

RUSSIAN ACADEMY OF SCIENCES  
ST. PETERSBURG INTELLIGENTSIA CONGRESS

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ST. PETERSBURG UNIVERSITY OF THE HUMANITIES AND SOCIAL SCIENCES

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under the support of the Ministry of Foreign Affairs of Russia

# CONTEMPORARY GLOBAL CHALLENGES AND NATIONAL INTERESTS

## The 16th International Likhachov Scientific Conference

May 19–21, 2016

*The Conference is held in accordance with  
the Decree of President of Russia V. V. Putin  
'On perpetuating the memory  
of Dmitry Sergeevich Likhachov'  
No 587, dated from May 23, 2001*

*The conference, originally called 'The Days of Sci-  
ence in St. Petersburg University of the Humanities  
and Social Sciences' is the 24th in number  
and the 16th in the status of the International  
Likhachov Scientific Conference*

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**St. Petersburg  
2016**

*Scientific editor*

**A. S. Zapesotsky**, Chairman of the Organizing Committee of the International Likhachov Scientific Conference, President of St. Petersburg University of the Humanities and Social Sciences, corresponding member of the Russian Academy of Sciences, Academician of the Russian Academy of Education, Dr. Sc. (Cultural Studies), Professor, Scientist Emeritus of the Russian Federation, Chairman of the Executive Committee of the Congress of St. Petersburg Intelligentsia.

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The proceedings of the Plenary session, Panel discussions and Round Table of 16th International Likhachov Scientific Conference are published in the collection. The Conference took place on May 19–21, 2016 in the 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 D. S. Likhachov”. Representatives of about 30 states took part in 16th Conference.

Among 66 authors of the collection – writer Daniil Granin, outstanding Russian scientists, members of the Russian Academy of Sciences: Chairman of the Committee on Science and Hi-Tech (the State Duma of the Federal Assembly of Russia) V. A. Chereshnev, S. Yu. Glazyev, A. A. Guseynov, A. S. Zapesotsky, V. L. Kvint, A. B. Kudelin, V. A. Lektorsky, A. G. Lisitsyn-Svetlanov, V. L. Makarov, A. D. Nekipelov, R. I. Nigmatulin, A. V. Smirnov, V. S. Styopin, V. A. Tishkov, and others; top-managers of academic institutions and scientific research centers, representatives of higher educational establishments, mass media managers, well-known state and public figures: Chairman of the Federation of Independent Trade Unions of Russia M. V. Shmakov, Deputy Minister of Foreign Affairs of the Russian Federation G. M. Gatilov, Judge of the Constitutional Court of the Russian Federation G. A. Hajiyev, Chairman of the State Duma Committee on Constitutional Legislation and State Development V. N. Pligin, Vice president of the Federal Chamber of Lawyers H. M. Reznik, Director of the RAS Institute of Europe Al. A. Gromyko, Dean of the Higher School of Television at the Lomonosov Moscow State University V. T. Tretyakov, Ambassador of Russia to the UK A. V. Yakovenko, and others.

The following people are among the foreign authors of the collection – Duchess of Abercorn (United Kingdom), President of Kirgizia (1990–2005) academician A. A. Akaev, Prime Minister of Pakistan (2004–2007) Sh. Aziz, Princess of Saudi Arabia Basmah bint Saud bin Abdul Aziz Al Saud, Ambassador of Azerbaijan to the Russian Federation P. Bülbülođlu, Minister of National Education of Poland (1996–1997) J. Wiatr, President of Geneva International Peace Research Institute (GIPRI) G. Galice, banker Bruno Desgardins (Switzerland), Deputy Prime Minister, Minister of Finance of Poland (1994–1997, 2002–2003) Professor G.W. Kolodko, Minister of Foreign Affairs of Spain (2004–2010) M. A. Moratinos, Ambassador of Spain to the Russian Federation (2008–2011) J. A. March, Lord C. Moynihan (Great Britain), Ambassador of Iran to the Russian Federation M. Sanayee; members of foreign Academies of Sciences: A. N. Danilov (Byelorussia), V. Prodanov (Bulgaria), P. P. Tolochko (Ukraine); Professors: S. R. Ameli (Iran), C. Varga (Hungary), J. Galbraith (USA), P. Dutkiewicz (Canada), V. Ingimundarson (Iceland), H. Köchler (Austria), M. Kukoč (Croatia), N. Mosaffa (Iran), T. Rockmore (China), V. della Sala (Italy), J. Sapir (France), T. Türker (Turkey) and others.

