unfortunately less attractive. Because of that we'll have to live in the multi-colored and heterogeneous world with advertising.

A.S. ZAPESOTSKY: – Mr. Türker, Turkey is territorially located between the East and the West, like Russia. Turkey tried to join the European Union for many years. Now we are witnessing great contradictions between Turkey and the European Union. In the past, when Turkey strived to join the EU, it was ready to observe the European Union laws and considered Western Europe an example for itself. Does Turkey see the European Union today as a model of its future life? If not, why Turkey stopped looking at Western Europe as an example? What disagreements refer to – values, approaches, a certain historical situation? On the whole, can the West be considered an example, or is it losing its leading positions?

**T. TÜRKER:** – Ok, thank you very much for giving me time for thinking because it's really very deep subject. So actually last year in my report I was talking about that I really enjoyed comparing Turkey and Russia, because we have one thing very common, which is the essence of Russia and Turkey. Our Noble prize winner Orhan Pamuk was saying, that Turkey found out, discovered one thing in its history, in literature it's the concepts of the West and the East. Actually I had to warn him that it was not Turkey, it was Russia and it was in 19th century. In literature Russia was enjoying modernization and Russia was doing that so fast and the reaction was so fast, so all you may remember from your lessons of the contradiction between westerners and slavofils. Turkey did not leave that until the beginning of 20th century, so Turkey did not have a very strong conclusive stream until the beginning of 20th century, but Russia had it.

So that's created two patterns, I'm coming to that so fast. Russia was always trying to find a new solution for itself. It was a part of the West, but trying to be another, find another solution. Turkey chose to be at the system of the West, but in an autonomous way. This is the difference between Russia and Turkey and this is the difference between perception of the West in Russia and Turkey. So I think that this pattern has only one period that doesn't fit to that pattern. It's Alexander the Third and Catherine the Second, but now we still have the same pattern.

So European Union is... what is European Union is for Turkey? It's a model, it's an ethical model, it's a systemic model for Turkey, but it doesn't mean that in the layer of geopolitics or daily politics Turkey and European Union will not have problems. So does our different layers in ethical and systemic and in the longue durre motivation Turkey wants to be on the track of westernization and Russia is still is on the way of Alexander, saying that we will find our own way. They respect that. Thank you.

**A.S. ZAPESOTSKY:** – Russia thinks that it is real Europe and follows the European way of development, and the things taking place in Western Europe are the wrong way. What does not suit Turkey in the European Union to-

day? Or is the European Union an example for it absolutely in everything?

**T. TÜRKER:** – Well actually it's very confusing for Turkish elites, too. Because European Union after Brexit, what kind of future is waiting for European Union, what kind of future will be the expansion of European Union to the east is the question for Turkey. But that is as I tell you the problem of daily politics. Just like Braudel made that classification it's an *evenement*, so it's daily. But in the *conjuncture* and in the long term Turkey's on that track.

And I'm sure that Turkish president has very good relations with Russian president and I really appreciate that so much. But they have one thing in common, they look in the world in a realistic way.

**A.S. ZAPESOTSKY:** – Mr. Türker is evading the question as a diplomat. Mr. Scholte, how will you comment what was said, and what seemed the most interesting for you?

J.A. SCHOLTE: – A major adjustment that is needed in intellectual and policy analysis is to move away from country-centric thinking. So often people talk in terms of unitary countries: so that Turkey thinks this, Russia thinks that, and so on. However, as I suggested earlier, today's world is much more complex. Countries are not internally neatly unified and externally neatly separated. Everything is overlapping, interacting, going in different directions. I am also a little bit concerned with the idea that we would assign responsibility to individual countries in world politics? A great difficulty with today's complexity is that we cannot isolate responsibility for policy decisions in one place. Old ways of thinking saw a world of unitary states, each with sovereignty, which allowed people to locate responsibility in one place and to seek solutions in one place. This is not how today's politics work. We do not control financial markets this way; we do not control climate change this way; we do not control disease this way. To address contemporary policy challenges we need multiple actors working together in horizontal networks. Yet many people still have the vain hope that 'sovereign' states will give them certainty, control, and responsibility. But that just is not the way the world works anymore, and the sooner we can get out of than mindset the better will be our chances to address the global challenges before us.

**A.S. ZAPESOTSKY:** – One of the Russian classics said that a problem was like a chain, if you pull one link, you can pull out the whole chain and find the solution.

Who of the colleagues wants to speak about the issues under discussion? Are there systemic problems (global, national, etc), has the system exhausted itself or is it possible to 'repair' it, should some other system come to replace the existing one? Askar Akaevich, you are welcome.

**A.A. AKAYEV**, President of the Kyrgyz Republic (1990–2005), foreign member of the Russian Academy of Sciences, Dr. Sc. (Engineering), Professor: – The main systemic problem of the modern times is the systemic crisis of capitalism. Today, the whole world except North Korea is following the capitalist way of development. Because

of that Fukuyama's conclusion about the end of history is somewhat hasty. Five outstanding sociologists of the world with Wallerstein and Collins at the head, who in the 1970s forecasted disintegration of the USSR and the socialist system, wrote *Does Capitalism Have a Future*? two years ago. In particular, they are saying in the book that capitalism undergoes systemic crisis and cannot be repaired. The integral socio-cultural system will replace it, and the foundations of that system were laid by great Russian sociologist Pitirim Sorokin.

M.Ya. SARAF, Professor at the Moscow State Institute of Culture, Dr. Sc. (Philosophy), honorary figure of Russian higher education: - Professor at the Moscow State Institute of Culture, Dr. Sc. (Philosophy), honorary figure of Russian higher education: - What is the systemic crisis? The main feature of the system, its main function is ability for self-reproduction (I mean live and social systems). Crisis is witnessed when the system has no methods for solving the task (self-reproduction is impossible or difficult). The crisis of today's civilization is its losing the ability for self-reproduction or the latter's being extremely difficult. The systemic crisis was brought about as a consequence of systemic destruction of inter-functional and structural ties. Hence the loss of wholeness, systemic character. The way out is in establishment of new wholeness, but that will be a new civilization.

**A.S. ZAPESOTSKY**: – The floor is given to corresponding member of the Russian Academy of Sciences G.B. Kleiner.

G.B. KLEINER, Deputy Director of the Central Economics and Mathematics Institute of the Russian Academy of Sciences, Head of the Department of Systemic Analysis in Economics at the Financial University under the Government of the Russian Federation, corresponding member of the Russian Academy of Sciences, Dr. Sc. (Economics), Professor: - I understand the word 'systemic' not as an analogue of the words 'big', 'important', 'large-scaled', etc. The word 'systemic' has its meaning referring to the systemic structure of the society. Systemic changes mean transfer from one type of systems to another. Examining this issue from the interdisciplinary point of view, let's imagine that the today's society is a fairytale hut that can turn to us either by its façade or the back side. The four sides of the contemporary hut-system are well-known: one side is tied with organization systems (states and their unions), the second with institutions (media), the third with processes, the fourth with projects.

**A.S. ZAPESOTSKY**: – What broke in this system and how to repair it?

**G.B. KLEINER**: – Nothing is broken in the system. It was, it is and it will be. It's required to record in which hut we live, which side is looking at us now and which will be the next one. Violence is inevitable – this is an objective law. It's impossible to correct the universal law of gravitation.

A.S. ZAPESOTSKY: - What era will be the next one?

**G.B. KLEINER**: – Unfortunately, the next system is connected with cataclysms (local crises, world war, though I prefer to avoid this term). The localization system will originate, when attention is concentrated on national house-building.

**A.S. ZAPESOTSKY**: – The floor is given to M.V. Shmakov.

**M.V. SHMAKOV**, Chairman of the Federation of Independent Trade Unions of Russia, Vice-President of the International Confederation of Trade Unions, Vice-President of the European Regional Council of Trade Unions: – Answering the question put by academician Zapesotsky about what is to come to replace capitalism, I'll answer: socialism. But not the one we know and under which we lived, but with corrected drawbacks. It will be called differently, but the essence should stay real.

V.G. GRAFSKY, chief researcher, sector head at the Institute of State and Law of the Russian Academy of Sciences, Dr. Sc. (Law), Professor: – The systemic character for me is one whole and integral view of the subject under discussion. The systemic character may be represented in glocalism as well, i.e. it is required to discuss global (complicated today) and national processes at the same time.

L.C. BRESSER-PEREIRA, Emeritus Professor of Getúlio Vargas Foundation (Brazil): - Well, I think what I learned from this discussion this morning is that globalization should be a national and social globalization. A national globalization may appear to ba oxymoron, that's contradictory. But it's not. By this I mean that globalization has to be understood as not only the competition among business enterprises, but also between nations and states. And this competition is ok, provide that there is also cooperation. So you have to have cooperation and competition among nations and states. This is economic nationalism. On the other hand is social and this social means the old problem of the fight between the rich and the poor, the workers and the capitalists. But what's important is that in this global world you cannot limit... your... this... the old idea of the left, of eliminating. The rich or today's position of the right that once... deny old... old rights to the poor. What we need is really a dialect relation between the socium ant the economic, the economic, international and national, global and national and the socium. These two dialects may open room for the solution of our problems.

**A.S. ZAPESOTSKY:** – A giant part of the economy transferred into the virtual space, unseen to the mankind and not subjected to economic analysis. Many calculations and trends, about which economists speak, really do not exist. It sometimes seems already that we are dealing with a giant sector – fake economy, which uses fake statistics, distorting all processes in real world. Everything taking place in the recent two-three decades is done in favor of the rich against the poor.

Professor Kolodko, what will you say about that?

**G.W. KOLODKO**: – To the degree I'm sharing your concern and I've been trying to address most of the issues we are discussing here in the book which is also

in Russian "Куда идёт мир? Политическая экономия будущего". For me economics, I never say economic discipline, because economics became interdisciplinary science, this is an interdisciplinary knowledge. You want to be good economist, you have to be literate in social psychology, in anthropology, in history, in ecology, in psychology, in philosophy and so on. So I'm placing economics rather between two queens of the science. On the one hand, had to have tough mathematics, good economist must know how to count, how to compare input and output, to measure efficiency, competitiveness, productivity, growth, balance or a lack of such, much more often than not, on the one hand. And the other queen, which is philosophy, which is about the values, about the people, about their preferences, about even their dreams and so on, and so on. So for that reason economics is also in crisis and this is one of the causes of the systemic crisis we have in different countries and altogether in the world. Simple, economics has failed, the policies were based most of the time on the wrong economic reasoning. And for that reason it lead to the first American and then world global financial and economic crisis and there is no way back to normal, back to business as usual, because this is not business as usual. There is only the escape for world, we have to look for something new, something different. Some economists, they, well, they may believe that we will go to the reformed socialism, maybe this is good a point in Leningrad on the 100th anniversary of the Great Socialist Bolshevik Revolution, but they don't that we'll go to socialism, we will stay with market economy. If you wish, if you put the equation mark which is offer simplification between market, which is based on dominance, not omnipotence of private property and capitalism then we are doomed to live with the capitalism in the forcible future and even beyond. But we have capitalism in Norway and we do have capitalism in the United States, we have capitalism in the Philippines and we have capitalism now in Vietnam, take a look how different they are, they have capitalism in Turkey, it is...

The future is a market economy and now there is next question – what kind of market? There is pluralism, you can go all the specter, you know, and it must be based on certain values. And the question is how the values are changing into the contemporary and the world of the future. So one more time I would go... I would suggest to go... I'm coming to the conclusion along the line which I call new pragmaticism that is concern and that is my answer for professor Zapesotsky question, concern not only about economic dynamism and equilibrium between input and output, savings and investments, export and import and so on, but also on the one hand social balance, that this social cohesion, not to go too far with income inequality, investment and social capital, capital kind of solidarity or justice, etc. And on the other hand ecological balance between us and our economic activity and there is intertwining between these three spheres and this is the economics of the future. And of course we have to look for the alternative measure, we are in beyond the GDP economics which calls for beyond the GDP economic theory upon which must based beyond GDP growth policy and development strategy. And my proposition is new pragmaticism, at least there is something to be discussed about.

**A.S. ZAPESOTSKY:** – You are welcome, Alexander Dmitrievich.

A.D. NEKIPELOV: - Economists cannot but think that they are proud of the progress seen in this sector, including in the system of national accounts, which is used for calculating gross domestic product. In my opinion, a good economist differs from a bad economist by understanding conventions inlaid in the calculations, and ability to interpret figures. Not all economists comprehend that there is a difference in contents of micro- and macro-economics, and from the point of view of micro-economics GDP cannot be viewed as a well-being indicator, because micro-economics rejects a possibility of inter-individual comparisons of usefulness. From the point of view of macro-economics, it does not matter how one thousand monetary units are distributed between three individuals. They can be distributed differently, but in any case there will be only one result. So, the matter is not a lot of problems referred to GDP calculation, they are known to everyone. But this is not the reason to refuse from what was achieved by giant intellectual efforts and what really matters in case of the right interpretation.

**A.S. ZAPESOTSKY**: – Is there a crisis of methods used for measuring global economic processes?

**A.D. NEKIPELOV**: – No, there is not. Crisis is possible in result's interpretation. As for the issue of big systemic changes, I agree with Mr. Kolodko that market economy in the today's environment cannot be any other than capitalist in the foreseeable future, it has no alternative.

Certain controversial phenomena are another matter, M.V. Shmakov spoke about them in particular, for example, consequences of robotization (automation as it was said in the past), etc. This is not today's problem. Humans will have a lot to do even in case of full automation of the main processes, for example, governance (this science is connected with market 'failures'). In such an environment it is possible to take many aspects into account, about which Marx spoke and other philosophers and scientists are thinking.

There is no alternative to market mechanism in the foreseeable future. Later, the issue will come down to correction of the market mechanism's functioning and coordination of interests. Mr. Scholte is right that the system is becoming more complex and it is required to coordinate interests not only at the state level. A complex system originates, and in today's environment it means that difficult times are coming.

**A.S. ZAPESOTSKY**: – I'd like to address the question to V.N. Pligin. It seems to me that one of the biggest disappointments for Russia is that Western Europe is not the center of the values it promotes (human rights, etc.). We are watching a lot of deviations and double standards. When an issue refers to Russia, unjustified court decisions are taken. It's not accidental that there are disagreements between the Constitutional Court of the Russian Federation and the European Court of Human Rights. To what extent is the West being for us an example and model in the field of law and law enforcement today? Does the West suffer from diseases similar to ours (telephone justice, administrative influence)? What takes place in this area?

**V.N. PLIGIN:** – I think that everyone present here felt that in his or her life. An individual falls in love, the object of love seems interesting, the one who loves ascribes the object of love some qualities. But when they get acquainted closer, sometimes there is disappointment. We have never been enraptured with the West. Russia has always been a giant civilization, which is at least 1150 years old (if we remember the agreement with Byzantium of September 2, 844).

Now, joint values are being worked out, this process goes on with difficulties, not unambiguously. We have to admit that every civilization has the right to its assessments, priorities and its point of view. We can't agree with a different point of view in case of some issues, for example, rewriting the Family Code. But this is not global disappointment, more likely we are moving to mutual understanding. Some fundamental phenomena, which took place recently, disappoint. For example, we used the concept of absolute private property, and suddenly confiscation of bank accounts became possible. I am not speaking about sanctions now, but about a possibility of appropriation of private property in principle and forfeiture it to the state, using non-legal mechanisms.

As for contradictions between international and Russian courts, we are not alone here. The first contradictions originated between courts of the European Union and the UK, which decided not to bring the decisions of the European Court into life, later the same collision took place in Italy.

Speaking about increase of opportunities, I did not mean the opportunities to appropriate something. I meant increase of opportunities for every individual to affect the state of affairs, including within this communications venue.

**A.S. ZAPESOTSKY**: – I do not think that D. Rockefeller, who died not long ago, and a common resident of the USA had equal opportunities. A common man has to wait for many years for surgery, for his heart to be transplanted. But Rockefeller had his heart transplanted seven times in the course of his life. That is everyone has different opportunities, including opportunities to influence.

Mr. Türker, can Turkey tell other EU countries after joining the European Union: "You did not have Turkish in the past, but it will be suitable for you"?

**T. TÜRKER:** – Well, European Union will be veryvery useful for Turkey. This is the fact. It's a great market, it has the settled values and it is still something for...

And for European Union. For Turkey and for European Union, I will answer your question. For Turkey its market that is set, it's the values. And for European Union, it can make European Union a real regional power in foreign policy, in international politics, which is really very important. I think a combined, a really united Europe will need Turkey strategically and will need Turkey as its population and it's the closest candidate for bring Europe greater.

I told you, because if Europe wants to become a real power in international politics, Turkey with its strategical location will strengthen Europe and also it is the most possible candidate for bringing more population to Europe, who are close to Europe really. So those two factors are enough I guess. Well, actually it's... I can only speculate about that. I cannot give a real answer about China, but if you want I'll talk about Russia.

**A.S. ZAPESOTSKY:** – Mr. Scholte, what will you say about that?

J.A. SCHOLTE: - People have talked about the future being capitalist and market-based. Maybe we could be a little bit more specific about that. The capitalism of the future may be quite different from the capitalism of the past. For example, much of the commodification and much of the surplus accumulation that is happening in capitalism today and looking forward takes place through finance, symbols, knowledge, and digital information. These are virtual arenas. I was struck this morning when Desgardins said that 63 trillion dollars in debt had accumulated with no increase in productivity. That circumstance fits the profile of finance capital, where finance operates for the sake of finance, not for the sake of the wider economy. Note also that virtual capital moves in different kinds of spaces, many of them not territorial and therefore beyond the control of states singly and alone. So regulating virtual capitalism requires global cooperation and global governance. We do not yet know how do it, but to hark back to the age of national capital and sovereign states is just not the way forward.

**A.S. ZAPESOTSKY:** – The floor is given to Professor Dutkiewicz.

**P. DUTKIEWICZ:** – I imagine the world system looking like a warehouse where various sacks are stocked: big (China, Russia, the USA, the European Union) and small (Greece, Bulgaria, etc.). There is something good and something bad in each sack. But they are not naturally connected.

Today, we are witnessing chaos on systemic foundation. Why does chaos originate when there is a lot of good and bad in each sack? Imagine that you are filling a diesel car with benzene. Sooner or later it will stop driving, because there are no connections between the two components, the engine and benzene. We have achieved the highest level of chaotic development. Not a single social group is interested in chaos, because of that it will try to deal with this challenge.

I do not expect a revolution in the near future, but a number of riots, revolts are possible, they already take place in various cities of the world. Brexit, populism, DAISH (ISIL) are riots having various reasons and various consequences. But this is a complex system, about which Mr. Scholte spoke. Riots and revolts have various reasons and various consequences, but all of them can be referred to one of the two courses.

The first is soft authoritarianism as an element of the world order. The authoritarianism we are watching is based on support of local communities (30–40 %) and founded on two principles – safety and economic stability at a certain level. China, partly the USA, France, Turkey, etc. are against such system. This process is starting in Russia as well.

The second course is opposition in the form of new nongovernmental movements. They are based on new technologies, not sponsored by the state, and gradually their strength will increase. It is possible to name Bernie Sanders, antiglobalists, feminists, etc. among them. They will oppose the new system, which is (here I agree with G. Kolodko and the others) one of the variants of the market system. I also agree with Mr. Scholte that this market system will differ from what we are having today. We'll live for a certain time in an intermediary system, but there are also the profiles of the future outlined: we are seeing the contours of what will be tomorrow, but we do not know what will be the day after tomorrow.

**A.S. ZAPESOTSKY:** – Unfortunately, our discussion has come to the end. We did not answer a lot of questions, because of that the talk will be continued as a part of the third panel discussion: the greatest philosophers of our times will discuss to what type of civilization we are heading. Thank you for the interesting discussion!

## May 19, 2017 Petrov Theatre and Concert Hall, SPbUHSS

#### **SPEAKERS:**

A.S. ZAPESOTSKY	President of SPbUHSS, corresponding member of the RAS (moderator)
E. AGAZZI	Professor of the University of Genoa (Italy), foreign member of the RAS, Ph.D.
A.A. GUSEYNOV	Principal Adviser for Academic Affairs of the Institute of Philosophy of the RAS, full member of the RAS, Honorary Doctor of SPbUHSS
V.A. LEKTORSKY	Chief Researcher of the Institute of Philosophy of the RAS, academician of the RAS
A.P. MARKOV	Professor of the Department of Philosophy and Cultural Studies at SPbUHSS
G. METTAN	President of the United Chamber of Industry and Commerce "Switzerland – Russia and CIS States", Executive Director of the Swiss Press Club, journalist, writer (Switzerland)
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**A.S. ZAPESOTSKY:** – Dear friends, the third panel discussion will close the work of the Conference today. We'll discuss various issues addressing the main topic: what type of civilization are we heading to?

We continue discussion of the announced topic, but we examine it from a slightly different angle – from the philosophical point of view. So, what type of civilization are we heading to? We listened to economists, lawyers and representatives of other fields of knowledge from various countries at the previous meeting.

First of all, I'd like to specify the concept of civilization. Alexander Petrovich Markov and I have been intending to write a book about 'travels' of the term of 'civilization' for a long time already, the Russian language borrowed it from the others. It was Latin originally, then it could be met in today's European languages. Now, we have four or five interpretations. Let's single out one of them: it's right to look at civilization as a macrotype of culture, i.e. a wider concept than a type of culture. We'll speak about types of civilizations in exactly this sense. It's well-known that there is the traditional type of civilization with its special features, and there is modern technology-related civilization. Allow me to ask my colleagues the question: do you have an impression that both types of civilization are in deep crisis? If yes, what are the reasons of this crisis? Abdusalam Abdulkerimovich, I offer you to start our discussion.

**A.A. GUSEYNOV:** – Thank you, Alexander Sergeevich. The word combination 'the crisis of civilization' has already become common, it's widely used both in academic books and papers, and in mass media. In my opinion, this is not a strict notion, but more likely a concept encompass-

ing a big variety of phenomena and expressing the state of public conscience, some premonition, which, however, deserves most serious attention. What stands behind it? In my opinion, first of all, advantages and successes of civilization. Civilization as it has existed for at least recent 500 years, if we take Vyacheslav Semenovich's terms, is technology-related, or new European civilization, it turned out unbelievably dynamic and successful. However, its success turned out to be interlinked with such negative results that start overweighing positive results. This is a principally new state. Let's remember the most evident contradictions. The outstanding achievements of physics turned into nuclear weapons that became a threat for the very existence of the mankind. Industrial development and urbanization led to climate change and global warming, which may also deprive us of natural grounds for existence. The question arises: do we need these achievements if they generated this danger? These dangers, threats, doubts are the essence of 'the crisis of civilization' concept.

The new reality affected the state of humanitarian knowledge: the idea of progress as movement to something qualitatively new and perfect is disappearing from our discussions. The theories, based on the idea of the 'cycle of civilization', presented by A. Toynbee, N.Ya. Danilevsky, are developed instead of progressive, optimistic and often utopian ideas. There is some lurch of theoretical and social conscience: the historical view is replaced by geopolitical, which is also an indirect reflection and sign of the crisis of civilization. So, this is a real phenomenon.

**A.S. ZAPESOTSKY**: – Abdusalam Abdulkerimovich, what's the reason in your opinion?

A.A. GUSEYNOV: – I think that the answer should not be looked for on the surface. What does confuse and disturb us? The crisis came at the time of evident boost and flourishing. We have great technical possibilities, unbelievable growth of well-being. Each of us lives more comfortably now than princes and tsars in the past. Meanwhile, the crisis affects the deepest foundations – what makes the vital force.

**A.S. ZAPESOTSKY**: – Vladislav Alexandrovich, please, you're welcome.

V.A. LEKTORSKY: - Surely, it's possible to speak about the West European civilization of the recent 500-600 years as the technology-related (I accept the term, introduced by Vyacheslav Semenovich Styopin). Now, this civilization is evidently in a crisis state. What are its reasons? I'll try to word them shortly. Speaking about the technology-related civilization, we mean that it developed based on technical inventions and technologies, which in their turn were the consequence of progress in scientific knowledge. Science and technology have always been connected, but this connection was never so close in the past. Currently, we've come to technologies taking up or swallowing up science, scientific knowledge. A new phenomenon has even appeared - the so-called 'techno-science'. What's this? Today, if science does not produce any useful applied product in the form of new technologies, it is as if not required. We know what that leads to, including with our country as an example.

But why do we need applied results, new technologies? They can be sold at a high profit. Techno-science started developing within the limits of capitalist market economy, where everything is assessed from the point of view of material profits and advantages. In the past, the development of science was connected with the society's transition to the new state. K. Marx, V.I. Vernadsky and other thinkers wrote about that. It was supposed that development of sciences would make relations between people more humane. But it turned out that it was not so.

Chasing after profits corrupts the mechanism of the modern science's development. Now, scientific discoveries are fixed by a patent – not only technologies, but discoveries as well. That is, scientific knowledge turns into goods. This phenomenon is named cognitive capitalism. It was expected that this approach would assist progress, but in the end it only strengthens the existing technocratic and consumer system.

Here is the second reason: science and technology turned out to be connected with this kind of society and social relations.

Economists assess this state of affairs from their positions – from the point of view of rational choice, costs and profits. It turns out that it is possible to assess anything from the point of view of rational choice, including any human relations, love and friendship. But where is the place for a man here? Is it a humane society? No, it's becoming anti-humane.

Now, another lurch has been added – development of artificial intelligence. That is, attempts to replace everything natural by artificial are not stopping. This is a very acute problem.

**A.S. ZAPESOTSKY**: – Thank you, Vladislav Alexandrovich. The question to Alexander Petrovich Markov: is

there a crisis of this type of civilization, and if yes, what's the reason of it?

**A.P. MARKOV**: – I'll start from another question: is there a civilization common to the whole mankind? If yes, we can speak about a crisis. In my opinion, we can use the concept of 'civilization common to the whole mankind' only metaphorically. There is no such civilization and there was never such a civilization. Today, we watch the battle of three giants that started several centuries ago, and it is deploying at the metaphysic level. The first party is the West, the Euro-Atlantic civilization, which is already difficult to identify as Christian. The second is the Islamic world. Professors from Iranian universities assuredly said at one of recent conferences that the revenge of civilization project was inevitable. And the third party is mystic, multi-billion force from South-East Asia. One of the parties, and that is the West, is evidently in crisis. Personally I feel sad because of that.

**A. S. ZAPESOTSKY:** – That is, you are, following Huntington and think that there is collision of national and cultural models. However, he named several models, and you named three, but you agree with him on the whole. But what's the reason, Alexander Petrovich? Can it be cultural incompatibility?

**A.P. MARKOV**: – The reason is their total, absolute incompatibility. Let's remember Jaspers. The great culture of visionaries in essence broke the monstrous closed cyclic circle of the pagan times, it broke the things existent and things that should be. The battle goes on not just between cultures, but also in our hearts. We can talk about the future, and I'll do that if possible, but my forecast is unfortunately far from optimistic.

**A.S. ZAPESOTSKY**: – The floor is given to Mr. Agazzi. Tell us, please, do you see the systemic crisis of the contemporary society?

E. AGAZZI: – One must recognize that the concept of crisis is not a negative one. In the tradition of medicine, the 'crisis' was a summit which could develop into death or into the recovering of complete health. So the crisis in itself is neither negative nor positive, it depends on the course of the crisis. And now we can apply the idea of crisis to civilizations, to regimes, to nations, to whatever you want. The real problem is to have *value judgments*, in order to see what it means that we want to have something better. What does it mean better? What does it mean a better status? You need a value judgment to answer this question. Today our civilization has concentrated the idea of progress into technoscience. Techno-science, however, does not contain value judgments: science tells what is the case, technology says what it is possible to do. Neither science, nor technology tell what we "ought to do". Neither natural science, nor psychology, sociology, human sciences, nor technology give us any indication regarding the orientation of our life and actions. So the real problem of our world is to find value judgments, which could orient the development of our societies. This is extremely difficult, because the techno scientific system has already attained a great autonomy, it grows up independently of any orientation. Any new discovery produces

applications, application needs new investigation, so technology calls for science, science needs technology and so on, so on. But we have no orientation, so the real problem nowadays is to find values, which enable us to see what are the good directions. And in this sense I believe that we need the contribution of the different cultures, because Western culture, Christian culture, Muslim culture, Buddhist culture, Oriental... cultures and any culture in general have certain values, basic values, which orient the life of people and can be of help for the whole of humankind.

**A.S. ZAPESOTSKY:** – Excuse me, please, Mr. Agazzi, but is there a clear idea of the state of contemporary civilization in the academic community? Is it in crisis, and if yes, why?

**E. AGAZZI:** – Well the reasons are extremely complicated, because the crisis depends in general on the fact that a certain model, which is often very good, but partial, has been adopted as it were universal. This is the mistake: no culture contains all the values, no culture contains all the value judgments. So we need really to recover the consciousness that we have, many things that we consider valuable and other things that we can learn from other cultures. And in this sense I think that we could come closer to the systemic homeostatic solution of our problem.

**A.S. ZAPESOTSKY:** – Thank you, Mr. Agazzi. I invite Mr. Guy Mettan to the microphone.

G. METTAN: - So, thanks. Just to go on mr. Agazzi's definition of crisis, just to mention in Chinese, the Chinese word for crisis means both meanings: one is "crisis" and the second one is "opportunity", is "chance". So crisis has both meanings and that's important to get it in mind. But in my view what we can call the Western civilization is now in crisis, because the civilization had the purpose as the goal... had the goal to dominate, because it... thanks to the scientific revolution, thanks to economy development, thanks to universal values this Western civilization was able to dominate the world until now. But now the system, the model is entering into crisis because it is not more able to manage the future of the world. It's not that the Western civilization is not more able to assure economic growth, we have seen this morning the economic growth is very stable is... you know, is not going up but stabilizing or going down and also is not more able to assure equalities. It brings a lot of inequalities between rich and poor, between old and younger people, because that becomes elder and older, it also brings lot of frustration, insatisfaction in the peripheric world, I mean, in Asia, in Arabic world, in the Muslim countries and everywhere. So it is not more able to manage the world as it did before. That's the big crisis and I am rather pessimistic, because the reaction of this Western world faced to this crisis is to become less and less democratic and more and more authoritarian. If we look the evolution, so my concern is in order to face this crisis the temptation to realize 1984 novel, you know, the model of big brother with a massive apparatus of mass surveillance, with big security issues, with the war on terror, with a state, the permanent state of emergency like now in France, in United States. This concern is growing and so I fear, I am scared because it's possible that we can have kind of Aldous Huxley destiny, you know, with the best of the world dominating our civilization, our Westerners speak for West, western civilization now.

**A.S. ZAPESOTSKY:** – The floor is given to Vy-acheslav Semenovich Styopin.

**V.S. STYOPIN**: – I'll make some preliminary remarks explaining my approach to the issue of the contemporary civilization's future.

First. I think that it won't be extra to explain once again how the idea of the 'type of civilization development' and concepts characterizing the standard civilization approach – 'cultural and historical type' (N. Danilevsky) and 'local civilizations' (A. Toynbee) – are related. The common in both approaches is classification of kinds and types of civilizations according to the special features of their culturalgenetic code. I specified the understanding of this code, using the idea of the system of worldview universals (concepts, categories of culture), forming the bases of culture.

Without negating positive aspects of the offered by N. Danilevsky and A. Toynbee classification of the types of civilization, I offered their further, specifying and deeper typology. The types of civilizations, singled out by N. Danilevsky and A. Toynbee, can be interpreted as special kinds, which are united in two big types: traditional and technology-related. The criteria to differentiate these two types of civilization development are different and in many aspects alternative understandings of fundamental worldview universals - 'man', 'activities', 'nature', 'traditions and innovations', 'individual', 'rationality', 'power'. The essences of these universals, in their turn, structure the whole chain of universals (categories of culture) being the genetic nucleus of each of the types of civilization development, in a new way. Various kinds of civilizations, united within the limits of each type, can considerably differ from one another. Their common typological (generic) features are combined with features fixing the difference of various kinds. They in this combination can in principle be interpreted as types (kinds) of civilizations, about which N. Danilevsky and A. Toynbee wrote. The standard civilization approach viewed each singled out by it kind of civilization as unique discrete historical unit of social organization. According to A. Toynbee, each kind of civilizations reproduces itself and its uniqueness, going through the stages of origination, flourishing, crack-up, decline and death.

The concept of the types of civilization development, which can be named a non-standard civilization approach, introduces a wider perspective of historical evolution of the society. The types of civilization development show themselves as special stages of this evolution, where transition from archaic societies to traditional civilizations, and from them to technology-related ones accelerates the rates of social changes and strengthens interaction of various kinds of society, including processes of their modernization already at the stage of technology-related development.

The cultural-genetic code (the system of universals of culture's essences) being the foundation of a certain type of civilization development, sets forth the contours of the human lifeworld picture. This code determines comprehension, understanding and feeling the world by a man. Feeling the essences of worldview universals emphasizes these essences as values. Second. Values are hierarchical. Any activity is possible if the subject of activity has a program in his conscience that includes preliminary knowledge of the object of activity, means of activity and operations (actions), skills for working with means, goals and values. The goal is the ideal image of the future result of activity. The goal answers the question 'What?' (What should I get as a final product of my actions with the object?). Setting goals in its turn is always correlated with value that answers the question "What for?". Value sanctions activity. Certain acts of activities are always coordinated with value either obviously or indistinctly. Values are systemically inter-related. They form a complex developing multi-level system.

There is a well-known parable about one of the builders of the Cathedral of Notre-Dame de Chartres. When he was asked what he was doing and what for, he answered, "I'm taking stones from the stone quarry to the construction site to make money and feed my family". This is the first level of values. The architect, who designed the Cathedral, was asked the same question. And he answered that the Cathedral of Notre-Dame de Chartres was being built, a house of God, where people would address God. This is a deeper layer of values. And there are even deeper levels of values. The level of values determining possible forms of activities, behavior and communication of a certain kind of civilization can be referred to them. And finally, it's possible to single out even more deeper level of the system of values, which determine the type of civilization development.

I've already mentioned that in relation to the contemporary (technology-related) civilization, this level was formed as the spiritual matrix of technology-related culture at the time of the Renaissance, Reformation and Enlightenment. It exactly determined the prospects for further development of this civilization type for nearly three following centuries.

Third. Contemporary technology-related societies are represented in two main versions: a) developing on their own basis (Western versions of technology-related civilization) and b) technology-related societies of the hybrid type that originated in the process of traditional societies' modernization. Modernization supposed borrowing Western technologies and education that were transplanted on the traditionalist soil, changing it. In the course of this process traditional values collided with values of technology-related culture, partly changing, partly preserving and generating special variants of societies on the way of technologyrelated development. That was the historical development of Russia under the influence of the three great modernizations by Peter I, Alexander II and the Soviet period, which ended formation of Russia as a technology-related society of a special type. Japan, China, India, today's countries of Latin America underwent modernization processes. Today, the overwhelming majority of states on the globe realize the type of technology-related development.

This type of development gave a lot of achievements to the mankind in the area of technological progress, new medicine providing prolongation of human life span, improvement of the quality of life in the countries with highlevel economic development. And the conviction that the mankind will achieve flourishing and that Western countries are in the vanguard of the movement to the better future of the mankind prevailed till the middle of the 20th century. But numerous crises, states of the technology-related civilization, which are manifestations of the two main global criThese crises were generated by the very technology-related development. They became considerably more aggravated in the last quarter of the century, and their further aggravation creates a threat for degradation of the biosphere and self-annihilation of the mankind.

All that raises the issue of cardinally new development strategies. I've already expressed my point of view and not once, including during my previous speeches, that we're not speaking about 'minor repairs', but about fundamental change of the technology-related type of development, about possible transition to a new, third (in relation to traditional and technology-related) type of development. And that in its turn supposes formation of a new matrix of values, and points of new values' growth, originating in the contemporary technology-related culture, may become a beginning of it. I wrote about these growth points in more detail in my report and I spoke about them at the plenary meeting.

A.S. ZAPESOTSKY: - Thank you, Vyacheslav Semenovich. I'll explain first of all for the students that typology and classifications may be different. For example, Alexander Petrovich Markov puts national and cultural aspect in the first place and means some cultural community under the type of civilization. Vyacheslav Semenovich says that there were two big types of civilizations in the course of the whole history of the mankind: traditional and technology-related. We can refer Babylon, Ancient Russia and some others to the traditional type. Traditional types (it's not important whether it was Russia or China) had a number of similar values: for example, their worldviews did not include the idea of progress, man's winning over nature, etc. Traditional civilization supposes harmonious relations of man and nature and in-building him in nature, life close to nature. The West has been professing values of technology-related civilization for several centuries (such as progress, triumph over nature: nature should be first of all subjugated and then used until its last breath). Development of the contemporary consumer society led to the technology-related civilization with its system of values being in discord with the possibilities of the biosphere, it has exhausted itself.

Alexander Petrovich thinks that various national and cultural types are colliding. Vyacheslav Semenovich says that the type of technology-related civilization has naturally exhausted the possibilities for its development. I think that there is evidence of both as well as inequality of countries' and civilizations' development.

Currently, the West is losing its leadership, because of that other national and cultural types of civilizations are overtaking it. The question arises as to how each type will exist in future, what are the prospects of their development? What values each of the national and cultural types will choose for further existence and what new will it bring?

Once, when we were talking, Vyacheslav Semenovich told me that if we wanted to preserve nature, it was one goal, and if we were ready to mutate and become other creatures, it was a different goal.

Probably, there are scenarios for ways out. The things taking place now, cannot go on. Both pessimistic, gloomy scenarios (war, destructions, riots) and optimistic, positive scenarios are possible. I offer to discuss possible variants of the situation's development, both positive and negative. Abdusalam Abdulkerimovich, what can you say about that?

**A.A. GUSEYNOV**: – Allow me one comment: the type of civilization is not a notion but a concept.

Answering your question, I'll say that as there are qualitative changes expected, we in principle cannot foresee the future and say what it will be. Only when the future comes, we can find definitions, etc. post factum, be wise after the event. In connection with that, I'll mention Marx's comparison: he said that human anatomy was a key to monkey's anatomy. But we'll never get from the monkey's anatomy level to the human anatomy level. Another thesis of mine is, "Owl of Minerva flies in the twilight". We can forecast the future and foretell it via our attitude to the present (if we accept it or not). If we accept it, then we're speaking about perfection, or we don't accept it. Because of that ideas of the future and the past were formed not drawing an analogy, but contrasting, negating what is inadmissible in the present. From this point of view (if we transfer our talking from the abstract general methodological level to a more certain level), we are speaking about the fate of capitalism or capitalist civilization. Technology-related civilization is first of all bourgeois, capitalist civilization. Is there an alternative to capitalism?

**A.S. ZAPESOTSKY**: – Was the socialist type not technology-related?

**A.A. GUSEYNOV**: – It was also technology-related, but it offered some alternative as a type of development. That exactly is the problem: after disintegration of the Soviet Union and all socialist system it headed, capitalism was deprived of an alternative (why it happened, is another issue – because of either principal or situational imperfection).

**A.S. ZAPESOTSKY**: – So, socialism is one of the branches of technology-related civilization, isn't it?

**A.A. GUSEYNOV**: – Socialism as it existed in the USSR was certainly a phenomenon of technology-related civilization as the target was to catch up and outrun.

**A.S. ZAPESOTSKY**: – The floor is given to Vladislav Alexandrovich Lektorsky.

V.A. LEKTORSKY: - I'd like the talk to take a different course. There are a lot of papers written already about post-human society, if it awaits us, what will come after the man. The future is what grows from the past. Starting from the time when atoms and molecules originated, there was global evolution, then the man appeared, the society, etc. Currently, scientists are writing that humans have reached a certain stage of development with the help of technologyrelated civilization (humans can manage evolution, do not expect anything but create the future). There is a talk about designing and constructing a man, there is an idea of improving a man. Socialism and capitalism are in the past, it is required to change humans themselves - and all problems will disappear, may be there won't be any consumer society, but something else will appear: humans with different needs, possibilities, etc.

The problem is that we're really, gradually plunging into this process. The e-society is originating, there are theoreticians and practical workers, who think that genetic engineering, information and nanotechnologies will help to create an e-man (his characteristics are chipping, control over behavior, transplantation). Supposedly, humans transformed like that will be better, cleverer, more emotional. This seems fantastic, but I know scientists who are working at the project.

This is one of the main dangers for me as humans may stop being humans completely. Currently, the idea of achieving immortality has widely spread. But really, if humans become immortal, they will stop being humans as most our values are connected with our mortality. If there is no death, no courage, selflessness, self-sacrifice and understanding of another human are required. Post-humans are already not humans. This is a challenge not only to certain types of values (Western, Moslem, Buddhist), but the basis inlaid in them. That is, humans can become either better or much worse, and may stop being humans at all.

A.S. ZAPESOTSKY: – Alexander Petrovich, proceeding from what you said before, it is possible to come to the conclusion that there are only two scenarios for the course of events: one of them is when Asia wins, another is when the Arab world wins.

**A.P. MARKOV:** – The third scenario is possible as well – the so-called transhumanism, and M.V. Shmakov spoke about that at the plenary meeting. Understanding what will be tomorrow, the mankind is ready to transfer to the chipping system and bring Fedorov's project (revival of the dead), offered in the end of the 19th century, into life, i.e. stop reproducing and transfer to another version, the chipping system. This is the third, may be inevitable variant for the course of events. It seems to me that the future can be read in the past of Europe. Though Abdusalam Abdulkerimovich said that humans are losing the idea of the future. Our future was created in the 1960s – this is the so-called modern culture, when the Western world, Western intellectual elite refused from the Prometheus spirit.

**A.S. ZAPESOTSKY**: – And refused from the ideas of good and evil to add.

**A.P. MARKOV:** – The West transferred to the Orpheus model, the character responsible for the whole range of deviations, from homosexuality to drugs, pedophilia, etc. Several centuries ago, Europe ingeniously had a foreboding of the Christian culture's final, and unnoticeably for itself (starting from the Renaissance, and in my opinion, from the 11th century, the time of separation of the Churches) selected the non-Christian way, the pagan way, because of that it is possible to think that South Asia, the culture of priests have already won in Europe.

But this is fraught with the origination of the problem, which we have not named yet. The most horrible phenomenon in history – Nazism – originated exactly on the basis of European paganism. Today, we watch Nazism metastasizing in this pagan space. We could manage with it as there is the experience in counteracting it.

Vyacheslav Semenovich said that a new system of values was forming inside the technology-related civilization. However, I doubt his assuredness in an ability of something, capable to adapt humans to this world, to originate in the technology-related civilization. This is the same as to say that a Sidorov, who found himself in the gut of some Australian native, adapted to the new environment. This is not adaptation but a new system of values, which is manifested in the international law, life strategies, anthropological catastrophe, intolerance. The triumphant pagan does not manage to conqueror the world as there is the stronghold of the logocentric culture – the Islamic world. Because of that, the forthcoming battle is inevitable in my opinion.

V.S. STYOPIN: – I don't agree with this approach and with such interpretation of what I said and wrote about the necessity to work out new values. Finding growth points of such values is aimed not at preservation of the technologyrelated civilization and its version that has formed as the contemporary consumer society in the West, and not adaptation of humans to this world. On the contrary, it is aimed at finding ways for transformation of this world, aggravating ecological and anthropological crises, working out a new system of values, which is a condition and the initial stage of such transformations.

New value orientations may originate in embryonic forms in various kinds of technology-related societies of the modern times. And not only in the West, but also in societies on the way of technology-related development thanks to updating. And what is more, it's fairly probable that exactly the preserved in them some traditional values may serve an impetus for generation of new value orientations as components of the new spiritual matrix of the future type of civilization development.

**A.S. ZAPESOTSKY**: – Vyacheslav Semenovich, the question for you: when Alexander Petrovich described the types of civilizations, he said that today the crisis in Western Europe is connected with refusal from Christian values and coming back to pagan values. What do you think?

V.S. STYOPIN: – This is an interesting way the question is put. But its discussion requires deeper and more differential analysis.

In Alexander Petrovich's speech Fascism and pagan mythology were rather definitely connected. It's possible to agree that Nazism used the pagan mythology patterns. But it does not proceed from it that paganism leads to totalitarianism in the form of Nazism. Such a conclusion is the result of a logical mistake in wrong addressing. It does not proceed from the statement that all representatives of the Negroid race are dark-haired that all dark-haired people are representatives of the Negroid race. If we accept the idea of definite connection of Nazism and paganism, we'll have to consider all mythological cultures of ancient civilizations potentially Nazi.

Negative attitude to paganism has always been typical of the Christian church. The term in the Russian language ('yazychestvo') comes from the word 'yazyki' that was used to name people hostile to the Russian Orthodoxy. The term 'paganos' was used in the Christian West.

But from the point of view of historical science, pagan mythology had a positive influence on formation of many cultures in traditional civilizations. Polytheism in these cultures originated on the basis of pagan mythology. It won't

When assessing these or those religious and mythological ideas, it's important not to overlook the principle of the historical method. This refers to the Christian tradition as well. When we are speaking about Christian values, it's required to take into account that religion as other forms of public conscience, is always included in the processes of values' transformation, when transferring to a new type of civilization development. And though Alexander Petrovich, judging by his speeches, sticks to civilization approach in its traditional version, he is right to mention that the Renaissance brought changes to the understanding of Christian values. But there were also the Reformation and the Enlightenment, the periods when formation of the spiritual matrix of the technology-related culture ended. New understanding of Christian values appeared during these eras. Their heart - the idea of humanism - was actively and rationally grounded in those eras. And it was included in this interpretation in the value foundations of the technologyrelated culture, in its understanding of man, activity, individual

In this context I do not think the thesis that this interpretation of Christian humanism led to revival of paganism and refusal from Christian values, well-grounded.

As for the history of these values from origination of Christianity to the Renaissance, in that period, they did not cross the borders of value foundations of the traditional type of civilization development.

I agree with Alexander Petrovich when he is criticizing the today's propaganda of those types of behavior that were thought deviant from the point of view of Christian traditions. I look upon these processes as another manifestation of the anthropological crisis. Decrease of the level of individual's responsibility, gradual destruction of the family, legitimization and advertising of deviant forms of behavior under the pretext of expanding personal freedom – all that are specific indicators of destruction of the spiritual matrix, which previously determined the progress of the technology-related civilization. One can think that the phase transition, meaning cardinal qualitative changes of this type of civilization, has already started.

In order to forecast the future, it is important to single out some stages, replacing each other in this transition. In this case, we are speaking about qualitative transitions in the development of the society as a complex system.

The contemporary science has already worked out certain means to describe such transitions. In synergetics they are characterized integrally, in the terms of dynamic chaos, bifurcation points, attractors, cooperative effects, self-organization, determining transfer from chaos to order.

Using these means, it's possible to make the next step – to provide a differential description of the phase transition, singling out its three main stages.

The initial stage is origination of dynamic chaos, when self-regulating programs of the system, which were formed previously, mutate and the indicators of order, which appeared previously, stop functioning. Any of system development scenarios from the range of the possible ones, originating in bifurcation points, may be realized, even the least probable. The number of such scenarios may be fairly big but not unlimited. The set includes only the scenarios, which do not contradict the existing objective laws. Realization of any of the possible scenarios depends on numerous accidental factors. It is characterized as an action of probable causality that generates attractors in non-linear medium. Several competing attractors can be formed at this stage of phase transitions corresponding to various, including alternative scenarios of the system's development.

Competition of scenarios at the second stage of phase transition may lead to gradual domineering of one of them. In this case, the original probabilities of each of the scenarios change. When one of them starts determining the course of the system's change, probability of the others' realization reduces.

Finally, we should single out special states of dynamic chaos as the third stage, they are characterized in synergetics as a mode with intensification. Well-known Russian mathematician S.P. Kurdyumov paid attention to the special importance of analysis of this mode, and not once. At this stage, the domineering scenario, determining the course of the system's change, considerably increases the probability of its realization, it becomes irreversible. Some kind of purpose-oriented movement to the new level of the system's arrangement appears, as well as to formation of a new self-regulation program and respective order indicators. The purpose-oriented causality plays the main role in this movement.

S.P. Kurdyumov integrally characterized these processes as impact of the future on the present and even the past. It looks irrational from the outside, but only outside. The image of the future's impact on the present and the past is fairly rationally grounded, if we take into account that a new level of a complex system's arrangement appears at the final stage of this phase transition, and it actively reversely influences the previously formed levels, imposing certain restrictions on interaction of their elements in a certain way, and thus provides formation of a new type of system's wholeness. Because of that forecasting behavior of a complex system always supposes that a possible future, when it becomes the present, can change the past, i.e. restructure the levels of organization that appeared previously.

There is a lot of knowledge accumulated already in the science of the 20th century about complex developing systems, the evolution of which distinctly reveals their fundamental special feature – when becoming more complex, to restructure the already formed levels of organization under the impact of the new level. One of the demonstrative examples in this respect is change of our planet's geochemistry under the impact of life, followed by V.I. Vernadsky.

As V.I. Vernadsky said, origination and further evolution of life changed the earth crust (sedimentary deposits and soils are the traces of the past biospheres, even basalt rocks changed into granites under the impact of bacteria over millions of years). Life formed the atmosphere of the planet and filled the oceans with oxygen, and that in its turn created conditions for origination of new, more complex forms of life.

The geochemistry of Earth as V.I. Vernadsky emphasized, transforms into biogeochemistry in the course of evolution, and then, after origination of humans and development of technology-related activities of humans, it transforms into cultural biogeochemistry.

Taking into account all these special features of phase transitions, it's possible to come to certain conclusions as

to forecasting the future. There are forecasting horizons according to various stages of phase transitions.

If we are dealing with a scenario in the mode with intensification, it is possible to forecast the development trend more or less definitely and unambiguously. But already at the next step, when a new level of the system's arrangement originates, the far-off future of the system again becomes indefinite. A new level, imposing restrictions on laws of previous levels and arranging them in a new wholeness, most often changes the development vector. The system's states, which were previously thought marginal, driven to the periphery of development, may turn into the mainstream, when the new system's wholeness is formed.

The history of Christianity may serve as a well-known example of such transition in social evolution. Christianity originated in the periphery of the Roman Empire and was persecuted by official authorities, then it was acknowledged at the Imperial Rome stage, and after disintegration of the Roman Empire it turned into the mainstream determining one-thousand-year history of Christian civilization of the European Middle Ages.

In principle, the specified features of the development vector's change are typical for any complex, historically changing systems (natural, social and mental). Fairly recently, I demonstrated in my papers that the history of scientific ideas was also in accordance with the laws governing this phenomenon (see: Voprosy Philosophii [Philosophical Issues]. 2016. No 6).

When we forecast the far-off future, it's difficult for us as Abdusalam Abdulkerimovich Guseynov said, to form a more or less certain and trustworthy image of that future. I see explanation of that in objective special features of complex systems' development, in the fact that it is not known beforehand how exactly the future will influence the present and the past represented by the already formed levels of system's hierarchy.

In that case, forecasting far-off future is limited by formulating the ideal that defines general development trends for the social system and deep value orientations of human activities.