The President of the Russian Federation V. V. Putin has highly evaluated the role of the Reading saying in his welcoming speech that at the forum, which “has become a really big event and a wonderful tradition in public, spiritual life of the country... the agenda of the meetings always includes the most urgent humanitarian, civilization problems having exceptional importance for the present and the future of Russia”.

БКБ 72



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

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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

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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 Dmitri Sergeevich 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*



## 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*



## 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 Sergeyeovich 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*



**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*



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 Sergeyeovich 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*



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*



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*



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 16th INTERNATIONAL LIKHACHOV SCIENTIFIC CONFERENCE**

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**To the participants and guests  
of the 16th International Likhachov Scientific Conference**

**Dear Friends!**

Congratulations on the start of the International Likhachov Conference, which is being held in St. Petersburg for the 16th time.

Your forum brings together leading scientists, politicians, public figures, writers and church leaders from dozens of countries. According to fond tradition, you discuss pressing matters of the modern development of dramatically different countries – questions that can be answered with the help of the rich creative legacy of Academician D.S. Likhachov and his humanitarian ideas.

The world is facing challenging times. The realization is dawning that the policy of multiculturalism, so actively propagandized in the West, has hit a dead-end. Globalization, once considered the only process for cooperation among peoples and states, has exposed the inherent contradictions between different cultures and civilizations. Coming to the fore today is the idea of interculturalism, where the emphasis is placed not only on culture but also on other spheres — the labor market, education, the civic responsibility of people of different nationalities and faiths for their country and the planet, the future of their children. At this year's meeting, you will tackle a discussion of all this and much more encompassed by the concept "dialog of cultures."

I am confident, despite the acuteness of the problems raised, that the forum will unfold in an atmosphere of friendship and goodwill, as it always does. After all, it was D.S. Likhachov himself who said, "argument is the immediate revelation of intelligence, logical thinking, courtesy, respect for others... and self-respect."

I wish you all success, and to the foreign participants of the Conference — bright, unforgettable memories of your visit to Russia's Northern Capital.

*Chairman of the Government of the Russian Federation*  
**D. A. MEDVEDEV**

**To the organizers, participants and guests  
of the 16th International Likhachov Scientific Conference**

I warmly welcome the organizers, participants and guests of the 16th International Likhachov Scientific Conference.

Your authoritative forum unfailingly gathers together in the Northern Capital the leading representatives of scientific and expert circles, public figures, politicians and economists from many countries of the world — all those who are interested in gaining professional insight into the key cultural and civilizational problems of modern times.

The timeliness of the theme of this year's Conference would be difficult to overstate. Today, when the world is facing numerous global challenges, including the unprecedented spike in terrorism, added importance is given to finding a reasonable balance between ensuring national interests and pursuing collective diplomatic work grounded in international law and the UN Charter.

Russia will continue its work on focusing collective efforts on forming the polycentric architecture of global governance that addresses 21st century realities, and will help advance the cause of mutually-respectful intercivilizational partnership.

I wish you productive discussions and all the very best.

*Minister of Foreign Affairs of the Russian Federation*  
**S. V. LAVROV**  
*Moscow, May 19, 2016*

**To the organizers, guests and participants  
of the 16th International Likhachov Scientific Conference**

**Dear Friends!**

I am pleased to welcome the organizers and participants of the 16th International Likhachov Scientific Conference!