This approach is important not only in respect of the final stage of phase transition, but in respect of its initial stage just as much, when social system enters the state of dynamic chaos. Competition of attractors – development scenarios, which are always backed by various social forces, requires assessment of each of the originating scenarios. And it's required to articulate the ideal for that, from the point of view of which these assessments will be made.

Phase transition, changing the type of civilization development, may take a long historical period. The state of dynamic chaos is inherent in any such transition, including contemporary. This state of the social life of our time was already fixed by postmodernism fairly long ago. Surely, it should not be criticized for that. Postmodernism criticizing is defined by something different – its attitude to vital activities of people in the environment of dynamic chaos. Sometimes obviously, and more often indistinctly postmodernism supposes that it will now become the natural state of human history. And that message, even in the form of hypothesis, has no proof in its foundation.

**A.S. ZAPESOTSKY:** – Thank you, Vyacheslav Semenovich. I see no special contradictions between the theses that sounded here, and I would not like to bring the discussion to arguing about the classification. The world is entering the period of aggravation of contradictions, about which Vyacheslav Semenovich said. Please, Professor Agazzi, tell us about possible scenarios for development of the events.

E. AGAZZI: - Well, I first want to recall that the traditional view of our civilizations (in the plural) was that the course of human history has not a tendency toward progress, but to decadence. The different myths of the Golden age, the Lost Paradise, the Eden, that we find in every civilization show the idea, that the perfection was behind us, and that we are declining, declining, declining. This pessimistic view of life is very clear in the Greek literature and some kind of inversion was needed in order to overcome it. Such an inversion consists in proposing an "eschaton", some terminal point in which we can hope. This is the message of Christianity: Christianity accepts that we were at the origin very good, and happy, but then we had a decadence owing to the original sin. Then Christ comes and offers the promise of a future good and happy status for humankind. With Modernity and secularization we can find some secular equivalents of this future positive end of history: the society without classes of Marxism or other kinds of hoèed status. If you have a hope in something to become true thanks to human actions, it is the human nature which is considered able to produce its own progress. The idea of progress begins with modernity and it is especially bound to science. So this idea, that science and technology are the spring of progress is modern, we don't find it in any other civilization, this is a typical Western view. Now we see that we have lost the eschatology, because science and technology do not propose ends and values. They can serve whatever values, they can serve a certain value if they are in the hands of Hitler, or other values if they are in other hands. So, we have at disposal many instruments, but we do not know which is the end to which we want to go. And this is why we need to recover the reflection on values, to recognize that many cultures have tried to find some eschatological way to give sense and meaning to life, to history, to personal engagement, to personal commitment.

**A.S. ZAPESOTSKY:** – Now, the floor is given to Mr. Guy Mettan.

G. METTAN: - Thanks, I agree with the idea that it's not necessary to be only negative that we can change the course of the bad trends. But the problem is to choose the right orientation, the right direction and nobody knows which is exactly the main, the good direction. So that's the... that's why we are discussing now. And for me, so I am, I am pessimistic in thinking but not in actions, if I can say, because I am sure we can find solutions to our problems. But if you look now what is the main threat against our civilization. The main threat is one name, it's nature, it's ecology, it's the survival of human kind on this planet. Because if you look on the past to we can observe, that all the civilizations that have survive... survived have eradicated all the civilizations, who were respectful and with the nature: the shamanist, the Indians, all the small civilization who were based on the respect of the nature, were ... eradicated from the surface of the planet. And now our civilizations, it could be Chinese, it could Western, it could be

Russian, it could be I don't know what could be, socialist it could be, the capitalist, all these civilization are based on the overexploitation of nature overexploitation of natural resources, overexploitation of the atmosphere, the oxygen, of the oceans, with the massive extinctions of animals, of plants, of all bio diversity of the planet. So that's the only threat we have to face, if we wish to survive. And for me now what we have to choose, that's the right direction, but the right direction we have to take must be based on the respect of the nature. Because I think we have a kind of overestimation on the powers of technologists, we overestimate the possibilities of technology. So the future will we be based on more and more technologies like we did, more and more transhumanism, more and more overexploitations of natural resources, the killing of the natural

**A.S. ZAPESOTSKY:** – I'd like to ask academician Vladislav Alexandrovich Lektorsky a question. Where, in your opinion, is the limit of science's intrusion into physiological, biological, genetic and other human nature? May be, this intrusion should be stopped. How do you think?

or not, as we did until now. And for me the response is no,

we have to choose maybe radical change in our view for

the future, based on the respect of the nature. And Chris-

tianism is the example. Christianism has brought a radical

change in the conception of the state, conception of the so-

cial living 2000 years ago. So we have to renew and to be

able to do what Christianism has brought 2000 years ago.

But it was 2000 years ago and we are going to have invent

a new Christianism... based on the new respect of the na-

ture. Thank you.

V.A. LEKTORSKY: – Surely, it should be stopped, and there is a limit. Though one of the most discussed philosophical and practical problems now is: where is the man's limit? Till what degree is it possible to change a human for him not to stop being human? The limit means: a human should not be changed so as he loses principal human features and characteristics.

**A.S. ZAPESOTSKY**: – What are these features and characteristics?

**V.A. LEKTORSKY**: – First – for him to be a creature responsible for his actions, that is freely taking decisions. And now there are attempts made to direct his behavior, to control him. Freedom is understood differently in different cultures, and in Russian culture as well. But there is something common in all cultures no matter all the differences – they presume that humans answer for what they are doing. And they can answer only in one case – if they have free will, freedom of choice. It's doubted and challenged now. Both theoretically (they try to prove in the cognitive science that free will is fiction) and practically: they are trying to suggest an idea and put it in the heads that it will be easier to live in the future society, if you are controlled, you are unnoticeably sent some signals.

Second – a human should be an autonomous creature. Now, some philosophers are very captivated by the idea about a possibility to read other people's thoughts in the near future, to 'drag' some images directly from another person's memory. There are already such experiments going on. Really, if it is possible to 'read' some simplest images in the brain of another person, it's impossible to 'read' other people's thoughts in the exact sense of the word. I had to specially write about that. But let's image that it's possible (as I said, some philosophers and scientists believe in this possibility). This would have been frightening – to become transparent for everyone. A human dissolves in such a transparent society, he as if does not exist, he is open for everyone, and anyone can manipulate him. He loses autonomy. This should not be allowed.

Now, some words about genetic intrusion. Now many geneticists are engaged in gene mapping and editing. Gene editing is possible. It's thought that it will be possible to make children stronger, cleverer, etc. by order. But there is danger here as well. It's possible to come to the stage, when the very human nature is distorted. And in today's society, in the contemporary environment of consumer economy, market economy, this can lead to rich people getting an opportunity to create some super-creatures, and poor people will stay in the position of half-humans. There are a lot of dangers, and because of that these experiments require humanitarian control.

Now, there is a lot written about the modern age, and well-grounded – that this is the age of human sciences development. But human sciences are not the humanities. The humanitarian type of science presumes some system of human values, and human sciences are research of a different type, for example, brain research. There is danger here: a human can fly high, but he can also fall as he is standing on the edge of precipice. Now, science, technologies provide an opportunity to rise higher, but it's possible to fall into a precipice, to stop being human.

**A.S. ZAPESOTSKY:** – The question to Mr. Mettan. His excellent book about more than one thousand years of Western Europe's and England's Russophobia was recently published. In view of that it's interesting to know Mr. Mettan's opinion: why are there antagonistic relations between different branches within the limits of one type of culture? For example, why are there bloody conflicts between Sunni and Shiite Muslims? Russia treats the West with traditional love, however, in recent years this love comes with some criticizing. Here people treat the West more and more like a beloved relative, to whom something is happening, and that something is wrong. But we have an impression that the West hates Russia practically at the gene level. Though we are two branches of one civilization. Mr. Mettan, what do you connect such attitude of the West to Russia with?

**G. METTAN:** – Thank you, but it's a long answer, because for my view, you're quite right, that's completely paradox, a complete paradox to see how the western part of the civilization is now hating, disliking, disliking, I prefer, disliking Russia, which is completely part of the civilization. But that's the reality, that's the reality we can see every day in the United States and almost every day in Western Europe. So for me it was very... how can I say... yes, very surprising questions to hear, how can it happen? And I tried to explain and I found the historical roots and mainly the religious roots, so the shift, the gap between Russia and Western Europe is based on the religious difference caused by the religious chiasm between Orthodox Church and Roman Catholic Church in the 11th century. And from them we can see in Europe the development of

the propaganda of an ideology unknown to Greek, against the Greek orthodox and after the collapse of Constantinople... this paradox, this anti-Russian, anti- Greek orthodox has been transferred on Russia, because Russia is taking the heritage of the Byzantine Empire. And now it's developing again and again. For me to the roots of that, it's the geopolitics, because with the shift of power from Europe to United States, United States now is the principal power, is the hegemonical power and cannot so far to have a competitor. It was always the same thing in the history of mankind when you have competed big power and unimagined competitor it's not, it's not possible to be supported by the hegemonical power. So now we have to face this, this problem. I have no answer because I come from the media and the media, if you look the media in Western Europe or in United States, you can read La Stampa in Italy, you can read The New York Times, you can read Le Monde in France, The Times in London or the Frankfurter Allgemeine Zeitung in Germany - they are all repeating the same mantra. Russia is the bad guy and we are the good one and that's, that's my problem, that's our problem. I have no solution to bring but I tried to in this the book which has been now published in United States last week, in Sweden and Italy to make my co-citizens and Western world to be more conscious about this problem in order to try to get solution and to get the kind of reconciliation between the two paths of the Western civilization ..

**A.S. ZAPESOTSKY:** – The question to Abdusalam Abdulkerimovich Guseynov. We spoke about socialism and capitalism here. Does post-Soviet Russia of Yeltsin period, Putin period continue traditions of Soviet Russia, that type of civilization, or do we continue something else to-day? And maybe we continue nothing. How do you think?

**A.A. GUSEYNOV:** – May be, I'll break your scenario a little, I'd like to say just a couple of words in connection with the previous issue, our loving the West, and its not loving us. In my opinion, our loving the West is exaggeration. It's possible to find many demonstrative episodes of exactly our not loving the West in our culture, both in the past and now. It's enough to remember Dostoyevsky's position, his attitude to Catholics and a lot of other things. And the West did not think Russia to be a 'bad guy' always. In 1989, our delegation, nine people, went to America. My God, how they met us! That was the so-called 'Gorbi period'.

**A.S. ZAPESOTSKY**: – They were happy that we won't bomb them.

**A.A. GUSEYNOV:** – Yes, that's possible. It's not important why, but they received us wonderfully, all doors were opened for us. That is, we were 'good guys' then. Here we are saying that we should not lose touch with the social historical basis that determines or, in any case, considerably influences both people's behavior and relations between nations. Recently, we've also been too obsessed with geopolitics. We love them – they do not love us, we are different nations, we have different cultures, etc.

Now, about your question to me. Certainly, Russia continues traditions of the Soviet Union not only formally, legally but actually as well. We, the three philosophers present here, worked at that time, we were known, and here we also have today's senior lecturers, professors, etc. And in that sense we see direct succession, the matter is what we continue and from what we refused. And the farther we go, the more it is seen: may be, we refused from the most precious we had in those years and from what we should not have refused. I'll word it like that: we refused from the social dimension of our society, our joint existence, from culture, education, the system of values where human, humanitarian values were in the first place and not those connected with profit, success in competitive struggle.

**A.S. ZAPESOTSKY**: – That is, we should have capitalism at work and socialism after work, right?

**A.A. GUSEYNOV:** – In any case, there should be some division. Personally I see it like that: surely, economy can fairly well be market economy, but let it stay only market economy. Economy is very important, but let it know its place.

**A.S. ZAPESOTSKY**: – The question to Alexander Petrovich Markov. It's clear today that one of the big troubles of the technology-related civilization is contemporary state of affairs in the consumer society. Can high-level culture be mass culture?

**A.P. MARKOV:** – May be, my answer will be evident and primitive. How does mass culture differ from the real, high-level, profound culture? Everything made in mass culture is made for sale. Works of art and love are sold there, human values are turned into images and brands. Even the most sacred things – for example, woman's ability to bear children – become goods for sale. Because of that the key feature of mass culture, which is the basis for the consuming person, is decline in a certain sense. If we continue the thought I spoke about, this is decline of the Christian culture, logocentric culture; this is decline of the culture, where there was a gap between the things existent and things that should be, when a human was not to consume, but think how to make his fate and his soul better.

I pronounced the word 'soul', and it seems to me that it referred to the pagan culture more, the culture that existed in harmony with nature. And now Hedonism is widespread, and all of us are already hedonists. Academician Styopin says about inevitability of such evolution of man and nature, but there are two contradictions that cannot be removed, that kill human soul - avarice and aggression. In connection with that a phrase comes to my mind, said by Lungin in one of the interviews after "The Island" film was shown for the first time, it surprised me. He said that it seemed to him that before Christ had come to this world, humans in principle had no soul as an organ capable to feel compassion, feel pity. So, the main loss that awaits us is disappearance of human soul. And in that sense I think that Russian civilization, our humanitarian culture has a special mission that consists in saving the man. All humanism of the Western culture comes from the Latin version of homo sapiens - 'man from manure'. And we have to establish the man like forehead turned to eternity. This is our task, including this discussion's task.

**A.S. ZAPESOTSKY**: – Dear colleagues, our discussion is coming to an end. The last one to speak is Mr. Agazzi.

E. AGAZZI: – I do not agree with your analysis. It is not true that in the West there is a kind of opposition to Russia. By no way! You presented a certain historical reconstruction which explained certain difficulties, like religious difficulties (Orthodox and Catholic) or the fight between Poland and Russia. This is true, but I remember that, when I was 18 years old, in the library of my father I have found and red Tolstoy, Dostoevsky, Chekhov, Turgenev, Gogol, Pushkin like I have red, about the same age, the French, the German and the English authors So we consider Russia as a part of European culture absolutely. If you consider the history of the past music or fine arts you find that several Italian architects (among which was also my ancestor Giacomo Quarenghi who lived thirty years in Saint Petersburg) contributed to the cultural life of Russia, no less than several composers of opera, who used to travel between Saint Petersburg, Vienna, Paris, Florence, Napoli. So Russia has always been considered as part of Europe. Then we had in the last historical period the opposition between communism and capitalism that was the ideological support of the opposition between Soviet Union and the United States of America. But if I must say what is the feeling of many of the real European people and intellectuals, we feel perhaps closer to Russia than to the United States. I was myself visiting professor in Stanford, in Pittsburg and so on, but I feel closer to the intellectual and the humanistic spirit of the Russian culture, than to the pragmatic spirit of the American culture.

A.S. ZAPESOTSKY: – It was very interesting to share opinions on the issue, but I did not want to say that all Europeans hate us. I do not doubt that a considerable part of Europe is well-disposed towards Russia. But Mr. Mettan is also right that there is such a negative political trend, which is now supported by mass media. Well, I see that academician Styopin would like to speak a little bit more.

V.S. STYOPIN: – Dynamic chaos sooner or later generates order, i.e. new stability as a stage of historical development of a complex system. Surely, that does not exclude catastrophic scenarios that can lead to degradation of society and even annihilation of the mankind. Because of that it is important to find risky areas and such scenarios that should be avoided when forecasting the future of contemporary civilization.

Utopias produced by philosophical thinking and literature of previous ages, look naive today, with today's rates of social changes. The positive ideal of the future is always presented in them, framed by certain ideas of the society and future life of people, but these ideas themselves contain a lot of subjective strata, the roots of which go down into the everyday life of their authors.

Thus, it is possible to find the following details of just life in the City of the Sun in the famous work by T. Campanella *The City of the Sun*, which he wrote imprisoned by the Inquisition for a long time. The first place in the system of punishment was taken by stoning and the second was deprivation of women, which from the point of view of 34-year-old imprisoned Campanella was equal to torture. The residents of the City of the Sun coupled by the masters' orders, children were taken from them – they were brought up by the state. All residents worked and those who were weak and blind also had to work for the state – they listened to what people around them said and informed their male and female superiors.

Utopias are no longer attractive in modern social life. They were replaced by anti-utopias (Huxley, Orwell, Zamyatin and others). And they play their positive role for forecasting the future as a warning against already being brought into life or outlined scenarios of development, which are capable to bring the mankind to degradation.

Today, formation of the new system of values and its acceleration is the key aspect in the processes of transfer to the new type of civilization development.

As I have already mentioned, when transition from the traditional to the technology-related type of development was taking place, the complete matrix was formed and took root for more than three centuries. A similar process in today's environment will go at the accelerated rate. Many futurologists name the beginning of the second half of the century the time of cardinal global changes. But even if we agree with these historically rather short periods, several generations will take part in the process of establishment and acceleration of the new value matrix. And it is very important for the creative potential of generations' elites to be preserved, those called to perform the required productive work, looking for new value orientations. Curiously enough, this task is far from simple today. The whole style of contemporary consumer societies forms mosaic thinking of large sections of the population, that is being the opposite to systemic thinking, and I agree with Professor E. Agazzi that a new system of upbringing and education is required that could cultivate the higher states of human mentality. The today's educational practice of simplifying and lowering educational standards is not in conformity with the tasks of systemic thinking formation in all its forms – from scientific to artistic and visual thinking manifesting in the logic of artwork and creativity. It is not an easy task to teach thinking. The great Russian Teacher D. Ushinsky said that it was easy to indulge in fantasies, but difficult to think, and they are wonderful words. Lowering thinking level will inevitably lead, sooner or later, to inability of elites to find right decisions in the social environment, which is becoming more difficult and even critical.

And there is another thing – it is important for the ideal of preservation of the mankind and biosphere as its habitat to gradually take root in people's conscience in the process of upbringing and training. In this case, the technological progress will be directed by the ideas of co-evolution of humans and biosphere. And this ideal should determine the original position for assessment of contemporary competing scenarios of civilization development.

A.S. ZAPESOTSKY: – In the end, allow me to address students. Today, you witnessed a very interesting philosophical discourse, from which you can take a lot of new and useful ideas. I do not know in which other institutions of this country a similar discussion could take place. Today, you had a unique opportunity to look at the same problems from the points of view of various experts – state and public figures, economists, lawyers, philosophers.

I'd like to wish all our participants, guests and students new successes in academic, creative and educational activities.

# Round Table CONTOURS OF WORLD ORDER IN THE 21st CENTURY

May 19–20, 2017 Conference Hall of Radisson Royal Hotel

## CHAIRPERSONS:

V.A. CHERESHNEV	Director of the Institute for Immunology and Physiology (the Urals branch of the RAS), member of the Presidium of the RAS, academician of the RAS, Dr. Med., Professor, Honorary Doctor of SPbUHSS
P. DUTKIEWICZ	Director of the Centre for Governance and Public Management at Carleton University (Canada), Ph.D. , Professor
Ch.T. GADIO	Minister of Foreign Affairs of Senegal (2000–2009), President of the Pan-African Strategies Institute
M.A. MORATINOS CUYAUBÉ	Minister of Foreign Affairs of the Kingdom of Spain (2004–2010), Dr., Honorary Doctor of SPbUHSS
A.A. PANKIN	Director of the Department of International Organizations of the Ministry of Foreign Affairs of the Russian Federation

### **SPEAKERS:**

A.I. AGEEV	Director General of the Institute for Economic Strategies of the RAS, Head of Chair at the National Research Nuclear University MEPhI (Moscow Engineering Physics Institute), Dr. Sc. (Economics), Professor
A. BEBLER	Professor of the Faculty of Social Sciences at the University of Ljubljana (Slovenia), Ph.D. in Political Science
L.C. BRESSER-PEREIRA	Emeritus Professor of Getúlio Vargas Foundation (Brazil)
I.I. BUZOVSKY	Head of the Central district administration, city of Minsk (Republic of Belarus)
B. DESGARDINS	General Manager at Banque Eric Sturdza (Geneva, Switzerland)
V. INGIMUNDARSON	Professor of Contemporary History at the University of Iceland (Reykjavik), Ph.D.
G.W. KOLODKO	Deputy Prime Minister and Minister of Finance of Poland (1994–1997, 2002–2003), Director of the Research Institute at the Kozminski University (Warsaw), foreign member of the RAS, Dr. Sc. (Economics), Professor
H. KÖCHLER	President of the International Progress Organization (Vienna, Austria), professor at the University of Innsbruck, Ph.D.
V.L. KVINT	Head of the Financial Strategy Department at the Lomonosov Moscow State University, foreign member of the RAS (USA), Dr. Sc. (Economics), Professor
G. LITTLEJOHN	Economist, sociologist (Great Britain)
R. MATTHEWS	President of the International League of Strategic Management, Assessment and Accounting, Professor at the Kingston University (Great Britain)
M.F. MONTES	Senior Advisor on Finance and Development, The South Center (Geneva, Switzerland), Doctor of Economics
V. PRODANOV	Professor of Political Economy Chair at the University of National and World Economy (Sofia), corresponding member of the Bulgarian Academy of Sciences, Ph.D.

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H.M. REZNIK	Vice-President of the Federal Chamber of Lawyers, candidate of sciences (Law), Honoured Lawyer of the Russian Federation, Honorary Doctor of SPbUHSS
V.I. ROSSMAN	Professor of the North American University (Houston, USA), Doctor of Philosophy and Political Sciences
J.A. SCHOLTE	Professor of the Peace and Development Department at the University of Gothenburg (Sweden)
Ya.G. SHEMIAKIN	Chief Researcher of the Centre of Cultural Studies at the Institute of Latin American Studies of the RAS, Dr. Sc. (History)
B.J. SILVER	Director of the Arrighi Center for Global Studies at the Johns Hopkins University (Baltimore, USA), Doctor of Sociology, Professor
P.P. TOLOCHKO	Member of the Presidium of the National Academy of Sciences of Ukraine, Honorary Director of the Institute of Archeology of the NASciences of the Ukraine, foreign member of the RAS, Dr. Sc. (History), Professor, Honorary Doctor of SPbUHSS
Zh.T. TOSHCHENKO	Head of the Department of Theory and History of Sociology of the Russian State University for the Humanities, Chief Researcher of the Institute of Sociology of the RAS, corresponding member of the RAS, Chief Editor of the RAS journal "Sociological Studies", Dr. Sc. (Philosophy), Professor
V.T. TRETYAKOV	Dean of the Higher School (Department) of Television of Lomonosov Moscow State University
C. VARGA	Professor emeritus of the Institute of jurisprudence at the Hungarian Academy of Sciences and the Peter Pazman Catholic University (Budapest), Ph.D.
J. WIATR	Minister of National Education of Poland (1996–1997), deputy to the Polish Parliament (Sejm) (1991–1997, 2001), Dr. Sc. (Sociology), Professor

P. DUTKIEWICZ: - Ladies and gentlemen, colleagues, we are starting the first session. My colleague Alexander Pankin, representing the Ministry of Foreign Affairs of the Russian Federation, and I will be the emcees at our discussion.

A.A. PANKIN: - The range of issues within the announced topic is fairly wide. They may encompass deficiencies and shortcomings of the contemporary world political and economic system, the problems of prevention and resolving crises and conflicts. We can focus both on the global approach and 'hot' regional subjects. I hope that we'll be able to at least outline topics of primary importance for studies by scientists, use in public space for smoothing out various problems as well as a subject for thinking by politicians and decision makers, for correcting the today's unsatisfactory and unstable state of affairs.

Attempts at forecasting are welcome. We examine the profiles of the world order in the 21st century, and if one has an opinion formed of the realistic scenario, which development may take, based on his/her own best practices or the files of the carried out research, it will be interesting to hear it. I'd like to remind you that we made special emphasis on counteracting terrorism at the plenary meeting, other new challenges were also mentioned - from organized crime and drug dealing to change of the human rights paradigm. And surely the issues of security, prevention of conflicts or un-

controlled and grievous development of events in the world are very important.

I offer Professor Beverly Silver to be the first to speak.

**B.J. SILVER:** – Ok, let me see. I've got to take that out of my ear, otherwise I'm hearing myself. Okay, well I wrote down few notes based on this morning's discussion of important things that it seem to me I wanted to talk about and I'll... let me put them in four points. The first has to do with again specifying a little bit more about the current period we're in, the character of the current period we're in. And what I would like to pose is that in retrospect will come to see the period between 2003 and 2016 as the terminal crisis of US world hegemony or US world power. So 2003 I picked because of the invasion of Iraq and in then the ensuing military quagmire which showed that while US has the power to destroy the world many times over it does not have a military power that is in any way effective in creating systems of rule and creating peace out of war. The 2008 I've chosen because of the financial crisis which again showed that the that limits of the economic model and the financialisation and also because in the eight years after the financial crisis, because inequalities continued to grow and here I'm talking about within the United States but more generally that by 2016 we have a situation of intense political dysfunction in the United States, so the election was a sign of intense political dysfunction domestically and more deeply and was a sign of a deep crisis of legitimacy for US capitalism and for the political social system in the United States. So I use the word terminal crisis to distinguish it from what Giovanni Arrighi and the long 20th century called the signal crisis of US hegemony. So in his studies of systemic cycles of accumulation are long centuries he distinguished between an initial crisis that then led to the phases of financialisation, but the financialisation phases themselves were temporary solutions which eventually led to a new and deeper and terminal crisis. So the ... all of these limits that we saw in 2003, 2008 and 2016 we also saw them in the signal crisis in the 60s and 70s, so the military defeat in Vietnam, the unpacking of the dollar to the gold dollar standard and the deep social and political crisis related to the antiwar movement and other types of social unrest within the United States and the deep kind of political divide. So the project, the neoliberal project was in some sense a response to this crisis of the 70s, so on the military front we get the end of the draft and automation of war, on the financial front we get the promotion of financialisation, the appeal og Glass-Steagall, etc, the takeoff of financialisation and on the social front rather than respond to the demands for a deepening of the welfare state the Reagan response was an abandonment of the welfare state and the social compact. So in the crisis of this, this kind of triple crisis of the 1970s had a set of solutions in the military and the financial and the social sphere which then reached complete limits in the last decade in the US and it's not clear where a new resolution to this crisis comes from hence the term terminal. Thus I'm focusing on the US but it has a lot then to relate to how then the global process is going to go has gone. So we've done some comparative work on periods of hegemonic transition in the past both in the long 20th century in Castle governance in the morn rule system, but anyway. So and I wanted to just make three points about the similarities between this period of hegemonic transition or crisis and the transition from Dutch hegemony to British hegemony and British hegemony to US hegemony, so the late 18th and early 19th century and the early 20th century with today. So I guess three interesting points. The first is that in each of these periods of financialisation there was a temporary reflation, reestablishment of the strength of the dominant power, but that in... sort of behind the back of the dominant power there was also a shift in the center of capital accumulation, geographical shift in the center of capital accumulation. So during the Dutch the center of capital accumulation shifted to the UK, during the British pellet pact, during the Victorian age the center of capital accumulation shifted to the United States and during the US financialisation period the center of capital accumulation has shifted to East Asia and out of, and many ways out of the West entirely. The interesting so that, so this would suggest that we are actually in a period that, that the successive recenterings of capital accumulation suggests were in a transition and that the fact the... so that... but the difference today is that it's the first time that the center of capital accumulation shifts out of the West. I see, I've spoken for seven minutes but let me just say two more things. They've also, these periods have also been associated with major reforms of capitalism, the elimination of slavery, the rise of mass production and so... What I want to limit but I want to conclude on and it's, it's a bit of how this helps us think in terms of the forecast is that these crises even within the United States were

a sign that the US model of capitalism could not be external, could not be generalized to the entire world, that the promise after the second world war of generalizing mass production and mass consumption to the entire world was a false promise. In the 70s it led to a crisis both in the US and globally and I think that the... I can come back to it later in the discussion because I don't want to go very much over my time. But I'd like to put on the table is that the two parts of the false promise were first the ecological limits of this mass production, mass consumption model of extending it to the entire world and the other was the social and political and profitability limits, so that it's one thing to include in welfare compact a small percentage of the workers of the world in other words with high wages and working conditions it's another thing to include the entire world's population or even large segments of the world population which then brings about the question of the crisis of profitability for capitalism. So I think the last two sentences I think that may help people understand where I'm get... what I'm getting at... is that historically capitalism has been characterized by a tension between legitimacy and profitability and these different crises am talking about are ones in which the solutions to a crisis of profitability is resolved through redistribution declining inequality and increasing legitimacy but that then leads to a crisis of profitability that then pushes in the other direction and we can see the 20th century is a bit of going back and forth between this problem legitimacy and profitability and right now were in really a deep crisis of legitimacy for capitalism on a world scale and it's not clear what... and the morbid symptoms I was talking about yesterday are a symptom of that. Okay, thank you.

**M.A. MORATINOS:** – Beverley, thank you. It's a wonderful start to our debate, I found particularly interesting here methodological approach of combining long-term cycles with short-term transformations in order to prove your point that is a terminal illness that or sickness, if you say, but also highlight the certain false promises of transformations and that's the perfect start for our discussion whether or not what we see can we fix this machine or the machine cannot be fixed, because it's proven unfixable so many times that that now we are at the stage of the racking the car finally. Thank you very much, Beverley, pleasure to see you in this male-dominated audience. Let's start debate.

**A.A. PANKIN:** – The floor is given to Mr. Cheikh Tidiane Gadio, statesman from the Republic of Senegal.

**Ch.T. GADIO:** – Thank you so much, and also I'm part of their strong minority in this room. So it is good after giving the floor to madam Beverley, then that we try also another strong memory. So my friend I thank you so much for you for the invitation and thank you to my friend Miguel Moratinos, longtime friend, we have worked together in a very productive way between an African country Senegal, my country, and Spain, his country. And we have even created some new models of cooperation. Unfortunately we cannot say all the good things that we did. Some other people must write the history. But this is a good man and this is somebody who really cares about all the people. He asked me to just say a few words about the place of Africa and the New World order. He said actually

"in the world order" so I added "new" world order it's my responsibility to say "New" World order. So my... the simple response is that the Africa is no place and that's not absolutely... that's not an event, that's nothing new that when we talk about world issues and world global issues that often we do not even mention Africa. And I trully think it's the absolutely unfair for several reasons. One is a the weight of the continent in terms of the natural resources and human resources and then some very bad news is that... and we have never seen that and people seem to be very insensitive to that aspect. Africa is becoming the epicenter of world terrorism. The world terrorism operators are moving their business to Africa, because they have understood that Africa is vulnerable, they understood that Africa does not attract the attention of the international community as such. In 2014 the French newspaper Le Monde said that the criminal terrorist organization in the world was not DAESH, but was Boko Haram. They have killed more people, assassinated, burn people alive, you know, cut their throat, 6000, more than 6000 human beings and world not seem to be very impressed by that. And then when DAESH moved some of their operations to Libya, because they realize that they will not be able to keep for a long time the strongholds in Iraq and Syria. DAESH started moving its operations to Africa and then Al Qaeda already took, you know, the strong areas, control strength, pieces of land in Africa and what we call the Sahel regime and the Saharan regime. Al Qaeda was there, their name was "AQIM" in that part of the world and what happened is they already took one of our most important country, called Mali and they have taken control of that country. And after that, you know, many of the small groups of terrorist organization have been organizing their activities in Mali which is like in West Africa and the Sahel, DAESH in the north and then the Shabab in Somalia, and then the Boko Haram in the lake Chad basin. So like that impact goes to Nigeria which is supposed to be the African superpower and then they have a negative impact, of course, in criminal activities in Cameroon, in Chad, in Niger - all over that place, so 22 African countries today have been hit directly by terrorists, terrorist activities. And the world doesn't seem to realize that we cannot win the war against terrorism by ignoring or marginalizing up Africa as such. Everybody knows that the terrorist organization, they are ring, they are international network, they have decided that the best place to be is Africa and the Sahel regime. They even have a plan by 2025 to set what they called the Islamic caliphate of the Sahel regime and tried to occupy all this countries from Senegal, my country, all the way to Jibuti, Eritrea, Somalia and so on. So I think it's important to tell the story, to try to send this wake-up call to the rest of the world. Now Beverly mentioned two important events in the first decade of this new century - the war in Iraq and financial crisis. I would add respectfully 2001 September 11. September 11, the war in Iraq and the financial crisis, that was the first decade, all disastrous events and then the second decade that we started came with this terrible decision also to go and wage war in Libya. And then when they destroyed the Libyan not only state, but society organization, historical arrangement between, you know, different regions and tribes and everything. The whole Sahel regime in Africa started collapsing and then the people who are responsible of that,

not only do not take the responsibility, but they even don't think they have done something wrong. Just as the war in Iraq put the wall in this type of situation that we are living in today. So I'm going to finish on one point that the tragedy for us is that Africa overall could have played a bigger role in this world, if you were united. Some friends in the West have tried to convince us for the last 50 years that every single African country can make it on its own. It's absolutely untrue, in our institute of pan-african strategies what we realized is that not only Africa doesn't have a strategy for her development, for her survival, but Africa has accepted a paradigm that is a suicidal paradigm, which is that fifty something African countries and states can be built in like 50 years and solve problems of agriculture, health, education, infrastructure, it is not true, it has not been verified anywhere in Africa. So it is high time that African countries go by either by regional grouping and think of a continental grouping one day if you want to be among the world global players, like South Korea in 1960, like India, like China. Those countries today are world global players, Africa is nowhere to be seen precisely because if South Korea had like almost the same GDP done, Ghana, Senegal in 1960, today South Korea has a GDP that is equal to 25 African countries, that set up this African common market with Egypt to go all the way to South Africa. So it's a problem, our paradigm of development is wrong is totally wrong and the Balkanization of Africa is an ongoing process. We see what happened in Saddam, they break it into two countries and pretend that, that was the solution. Next day South Sudan entered in a war that is a terrible war in Africa. And we have all these long-term conflicts, DRC, Central African Republic and now the Lake Chad and then the Sahel regime. So we have all those problems and it is high time that, you know, friends of Africa start discussing those issues with the African leadership. And start also putting the African agenda at the United nation, in the international forum and arena like this, because to keep ignoring Africa is just taking a problem and sending them to Africa. And because the problem is not in front of us, we think it solved, it's gonna come back to haunt us, all know, all of us one of these days. So my thing is it's the plea for Africa, of course. We have a huge potential,1 billion people, 60 % of the world, you know, composed of UF Africans, young Africans. The world can count on Africa, not only on natural resources but on human resources. So we cannot keep thinking that Africa is not important. And last point is what Eber Wedrin and one Senegalese lady said in Paris "the West has lost the monopoly of the future". In terms of forecasting the future, shaping the future the world has changed, the role Russia is playing today is also entering the debate of world global players and trying to reshape international politics. On that aspect I think it's a positive move to have Russia, to have China, to have the US and European Union also if they put their house in order perhaps they have a role to play. So I have many other things to say but basically I think that that would be enough and I'm calling on African countries also to count on their own forces and to put their resources together. Nobody will give us a free ride we have to get our house in order to play any role in this world. So basically is first in our court but then the rest of the world has to realize that to ignore Africa once again is playing a very dangerous game. Thank you.

**A.A. PANKIN:** – Mr. Gadio raised a very important issue. But I have an objection. The United Nations Security Council really pays Africa a lot of attention and dedicates a lot of time to it. Unfortunately, this does not mean that the international community is able to solve the problems of the African continent efficiently. Even the African Union, worried about the peace and security issues and bringing into life the peace-building strategy, is still not capable to provide full control over the situation. Because of that there is no doubt that interaction of all players is necessary.

And now the floor is given to Mr. Bruno Desgardins.

B. DESGARDINS: - Okay, thank you. And I would like to bring some comments to mr. Gadio and mrs. Silver. I think that regarding Africa I think, I agree to Tari, I think it's the key subject. Nowadays as you know Africa, it's 51 countries, so it's a very split continent. Nowadays Africa it's one billion persons, it was mentioned, and in 2050 it will be 2.5 billion. So it is in fact globally in the world where we have still very high population growth. In the meantime it is true that we are speaking about economic growth of Africa, 6–7 % a year. But I think it is not the good approach, the good approach is to notice, to observe, that in fact Africa it's just one percent of industrial production in the world. And so Africa is missing out of capitals, Africa is suffering from a very low saving rates and Africa is depending on external capital coming in Africa. And you know if we want to make, to say a few words about migration, that necessarily we mention that in Europe which is zone of 500 million it was considered rather huge problem to be able to integrate one million person coming from Syria in 2016. And when you see the dynamic of population growth in Africa in some paths like Niger, Mali etc. it's not 1 million it could be much more, that we will see you in a few years. So I think we need to take this into consideration and we need definitely to invest because as you know if we speak about the climate in some part of Africa with a dryness it will become more and more difficult to invest in agriculture, people will have we have difficulty to survive, people without no choice, no other choice then leaving the country and trying to go elsewhere. And I can continue for very long time because again educated people will leave first and so quality person will not be there to develop the country. It's a huge problem I think all of us are very well concern by this aspect. Now I would like to say a few words about to Mrs. Silver intervention regarding the US. Two points, two small difference was what you mentioned. I think that when we look at the international foreign investment which is about €1.5 trillion it is true that over the last 20-30 years more and more were going from west to the emerging countries. What we can see since 2008 it's different again, money is going in developed country. And I think that if we look at the future of the world economy, my feeding, my understanding is that with his robotics etc. and we will see companies not investing so much anymore in emerging countries including China etc. but it will come again and were speaking with Mr. Moratinos this morning about Zarah and rather than setting up a plant in China or in Vietnam with robots it will be easier to do it in Spain, in Europe, in the US etc. and you will become very competitive and very flexible. So I think it's is the challenge because you know what we have seen over the last 30 years which means that developing country were catching the delay, this gap, closing the gap, trying to close

the gap for each... some of them. With developed country I think probably it will not be anymore the case. A final point and I stop, when you are speaking about profits we have never seen over the last 50 years such a net margin for the the company in the US, profitability has been that... It is true that the way the companies arrive, manage to do that it sometimes buying back their shares and so they are creating artificial earnings, this is true I've seen companies borrowing money to buy back their shares, it's, to give your figure, it's US\$500 billion per year. And for me this is the concern because I would prefer to see is the company investing their money, getting the project trying to develop for the future, rather than giving back this money to shareholders. so that the stock market price could appreciate. Okay I stop here. Thank you.

**A.A. PANKIN:** – The floor is given to Professor Anton Bebler.

A. BEBLER: - Спасибо, г-н председательствующий. I'll continue in English. When the Cold War was on it was usually presented as a clash between capitalism and communism, between two irreconcilable ideologies, that of the liberal democracy and communist ideology of Marxism-Leninism. When the Cold War officially ended with the signature of the Paris chapter for Europe, all the elements, not all elements of the Cold War we are actually terminated or removed and some of them continue until today, some restrictions and transfers of technology and trade and finance insurance and so on and so on, they continue to operate on both sides, particularly on the side of the United States. But this continuation has not been justified in ideological terms when in 1996-1997 the United States have decided the Clinton Administration decided to expand NATO eastward by including: Poland, the Czech Republic and Hungary into NATO to increase the level of conflict with the Russian Federation and that this conflict has continued to grow, also under the next administrations the Bush and Obama administrations but without any ideological justification. Let's say the conflict proved to be a realpolitik conflict and ex post facto Cold War was actually a conflict or influencing dominance with only an ideological cover. It shows that the... because it's realpolitik conflict it is likely to continue. The crisis in Ukraine which was partly manufactured has been very skillfully used by the US diplomacy to increase the pressure on the Russian Federation and to draw the Germany and the European Union into a political confrontation with the Russian Federation, to start the war of sanctions. The US sanctions which are financial were very skillfully tailored in such a waste not to hurt the the US economy and while insisting that the EU members continued trade, include, introduce and continue with transactions with the Russian Federation and the United States have not decreased their exports to the Russian Federation and did not have any economic losses because of this. While the economic losses of the EU member states in 2014 we estimate that about €40 billion and in the next year €50 billion, in 2016 at \$60 million. So this hundred \$50 billion they have been no corresponding political gains, so in this aspect this continuation work sanctions corresponds with what was considered by by both the Bush and Obama's administration is a geopolitical interest of the United States reducing the Russian influence, economic and political interest in the ex-Soviet space, in particular, cutting Ukraine from Russian Federation. So the continuation of sanctions is in the correspondence with what was considered by the Obama administration is a geopolitical, global geopolitical interest. The sanctions do not correspond to the economic and political interests of the of most of the members of the European Union. And my country also suffers economically from it. Now what conclusion could you draw from this it is obvious that the realpolitik conflict of interest will continue. The probleis how to manage them and unfortunately this realpolitik conflict hurts most the country which the sanctions are supposed to help and that is they hurt most Ukraine. The continuation of sanctions actually not only does not help to solve the problem with Donbass, it extends, it delays a political resolution of the Donbass problem, enhance, continue, it produces the continuation of the internal crisis in Ukraine and also the damage to the Ukrainian ecinimy and also the sufferings of Ukrainian population. So the problem as this conflict of interest is likely to continue also under the Trump organization, the problem is how to manage this realpolitik problem in such a way that it would not endanger, it would not endanger European security and the global security. That's it. Thank you.

**A.A. PANKIN:** – Mr. Ingimundarson is invited to the microphone.

V. INGIMUNDARSON: – Thank you. We have been talking here - at this conference - much about the politics of transition and about inequalities and distrust towards elites as well as multipolarity. As Anton Berber was saying, there are also continuities from the past that insert themselves in the present. That is what I am going to touch on here. The chair was mentioning that we should focus a bit more on the future; I am a historian so it is a bit of a contradiction in terms to make predictions. But since the future cannot be detached from the past, I think we can take a backward-looking approach was a way of illuminating current trends. Paradigm changes or radical historical breaks do not have to involve complete changes of content, but rather the reconfigurations of pre-existing elements. Subordinated characteristics of an earlier period can, thus, become dominant and features that had been predominant features assume a secondary role. The continuities in US-Soviet interactions - from the period of the 1970s to that of the confrontational politics in the first half of the 1980s - are a case in point. They did not overshadow the resumption of East-West hostilities or lead to the end of the Cold War. Yet, there were influential actors who continued to pursue pro-détente policies in a confrontational geopolitical climate. Diverse past Cold War narratives are still influencing current geopolitical realities. While separated in time, they contain historical traces that are intrinsically linked to the present. Despite the deterioration of US-Russian relations, there has been no structural breakdown and cooperative frameworks have been maintained in areas of mutual interests. Efforts to normalize US-Russian relations face entrenched resistance. Yet, this does not mean that cooperative practices cannot exist alongside-or in opposition to-confrontational orthodoxies. We can mention here, for example, the battle against ISIS or terrorism, which are obvious choices for such US-Russian cooperation. Arms control can also be

addressed within such a framework. This raises the question of whether a backward-looking glance can offer some clues on how to interpret the possibilities embedded in the present geopolitical condition. Although US-Soviet summits in the 1980s are associated with the last phase of the of the Cold War, they did much to pave the way for superpower rapproachement following a period of intense tensions. As a form of diplomatic engagement, summitry was certainly a positive thing. It changed a political discourse dominated by demonizing slogans about an "evil Soviet empire" or "US nuclear warmongering". What is more, it opened up new channels of US-Soviet communications in other spheres, notably cultural and scientific ones. The mistrust between the United States and Russia in the present is not going to be overcome by evoking a reified past. Yet, more direct contact between US and Russian leaders could help restore trust and perhaps lead to less distorted and one-sided public perceptions. The 1986 the Reykjavík Summit between Soviet and American leaders ended in colossal failure, but, at the same time, it provided a venue for discussing revolutionary ideas of the disarmament and also paved the way for future nuclear agreements. So in that sense such meetings do not necessarily have to lead to grand bargains, but they can counter the institutionalization of anti-American and anti-Russian sentiments within government structures and the media. They could also be used to facilitate the creation of cultural and scientific exchange programs and people-to-people exchanges as a way of the contributing to a dialogue and understanding as they did in the second part of the 1980s. One of the reasons for the anti-Western turn in Russian foreign policy in recent years was the perception that Russia was not shown enough respect as a Great Power and that its global political role was being deliberately subverted. Conversely, the view that Russia is pursuing a policy of revanchism based on strategic competition rather than cooperation influenced Weston responses to its foreign and security policies. In such a confrontational atmosphere, worn Cold War phrases, such as the "need to negotiate from strengths" were revived to frame the relationship in terms of rivalry. To be sure, while the Syrian War has put bilateral relations to a severe test, both sides have shown that they can work together when it suits their interests. The Trump Administration will find it difficult to project a coherent US policy toward Russia because of the unpredictability, the volatility and sheer incompetence of the President; because of anti-Russian sentiments within the US government, Congress and the media; and because of a need to show lovalty to alliances forged by the United States decades ago. Yet there seems to be a political will to interact. Hence, there are grounds for refraining from portraying the current realities in two stark oppositional terms when there are grounds for engagement, no matter how ambiguous, and where there is still a space to manoeuvre and chance to cooperate. A rather surprising, if liberalizing moment in a Cold War past - summit breakthroughs in the 1980s cannot be instrumentalized to confront current problems in the US Russian relationship. Yet such historical instruments of conflict prevention are as relevant as they were three decades ago. Instead of being stuck in the past they can open up new political narratives and offer forwardlooking possibilities. Such political engagement not only serves the purpose of working against entrenchment and

atrophy in US–Russian relations. It can also set the stage for foreign policy breakthroughs with respect to regional conflicts. By joining together in putting an end to the Syrian War, which has just become today's most pregnant political metaphor, Russia and the United States could also contribute to another aim: to unlock the current stalemate and dysfunctionality of the UN Security Council and make it function as intended by the original framers as a guardian of peace, stability and international law.

**A.A. PANKIN:** – The floor is given to Professor Zhan Terentyevich Toshchenko.

Zh.T. TOSHCHENKO: - Dear colleagues, when we are speaking about the processes taking place in today's world, about the necessary institutions and politics, we should take into account what forces will promote politics and change institutions. We can suppose that they will be the today's businessmen and politicians, but I'd like to attract your attention to the fact that a new concept appeared now in the world and domestic sociology: 'precariat'- 'insecure', 'unsustainable' stratum of employable population. A new class is growing in most contemporary countries, including people, who are employed part-time or temporarily, without a permanent job. About 20 % of working people in Russia are employed part-time. Parttime employees are those who work for one half, onequarter, etc. of the full pay and are engaged respectively. The next group is people, whose employment in not fixed in any labour contracts. According to our data, they make 10-12 % of the working population. We can also refer seasonal workers to them, engaged in agriculture and forestry, gold mining and some other sectors. I think that migrants can also be referred to them as well as a very specific community - freelancers. The social standing of all those categories of workers is insecure, their incomes are irregular, they are poorly socially protected. They are in a fairly difficult position.

Russian sociologists and our colleagues in Western Europe, all of us notice that many graduates of higher educational establishments today also find themselves in a 'hanging' state, they cannot find a permanent job and agree to other kinds of employment. What are the consequences?

A temporary job often turns into a permanent job. Here is the data from Siberian colleagues. 15 years ago 15 % of the employed changed their profession, 5 years later there were already 19 % of them. This indicator in the 2015 survey reaches nearly 40 %. There are especially many people changing jobs and professions among recent graduates of higher educational establishments. But when an individual has to adjust to another job, he loses professional culture and consequently the intellectual potential of the whole society is weakened. Besides, people feel insecure because of their precarious social standing and do not see any prospects. That is, there is a big stratum of employable people with insecure, non-guaranteed jobs. I think that it will be them, who will determine changes and transformations in the society in the nearest future.

Probably, not all colleagues will agree with me, but in my opinion, Trump's winning the Presidential election in the USA is the victory of American precariat – people living in small towns and rural areas and unsure both of their today's standing and tomorrow. But they turned out to be that silent majority that finally determined the distribution of political forces that led to unexpected results of the voting.

This new category of the population becomes a real force and shows itself in the new kinds of social activities. The previous forms of protest, such as demonstrations, do not always work today. I offer once again to pay special attention to this question: who, what people will personify the future not only in the nearest future but in the faroff as well?

A.A. PANKIN: - We often mention that there is the hegemony of the West in the world with its cultural, technological and other domineering. On the one hand, there are orientation points from the point of view of progress. On the other hand, all big conflicts of the 20th century were initiated exclusively by Western countries and not African and not Asian. Is it possible that the USA (currently the leading power with the global footprint doctrine and global interests) and the bloc of Western states as a whole will step aside, giving up their place to the new centers of economic and political attraction? And will it be able to change the profiles of the future world order? This issue is so to say hanging in the air. Will this battle of civilizations continue, where until now the Anglo-Saxon line undoubtedly dominated, or will there be a place found for Africa, and will the Asian vector become stronger, and will all that balance the state of affairs somehow?

And now the floor is given to Mr. Gary Littlejohn.

G. LITTLEJOHN: - Thank you very much. I will try to be brief. I want to give a slightly unusual British point of view about Brexit, the British exit from the European Union. But before that can I quickly say to Mr. Arkadiy that I'd like to talk to you later about South Sudan. The reason is that I negotiated the first peace agreement between Khartoum and the SPLM in January 2004. I have still very good contacts in both places. So I want to talk about it later because I know a lot about the nature of the struggle in South Sudan. But talking about British exit I wish to stress that my sources arose from the public domain. I have not being talking to any politicians. I have no inside knowledge, but I have come to slightly unusual conclusions about what is likely to happen. Immediately after the referendum in June last year the new Minister for Brexit David Davis went to see the financial institutions in the City of London. And the crucial thing they told him was that in their view they did not need what are called financial passports in order to trade throughout the rest of the European Union even after Brexit. This is a view which is disputed by the European Commission but that's the view, that was a view that the Minister was given in London. If that view is correct then it means that the financial sectors in London will suffer less than it's generally thought to be the case. We will lose some things, for example we can already see J.P. Morgan is moving some of its offices to Dublin, other things were moved to Frankfurt and so on. But the effect at least within the view of British government is quite clearly that the effect on the UKbased financial institutions will be less than is generally imagined. So that's the first conclusion, perhaps disputable, especially by other bankers but the point is, that is the view inside the British government, mistaken or not. So we had maybe a situational miscalculation, but there will be a lot of that in the coming time. It's the first point.

The second point is when Jean-Claude Juncker went to this informal dinner in Downing Street a few weeks ago, which is supposed to be a kind of getting-to-know-you type of meeting, there was a big argument which got into the newspapers. The crucial point of that argument was that Theresa May said to Jean-Claude Juncker "We owe the European Union nothing. This €50 billion bill means nothing, we will not pay it". Juncker's reply was, "In that case you get no trade deal". Now he assumed that he had made enough impact to make Britain pay up, but I'm not sure that's what the British government thinks. So if you take that view that the financial cost or the economic cost to the UK in the British government calculation is less than what the European Union thinks, we could be running into a rapid clash, an unexpected clash. In addition we've had opinions from industrialists like James Dyson who makes vacuum cleaners: the design work is done in the UK, manufacturing is in Singapore. He has been very vocal in saying in the British press, "There is no problem about exporting the European Union from outside. Trade tariffs are not a big problem, the pound has been devalued already" etc. So there's a claim that the even on trading relations, the cost will be less than Europe imagines.