Dmitri Sergeevich Likhachov was one of those rare, towering figures who are symbols of national and global culture. His unquestioned authority is a reliable benchmark for evaluating such concepts as dedication, professionalism and integrity. In our times, when even the most fundamental values shaped over centuries of human development, are sometimes thrown into question, the examples of such people are particularly important.

The Likhachov Scientific Conference, which brings together the cream of the Russian and international scientific community at Saint-Petersburg University of the Humanities and Social Sciences every year, furthers not only the noble goal of preserving our cultural heritage, but also the formulation of new means of its popularization.

I wish all Conference participants productive and effective work, substantive discussions and new achievements in the preservation of Russian culture!

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

**To the Rector of SPbUHSS, Chairman of the Organizing Committee  
of the International Likhachov Scientific Conference**

**Dear Alexander Sergeevich! Dear Colleagues!**

On behalf of the Ministry of Labor and Social Security of the Russian Federation and myself personally, I offer a warm welcome to the members of the Organizing Committee and participants of the 16th International Likhachov Scientific Conference. Your scientific forum is meeting for the sixteenth time – proof in and of itself of the event's importance in the country's scientific and cultural life and the timeliness of the problematics under consideration at the Conference.

Today, the world is facing yet another economic crisis, accompanied, among other things, by an intensification of conflict in social-labor and other spheres.

It would seem that precisely forums of the level and nature of the opening Conference are uniquely positioned to help facilitate a deeper and fuller understanding of the processes unfolding around us, promoting dialog between different scientific disciplines and schools, and shaping public opinion around the important problems of modern times.

I wish the organizers and participants of the Scientific Conference successful and productive work.

*Minister of Labor and Social Security of the Russian Federation*  
**M. A. TOPILIN**

**To the Chairman of the Organizing Committee, corresponding member  
of the Russian Academy of Sciences A. S. Zapesotsky, participants  
of the 16th International Likhachov Scientific Conference**

On behalf of the Russian Academy of Sciences, I welcome the participants of this authoritative scientific forum. The Conference has become a long-time mainstay of the country's scientific life. This year, the topic "Modern Global Challenges and National Interests" builds organically on the themes of past Likhachov Conferences.

Participation in the 16th International Likhachov Scientific Conference by national and foreign representatives of the academic, political science and intellectual community is a shining example of the multidimensionality of the scientific interests and public affairs championed by D. S. Likhachov, and his efforts towards the integration of scientific knowledge – evidence of the broad international recognition of the scientific potential of St. Petersburg.



In this connection, it would be difficult to overstate the importance of your scientific forum, devoted to the most pressing problem of today's global challenges and the protection of national interests.

I wish all participants of the 16th Likhachov Conference fruitful academic discussions, personal and professional achievements, and new scientific discoveries for the betterment of Russia.

*President of the Russian Academy of Sciences, Academician*  
**V. E. FORTOV**

**To the Rector of SPbUHSS A. S. Zapesotsky, organizers and participants  
of the 16th International Likhachov Scientific Conference**

On behalf of the Federation of Independent Trade Unions of Russia, I am genuinely pleased to welcome all of the organizers, participants and guests of the 16th International Likhachov Scientific Conference.

Your authoritative scientific forum traditionally brings together the elite of the Russian and global intelligentsia, prominent scientists and cultural figures, diplomats and politicians. The substantive reports and heated discussions by Likhachov Conference participants are always greeted with tremendous interest and broad public resonance.

The dawn of the 21st century has been accompanied by growing global threats for Russia, including in the area of social-labor relations. The events of recent years have clearly shown that without culture, science, technology – civilization itself – lose all meaning and devolve into a source of danger for humanity. Cultural figures and scientists alike have been tasked with fostering a dialog of cultures and civilizations in the global world, determining Russia's rightful place in the context of the era's geopolitical challenges.

In this connection, it would be difficult to overstate the importance of your forum, which is devoted to such a pressing problem of such urgency to Russian trade unions. In promoting and supporting the advancement of workers' rights and dignified social standards, Russian trade unions are unwavering in their adherence to the principles of international solidarity as they strengthen international cooperation and cohesion.