So I'm not advocating this. I am simply trying to describe what I think is the thinking within the British government from public sources. So please don't confuse the nature of the discussion. This means that the calculation of the cost inside the British government may be different from what is generally imagined. There is an additional factor which is hardly noticed by anybody because it's quite a technical factor and again there's the room for different interpretations here but I just draw your attention to it. As part of the what is considered a technical effect of the European Central Bank's Quantitative Easing program, there are a series of capital flows going from southern Europe to northern Europe, especially from Spain and Italy to Germany, Luxembourg and Holland. These flows can only take place if the national central banks of those countries guarantee those debts. Now these debts are much bigger than most people imagine because they seen simply as a technical side effect. But for example the German Bundesbank, the German central bank, has guaranteed €376 billion of this debt coming from Italy and Spain. Luxembourg, remember how small Luxembourg is, Luxembourg has guaranteed €180 billion. Now these flows are called Target 2 flows. I think Holland has guaranteed about hundred billion. So just add that up, straight away never mind the rest of it. If you assume like many people do, that the southern European countries because of productivity reasons will have great difficulty paying those debts, then you're talking about potential incipient financial crisis and certainly instability. Even if it's not a financial crisis the point is Britain would probably rather not be involved in any bailout. So this could be by an additional part of the calculation from British point of view. Both the European Central Bank and Bank of International Settlements say that this is not capital flight: these are simply technical side effects. But I sadly know about American financial commentators who do not accept that argument and the point is sometimes made that a few years ago the Bank of International Settlements did say that these flows were capital flight. Now, they have changed the minds in the last few years. So I'm not saying this is correct what I'm saying is... the figures are correct by the way, the financial figures are correct... but I'm not saying the general argument is correct. I'm saying this could be the thinking inside the British government.

Everything I said is derived from the web or from newspapers. I'm not giving away any secrets here but if you add a list of things together including as I said the propaganda coming from some British manufacturers that "We could cope, we could export more to other countries" etc. It could be that the reason that British government has been so quiet for so long since last June, is that they are planning a quick exit. So everybody thinks the negotiations will last couple of years and there will guarantees for Europeans, your mutual European citizenship etc. But consider the alternative. If the British government thinks it can save a lot of money by leaving quickly, negotiations could be over by the end of June. The election is the 8th of June. What is there to discuss, we guarantee that European citizens have same rights as Russian, American and Australian citizens, but we don't have to give them any more. Why should we? They're just the citizens of the world like everybody else. So what is there to discuss? I'm not saying ... you, diplomats, are out of a job... No, I'm not saying... advocating this... I'm not saying this is a certainty, I'm just saying, look at the scenario, it's a possibility. Thank you.

**A.A. PANKIN:** – Gary, it was a very interesting speech, especially when you said that you no longer owed anything to anyone. This is the usual phrase in case of divorce, one of the spouses definitely says it.

**B. DESGARDINS:** – Gary, about Brexit and passports. Currently, 20 thousand people in the City of London are engaged in drawing up papers. The English will lose about 15–20 % of compensation. We also see that banks in Germany, Dublin, Paris do everything possible to get access to your banks. Because of that I am not so optimistic as you are. And finally, I still do not understand why the UK, which has always been for the free trade, is ready to leave the first free trade area of the world scales.

**A.A. PANKIN:** – The floor is given to our guest from Brazil Luiz Carlos Bresser-Pereira.

L.C. BRESSER-PEREIRA: - Well, I'd like to go back to what Beverly Silver spoke about, the terminal crisis of the US hegemony. That's taking place in between 2003 and 2016. She made a very interesting presentation and I basically agree with her. But she suggested also that when the crisis in every change of hegemon, first of from the Netherlands to England and from England to US and now from US to Asia, I'd say to China, we have financialization, okay. But I may ... could use another word instead of financialization, I'd say that we have economic liberalism, strong economic liberalism as the final phase of this. And what I would like to suggest, propose is that which is... make a question first... which is alternative to economic liberalism, what we learn from the economists, orthodox and neoclassical economists is that there's no alternative. [illegible] is only. What we learn the best was that the alternative economic liberalism was socialism. But this makes no sense, socialism is the alternative to capitalism. Actually I propose that... we need a word for this and the

word that I propose that had been using the last [illegible] the years is the developmentalism. I think that the alternative to economic liberalism is developmentalism. Capitalism always is... the capitalism were... you recognize the role of the nation and state so there's some economic not ethnical nationalism and there is a moderate intervention of state in the economy. Thinking these terms, look... the capitalism was born developmental everywhere. It was born developmental in England, we learn that England was always liberal, that's false. In England and in France, the two countries, capitalism was born in mercantilism and mercantilism is the forced liberalism... is the forced developmentalism. And developmentalism was back to Europe after all the other countries that were late also developed originally in developmental ways and the countries that first industrialized, again France and England, they come back to developmentalism, after the war was the golden years of capitalism. So and since 1980 we are back to economic liberalism, neoliberalism, that is in my view leads you to low growth, financial crisis, high instability, financial crisis and high increase in inequality. So it's a very inefficient political and social system. Much better is a developmentalism that originally is authoritarian but then becomes democratic and becomes social. The developmentalism of Europe after the war that began in United States with Roosevelt, the new deal. This was a developmentalism, that was social and democratic. So this is the alternative. When I think that ... when I hear the speaker from Africa speaking a plea for Africa, you should not make a plea for Africa. I definitely recommend you not to make a plea for Africa, what Africans have to do is to adopt the developmental strategy, nobody will take care of you, forget about that, we'll not... you take care of you. The the Latin Americans are in big trouble because they were developmental between 1930 and 1980s. Since 1990 they are liberal, dominated by the United States and the growth rates went back down from... to one third of what they were. I have been... the paper that I have been developing in my country but all right and I my works are also in English, several books. I'm discussing what they call new developmentalism, it's a theoretical framework, alternative example of macroeconomic development strategy where the Dutch disease is a very important factor in this macroeconomics. And I think that Africa as well as Russia as well as Brazil should think seriously about this model and how you neutralize the Dutch disease. One thing that's very interesting is that the only countries that in the 20th century became rich not be at all this before with East Asian countries. And I'm not speaking about Japan, because Japan began in the 19th century, but the others South Korea, Taiwan and Singapore, tree countries became rich. And China is not rich yet, but this coming. And they have one thing... two things in common, one - they don't have Dutch disease, they don't spot commodities this is a big advantage, advantage that you don't, that Brazil does not have, that Russia does not have... And the second advantage that they have is that they always adopt a fully developmental strategy and this fully developmental strategy needs to control the five macroeconomic prices. What are the 5 macroeconomic prices? [They] are the profit rate, the exchange rate, the interest rate, the wage rate and the inflation rate. Markets are fully unable to maintain this prices under control and then you need a very strong active macroeconomic

policy and particularly exchange rate policy to guarantee growth. This is what the East Asian countries do. I think that you should learn wisdom. Thank you.

**A.A. PANKIN:** – I'd like to mention that Luiz Carlos and Beverly are co-authors of the book, which will be published in the near future under the title *The New World Or-der*. And now I'd like to give the floor to Professor from Poland Grzegorz Kolodko.

G.W. KOLODKO: - I'm thank you. So if you are discussing the contours signed the order of the future of the world, I think that the first question which must be answered is: Globalization a reversible or irreversible? Because under the recent search of different types of nationalism, even sometimes xenophobia, yet sometime it is called, refers to as the economical - nantional patriotism, one may ask the question in the aftermath of the global crisis: is indeed globalization irreversible? My answer is positive, yes. No one can stop globalization, of course it depends what one means by globalization, to put it in the action to come up from an economic perspective. This is the historic and spontaneous, if not chaotic process of liberalization and integration of thus far separated to the extent performing markets including even the capital market and the labor market into one intertwined, interconnected and independent global economy. And that is a course of the future, so the question is: "What is the biggest challenge?". In my book about the future I'm talking about great twelve issues of the future, but I think that absolutely critical and crucial one, this is the re-institutionalization of the global world wide economy. Without the proper re-institutionalization in terms of behavioral modernization that is the rules of the game, we are doomed to fail. We will face an even grander crisis with all the regrettable consequences somehow, the question is how to re-institutionalize, what is the rule of international organizations, starting from UN, IMF, World Bank and regional organizations like African development Bank or some new China's initiative, and the integration process. I'm putting some trust in G20 and here we have a piece of answer for Mr. Pankin? question about the shifting mood in the world. As absolutely the end of the Pax Americana, the United States was not up to the challenge in the 90s, when it was the sole leader of the world, because they were taking care of American interest, not of the mankind interest. And anyone who wants to lead the world, has to take care of the world not of his or her private particular business. So some people say: okay, we will be led by China. This is not a nonsense, China will be stronger and later it would be much more influential in year after year, it is. And it is just a sign of time that at the same moment when new American president Donald Trump was not speaking, he was rather shouting at the service of Capitol Hill, America First. The Chinese leader in the world economy forum in Davos whereas was calling for continuing free trade because it is beneficial for most of the people all over the world, including even the remote parts just like what Paraguay or Central African Republic or Mongolia and so on. So, now, how we can move forward? I would say that, we have to acknowledge that this shift is gradually, the influence, the power is gradually spreading all over. It is always shifting from socalled West to so-called East, this time led by China, but there's also India and so on. It has been more multipolar and

from this perspective and again I'm referring to the question of the chairman, I think that the world of the future will be multi polar, not only in the economics sense, but also in the institutional meaning and in the sense of the values. This is a different world already the so-called rich West, which is only 1 billion of people is making less than 50 % of global output with all the consequences, and now I'm coming for this question of emerging markets. Just, I would advise you to delete this words from your political language, this is an instrumental approach of neoliberal ideology and no liberal economic policy that somebody is emerging. We are emerging in Poland. You are emerging in Russia. They are emerging in Turkey for us, from the city or from the Wall street, or from Zurich or if you wish Frankfurt etc. to make business. I'm talking about emancipating economies and emancipating countries and this is only peaceful and sustainable way forward. So now, I will conclude with the African case. This UN forecast, well, I've been to explored 35 countries, almost everything you mentioned 22, where we've see terrorism. So I noted a bit how it looks also from the bottom, where the people really are living and dying for less than one dollar per day, not only from the conference rooms etc. But this UN forecast for medium and long-term and for 2.5 billion people in Africa, that is twice as we have now in 2050 is a sure nonsense, it simply is not gonna to be so. This unsustainable Africa cannot feed and provide with the conditions for leaving for two and half billion people. If the trend will be not broken down, there would be exiles from Africa and out of the people which rather I supposed to be from the numerical grounds, 2.5 billion. Maybe half a billion will emigrate. Well definitely not the South Asia, mostly and preferably to Europe. We don't want them and definitely we don't want thousands and tens of millions of Africans, because we cannot absorb this mass of people due to a number of factors. I'm very much, I'm untolerant multi-culti etc. But this is another sheer nonsense that we can absorb even say 50 million people from Africa in the years to come. So, what is the solution to this equation? A very simple one, in Africa we have to bring the birth rate down as it's been down for the last 40 years both in Asia in Latin America. In Latin America in the 70s and the national rate of birth, as it was mentioned, was to 4.5 kids per woman, now it is just 2.5, so you can do it. If you want, it there is political commitment and if there are resources, and now there are not resources. So, my last point is if we want to keep the people in Africa, we have to contribute to the family applying over there, by the means I would rather preferred Indian one, not the Chinese one, that is by conviction and family planning not by administrative and political enforcement and we have to provide the African people first of all them, but not all of them with resources and how to do it, at this strange but it is much more better so on, by Melinda and Bill Gates foundations then by some bureaucrat ties and corrupted international organizations, but I think that now Africa at massacre and this is our duty of responsible intellectuals including the economist to ask again the rich countries to give even more than 0.7 % which is commitment of you, but one percent of GDP on annual basis for a special fund, which must be managed in a different way. What way this is for another conference, but definitely we can not make Rich World Bank and the African development Bank, because the money is not always all that is in the best possible, most competitive sustainable way and so on. But what

is one percent of the GDP of the rich countries this is like \$400 billion dollars and if this money is being given to Africa and to some poor countries in the world and they are much bigger challenge for the future, then say Brixit which you prefer to discuss about. I'm not neglecting Brexit, but this is peanut against what we're talking about. If there are exiles from Africa, if there is not emancipating economies process, if it is not based on the new pragmatism, the world simply will not work and will be driven into much more crisis against these recent crisis we'd be seen as just a kindergarten exercise. Thank you.

**A.A. PANKIN:** – The difference is that Brexit allows the British to live on the resources they have, and Africa cannot afford it.

**G.W. KOLODKO:** – But the value is 0,1 % for the demographic situation.

A.A. PANKIN: – I'd like to give the floor to a representative of the Republic of Belarus Igor Ivanovich Buzovsky.

**I.I. BUZOVSKY<sup>1</sup>:** – Representing the Republic of Belarus here, I'd like to emphasize that participants discussing such important topics today as globalization, processes affecting the most far-off corners of the globe, as if speak different languages. Even we, sitting at one table, speak as the well-fed about hungry Africa. Surely, a resident of the African continent will not understand the problems, which are of pressing concern today for the UK and the United States of America. But one common mental field, one approach, categories, which we'll use in our discussions, are required to understand global processes, globalization. We are saying that global processes today launch challenges are often negative.

The very concept of a global process contains a contradiction. Global means that big corporations, international companies can advocate and look after common interests. But at the same time globalization dictates different approaches. The whole is a sum of its parts, self-sufficient individuals. Globalization dictates desocialization of individuals. At the same time, human, public conscience is being split. Global processes are understood, on the one hand, as integrative and, on the other hand, as personal – I and around me, and me the only one. Common understanding of such processes hides the crisis of the society, including psychological. Actually, there is neurasthenia of the society, when an individual cannot choose between 'I - individual, my needs' and 'I - social'. In the past, when we had global bipolarity, there was struggle and the vector of the norm was achieved, which allowed to make a choice either in the direction of the social or in the direction of the per-

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sonal. This vector allowed to make a choice between personal and social needs.

Either we wish it or not, our discussions come down to one and the same phase: economic expediency. Economy controls the processes, which we are trying to analyze today. Is it right? Can a value of the highest order and uppermost truth be based exclusively on economic parameters? We are trying to examine any category through a prism of economic approaches.

Today, philosophers are having a discussion at the same time with us. And they emphasize that for the first time in the history of the mankind philosophy cannot present a theory for the society's development. There is an economic strategy, taking decisions, liberal, neoliberal, communist, socialist systems, but currently there are no such messages that can be used as a pattern for future development of the society, world community. To say it differently, people have enough resources to live on, but there is nothing to live for. And one of the messages I'd like to mark as the main one, is striving for common approaches in discussions, especially at humanitarian forums, determining values, which will be assessed not according to categories, economic concepts, but more by humanitarian, spiritual moral aspects. Exactly these concepts can become the orientation point and vector of norm for identifying the society's development strategy.

A.A. PANKIN: – As far as I understand, Mr. Buzovsky touched upon the string, which should make the air in our rooms ring, to wit the humanism of development, i.e. when working out a strategy for consensus, we should think about staying human and not forget about human dignity. The floor is given to Doctor of Economics Manuel Montes.

M.F. MONTES: - Thank you very much, mr. Chairman. Actually, what I was going to do, is to sort of react and I don't know if I can stimulate some, you know, some responses, right. But I'm very struck by the framework that Beverly presented and when you get presented this kind of framework that the first thing to do is to think about what might slow it down. I mean, let's say if you accept the longterm framework right the question is what might slow it down what are all the factors that could come in and out of what the Mr. Desgardins talked about, this actually along those lines and therefore I will select some to interrogate, some of those, right. I come from a deserted issue, that supports developing countries and happen to be based in Geneva because a lot of our, you know, a lot of the economic issues for developing countries, like WTO are based in Geneva. And so this point of view is sort of like this, right, from the point of view of developing countries. The first thing to say is actually Mr. Desgardins brought up the question of robotics, right. And I don't really know to ... oh, it's a timescale issue as I'm sure you would think about it, right... to what extent that could be, you know, fast enough, right. I was struck by your number in the morning about 63 trillion. You know, I mean we're talking of the terminal crisis here, right. The 63 trillion, right, and most of it... or a big part of it was to bailout to the financial sector. And actually at this point in time the developed countries rate of private investment is the lowest of the site to basically limit Martin I don't exactly know what you mean by that much it is. So basically the net margin, I don't exactly know, what you mean by net margin, but in a sense what it needed to change

the arc of productivity, that you actually mentioned yourself, right, is a revival of investment, right, it's not really, that... I mean I'm arguing, both of us are on the same side, we both know what we're talking about, right. It's not the net margin it's the scale of investment. You yourself said, it's the scale of investment in actual real new economic activities, right. And because of this 63 trillion our own research suggests that the it's very understandable why the private sector will not take a risk investing again, including investment in technology ... You can always make the joke that the Karl Marx knew about this a long time ago. Inequality has been growing even though the whole economy is still growing, the private sector is well advised to be afraid to invest, to be afraid to invest in real economic activities. And therefore it's completely understandable, right. It's... I mean, you know, Karl Marx would be laughing at the economist profession (?) now because we are so worried that we cannot explain it, right. Why interest rates are so low, at the same time the private investors are not investing, right. So one of the mitigating circumstances to this terminal investment is all of this talk about infrastructure, right. I mean, which is actually means to some extent the big participation by the state, by the government, right, and I don't know whether they can manage to pull it off, because even the United States is talking about this. Or in a fact I'm trying to get also Beverly to say, you know, are these all mitigating factors and a let me just give word to some other things. One is the.. if this is going to happen, right, what will the European view be, right, what the Europeans as Europeans think about it, will they... if the US is going to eventually lose its position, how will the European position be, would it be about circling the wagons, right, because they would then... do they have any self interest in the survival of the United States as the hegemon, do they have their own independent interest for that? For us developing countries... the Europeans are very problematical, right. Then I was thinking that... I thought, that Littlejohn talked about Africa, right, but we have been... [illegible]. We're doing a lot of work in Africa. If I were to say one thing about the Europeans is that to request the Europeans to please ignore Africa, right. Because you know what they're doing is they're assigning a lot of [illegible]. We've been trying to... like you before, calculating the impact of economic partnership agreements, right. Economic partnership agreements... stop, ok... In one minute, just explain what economic partnership, the problem with that, right... Economic partnership agreements among many-many other things, including forcing Africans to reduce their tariffs on 80 % of the goods to the zero, so it's not the money [illegible], you can give them money, but then if they are not investing in new activities, there will be no move, I mean, so please ignore. I mean, it also prohibits export taxes, you know, Ethiopia has done a lot of good on export taxes on leather goods and all that stuff, but... please ignore Europe, I mean, this is how to do, yeah...

**A.A. PANKIN:** – Let's not use such expressions as 'do not pay attention to Africa, or ignore the EU, Russia or the USA' as the opinion of each state is extremely important for us. Now, Professor Jerzy Wiatr will speak.

J. WIATR: – Thank you Mr. Chairman. Let me make one preliminary remark. Since what I'm going to say departs from the discussion on the economic aspects of world politics, let me declare that I do not deny the importance of economic factors, that they are, to my way of thinking, other economic important aspects of the present international crisis. And here I would like to focus on what I mentioned yesterday at the plenary that means the unfinished process of departing from ideologization of international politics. Now, 1917 can be remembered as a turning point in the world politics in terms of introduction of ideology as a major factor in determining foreign policy. There were two events of particular importance. First, address given by the president Wilson to the Congress when he justified the demand for permission to enter the war in purely ideological terms, he was speaking about freedom, democracy and human rights, not interests. The second event came a little later, at the end of the year, after the October Revolution Lenin made a statement in which he openly said that the class interests should have preference over national or state interests. Since class interest is a purely ideological concept, it meant, again, ideologization. Then to make the long story short I would say that for the 100 years ideology dominated world politics. By the way when we look at the pattern of relations between the Soviet Union and communist states of Eastern Europe, one thing is clear it was against the interest of the Soviet Union to maintain its hegemony over Eastern Europe. In economic terms the Soviet Union was a net pair, not a beneficiary of the relationship. In military times it put a tremendous pressure on the Soviet Union, which of course meant less resources for nonmilitary aims. Why? If it was against the Soviet interests, why it was pursued? For obvious reasons, for ideological reasons, the ideology proclaiming the future victory of communism all over the world meant that economic and other interest of the Soviet Union had to be sacrificed for ideological aims. But the same is true about the other side. In the United States the Vietnam war was a bad business: it cost a lot of money, it didn't give the United States any tangible benefits, but it was pursued for ideological reasons, that is the ideology of anti-communism was the other side of the ideology of the communism. That was what was the essence of the Cold war. Now, what happened in the late 80s – early 90s was a very important turning point that is the Russian Federation may be in terms of international law a successor of the Soviet Union, but it is not the successor of the Soviet Union in terms of its motivation, it is not an ideological state. Contrary to what anti-Russian journalists or politicians in my company often say, the Russian Federation does not have global strategy aiming at transforming the world after its image, which was the essence of the Soviet Policy. So in this sense the ideologization has happened, but it has happened only on one side, it didn't happen on the other side. And here I see the major source of conflict. The United States has not yet imitated the Russian Federation. It has not departed from ideology as the guiding principle of American foreign policy. I mentioned yesterday the speech, which I listened directly not by TV but personally, of the first major speech of George Walker Bush about the God given destiny of the United States to pursue democracy all over the world. Why the United States got involved in the so-called Arab spring... to devastating consequences mostly because, mostly because of this ideological fanatism. And you may listen number of aspects of American policy, which can be explained only in terms of ideol-

ogy, not purely interests. Now that has some consequences, now we have a paradoxical things witch 20 years or, let's say, 50 years ago nobody would have expected [illegible]. A major military and political ally of the United States, the strongest military power in the Middle East, Turkey is now closer politically to the Russian Federation than to the United States, which is absolutely obvious particularly after the July coup d'Etat. This a game is a consequence of ideologization because the way Turkey is treated that by the United States and even more by major countries of the European Union can be explained more in terms of ideology, than in times of interest. So my conclusion is the following. We are going to live through a number of prolonged conflicts resulting from this residue of ideological approach to foreign policy, which still persists in the United States, but if I am not mistaken, I may be mistaken, but my reading of the last presidential election in the United States is that there is a growing potential in the States for rejecting ideologization. It's not the question whether president Trump will be willing and able to pursue what he had promised during the campaign. Most important, he may not be successful, but more important is that close to half of the American voters voted for a person who run the campaign free form ideology and emphasizing national interests. Now on the ground of national interests we can compromise, we can get together, on the basis of ideologies compromises are much more difficult. Thank you.

A.A. PANKIN: - Mr. Wiatr, a small comment to your speech. I agree with your conclusions, but a more detailed research of the world shows that there is another very strong ideology motivating conflicts. It has different names but the essence is the same - fundamentalism, extremist, Jihadism. Jihadism, for example, is just a directive, a manifest without statehood. We can't say that this is the ideology of Saudi Arabia or any other state in the Middle East, or a Moslem, or a Buddhist country. It's a very dangerous transnational phenomenon. It's like the International: the countries were monarchies and the movement was revolutionary under the common manifest. I am not comparing these phenomena, in no way, I'll just say that it is a very powerful ideology, which spreads slowly but surely with the help of new technologies, weapons and analysis of weaknesses and vulnerabilities of various states. This is what I wanted to add to your words about the conflicts that await us, motivated by residual or new ideological directives. The floor is given to well-known lawyer Henry Markovich Reznik.

**H.M. REZNIK**: – I'll take up the message from our moderator, who was right to emphasize the fact that the Western civilization dominated in the last two and a half centuries, there is no doubt in that. The technical and scientific progress that made the West the leader, grew out of two values: freedom and democracy. These values are undoubted; we have to fight for them. What happened? If before the end of the Second World War and defeat of the Nazi Germany, the world lived in accordance with the principle fixed by Kipling in his *Ballad of East and West*: "East is East, and West is West, and never the twain shall meet", after the victory of the coalition of countries that saw the horrors of totalitarianism, the international law was actually created: The Charter of the United Nations was approved, various declarations, agreements, pacts were signed. And

I'd like to draw your attention to the fact that all of them were ratified, they were signed by all states, both Western and Eastern. Originally, Western values penetrated exactly these countries.

Russia has always been a specific country, which wanted to be unique all the time, we have such a culture. Andrey Donatovich Sinyavsky, an outstanding writer and specialist in study of literature in my opinion, compared our country with a multi-layered cake. Surely, Russia developed as a part of the Christian civilization in the last one thousand years. The science of nature was born in the course of the technical revolution within the Western civilization. Proceeding from that, it was realized that poverty is humiliating. This was understood gradually. Why? Because the West developed within the limits of democracy, which established legal equality. In his time, Marx adequately described the state of affairs: polarization of richness and poverty will take place in the horrible period of the original accumulation of capital, and this will lead to global revolution. Thank God, his forecast did not come true. All in all, for a number of reasons, with events in Russia playing a special role here, it was realized in the West that such polarization should not be allowed. Thus, today's capitalist society with predominance of the middle class was formed when Western values started sprouting.

I am very suspicious of the word 'spirituality', because traditional societies, strictly speaking, played on that and go on playing on that, I also mean Islamic states. They think that the main values are up there, in heaven. A human is, to put it simply, not a very perfect creation, because his life on Earth is just preparation for eternal life, which will be there in heaven. The positive in the West was that all rich states of the Western world nevertheless realized: the world became open, and Kilping's conclusion is replaced by the global character of connection of all countries. As far as I know, there were successes in fighting poverty in the 1970–1990s. The implemented programs, including on the African continent, improved the standard of living to a large extent, and the problem of hunger was mostly solved.

What is taking place now? I'll assess the state of affairs. Events taking place are incomparable in their scales, but I combine them: Brexit, election of Trump and local events in Russia - protests against passing the St. Isaac's Cathedral over to the Church, the renovation problem with mass demolition of five-storied residential buildings in Moscow and protects of long-distance truck drivers. And do you know why I combined them? It seems to me that democracy is decelerating, and people sometimes speak against not the contents but the shape of the decisions taken by the elite. Democracy supposes that people living in the democratic society, have self-respect, and when their interests are ignored, they are given or thrust on something from the top they do not understand, they start resisting. It was not accidental that I remembered Hans Magnus Enzensberger, who wrote that elites, managers, authorities had great intentions - to build paradise on Earth, some universal good for the mankind. And people only get in the way, interfere, there are only troubles because of them. And this happens when people do not understand what is going on. By the way, this is very important for the current state of affairs in Western countries.

Well, and the crisis, strictly speaking, demonstrated and revived to a certain extent the sentiments that did not disappear anywhere. It turns out that all phobias, some medieval prejudices, norms, which should not be present in our opinion, are alive, they grow out of ancient times and work for the interests of some groups; if we speak about the Islamic world, they work for the interests of groups in power. The state of affairs forming because of the crisis is very dangerous: it turned out that rich people and countries become even richer, and the poor become poorer. This state of affairs should make us alert. I fully agree with what my colleague said: rich countries, in particular Western countries, should realize their responsibility, and exactly their leadership and care for the world should prevent horrible cataclysms that can take place.

In the end I'd like to say that I absolutely do not share the thesis that China is becoming the leader and will soon replace the United States of America as the locomotive of world economy. China is in the same situation as the Soviet Union was in the 1930s: excessive poor population, insufficient capital, low needs when they can sew for the whole world for one dollar per week. It seems to me that values of freedom and democracy should not be exported, thrust upon, because they sprout themselves, maybe I am an utopist. I am deeply convinced and I can quote research done by biologists, physiologists that humans are born for freedom. The instinct of freedom is given to us from birth. It may be suppressed by the regime within the limits of which an individual is developing, but it seems to me that this emphasis on freedom and democracy should inspire us and not generate any feeling of guilt in the West. Well, and as to democracy, I'd like it very much to be in the form of meritocracy, for the freest people to be on top. Though sometimes, watching decisions taken by authorities, I strongly doubt that it will ever take place.

**A.A. PANKIN**: – Now, Professor Jan Scholte will speak.

**J.A. SCHOLTE:** – Thank you, chair. I would like to pick up something that Beverly said at the very beginning of this discussion about hegemony. The nature of hegemony going forward can be very important for the shape of future global order and the types of global cooperation that might be possible.

For me hegemony has 3 features. The first is dominant power, both material and discursive. The second is setting the rules of world order (for example, the US government sponsoring the Bretton Woods regime). Third, hegemony involves legitimacy, whereby those who are subject to the rules regard the authority that is making the rules as being appropriate. With hegemony subjects positively endorse the dominant rule-making power. They may make noises from time to time about not liking to be dominated, but basically they accept that the dominant authority has the right to rule.

The US government exercised that kind of hegemony in the middle of the 20th century and into the latter part of the 20th century. With a relative decline in US power people are wondering what kind of hegemony takes its place. Commonly people say that the modern era first had Dutch hegemony, then British hegemony and then American hegemony – so now hegemony will move to another leading state such as China.

But what kind of hegemony is emerging today? At the moment it does not look like a transfer of hegemony to Chi-

na or to East Asia. Perhaps it is not a transfer to another state at all. Perhaps future hegemony will take a quite different form which is not state-centered.

But first of all we might question how much the US has ceased to be hegemonic. I was recently involved in the reconstruction of global Internet governance and I have to say that the US government was very powerful in that process. It decided when the change would be made. It set the conditions of what the change would be. Whenever the negotiations moved away from those conditions the US government intervened to reset the course. The US has the largest material strength in the digital economy, and it also largely sets the discursive terms of global Internet governance, with a language of 'multistakeholderism'.

So if one looks at the new capitalism in terms of finance capital, digital capital, and knowledge capital – if one doesn't think about capitalism in the old sense of primary production and industrial production, then where is the dominant force? The BRICS are not strong in finance capital, the BRICS are not strong in digital capital, the BRICS are not strong in knowledge capital, the BRICS are not strong in symbolic capital. In those new areas of capitalism it is still North America and Europe that hold preponderant power. I neither celebrating nor decrying this situation. I am simply wondering whether the rise of the BRICS is exaggerated. In terms of primary and industrial capitalism there certainly has been shift, but in terms of capitalism as a whole - including newer areas of commodification - I am not sure that the shift has been as great as all that. Likewise in respect of discursive power, these days it lies largely in discourses of security, human rights, market efficiency, and democracy. Where is the biggest production of these discourses happening? Not in China, not in India, not in Brazil, not in Russia. It is happening primarily in the United States and Western Europe. Again, I am not promoting this situation, I'm just saying that, before making too many claims about the BRICS, let's have a hardnosed look at actual discursive and material power and at who is actually making the rule

Having said that, unilateral US hegemony clearly does not have support. Instead, the US government works together with other governments in for example the G20 and the G7. Also interesting is that the rules in such settings are generally made not so much by statespersons and traditional diplomats, but by trans-governmental networks of middle- and senior-level officials. These technocrats make the rules collectively amongst themselves and often identify themselves as much with their trans-governmental regulatory network as with their individual state. So we might want to look at hegemony in the area of trans-governmental networks and look at the support that those networks get from civil society, business, and professional circles. Maybe this is more like what future hegemony is going to look like, rather than the state-centric hegemony of old.

**A.A. PANKIN:** – The floor is given to our guest from Senegal Mr. Gadio.

**Ch.T. GADIO:** – Actually I was not asking for any special privilege for Africa, I just want to be treated equally, so fairness is just fine. So what I said doesn't count in my time okay. I just want to make clear one point I was not calling for people's compassion and, you know, It was not a plea for Africa in the way my friend from Brazil understood my point. I was insisting on the fact that I have attended meetings where terrorism for instance was discussed for two hours. There was no mention of Africa at all, I had myself to make the case for people to realize that we are becoming the epicenter of world terrorism and that comes from the fact that unfortunately many people agree rather with the marginalization of Africa.

I'm just making a plea for inclusiveness because we cannot take care of the world problems by ignoring 1 billion human beings in the world of 7 billion people, by ignoring a continent that has one third of the world natural resources.

So and the other thing is if you take the case of the United Nations Security Council, 70 % of the agenda for the UN Security Council deal with African problems, we have been fighting for the last 15 years for an African permanent seat at the United Nations' Security Council, because if people want to take care of your problem without you, they run the risk to do it against you. You know the saying: "whatever you do for me without me you are doing it against me!" Africans have all the rights to have a permanent seat with veto right. One African country at least can represent the continent because what is decided about our situation must take into account our point of view.

Another case of lack of international solidarity, the case of Ebola. When the Ebola came about, it took the death of 10,000 people for the rest of the world to understand how grave and how important this was. You cannot keep Ebola in Africa only once it has started, it's an international phenomenon, it will go around. So what I'm trying to say is all the issues that we are dealing with in Africa are not strictly African issues, they are international issues: terrorism, what we call the criminal economy: drug trafficking, human trafficking and all of that should be a concern to the rest of the world. And also of course, migration. Migration is not an African problem it's an international problem so that's why I'm saying we should have this type of concern about the entire humanity.

Now, one of my friends said something that I totally disagree with. That's our friend facing me. When he said, Africa cannot feed 2 billion people. I think it's totally wrong, precisely because Africa can feed the entire world. Africa has the best land in the world, we have water, we have resources, we have everything. But we have also too many interferences from the outside in the development process of Africa. I don't wanna go back to a past that you know, all our leaders who have the right vision for Africa have been assassinated, starting by Patrice Lumumba, his country (DRC Congo) is suffering to this day. Amilcar Cabral from Guinea-Bissau, assassinated, his country Guinea-Bissau is suffering till now. You go to the Central African Republic, Barthelemy Boganda, and then you see the case of Thomas Sankara, when he started trying to change African development approach, what happened to him, he was also killed. I think it's absolutely false to think that all Africans are dying to come to Europe. They want to stay home, they want to stay home! When my friends say we don't want them, we also don't want our friends from Europe coming to rule our continent. Now, just one point to finish. And then who supported those corrupt leaders in Africa that he mentioned, who use those corrupt leaders?

I'm going to end with one quote from Bill Clinton, you cannot suspect Bill Clinton not being somebody smart, he's a very smart person, he said at The US-Africa Summit in Washington that in their foundation they did a research and they realized that the republic of Congo, the DRC and Gabon, those three countries in terms of existing natural resources combine the weight of US\$30 trillion more than the GDP of the US, China, India and Japan combined. And then we did the calculation, he was absolutely right. So Africa is a rich continent where live poor Africans and why poor Africans, because of the African leadership and then because also of some type of partnership between Europe and Africa, China and Africa, the rest of the world with Africa that we have to sever and to stop and give a new direction to Africa. Thank you very much.

**A.A. PANKIN:** – The floor is given to Mrs. Beverly Silver, because she set the tone of our discussion, and I think that she wants to explain some controversial issues, arising in the course of discussion.

**B.J. SILVER:** – I get the privilege of the first word and the last word. Thank you. I just wanted to say three hopefully very quick things. In terms of catching up... So in the 1970s there was also a sense of middle income countries, semi-peripheral countries beginning to catch up in terms of development with the wealthy countries. So Latin America, South Africa even Eastern Europe, Soviet Union there was a strong belief in catching up development that was happening under the developmentalism type of project, that was referred to earlier. And instead we got lost development decade, in other words that the rich and powerful have mechanisms some of them which have been discussed like the mechanisms in terms of ability to invest in new technologies, that meant that the rich and powerful managed to recapture their position on top and become rich and powerful again. So then the question... so I do think it is an open question that may be the sense of catching up now which is ... it's not exactly catching up, but the separate movement of particularly of China but India, other countries that it may be another illusion, that it may be that again through robotics and technology, through various different kinds of political and military blackmail and bribery and extortion, extortion is the word actually I think, that the wealth and power order will be reestablished in the way it's been over that was since the great divergence. So that's possible but I think that's the longer perspective raises also the possibility that we really are in a period of fundamental shift and transformation. I think that eight years ago Obama tried the infrastructure and failed so I just wanted to put that. The second thing is that, you know, again and it's along the same, along lines, I think a lot of people interpret me as saying that China would be the next hegemon, but I think it's again much more messy and difficult than that. On the one hand there was a reference to places where China's not in room, but I think there's also where the US, United States is not in the room is happening more and more. But again if in a sense this like cycles language leads one to think that though there's the suggestion of an easy transition but in fact what I'm trying to suggest and that was the quick reference to the ecological issue is that if China just tries to replace the US within the same developmental model, that, I mean, it's just a recipe

for more chaos on a world scale, rather than a new leadership in a new period of peace and welfare, whatever. Finally, Trump. I think he... it is... and I really appreciate this distinction between ideology and interest and I think that one thing that's happened with the US is the shift to pursuing self-interest which was mentioned. I think that ideology, and this is again the other danger, because the two dangers of the transition are where the leadership is going to come from in terms of new vision and new rules and institutions, where the new rules and institutions and vision will come from, and I'm suggesting it's not gonna come from the United States. And the other is whether the United States will decline gracefully. And one of the problems with the Trump raise, is I think it is a sign of this attachment to the ideology of America's number one. Because it's not clear, it's an interest, but there is a widespread attachment within the US population to the idea being number one. So make America great again and unfortunately it's tied also to the idea of taking America back and take America back is a fundamentally racist type of ideology because when we're talking about taking America back it's take America back from the illegitimate former president and you know the first black president and take America back into from immigrants. So this tying of militarism, of trumpism, with the racism and xenophobia it's a very worrying thing. And so if the cycle language made it look like, oh, automatically we're shifting to this. No, were actually in a period of extreme instability and then all the energies that we can muster in terms of thinking about how to limit this long period of suffering that we've already entered, how to make it as short as possible is like the key I think, call to action on the part of people like ourselves, so that's it. Thank you. No-no, I'm done.

**P. DUTKIEWICZ:** – Today, we listened to a lot of various ideas and concepts. But in my opinion, we've managed to learn something from each other and understand that all of us feel new trends, though we treat them differently. If all of us share these achievements of our discussion, it means that we are moving along the way, searching for the profiles of the world order. I'd like to thank you from the bottom of my heart for sharing your views.

A.A. PANKIN: – The floor is given to Professor Alexander Ivanovich Ageev.

**A.I.** AGEEV: - I'd like to address two issues. One of them was raised by the moderator of our discussion, it is about the dominance of hegemony, and the second one was mentioned in passing at the plenary meeting, and it referred to the topics connected with digital transformation.

The latter issue is directly associated with hegemony, first of all, with its monetary and financial aspect, which serves the basis for the economic order and outlines its contours. The historical context for hegemony is as follows. First, it's the military, scientific and technological supremacy of the state, its determining share in the gross world product, possession of the most part of the world gold reserves to fix respective currency rate, and the recognition of this currency by most states as the main unit for settlement of payments. Second, it's experience in large system management, i.e. experience in supranational governance; third, the predecessor's capitulation. What is the status of all these factors today? The military, scientific and technological supremacy belongs to the USA. Dollars are used for more than 62 % of global settlements of payments and trade; the main world gold reserves are stocked in Fort Knox in the United States of America. Trump has set a goal to return America its former greatness, which is directly connected with the issues being discussed.

As the historical experience shows, the period of monetary and financial hegemony can be long enough. Let me remind you that the world economic and political order plans of 1944–1945 were drawn up for 25 years. It is declared in many documents that are being published by the American, Russian and British sides at the moment. There is certain sense in it, since 25 years are one generation's term. The boundary of the model implemented in 1944–1945 was 1970. I don't mean creation of the UN only, but all the Bretton Woods institutions supporting the monetary hegemony (the World Bank, etc.).

In 2017, following the strategies of the current hegemon, we are able to conclude that the term may be prolonged, first, through the ability of the hegemony to distribute privileges and benefits among allies (so today we can't simply focus our attention on one nation only). Second, after 1970, when the default occurred and the dollar lost its gold backing, other solid assets were used to provide stability of the currency, oil, to start with. Currently, Bitcoin is actively distributed, though, actually, it's all about how soon the crypto code will be revealed. Third, the most important way to prolong the term of the hegemony is to create challenges for potential successors. Today, the European Union and China could be considered as such. One of the goals of the big American strategy is holding Germany within the EU. Besides, since 2014, we have observed attempts to undermine the economy of China. In fact, it's about operations in the cyber sphere and in the field of stock markets. At the moment neither China, nor Europe, nor anybody else has qualities that allow considering them potential successors in global monetary and financial hegemony.

By the end of 2030, the situation will change; moreover, several cycles will match and synchronize, for example, the Kondratyev cycle, the Zhuglyar cycle, etc. In fact, by 2030, the state of affairs will be back to the one at the time when the UK (with its pound sterling) became the global hegemon. The share of China will reach one third of the global GDP regarding not the base-year only, but many other factors as well. D. Trump understands it all. In particular, it is one of the answers to why the USA stopped developing the Trans-Pacific Partnership and the Trans-Atlantic Trade and Investment Partnership and other integration projects.

There is an illusion that this refers to winding down globalization processes. I think, it's a misimpression, because it's now, in the last 5–7 years, that technological opportunities emerged to globalize the influence in another space, which can be called advanced – it's digitalization of the economy and dominance in space.

Today it's better to deal with a single company, industry or person (and there's plenty of technological and informational means for that), than with a large union of integration association partners. It's not an accident that the issue of reaching global awareness is so relevant, because the state of affairs is changing so rapidly, that there's no sense in creating long-term fixed formats. Thus, it's the huge progress in digital economy that creates opportunities for new solutions in globalization and hegemony maintenance.

Currently, it's possible to single out three sectors of global economy. The first one is traditional (industries, service industry, etc.). It provides a quick and long-term sagging profit margin. The second sector, which is still considered the main enemy and manipulator of the market, is the financial sector with banks and financial organizations. A year ago we witnessed panic among bankers when someone began taking the part of surplus profit they had successfully embezzled before, etc. It refers to representatives of digital economy, i.e. programmers, structures and individuals standing behind development of programs for industrial and financial sectors. These technologies and industries will emerge in the nearest 2-3 years, because the period of implementation of new technologies into practice has shortened from 70 years (when the first 50 million automobile owners appeared) to a year or two.

The philosophy of the digital era is based on binarity, or dichotomy, which appear driven by the technological principle of binary codes, political and cultural discussions. Management of the future in this system is supposed to be based on processing all array of information – big data concerning the past and the present of the subject to control (countries, nations, etc.), interests of self-government, goals, values and motives of the subject to control are ignored. Such a behavior of the digital system is purposeful and teleological, it is irrational, non-optimal and ineffective.

Are there any technological prospects to overcome this economic 'firework' and a dead end at the same time, since such an opportunity to control heaps of people and personal data allows realizing utopias by Huxley and Orwell? Such an opportunity exists, and it is connected with the Brainnet 'live supercomputer' and the use of attributes of various spaces. It's this area where a serious scientific and technological breakthrough to new principles takes place right now.

The question arises: is the conflict of civilizations possible? Appealing to the past, the change of the world order, we know that such issues used to be resolved with wars. Two latest changes of previous hegemons were the consequences of the two wars – World War I and World War II. So, traditionally relations between nations and people used to be built on power or benefit, or both. However, it can be forecasted that in 2030–2045 serious space and environmental problems will emerge (in particular, water, food, etc.) and the mankind will be doomed to find ways of interaction without traditional means, such as wars. This new scientific and technological breakthrough will teach us conciliation, as Dmitry Sergeevich Likhachov said, and as it was mentioned at the plenary meeting.

**A.A. PANKIN:** – I'd like to add that the ideology of consumerism, which involved the entire world into the orbit of hegemons after World War II, still remains. Modern digital economy is also aimed at consuming as many products and services as possible. Taking into account the nature of the Likhachov Scientific Conference where economic, strategic and other aspects are viewed in the context of humanism, I think that the level of consumption increases with the development of globalization, i.e. there is less and less space for free thinking. Free interchange of views exists, but within the framework, which is being developed only.

The floor is given to Yakov Georgievich Shemyakin.

Ya.G. SHEMIAKIN1: - I'd like to continue speaking on interaction of civilizations (dialogue or war), which Alexander Anatolyevich started yesterday. In the middle of 1970s, a Nobel Prize winner, Mexican thinker, philosopher and poet Octavio Paz wrote a book under the indicative title One Earth, Four or Five Worlds and expressed the idea that in spite of globalization, a qualitatively new process was developing in the world, which he called 'rebellion of exceptions'. These exceptions consider themselves not exceptions at all, but a rule and the only embodiment of reality and destiny of their nations and the mankind as a whole. It refers to the fact that special features of regional and local communities (territorial, cultural, linguistic) are emphasized along with globalization. Civilizations are the largest and the most important ones. Profiles of the world order in the 21st century (which is the name of our section) will be defined by the way the two processes - globalization and rebellion of exceptions - which are very different in their ethnology, will build their interaction and how successful the harmonization of these processes will be.

Consequently, it's worth taking a closer look at the experience of BRICS. Member-states of this organization are very different. Exactly that is usually emphasized. But BRICS exist. What unites all these countries? The first thing announced in all statements of the BRICS member-states is the message that the center of taking crucial decisions should be within the country, not outside it, not in the West. This aspiration unites all countries, despite their differences. In fact, it refers to a deeper process, an attempt to change the approach to the world development that has been characterized by obvious predominance of exogenous factors over endogenous ones, the internal factors of development for a certain country or a group of countries since the deployment of the last globalization stage in the 1980s approximately.

In fact, the deeply motivated BRICS states, as far as I can judge by analyzing their documents, raise the issue of changing the balance of exogenous and endogenous factors in favor of the latter ones. Rethinking the role of a nation-state is connected with it, too: since the 1980s, there has been an opinion in the West that it is dying. But, as the saying goes, the reports of nation-state's death turned to be greatly exaggerated. All the BRICS states are united by the emphasized role of the nation-state in global processes. In the opinion of the members of this union, exactly the nation-states are the main institutional factor in the fight for the polycentric world order.

None of the BRICS states deny the objective contents of the globalization process that can result in intensification of contacts in all spheres of life. Still, globalization is understood not as the process of a one-way influence of technological, political and other leading countries of the West on the rest of the world, but as the interaction process within the framework of intensive contacts in all spheres of life.

There is one more factor - the recognition of the modernization process. In recent decades, Eurocentrism has come under strong criticism, including in Western conceptions. One of the mightiest focal areas of thought today is the so-called 'theory of multiple modernities, one of originators of which was Shmuel Eisenstadt from the Hebrew University of Jerusalem. The essence of this concept is that local traditions - cultural and civilization ones - are essential factors for successful deployment of the modernization process in relevant countries and regions. Modernization with its core values established in the West in the epoch of industrial and scientific revolution of the 17-18th centuries is impossible without interaction of these traditions. A true modernization process is only possible as a result of the creative synthesis of modernization imperatives initially established by the West and local spiritual traditions. Such a presentation of the problem is based on the belief that perception of innovations can be successful, only if it's creative. And creativity can be influenced by those who keep a backbone in their hearts - their own traditions. Despite the criticism of the Eurocentrism, there is the opinion dominating in the West in general, at least in the political aspect, that the Western model is the best possible and mandatory for all the countries. All representatives of BRICS are focused on the fact that only creative synthesis of modern achievements and local traditions can make the successful modernization possible.

Two principles lie at the root of modernization values that were initially formulated and implemented in Western Europe, and later in North America – the freedom of choice in all spheres of life and the rational approach to the world. A certain – formal – type of rationality dominates in the West, it was analyzed by Max Weber as early as in the beginning of the 20th century.

Trying to generalize the results of Weber and representatives of Weber 'Renaissance' of the 1970–1980s, I came to the conclusion that this type of rationality has three main attributes. The first one is a belief that everything can be counted. All that can't be counted doesn't matter. Qualitative characteristics of things and processes don't matter. The second attribute is that if everything can be counted, then everything can be known. "The disenchantment of the world", Weber said; nothing stays unknowable, only unknown by people. And the third attribute is if the world can be counted and known, it can be controlled.

Obviously, the formal rationality expands its presence massively, including the BRICS states and the entire world. Still, in the course of history, in none of the BRICS states this type of rationality managed to suppress other types that ultimately come down to the one, which Weber called 'value rationality'. This type of rationality primarily considers qualitative characteristics of phenomena and processes, so it is open for the dialogue with the other extreme of sentience - faith. Despite all differences between the Confucian rationality of China, the Hindu rationality of India, the Orthodox ratio of Russia (based on strong Byzantine traditions of the Cappadocian school of theology), the concept of Ubuntu in South Africa and the Catholic rationality of Brazil (Iberian in its basis, where honour is always put above benefit), all of them belong to value rationality. The BRICS member-states are united by the same type of rationality

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and the fact that a complicated and conflict interaction of this type with formal rationality displays itself in their spiritual continuum, which proves that BRICS is not a conjunctural or time-serving union.

**A.A. PANKIN:** – Mr. Shemiakin presented the matter in an integrated manner and showed good command of it. The floor is given to academician Petr Petrovich Tolochko.

**P.P. TOLOCHKO:** – I'd like to comment on Professor Wiatr's speech at the plenary meeting. In particular, he said that after the Soviet Union had disintegrated, Western countries had a chance to follow the Russian way, so, in fact, he outlined the problem of moral responsibility for the future of great powers. However, the West didn't follow the Russian way. It is recognized by Western political analysts who claim that after the communist system had collapsed, Europe didn't form new principles of community life and development, and decided to use the situation to expand the area of freedom. The European Union already existed, and using its values the European countries still expand its area of freedom, including with the help of NATO.

Russia in the days of Yeltsin presidency lay in ruins; the Warsaw Pact didn't exist anymore, but NATO remained. And despite its promises not to approach the Russian borders, it is already here. That's why the morality deserves special discussion at our session. This is a challenge for Russia that didn't create a military bloc to balance NATO, but decided to boost its own strength, and this challenge did not encourage peace-building. Actually, at the moment we are at strife again. The large Western leaders – the USA and the EU – are responsible, they turned the idea of expanding the area of freedom into a national globalization idea.

Professor Kolodko once said that globalization was performed in a random way. In my opinion, it is not the case: it is performed purposefully and in an orderly way, and the centers it is managed from are well-known. The obsession to expand the area of freedom reminds me a Radio Yerevan joke of the Soviet times. "Will there be a war?" the Radio Yerevan is asked. "No", the Radio Yerevan answers. "There'll be no war, but a fight for peace, and no stone will be left unturned".

In connection with the topic reviewed, the issue of small countries' responsibility can be addressed (great, but small nations if you take their population). The expansion of the area of freedom is performed through isolation of Russia. Exactly small countries provide substantial aid here.

Piotr Dutkiewicz spoke on the definition of fear that can be real or speculative. All small countries claim that Russia allegedly poses danger. As if Russia was going to invade Estonia, Latvia, Poland, Bulgaria, and so on any day now. Still, Russia doesn't invade any country, but the outfits of the USA are placed there, and military drills are arranged along the eastern, not the western borders of Estonia, for example. So, it seems to me that small countries are also responsible for the future. They are free to choose their own way of development, but they must observe moral principles and not be guided by former grievances. Many countries feel offended by Russia, and Russia has its own offences, but it's not wise to follow this way. If you try to push a bear into a corner, which we observe at the moment, it may start showing its teeth. Does anybody need it now? **A.A. PANKIN**: – The floor is given to Mr. Bruno Desgardins.