I wish all Conference participants productive work, great spirits and many creative successes!

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

**To the organizers, participants and guests  
of the 16th International Likhachov Scientific Conference**

**Distinguished Members of the Organizing Committee!  
Participants and Guests of the 16th International Likhachov Scientific Conference!**

Greetings to you all, esteemed colleagues and friends!

The Saint-Petersburg University of the Humanities and Social Sciences is one of Russia's leading academic institutions, educating and instructing its students in the spirit of the best Russian cultural traditions, actively drawing from and building on the rich legacy of Academician Dmitri Sergeevich Likhachov.

The theme of the 16th International Likhachov Scientific Conference "Contemporary Global Challenges and National Interests" is of tremendous importance to UNESCO. It's a topic that has been gaining urgency in recent years, when problems that have been allowed to fester over decades of difficult political and human relations have become particularly keen.

The prime objective of UNESCO is the preservation of mankind's cultural heritage. Today, the global community must join forces in order to protect our cultural and spiritual values. I would like to thank the organizers of the International Likhachov Scientific Conference for their adherence to these goals and ideals.

I wish the participants of the upcoming discussions successful work and all the very best!

*UNESCO General Director*  
**I. BOKOVA**

# ABOUT THE INTERNATIONAL LIKHACHOV SCIENTIFIC CONFERENCE

## Information

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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 Sergeevich 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 Sergeevich 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' 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. Pivovarov, M. B. Piotrovski, N. A. Platch, 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. Kineliyov, 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. Hajiyevev, G. M. Gatilov, Al. A. Gromyko, M. S. Gusman, A. K. Isayev, S. L. Katanandov, S. V. Lavrov, E. I. Makarov, T. A. Mansurov, V. I. Matviyenko, V. V. Miklushevsky, 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 cultural-educational programme for senior high-school students entitled 'Likhachov Lessons in Petersburg'.

In 2001, 2004, 2006, 2009–2012, 2016 the hosts and participants were greeted by Presidents of the Russian Federation V. V. Putin and D. A. Medvedev, in 2008, 2010–2016 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](http://www.lihachev.ru)).

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## REPORTS

**Alexandra Anastasia,  
Her Highness the Duchess of Abercorn<sup>1</sup>**

### THE SPIRIT OF PUSHKIN IN IRELAND

Dear friends, it is a very great pleasure indeed for me to visit your wonderful University once again. It is always a great delight to visit Russia, the home of my maternal line.

The future of our world and all its immense possibilities lie with our children, and I cannot stress too highly the concern I have for the wellbeing of every child in our midst, and the strength of my conviction that it is our responsibility to do all we can to provide the opportunity for each of them to grow to his or her full potential. And if, as I believe, every society is composed of individuals, then perhaps there are important questions we still need to ask ourselves about what it means to be a whole person, one who is able to function well in life, physically, mentally, emotionally and spiritually, in times such as these.

In trying to consider what it might mean to be truly human and fit for purpose, now in this 21st century, I would like to share with you briefly my experience of the way in which the creative spirit of Alexander Pushkin, my great, great, great grandfather, found its way to a land which was in crisis for many years throughout the 1970's and 80's.

At that time I realized that if the negative feelings of fear, anger and hatred which were rife among the children of Northern Ireland were left unaddressed, then their future would continue to be dominated by the terror of bombs and bullets, and their young lives further distorted and wrecked by the kind of suffering that, sadly, we still witness in many parts of the world today. In that situation, it seemed to me that a way had to be found to enable the children of Ireland to find their own true 'voice' and use it to transform the fear and terror that beset us all at that time into new, more inclusively humane stories than those that had been thrust on them by a long and bloody history of unresolved conflict. In my search for ways to help them to do that I turned for inspiration to the spirit of my great ancestor Alexander Pushkin.

I remembered what is legendary to you here in Russia – the true story of how, at an early age, Pushkin was inducted into the world of the imagination by the voice of his beloved nanny Arina Rodionovna telling him the traditional fairy stories of this land. By the flickering light of the fire in the hearth of her dacha, that wise woman led the boy across the threshold of consciousness into the land of both light and darkness, a region of the soul where magical transformations could take place.

Through the impact of those stories on his young imagination, an inner resilience was built in that young life, a creative power which taught him how best to face fear

and danger, and how to open the heart to love and compassion in a manner that would eventually empower him to infuse the lives of countless others with a kindred spirit for centuries to come.

Inspired by that spirit, in 1986 I initiated The Pushkin Trust in Ireland as an imaginative educational project that would bring children together from both the Catholic and Protestant communities, while also crossing the border between the two jurisdictions of Northern Ireland and the Republic of Ireland – something that had previously seemed impossible to achieve either politically or diplomatically. But the transforming power of the creative spirit, activated in the name of Alexander Pushkin, now opened new and fertile ground.

Through the work of the Trust in encouraging them to write, children who had never flourished in an intellectually academic way began to discover that their feelings and emotional intelligence were of equal value and importance in making a good life, and the injection of self-confidence that this understanding brought opened up a renewed enthusiasm for learning and a more positive approach to life in general.

It was as if a spark from the fire of Pushkin's creative spirit had flown to Ireland – also a traditional land of the poet and scribe – in order to kindle a new light in the classrooms of primary schools in many parts of the island through the writing of stories and poems. With the help of our own writers and poets, children in these schools were initiated into the realm of the imagination – that magical source of transformation from which Pushkin himself as a young boy had drawn such powerful inspiration.

Its spark took instant hold. Teachers began to remark on the instant revitalizing effect this had on children who had formerly shown little interest in learning, and who in many cases had for too long felt at a loss for words. Now, for the first time the 'voice' of the child was being truly valued, and in no time at all the teachers too, inspired by their pupils' example, were beginning to write and express their own thoughts and feelings in a newly creative way.

As children and teachers and members of the wider community began to find universal ground on which to meet and share their stories as creative human beings, they also found ways to engage with, and to befriend, their inner monsters. Rather than projecting that darkness outwardly on to whoever they might once have conceived to be the 'enemy', they began to recognize those dark fantasies as parts of who they themselves were. They were then able, through the benign power of the awakened imagination, to convert previously destructive energies to creative ends. In this way the spirit of Pushkin has made a significant contribution to the furthering of the wider Peace Process in Ireland.

My experience of the positive effects of such changes in the culture of Ireland leads me to believe that the work we have done in the Pushkin Trust has wider implications for

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Patron of the Russian Culture Festival in Dublin. Founder of the Pushkin Prize for young writers of UK. Author of "The Firebird's Feather" collection of poems in English and in Russian. Officer of the Order of the British Empire. Holder of the Pushkin medal (2014). Tsarskoye Selo Arts Prize winner (2000). Honorary Doctor of the Ulster University, Honorary Doctor of the St. Petersburg University of the Humanities and Social Sciences.

the education of the child of our time. Throughout the past millennium, conventional systems of education have created a serious imbalance, one which tends to restrict rather than enhance the prospects for the growth of our children into wholly realized human beings. I believe it is time now for us to redress the balance between the narrow emphasis on academic success and a more comprehensive education for emotional intelligence – to redress, the balance between the head and the heart.

In Ireland the imaginative spirit of Pushkin has acted as a kind of catalyst or enzyme for the recovery of the compassionate creative spirit in a troubled world. And if it can be done in Ireland, is such a recovery not possible elsewhere, not least in Pushkin's homeland, Russia, where true power still resides, as it has always done, in the inner realm of deep imaginative wisdom?

I believe that an intuitive understanding of the source of that power is evident in a line from a Letter in Verse to Pushkin recently written by a ten year old girl. Her poem is called 'Letter to a Goldfish' and in its last verse she says, "let us bring back what has remained whole."

Isn't the voice of that child telling us there that we have *lost touch* with what nevertheless remains whole? Why else should she beg us to bring it back? Yet the line insists that, precisely because it remains whole, it can indeed be recovered.