B. DESGARDINS: - Thank you, I will be very short and maybe I would like to answer to some question of Mr. Montes: First of all, you were speaking about my figure concerning the rising in debt, 60 trillion since 2008, what I would like to mention is that it is not only private debt, but also public debt, and it's not only the public debt in developed country but also in emerging country. Let me remember that in China credit, debt as a percentage of GDP in 2008 was 1.4x of GDP, today it is 2.7x and in fact we have not mentioned here because all of us are fascinated by the growth figure of China, but we need to understand that they need to use a lot of money, a lot of debt to maintain this economic growth, because as you know every year the need to create something like 13 million of new jobs to maintain the political stability. And so we have a huge amount of debt, we have a huge amount of overcapacity in many sectors and I think this is problematic for the future. Otherwise it was the rise of public debt, let's take a country like Spain : public debt in 2007 was no more than 60 % of GDP, nowadays it's 100 %. In fact a lot of countries have tried to stimulate the economy after the crisis using budget deficit, sometimes this budget deficit went up to 10 % of GDP, even one year in Ireland it was much more because it was necessary to help the banking sector. So this is the first point. Now, what I can say is that in 2017 the increase of public debt all over the world is more or less stabilized and the level of budget deficit is more or less stabilized.

Second point that you were mentioning, you were asking about the level of investment, because I was saying in the morning that investment was not so high as it used to be. A few comments on that. First of all, we are more and more tertiary economies. Industry, as a percentage of GDP, is not so important that it used to be. Level of capital requested in the new numerical sector, for instance, in the digital economy is much lower than in industry. Does that mean that the economy globally is not expanding? Another factor to mention is that in many sectors we have overcapacity, because of China : you can look at the solar industry, the wind industry, aluminum and many other sectors. As there are many overcapacities, companies don't want to invest. Moreover companies invest if there is some prospect for demand : because stagnation of revenues you cannot expect that consumer spending will increase, so you will not invest more.

Another point that you were mentioning is robotics. I think that robotics is an opportunity for developed country, it's an opportunity to get some more competitivity, it's the key element in the dialog or competition with emerging country. And I think that robotics is not the enemy of employment. There is a lot of discussion on the subject. OECD in a report things, that by 2020 50 % of the job would be lost, because of a robotization. I think it is not true and so it was just recently a study in Switzerland of Deloitte explaining that over the last 25 years robotics has created more jobs that it does suppress. The key point I think to understand is that robotics is definitely suppressing job, but with training, education etc. you can make the conversion of employees and this is the key element for the future. So I think we should continue with robotization. If you compare France and Germany, Germany, per unit, has twice more robots than in France, but the level of unemployment is twice lower, so I think it's an interesting figure.

Another point that you were mentioning if I do remember, you were asking me what I understand by 'net margin'. Net margin is when you analyze the net income, the profit after taxes. The net margin is the ratio net income on turnover.

At last I would like to suggest a word concerning the international situation with China and what was mentioned a few minutes ago, regarding China versus Vietnam versus Philippins etc. So we know that there is some conflict with the Spratley and Paracel islands There is military aspect, but also a lot of reserves of commodities. Regarding the risk of conflict I just want to give you one figure, I know we need to be cautious with figures, but the military spendings for China is 140 billion US dollars, equivalent to 1.4 % of the GDP. So I don't want to say that China is not expanding its military effort, but as a percentage of GDP 1.4 % of the GDP is not such high figure, and I will remind you that the US is spending more than 600 million which is around 3 % of the GDP. And so, conflict can happen for sure, but I don't think that the US will take risk. Thank you.

A.A. PANKIN: – Academician Valery Alexandrovich Chereshnev is invited to the microphone. In was mentioned in the course of our discussion that wars and plague determined the development of the mankind in the past and could cross out the profiles of the future. And today, various cataclysms (space, geological, infectious, etc.), which are independent of our will and are beyond control, can hinder building the future.

**V.A. CHERESHNEV:** – I've headed the State Duma Committee for Science and High Technology for the last nine years, and I've always been interested in the impact of political and economic affairs on people.

The mechanism of collective, cognitive, unconscious is conflictogenic. It can be shown that habits play the dominant role with relations between representatives of the Western countries and the Islamic world as an example. But intuition of most people in the world - its Islamic and Western parts - is the same. Today, the conscious is based on the unconscious, where intuition is the main thing. Special mechanisms are needed to change a formed person, such as education, persuasion, etc. Political Islam (with Islamic state as its extreme degree of manifestation) defends its traditions and fights against cultural Islam. The foundation of the fight was laid by Abd Ar-Razzag in his work Islam and Fundamentals of Governance (1925), in particular, he suggested that the spiritual aspect should be left to Islam, while secular authorities should manage terrestrial affairs.

The way out of this situation is seen in efficiency and expediency. Western values penetrating the Islam world by force are unacceptable for a part of the Muslim population, so they become a basis of protests. Most irritants in the world trigger negative emotions. Why is negative emotive background always the main one? These impacts are not connected with what an individual expects to see or to hear.

Today, the phenomenon of 'brain drain' is wide-spread in the world (global migration of scientists). As Pasteur said, "If science has no Motherland, the man of science must have one". The greatest achievements belong to the nations whose scientists are leaders in their field. The United States of America are the global leader. Sometimes this country is called 'a global exhaust fan' sucking in the world intellectual potential. Young people from France, Germany and Russia move to the USA.

The foundation of 'brain drain' was laid 250 years ago by Peter I. In 1724, the Russian Academy of Sciences was set up. After 20 years of correspondence with Leibnitz, Peter I invited 17 scientists from three countries – Switzerland (four people), France and Germany – to Russia. The first Russian academician Jakob Hermann (1725) was the oldest among them. 19-year-old mathematician and physicist Leonhard Euler came as well and became one of the first Russian academicians. In 1725, there were 17 members of the St. Petersburg Academy of Sciences, including 14 academicians and 3 subordinators, i.e. potential academicians. None of them spoke Russian. The 18th member of the Academy, physician in ordinary of Peter I – Laurentius Blumentrost – was appointed the President of the Academy. The development of the Russian science began from that.

The Russian science was headed by Russian scientist, M.V. Lomonosov, already in 20-30 years. In 1750, Lomonosov wrote in his work: "Mightiness, power and wealth of the entire state is in keeping and multiplying the Russian people, and not in the vastness, which is vain without inhabitants". Then he says that it's not the number of people that matters (during the reign of Peter I 25-27 million people lived in Russia with the average lifespan of 45-48 years), but their qualitative characteristics: "...with teaching make everybody sure that... liars, robbers, law breakers, bribe takers, thieves and all other kinds of wreckers will never find forgiveness, even if they eat chipping, bricks, soaked bast fibers, clay or coal seven days a week, and stand on their heads most of the time instead of bowing to the ground" - that's the way to fight corruption according to Lomonosov.

Before the Common Era people were thinking, working and writing great works as well. But pathology has changed significantly over the two thousand years. The main quality of life indicator today is life expectancy (average wage, the number of square meters per head and domestic product per capita used to be mentioned among priority indicators before). Today, the first in the top-20 countries in life expectancy is by Japan, where the average lifespan is 84 years (85 for women and 83 for men), it's also No.1 in quality of life; it is followed by the Scandinavian countries (81-82 years), Europe (80 years), the USA (79-80 years). The average lifespan in our country is 72 years (66 for men, 78 for women). This indicator - 12 years of difference - shows that in the last century Russian men had to survive a lot: five revolutions, two wars (90 % of 27 million people who died during the Great Patriotic War were men). There is no such difference in the average lifespan of men and women anywhere else in the world.

Though in more than 200 countries women live longer than men, it is not programmed at the genetic level. The global development suggests another idea. Russian gerontologists, Professor Anisimov and academician Khavinson calculated the lifespan of Noble Prize winners (99 % of whom are men). Totally, 800 people were awarded the Noble Prize, and 400 of them are alive now. The average life expectancy of today's winners is 88–90 years. It shows that men who are engaged in mental activities live longer. Currently, new diseases are being spread, such as AIDS, etc. Since 1908, mutations have emerged (in Central Africa, Congo and Haiti near the USA). For example, zoonotic and anthroponotic infections emerged in modern environment.

Globalization manifests itself in infection spreading as well. The number of viruses will increase every year, since all the produced medicines are aimed at fighting bacteria, but antibiotics are helpless against virus diseases, because viruses infect cells. Antibiotics kill bacteria that are a powerful counterbalance for viruses.

Another new pathology is prions (a special class of infectious agents – proteins with anomalous tertiary structure – not containing nucleic acids). Their genesis in 1978–1980 is connected with scrapie disease of monkeys. American scientist Stanley Prusiner deciphered the tertiary structure of the protein mediator which is responsible for biorhythms in our organisms, alternation of day and night, and seasons of the year, etc. By twining molecules, the protein becomes not a chain-transfer, but an amyloid to bond impulse transfers. If it happens in cerebrum, it means the Alzheimer disease, if in temporal lobes – the Parkinson disease, etc.

In other words, there are prerequisites for creating a new pathology along with improvement of the quality of life. The incubation period of prion diseases is 30–50 years. 30 % of pathologies of people after 85 are connected with prion diseases (the Alzheimer disease is a disease of the certain age). Perhaps, the average life expectancy will reach 100–120 years, as it was forecasted by outstanding Soviet scientist Alexander Alexandrovich Bogomolets, who was the Vice-President of the National Academy of Sciences of the Ukraine during the War, and the President of the Academy after the War. The allowance for social impact is 15 years.

The latest discovery of global gerontologists is the fact that the average lifespan is 80 years in approximately 40 countries of the world. Today, three months are added to the indicator of the average life expectancy every year. In 30–40 years, if a war doesn't break out, developed countries will achieve the life expectancy of 90–95 years. By the end of 21st century, the centenary mark may be achieved under normal circumstances.

**A.A. PANKIN:** – Negative emotions are longer kept in our brains, and they dominate over positive ones. Perhaps, this fact explains the inability to reject fundamentalism. People live in modern environment and enjoy their lives, but the reminder to kill the neighbor, because 500 years ago his ancestors offended your ancestors, is still here. Indeed, sometimes this factor becomes motivating in developing international or domestic relations.

The floor is given to Mr. Hans Köchler.

**H. KÖCHLER:** – Thank you. I would like to make a few remarks about the political, social and cultural aspects of world order. The time has come to revisit Paul Kennedy's earlier paradigm of "imperial overstretch". It is now exactly 30 years since he suggested that this might be the fate of the United States. He also made a comparison to the history of the Roman Empire. As far as I can see, the president of the United States, in his electoral campaign, was aware of the risks of imperial overstretch, repeatedly emphasizing how detrimental it was for the United States to be militarily engaged all around the globe. In the course of the cam-

paign, he made the promise that, as president, he would decide that the United States would not continue with its military engagement all around the globe. At the moment, however, the power establishment in his country does not seem to allow him to make his promise true. In whichever form the power struggle within the US system may eventually unfold, the world seems to be headed to a new multipolar configuration.

This brings me to the United Nations Organization. This intergovernmental body, established at the end of World War II, could indeed be the vehicle of such a transformation to a multipolar system. The Charter itself provides a framework for multipolar cooperation, especially in regard to the mechanisms of collective security. There is one problem, however: the Charter provides a framework for the multipolarity that existed in 1945 – while the emerging multipolar configuration of today is totally different from that constellation. The reason why the world organization may unfortunately not be able to transform itself and adapt to the new realities lies in a mistake made by the founders of the organization. Like so many powerful countries or victors in great wars, they thought they could arrest history, linking any amendments of the Charter to their consent. Nothing can be changed in the Charter without the consent of the founding countries of the world organization. The list of those five countries is not identical with the list of countries that may emerge as power centers in a new multipolar configuration. In my assessment, the development points towards an integration of global regions into the United Nations system. The continents that, so far, were totally left out of the power equation - such as Africa or Latin America - would thus be included in a new regional arrangement.

This brings me to other aspects of the development of world order, namely in the socio-cultural field. One should not underestimate the impact of new technologies on the global system and on the shifting balance of power. This is particularly obvious in the rapid development of information technology. Allow me to add here a more general philosophical observation. As a result of information technology we witness not only the blurring, but also, one might say, the disappearance of the distinction between private and public. The change in the information system, which is at the roots of this trend, will have a big impact also on the meaning of democracy. The socalled mainstream media, which in traditional thinking were often referred to as the "Fourth Estate", are more and more becoming marginalized. Each and every one of us, every individual, can now, as conveyor of messages, operate like a journalist. Due to the nature of the technology - particularly as far as the new social media are concerned – any trend can become a megatrend. This development may have a real disruptive effect on any political system. This is not mere speculation anymore. The examples are numerous: quite early on, for instance, the socalled "color revolutions" in the wider European area or, more recently, the events of the Arab Spring. Social developments are becoming more and more unpredictable. However, illusions may exist about the real empowerment of the individual. As is empirically proven by now, deep state structures may interfere in these processes and steer the course of events. In the near future, we may well witness developments similar to those of the Arab Spring in other regions. The point I would like to make here is that

the availability of this new technology will make the transition towards a multipolar order much more erratic and turbulent, which will make it next to impossible to give precise predictions.

That brings me to one last aspect, also in terms of an erratic course of events. As far as arms technology is concerned, there is one big unknown, which we often tend to overlook, namely the issue of nuclear arms. The possession of nuclear arms is something that may totally offset the development of any power balance, whether in the multipolar, bipolar or unipolar direction. If we just take the example of North Korea, a country that is not powerful in economic and socio-cultural terms. As soon as it is in the possession of arms of mass destruction, as it acquires nuclear capacity, an otherwise weak country can steer the course of events and can totally change the direction of strategic developments. What the president of the United States recently said in connection with the crisis on the Korean peninsula is indicative of the dilemma that results from the introduction of nuclear arms into any power equation. In spite of all the animosity between the US and North Korea, he stated that, if conditions are right, it would be an honor for him, the president of the United States, to meet with Kim Jong-Un, the president of North Korea. We also must not forget that the socalled non-proliferation regime has not been working. The Treaty on Non-proliferation of Nuclear Arms (NPT) has increasingly been undermined. The course towards nuclear disarmament, propagated by the treaty, has not been steady. This is particularly true for the failed project to declare the Middle East a zone free of nuclear weapons. The fate of the NPT and other treaties such as the Comprehensive Nuclear-Test-Ban Treaty (CTBT) clearly demonstrates that the decisive factor in global politics is still power, not morality. There is no answer yet to that one big question, how to deal with a country – a smaller country, a weaker country, a country that feels under threat -if the strategic calculation of the leadership of that country is based on the assumption that it is only nuclear capacity that will ensure that it will be taken seriously in the global order, and that will protect it from being wiped off the map. In an Advisory Opinion upon the request of the General Assembly of the United Nations, even the International Court of Justice left this question open - whether the use of nuclear arms might be illegal or not in a case where the survival of a country might be at stake. Unless we address also the issue of nuclear arms, all the discourses about the nature of the world order and the possible course of events in the next few decades may become irrelevant. Thank you.

**A.A. PANKIN:** – Now I give the floor to Professor Vadim Rossman.

V.I. ROSSMAN: – One of the key topics of our discussions is inequality. It seems to me that one of the most important aspects of this topic escaped our attention, the geographic structure of inequality in certain countries, to be exact. To my mind, this big problem has led to the social polarization on the global arena we observe today. Moreover, this polarization used to be associated with third world countries, but now the level of inequality between different regions and between big cities and small towns is unprecedented. In particular, we can refer to the example of recent elections in the USA that resulted in Trump's presidency, the elections in Turkey and in France, and the situation with Brexit – all these cases are connected with incredible income polarization between big cities (capital cities especially) and small and middle-sized towns. These cities and towns vote differently, i.e. let's say people in London vote in an absolutely different manner from towns in the North of the UK. In Turkey, Istanbul represents mostly liberal votes, while the most part of the country is conservative electorate. We see the same in France: liberalism is concentrated in Paris, while there are anti-refugee sentiments in the most part of the country, and right-wing political parties are influential there.

It's interesting to note that this trend is typical not only for traditional monocentric countries like, say, England or France, where development is concentrated in their centers - London and Paris. It's also typical for polycentric countries, such as the USA. Besides, exactly the capital cities are growing incredibly rich there. Let's take Washington in the USA - 11 out of 20 richest counties of the USA are concentrated around Washington. It's very unusual. That is if we take all bankers from New York City, businessmen from the Silicon Valley, oil kings from Texas and pharmaceutical industry from San-Diego and Los-Angeles, there'll be less rich counties in all these regions, than around Washington. The same system exists in China. As we know, the country is developing rapidly; however, for example, people in East China still live in awful poverty. When we mention the average upturn, we should understand that development is primarily concentrated in a few big cities, or often just in one city.

There is some triumphal tone used to speak about urbanization, but we should take into account the fact that its quality in most emerging countries is very low. In many countries (in Latin and Central America especially) more than a quarter of the urban population lives in a capital city. The same is observed in Africa and Asia, where population moves to bigger cities, therefore, peripheral development takes place. We speak about urbanization as if it were some positive process, but in fact at the moment it is of a very low quality. Though in recent 20 years the concept of polarization between the Global North and the Global South has been overcome, as well as the polarization between East and West, polarization within states still creates prerequisites for serious misbalances that are transmitted to the global arena as well.

In this regard I'd like to say a few words about the nation-state's destiny. If we take a look at, e.g. the UK, one of the reasons of Brexit is such a level of income polarization that it's actually difficult to speak about the nation-state at all. Voting for Brexit, which is connected with the Scottish referendum, by the way, was largely stimulated by the fact that the entire generation of the British administration was promising to correct the misbalance between the North that had been growing poorer and London that had been growing richer. Naturally, a city like London, which is extremely successful as a global center, became the reason of impoverishment of the British provinces, at least, as economists claim. Speaking from the economic point of view, every citizen receives about £2 thousand from the taxation base, which is often emphasized, and that is earned in London as in a global city. Thus, a problem of capital cities arises. What a capital city should be like? Can a city like London and other rich cities function as a capital city efficiently?

**A.A. PANKIN:** – We are trying to speak about the profiles of the future that will define life on the globe and in its most critical and conflict regions. I see that urbanization relates to it, but could you suggest any link between the choice of the capital city's location, its size and human development in future?

**V.I. ROSSMAN:** – The capital city's problem is not limited by certain states. I was trying to demonstrate its systemic nature. This problem exists in Russia, in China and in states with the most diverse political regimes. In my opinion, the connection with the global topic is coming from a large number of regional conflicts that are thrown out on the international arena in the form of terrorism and similar phenomena connected with misbalances. At the moment, we see these misbalances in the states of the Middle East and North Africa. They lead to internecine civil wars that take place in Syria, Libya, Iraq and Yemen. The thing they have in common is that these countries are split into two parts; let's say Sunni and Shiite Muslims in Iraq and Yemen, Tripolitania and Cyrenaica in Libya. Their historical colonial capital cities are located exactly in certain places connected with external factors, but conflicts are international. Thus, if national misbalances are solved at the local level, there'll be fewer conflicts in the world.

**A.A. PANKIN:** – The floor is given to Professor Robin Matthews.

**R. MATTHEWS:** – I would like to express out thanks to the organizers for the invitation to International Likhachov Conference, under the auspices of the Russian Academy of Sciences and the Ministry of Foreign Affairs of Russia, in St. Petersburg (May 18–20, 2017).

The conference invited participants to think about the future and share thoughts. A theme I observed was that things and events are inter-dependent. In the limit, complete connectedness leads to unity. The concern of this paper is the separation between mysticism and science, which though it happened for good reasons in the natural sciences in the 15th century, has been too prolonged.

I prefer the term mysticism to spirituality, or religion even though mysticism word has been subverted into mere fantasy, obscurantism and superstition. But here I use them interchangeably.

Rather than dialogue, what emerged in the conference were polyphonic voices; polyphonic in the sense of Bakhtin's interpretation of Dostoyevsky's *Crime and Punishment*. Synchronously the conference is held in St Petersburg.

As an illustration of polyphony, we had discussions of complexity, Brexit (an absurd separation), new and old and Marxian economics, Gramsci, international distrust, transition of power in the world, marginalisation of the poor, injustice, concentration of wealth, the paradox that there is plenty in the world and poverty, the need for multi-disciplinarity, education as a public good, neo-liberalism and many others.

A central theme of the polyphonic voices was transition, from the hegemony of oligopoly powers, the USA and Russia in the pre-Cold War era to a poligopoly of major and major-minor powers. A former prime minister of Britain when asked what worried him most, answered 'events, events'. Tolstoy's view of history was similar. Outcomes, rather than being the result of decisions of great leaders emerged from the interaction of many events. Understanding an era of transition requires a multi-disciplinary approach and every era is an era of transition.

Irreducible uncertainty always exists. This is described in probabilistic terms, but often, academics in business and economics use the wrong probability distributions; favouring two parameter distributions like the normal or Bell curve to the default state of any interdependent network, which turns out to be the kind of fat tailed distribution that states that unknown and unexpected events with low probability will inevitably happen but we cannot know what or when.

Think of transitions as sand poured into conical piles that eventually collapse. Pouring event upon event, as in a sand-pile, leads to the formation of a cone of sand grains, until, eventually a single grain, like an event from nowhere (the straw that breaks the camel's back) causes the pile to collapse.

Another way of expressing the same thing is to say that the default state of global systems (like the internet, actor networks, earthquakes, and the too big to fail banks) is a small world state in which a tiny minority of actors or agents are highly connected or in the case of income and wealth, own the vast share of wealth. Small world states are highly unstable if the highly connected actors, agents or concentrations of power, income or wealth is disturbed by shocks. Events with low probability happen.

The polyphony of the conference debates were expressions of different actors adopting different grammars. Empathy can be understood as an attempt to understand things and events, through the lens of a grammar that is different from one's own. Empathy is related to compassion; to be empathetic is to understand another in terms of a grammar that is not one's own; compassion is to understand that different grammars exist and tolerate the fact that it is so. If empathy and compassion informed all human interactions, for example, they governed all relationships including foreign or domestic policies, the concerns of the conference, hegemony, disunity, nationalism, inequality, imperialism would to some extent evaporate.

Unity is difficult to conceive of. Unity has no meaning, because meaning implies separation between a thing or event and something else; a correspondence. Meaning is imposed by constructing a grammar. Grammar is composed of a lexicon (a morphology, words, nouns verbs adjectives and so on) and a syntax (rules governing how words can be combined to express meaning).

A thought experiment expressing the role of grammar might go something like this. Imagine dividing a unified whole into parts and naming the parts; that is, organize it via a grammar. The subdivisions are distinct, but interconnected. The process of dividing an inconceivable and meaningless whole is one of imposing a grammar upon it. Grammar imposes meaning. The parts have subdivisions that are inter-related, according to a sub-grammar and the parts are inter-related according to a grammar. Grammar imposes order on something that was an inconceivable whole, that becomes conceivable only by imposing a grammar. If any number of people were asked to carry out the same thought experiment independently, they would create any number of different grammars. If they were asked to do so in groups there would be any number of different grammars. Members within a group would be able to communicate with each other but communication between groups might be difficult except in so far as grammars were similar; a Tower of Babel.

In the remainder of this note I extend grammar as a linguistic to all organizing principles; rules, conventions, laws, cultures, traditions, mindsets, memes. The extension is a subject but I ask the listener to bear with me.

The separation of spirituality or mysticism from science, physical, social and economic science, though it happened for good reasons initially in the 15th century, has been too prolonged.

It's very clear that the global economy and organisations within the global economy are complex systems and in the limit complex systems are so interdependent that for practical purposes, they become a unified single system. But we can't even conceive of unity, so we look at unity through the lens of a grammar that artificially divides what is really one, into separateness.

By mystical, we mean recognition that there are many spheres of being; distinguished by having different grammars. It need not be associated with the religions. In a secular age, people might be more comfortable with the interpretation of spheres of being, as the contrast between the dream world and the waking world, or between the conscious and the unconscious world, or between possible worlds and actual worlds, or multiverses and parallel universes.

Although I have detected that there is much less prejudice against the idea a connection between business or economics and spirituality than ten years ago. In Russia, I have always found less resistance. The foundation of mysticism is assent to the existence of many spheres of being, each having its own grammar, considered somewhat separate because of the impossibility of conceiving of absolute unity.

The world appears to be in disarray, poised on the cusp of transition. It is very different from the world that was imagined at the end of the Cold War. The evolution of technology has far exceeded the evolution of empathy. Empathy, we associate with unity because it involves the capacity to experience other spheres are being than our own.

We lack concepts to represent the notion of unity of spheres of being, or even to express unity within them. Spheres are being are distinguished by having different grammars. One sphere of being appears paradoxical even foolish, when we try to describe it in the grammar of another sphere. For example, trying to interpret Scriptures in a grammar appropriate to the physical world results in paradox or nonsense.

The correspondence principle of the physicist Niels Bohr and the principle of synchronicity of the psychologist Carl Jung have much in common. Niels Bohr invented correspondence to describe apparent paradoxes; according to the correspondence principle, in the limit two different systems may converge. Scholars have extended correspondence to correspondence between science and religion; between the physical and spiritual worlds.

Different spheres of being have different grammars, that it is not possible to express the essence of one sphere in the grammar of another, nor can a single grammar ever represent completely the essence of any one sphere of being. It is always necessary to call upon a meta grammar to remedy the incompleteness of grammar, and in turn the same is true of a meta grammar.

This observation is an expression of Kurt Gödel's incompleteness theorem. No grammar is complete. And the ultimate grammar, the grammar that contains all grammars, but is not itself contained by any grammar whatsoever, is no grammar whatsoever; nothing.

Perhaps we are driving towards a sixth great extinction. Another great extinction, if it happens, will result from separation; treating the biosphere, as if it were independent of events induced by homo sapiens; urbanization, economic and population growth and treating the earth merely as a source of exploitable resources. Living and non-living things, events, the biosphere and all spheres of being are so interdependent that they should be viewed as a unity.

On one optimistic view, in so far as homo sapiens is thought of as a pattern seeking, algorithm seeking being, technology can already create algorithms better than homo sapiens and in the not too far foreseeable future create algorithms that homo sapiens might not even understand. Perhaps then, it might be asked? What else? Soul may be resuscitated as a recognized sphere of being.

Returning to the assertion that often the wrong probability distributions are used in business and economics, the emergence of algorithm generating machines, plus big data may disintermediate research founded on the central limit theorem. The need for assumptions of multi normality may be eclipsed by algorithms that emerge from big data.

The polyphonic voices conference, I think all recognized that neo-liberalism as an algorithm for conducting economic affairs is in decline.

**A.A. PANKIN:** – The floor is given to famous journalist Vitaly Tovievich Tretyakov.

V.T. TRETYAKOV: - I'd like to comment on what Petr Tolochko said about the expansion of the West European countries not through the European Union, but rather through NATO to different territories. And it's called 'expansion of the area of freedom'. Actually, it has always existed, but today it's especially trendy, popular and productive, as it seems, to call bad things or things recognized as bad one's new names, as if they could become good because of it. In fact, it's the same tactics of expanding living space, which is well-known from the history of Europe, and it follows the same direction - to the East - and I wouldn't be surprised if with the same consequences. Well, they had to stop and think about coming to Russia, but North Africa and other regions fell under their influence. This tactics can be considered not as bestially hateful as the previous capture of the living space, but it depends on the point of view. It is not in some aspects, but in others it may be the same. Eventually, people appreciate their lives, because they have a chance to live as they are used to, as they wish, as they like. Not the way someone else considers better and makes them live differently by beating them on their heads with sticks.

Still, it's not the main idea. Our forum is really characterized by the chaotic diversity of opinions, and it adds to its attraction. I think that the organizers of the Conference put it as one of its goals to a certain extent – to try to discover the way to the perfect world without conflicts, but with a continuous dialogue of civilizations. I think that it will be useful to imagine the goal attained, to look at what we'll get in the end, to analyze the prospect in order to define whether we are following the right path and whether it's possible to get there at all. So, let's imagine that there is total peace all over the Earth; there are no nuclear weapons (or any other ones), and the social equality prevails – all people are well off, there are neither beggars nor billionaires. And there are also justice, cooperation, brotherhood, friendship, and I'd like to say 'love', but it seems like some complete heaven. Still, it's crystal clear for any sensible person over 10 years of age that such a state of affairs is impossible in principle.

And if we imagine this world, it seems that it should consist of completely identical subjects of international relations, i.e. it's necessary either to split large countries into smaller ones or to unite all small countries to reach the size of China or the USA, and to create 5-6 global subjects. It seems that this world will have to submit to very strict rules and follow them accurately, because it is difficult to imagine that two individuals or two companies in different points of the Earth could act in the same way in the same circumstances. And who will track abiding by all these rules? Perhaps, some micro-chips from the same center can be implanted, though it doesn't look like democracy at all, just the opposite. Still, even there someone will be deeply unhappy. Once something will definitely happen, and someone will violate the order, because even 100 or 200 days of pure continuous happiness are impossible.

Thus, I claim that the desired goal is a noble one, but it's absolutely wrong. That is why one half of attempts to reach this goal is simply not realistic, while the other half leads to discussions only, speculative at best, about the necessity to change something. It is clear that there are strategies of more or less acceptable survival in this world without humiliating the subject, be it an individual or a country that sets this goal. But peace with all its happiness, love, lack of conflicts of civilizations, their dialogue, is unreal. By the way, war is actually the best dialogue and one of the most effective ones, since it puts the things right. The end of a war is not the end of a conference; everything is clear there, the result is absolutely concrete, and its efficient implementation is ensured for a few years or even decades. So, I think that, perhaps, next year the nature of our discussion will change significantly, and this goal, which is unachievable, unreal and leading to the inapplicable cloudland, will be canceled.

**A.A. PANKIN:** – The achievability of the goal is one of factors that define its setting, though it is very dangerous to move at random without stating any goals at all. Sure, civilizations originated and changed by force, as well as religions. No religion and no civilization emerged and thrived for no particular reason. Still, it seems that we need to have more doctors and psychologists among us to understand driving forces of a creature called 'homo sapiens', and whether he wants to live in peace or to kill, to dominate or to obey, etc. And here we'll touch upon issues of other academia and experts that are also necessary, since the one who knows psychology, defines the future.

V.T. TRETYAKOV: – However, when moving at random one can get to the right place, though accidentally, while moving in an obviously wrong direction will never lead to the right place, even accidentally. And one more thing: sometimes there's a feeling that someone has intentionally set the wrong goal, and everybody starts discussing how to reach it, while the one who knows that they should move in another direction in fact, just does it.

**A.A. PANKIN:** – It is an interesting comment and at least the first recommendation for the next year that originated as a result of the section. And now Professor Chaba Varga from Hungary will speak.

**C. VARGA:** – Well, wonderful representatives of theory and action are assembled here from the banking sphere to diplomacy and the worlds of *academia* and *universitas*, all concerned with recent days' foreseeable trends and practices. And we have pondered on question marks whether or not the exclusive perspectives that are open to the human kind are indeed no more than capitalism or capitalisms. Not being either economist or historian but a legal philosopher very much interested in the history of ideas, a propedeutics to the law's understanding as well, I shall venture some further exemplification.

As to my personal history, by the end of World War Two Hungary became invaded by the Red Army, with the outcome of a Soviet-type Socialism imposed upon. Founded by a puppet government and operated by a tiny minority of Hungary, who subjected and symbolically imprisoned the rest of the population. What could intellectuals of those times do in order to orient themselves on their future destiny? Stalin was ruling, so they came back to Lenin, from Lenin to Marx, and as the source of what had become Marxism, to Hegel, and then, continuing the historical line, to the French Revolution, ending by the ideas of the French Enlightenment. The end product was a re-reading with new messages to learn. Now it is a common place that Communism was a historically universal dream pushed to limiting extremes; at the same time it was a Western product. But what about capitalism? A product of the West, of course. However, what has returned as capitalism to either the tsarist Russia or the once Soviet empiredom has just been an end phase of a long chain of material and intellectual development with many contextures, but without the refinement fought for, arranged and rearranged by its home countries for centuries. Practically, I guess, when we are to criticise or overcome capitalism, we need to see the whole path it has covered. We have to re-read all attempts at its humanisation, making it liveable and self-balancing, including the part, among others, that Scotland and especially the Scottish natural ideas may have played.

A quarter of a century ago I served as a member of the Advisory Board of the first post-communist, i.e., free elected Prime Minister of Hungary. Several of us were really interested to learn what Western/Atlantic and Socialist scholarship could add for us there and then, to have a very new fresh start in Hungary. And the perspective we could draw was rather negative: practically nothing, as the bag was almost empty; for science tends to make science for the sake of science, with theoretical conclusions that may be conclusive but without helping practical problem-solving. Even basic studies are missing, including anthropological research reconsidering the inherent presuppositions never faced by political theories in fact, including what is termed in the United States of America as political liberalism or nationless cosmopolitanism. For it is clear that Jean-Jacques Rousseau's claims are anthropologically unfounded, namely humans do not share the qualities he based his wishful image upon. And inquiring English, French or German literature you cannot find scholarly stand upon them. In my after-communism life I encountered first a book, produced by the psychoanalytic efforts of David Jonas and Doris Klein, dedicated to the regression homo sapiens has achieved, as indicated by the title, Man-child. As a matter of fact, it was a clear-cut criticism, not of capitalism itself but of those new stages especially Western progress produced, by the reduction of human qualities in exchange of privileges the earthly paradise could for generations offer, when there is no longer responsibility taken, neither genuine achievements, nor rights preconditioned by duties. Accordingly, growing psychological strains follow the fact that present day civilisational development runs against basic needs and internal balance that exclusively may make one human and healthy. Once having a look at comparative civilisations, this present stage seems to be an exception in world history, its self-agitation notwithstanding.

In my own professional field, jurisprudence, we are praising democracy, rule of law, parliamentarism and human rights, as if we were talking about sacro-saint gifts of God. And indeed, they play a God-substitute role: they are adored with no critical reflection. Behind the curtains, however, in the American understanding of the Rule of Law, constitutionalisation of issues is advanced, softing and in fact duplicating the legal order according to the discretion of a self-established judgeocracy, backed by uncontrolled pressure groups and accompanied by humiliating those not conforming the mainstream. This is a rule of law against any ideal the Rule of Law has at any time professed, spreading over the United States and the European Union as well, in practical negation of national sovereignty and the constitution-making authority of sovereign states. For long years, I could only find one Harvard-published book on juristopathy as a mark of the sickness of American society and its legal mentality, fruited from the variant of rule of law they had established. And there is not even an exception for international law, which praised ideas formulated the day before yesterday that had heralded the coming triumph of a legal order without antagonistic self-contradictions, that is, an evergreen human utopia never realised. Albeit the real point is the Secretary-General of the United Nations who in recent decades started to claim the agenda of rule of law in international relations, admitting thereby that, commencing with the Security Council, there is no rule of law with the United Nations either.

All in all, I guess we are talking as sensitive humans, moreover, we do see problems, but we hardly have enough foundation to confront them properly. So we have remained very falling humans, partly adoring substitute gods, but we try to act against them. So we are in a certain abyss: we should have a restart by studying the history and destiny of human ideas and institutions as well. Thank you.

A.A. PANKIN: – The floor is given to Professor Vladimir Lvovich Kvint. V.L. KVINT: – I'll get back to the topic of our meeting. Unfortunately, the idea of the global world order as such comes under undeserved criticism, as well as the globalization trend. In fact, what is the global world order? It is a political and economic system, which emerges driven by multinational institutions, superpowers and other states, aimed at providing stability of the world, development of procedures to coordinate, implement and eliminate the conflict in unarmed ways. The global world order changes, its leaders replace each other. It did not start today, and it shouldn't be considered something that refers to the period after World War II only. It was the same in the Ecumene in Ancient Greece.

Usually it's some superpower that stands behind the longest period of stability in the world, such as Pax Romana, for example. Now, due to the global trends, first of all, technological, we can see the new dynamism, evolutionary and revolutionary changes of the world order all the time.

The global world order is extremely necessary, first, to prevent armed conflicts in the today's world, and, second, to answer global challenges. Some consistent patterns and principles typical for the world are at the stage of maturity. As I've already mentioned, they include globalization and regionalization, technological changes, etc. But negative global phenomena emerge, first of all, terrorism and extremism along with these trends. In the context of the number of countries' increasing, there is a huge capital deficit in the economic sector, and that prevents solving problems connected with poverty, environment, fighting against mass illnesses, and, most important, fighting the terrible trend of terror and extremism. Thus, the global world order is needed; its leaders and the consensus change all the time; we should be ready for that and face it with our eyes open.

There are global and regional institutions. I agree with the Professor from Austria, who said that regional authorities were more and more represented in the institutions of the world order. However, it's important to understand that national communities shouldn't be governed by some commonplace bureaucratic institutions trying to put themselves higher than institutions of cooperation. The global world order is not imposing ideas, but always agreement based on consensus. The world will never move beyond the processes of forming and supporting the global world order. Today, the movement from the West to the East is discussed, but at the same time the movement from the East to the West is getting stronger. For example, I'm a zealous supporter of the New Silk Road's development, and I spoke about it a few times in the UN, already 12 years ago. But the Silk Road is the movement both from the West to the East and from the East to the West. So, the global world order can't be ignored; one can't just close the door and decide not to take part in it. It's necessary to find your own place in it, and maintain it, and every nation-state has to be able to put its view of the world order on the agenda of multinational institutions.

A.A. PANKIN: - Mr. Prodanov, you are welcome.

V. **PRODANOV:** – My speech concerns the idea expressed by Professor Silver. I also think that development takes place in large cycles, and one of dimensions of these cycles is the time of hegemony, the ascent of liberalism, multipluralism. And the time of conservative reactions

within each cycle are seen many times. Today, we live in one of the periods of conservative reactions, which has been going on since the 1970s, since the time of the Islamic revolution in Iran. Later, in the 1980s, riots of international Islamic formations against the Soviet troops took place in Afghanistan. And then rapidly developing China showed the new civilization type of socialism, which suited that country only; and its philosophy was to express the ideas of postmodernism while rejecting so-called large narratives.

These processes strengthened after the crisis of 2008 and led the capitalistic West to the growth of populism, nationalism, anti-Semitism, the fight between Islamism and Islamophobia in different European countries, the emergence of Al Qaeda, ISIL, Boko Haram and other extremist and terrorist enterprises. Young people from all countries of the world join these enterprises and claim that they are ready to die for medieval religious ideologies that are supposed to be remnants of the past. Conservative reactions are observed even in developed countries, in the main social groups losing their previous status. Workpeople take cues from populists and nationalists, migrants get together on the foundation of Islamic fundamentalism as well. The problem is reaching global scales. The common social-psychological environment generated by these recessionary processes is conductive to conservative counterrevolution. These attitudes are pessimistic. According to surveys, 65 % of the Europeans and the Americans believe that the world moves in a negative direction, and the situation is getting worse all the time, and the younger generation will be much poorer than their predecessors. The feeling of decay affects individual and collective behavior, adds stress, suicides and violence. This feeling also has economic effects, because it restrains investments.

Pessimism is connected with the growing distrust of authorities and institutions of liberal democracy. It's not 'a better future', but 'a better past' that makes more and more electors dream about coming back to the good old days, which seem much more preferable than the indefinite future. And the past has always been the mainstay of conservatism. When decay processes take place and traditions and conservative views are returning, the past is reconstructed in the positive light and opposed to the turbulent present and the pessimistic future. Those, who turn to history and suggest restoration, win. Both glorious communistic future and bright neoliberal democratic European Euro-Atlantic future are delegitimized. They don't unite the greater part of society any longer, so people start looking for unifying goals by turning to the past, inventing and interpreting religious, national and ethical identities. Collective traumas related to religious or ethnic conflicts are revived. The growing process of the global multi-polar struggle, when the military and ideological confrontation is actively stimulated and arranged by large states on the basis of the 'divide and govern' principle, adds to it. In periphery countries, such as Bulgaria, it manifests itself in the comprador behaviour of elites and exacerbation of the struggle between different geopolitical centers people identify themselves with on the basis of civilizational identity, connected with conservative ideas. There's a struggle between Russophiles and Russophobes, Americanophiles and Americanophobes, Europhiliacs and Europhobes, Eurasians and Anti-Eurasians bypassing conservatism.

## A.A. PANKIN: - You are welcome, Mr. Montes.

M.F. MONTES: - I thank you very much, mr. Chairman. I was encouraged by Piotr to finish what I wanted to say yesterday, and what I was trying to say yesterday is within the framework that Beverly came up and the way I connected it. What are the mitigating factors, what could slow it down, right. We know that the transition from the British hegemony was about the century [illegible]... So would it be a century, will it take that long? Actually my comments are really based on [illegible], because I have three minutes, let me talk about what I didn't say immediately, right. One is whether the hegemony is willing to the face for me that the three problems that are critical to its continuation, and you know... One is the regulation of finance, deregulation of finance, because it was that had been a regulation of finance before. Second is the regulation of the information and communications technology, you know, I mean just... [illegible] run some way things really, the inability of this industry to be regulated. And the third thing is stood to what extent that you are willing to put itself as part of collective security, right. Because in the end, you know, that it's declining and there's the power right there. So let me... the just to end... on the on the regulation of finance which [illegible] I came up with. Actually the 33 trillion is actually a debt of both the public and the private sector. And the very specific investment trait, that I was talking about, was actually the private nonresidential investment trait. That means the residential rate of services and manufacturing, right, and what is actually... the problem that the we have this my grammar is 150 years old and 150-year-old grammar of Marx is that the problem is how do you translate profit into investment, right, and what is actually happening now. The public sector is not able to translate, there is the grammar by Keynes, which is eighty years old. The grammar by Keynes says, where the public sector can do if in the private sector cannot do it. The grammar by Marx is more complete than the grammar of Keynes because for him in a capitalist system it is the actions of the private sector that underlying force of the capitalist system. And I don't want that the term is... in... realization crisis, right. How do you convert the profits into investments? And actually what is happening with both the private sector and the public sector have built up this multiple debt, they cannot restart the investments. So the issue is not... so that margin is the profit and the issue for a grammar of Marxist. Well, the profit is only the start that realization of the investment rate, right. It's the important part of this grammar, the determination of whether finance will... actually... I mean the regulation of finance was was mentioned by ambassador [illegible] is one of the key factors in this particular situation. That's the only point I want to make we don't want to talk too long, I'm just reacting to what we are talking about. It is very useful to have this discussion with you mr. Desgardins.

## A.A. PANKIN: - Let's listen to Mr. Littlejohn.

**G. LITTLEJOHN:** – Now I'd like to respond to Hans Köhler's remarks about the deep state structures interfering in social media. It has recently become clear in the British press, that both the Brexit election campaign and the Trump election campaign were funded by the same billionaire who is running a program that was called micro-targeting. In other words they had a huge database with a great deal of knowledge about millions of people and they were sending social media messages to specific people with specific attempts of persuasion which were different for different audiences. So this is called micro-targeting, it has been used for selling products for a long time and that technology really is 20 years old and it was invented by a corporation in America which I met briefly with 20 years ago when I was trying to raise funds for a digital startup company. This corporation is called "Scientific Applications International Corporation", SAIC and before I went into the meeting I was told if I wanted to understand the nature of this Corporation I should reverse those initials: CIAS, "CIA's" was what I was told. And this was a joke, it was a hidden joke, but that was the real legal title of this Corporation. And what I discovered in this meeting was that the whole technology for micro-targeting was already developed fully developed by the CIA. So I got on the plane very quickly after the meeting and the discussions regarding the digital startup were not concluded. I was too keen to escape from what I regarded as a very threatening situation. But the point is it's now being modified with the development of Facebook and Twitter so it is even much more sophisticated with the use of smart phones. Yet it was already there 20 years ago, but the British press has just discovered this, just discovered that elections can be influenced in this manner, but in fact this is been going on for a while. So that's an aspect of the influence on politics and it's a dangerous influence and we should be aware of it. So this man who's been funding the micro-targeting for elections in the USA and UK has been named now in the British press, in the Guardian and so on, but they are saying, does this mean we no longer have a true democracy? Well, my answer at that is, wake up!

And now moving on to the influence on digital economy... my paper, which I've sent to the Likhachov Conference, was actually about monetary policy in India which sounds a very boring topic, but it has implications for the functioning of BRICS, of course. But what has happened recently in India, was what looks like a mistake, when government suddenly tried to force the whole population to start using credit cards and smart phones for banking. This is a population which is largely illiterate, which is mostly running on small-scale rural markets, and 85 % of exchange in India is actually done in cash. So to try and force this population out of that very quickly was bound to cause massive disruption. In my paper I argue that the effect of this was not an accident and not just a simple policy mistake. I'm arguing this was actually organized as a deliberate strategy by some American corporations and American foundations. So this is a form of destabilization. You can see details in the paper on the website, so that I don't need to say anymore. But these are both aspects of how the emerging digital economy is affecting the economy, the general economy, and the politics. It gives the corporations much more influence than perhaps we are fully aware of. Thank you.

**A.A. PANKIN:** – Your words testify that it's not the matter of Russian hackers who supposedly influenced the results of elections in the USA.

I'd like to give the floor to the co-moderator of our section, Piotr Dutkiewicz. Let's summarize what was said in the course of our discussion.

P. DUTKIEWICZ: - Thank you very much, Alexander. What I would like to say is a reflection on what we were debating for the last two days rather than a summary of this - very rich - discussion. My senses of this two days of our meeting was that we started from the very broad base of ideas and today we s streamlined some of the ideas to the puzzle of how big powers will try to maintain – in some cases - or to gain tools for establishing regional hegemonies. So this direction of our conversation is very encouraging for the future meetings. To me there are four main group of issues that I would like to highlight based on your presentations during last two days. I also hope that I will be able to show how and to what extent we fulfilled our promise to the organizers to discuss the contours of the future. We discussed three aspects of those contours of the future that are becoming became quite transparent. Firstly we engaged in a rich discussion on the ways leading to new type of hegemony - hegemony based on using regulatory and institutional frameworks. Many of presenters today were touching on how in the multipolar world that is emerging one hegemony will possibly be replaced by regional hegemonies. For many the key questions was whether or not this new situation will create 1-2-3 hegemonies or maybe this hegemonies will create their own small fiefdoms and become a centers for a certain type of peripheries. But this is in the geographical sense, this is in the state sense and some of you went beyond the sense of the space, related to particular states and many of you started to talk about the content and contextual hegemonies. And that I was particularly intrigued by some of your presentation like Mr. Akayev with the IT sector and the new ways in which the information technologies, communication technologies may form the new basis for some form of digital hegemony, transborder, trans-national, trans-state related to way they will control cyberspace. The key issue for further debate can be a location of this new type of hegemonies, are they located with the particular companies, private sector or still they are supported by the state. But it's one of those components that were phenomenally interesting, Second element of the new toolbox to maintain/construct hegemony is a regulatory power. Many of you touched that issue and M. Montes spoke in length on the regulatory power of the new centers. Third topic discussed was a power of the capital and Bruno very interesting presentation gave us a solid overview of the isue. The question is, a huge question is, what to do, how money would look like in the new hegemony? Because they are three types of money: money that are in debt, we owe something to someone, money as capital (and there's the wonderful book by Nitzan and Bichler about the capital as power) and then money has a form of the treasury, which is the new phenomenon, the money stacked without working. And the question is whether they will be used or not and in which way they will be used, what would be relations between these types of money? That was - to me a fascinating aspect of our discussion about the new world order and hegemonies.

Then we also discussed more traditional aspect of hegemonies, like arms superiority and technological superiority. Thirdly – as discussed by Dr. Chaba legal tools to maintain hegemonies. Discussion outlined a hegemonic tools based on law, which... hardly it's a rule of law, it's a law that generates authoritarianism, new type of authoritarianism and formally we call it law, but in fact there is no just legal order behind this. The last - fourth - group of issues discussed was the regional aspects of forming hegemonies and interplay among key players such as China and South East Asia and the US, which was very interesting. And in this context I found a alarming appeal of Piotr Tolochko, who turned part of our debate to the issue of "small powers" that shall navigate between bigger players. This alarming appeal was particularly important in context of our discussion about modern power. The question is whether or not only the big players have power? To me - in some cases - the opposite way around as the powerless has also a different form of power, because they can transfer their problems into the hands of the big powers. If for instance Bulgaria will say 'we'll not pay any debts, goodbye, thank you very much' is a problem for Bulgaria or is a problem for European Union. It's bigger problem for European Union than for Bulgaria. Another example. When commander in Aleppo can distract the whole peace conversation between big powers, so so using no more than a hundred fighters. Thus we can observe that small units are transferring problems to the bigger powers and then the small players are becoming by default a big player in the big game. Collectively we can propose the next panel next year, exactly about the issue hegemonies or the issue of what is the hegemony, how it's structured from where is it coming, what are the components of the new hegemonies? To answer the question what are the pushers for hegemonies and what are the barriers for the new hegemonies, because obviously there is a complex situation in which there is no only pushers for this new type of hegemonies, but they are very big barriers to get to this point. To conclude I would like profoundly thank you all for sharing with us your thoughts.

A.A. PANKIN: – Thank you, all of you who participated in the section, for your activity and interest. 29 people spoke at our meeting. One of the accents was made on the global world order and its various aspects. Among other things, it was said that deideologization of foreign affairs hadn't come to an end yet, and prolonged conflicts loaded with ideological messages would come.

The issues covered by our colleagues concern restoration of relations between Russia and the USA, different facets of the Chinese factor, the underestimated role of Africa that can capture the most deliberate attention, because it turns into the location and transshipment point for terrorist and extremist enterprises, drug traffic and other crimes. The issue of globalization's irreversibility was discussed. It seems that the collective opinion tends towards prolongation of globalization, though in some other forms. Digital transformation and robotization will bring about new phenomena, including in management and governance. New communities will emerge influencing the global state of affairs. In particular, scenarios in the financial sector will be defined not but bankers only, but rather by computer programs and by those who develop them.

As for the state's role, the topic was viewed from different points, but I haven't heard any weighty arguments in favor of the idea that the state should give the place to some other leadership trends or communities, though it is observed due to globalization. New communities are created in business environment and on the Internet with their leaders and resources that have a significant impact on the scenario of global processes.

Comments concerning motivation of various actions were quite interesting, from the physiological point of view as well, and from the historical point of view in the context of turning to historical examples. I heard some interesting ideas concerning the phenomenon of development: it is required to replace classical modern capitalism with something called 'developmentalism', i.e. something aimed at development, not at making and distribution of profit. It is very interesting.

The beginning of our discussion has already been called 'cacophony'. It's to the point. However, there are a lot of modern musicians who compose melodies that are disharmonious at first sight, though they have certain philosophy. According to the lively comments to numerous topics, I think that our discussion turned to be interesting and useful, despite some confusion, which is inevitable when such a great range of topics is covered.

Still, there are drawbacks. First of all, it's pessimism that characterized most of the speeches. We didn't speak about the bright future, though we expressed hope that more just types of social structure will be inevitable. And, actually, no one expressed any concrete suggestions whether we should restrain or, on the contrary, stimulate development of the identified processes. I see that we are in an academic environment here, where ideas are born only, and then it's necessary to explain and interpret them to those who make practical decisions and to make these people believe in the ideas. Obviously, it's not the goal of our forum, but the potential of the Likhachov Conference is great and it should be used not for academic purposes only, but for practical ones as well. I thank all the participants.

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