Because I believe the child is speaking of the soul, her profound thought leads me to utter the name of Holy Russia. For both wholeness and holiness come from a place where pairs of opposites are re-united around a centrepiece, and that centre is the source from which the creative spirit flows into the material world, infusing life with love and empathy, with spontaneity and enthusiasm, and with that 'childlike' quality of hopeful innocence through which redemption and regeneration are made possible again.

If we are truly to love the soul of Russia – to have faith, as Pushkin did, in Holy Russia – then we must educate our children in wholeness. For if the soul of any society is to be forged through its system of education, then it must put the whole child, and the child's growth towards still larger wholeness, at the centre of its vision. We can no longer afford to restrict, inhibit and stunt the full potential of our children. In particular, we must not continue to neglect their greatest gift – the gift of imagination, because that creative and transformative power of invention is also the agency of compassion, and the surest means through which we hear and speak the deep language of the soul.

In that spirit I would like to end with some words by Dostoyevsky, words from *The Brothers Karamazov*, in which he timelessly exhorts us to: 'Take care of the people and guard their heart. Go on educating them quietly. That is your duty – for this people is a God-bearer.'

A. A. Akayev<sup>1</sup>

### CONCERNING NEW PARADIGM OF GLOBAL SUSTAINABILITY IN FIRST HALF OF 21st CENTURY AS RESPONSE TO CURRENT GLOBAL CHALLENGES

Some prominent historical sociologists of the world assert that nowadays there are objective reasons accumulated for a grandiose structural crisis, which may not be resolved within existing scientific paradigms [1, page 8]. They believe that the creeping crisis of capitalism will occur in 2040-s and will be much more destructive compared to the Great Recession that started in 2008. Most developed capitalistic countries have not yet found the effective ways to exit the global financial and economic crisis of 2008-2009, which confirms disability of existing scientific paradigms in the area of market economy. Rigorous search for a new scientific paradigm within the current liberal model of capitalism have not yet yielded promising results. Therefore, most insightful scientists among historians, sociologists and economists asked the key question: is there future for the modern capitalism?

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One of the founders of the modern world-system analysis, who predicted the end of Soviet communism in 1970-s, I. Wallerstein already today provides reasoned justification of the future regression of the modern world-economy built upon capitalistic principles [1, page 23-60]. Besides, he also warns that nobody may predict now, which system will replace capitalism. Indeed, no real alternative to capitalism is seen today. Communism, which was charged with similar hopes, lasted for less than a century and was gone without a durable viable alternative to capitalism. I. Wallerstein was supported by another famous sociologist R. Collins, who also predicted collapse of Soviet communism in 1970-s [1, page 61-112].

M. Mann [1, page 113-155] and K. Calhoun [1, page 216-265], on the contrary believe that capitalism has not yet exhausted its internal resources, therefore it may remain, but be reformed and improved. In this aspect M. Mann, for example, speak for social-democratic solution to the issues of capitalistic globalisation, i.e. globalisation "with a human face". And K. Calhoun finds state capitalism more probable, and its main example today is China and its neighbours in Eastern Asia.

Capitalism, together with its "creative destruction" of old technologies and forms of production [2] was also the source of inequality of income and environment deterioration, which may in the nearest future result in grandiose social revolutions and global environmental catastrophe. In



order not to miss such deep crisis of capitalism that may result in its death, legal establishment of supreme social justice is required, as well as strict compliance with environmental imperative to maintain comfortable habitat of Earth population.

Therefore, we come to the conclusion that the only real alternative to current liberal capitalism that may to a large extent answer the above challenges, is the *integral social system* predicted by the great sociologist of XXth century Pitirim Sorokin [3]. In the article “Mutual Convergence of the USA and USSR into Mixed Sociocultural Type” [3, page 337-384], written back in 1961, i.e. more than half a century ago, P. Sorokin ingeniously envisioned that the “Dominating type of the future society will not be communism and capitalism, but a certain type that we will call integral. This type is intermediate between capitalistic and communistic social system and life style. It will perceive the main positive values and will avoid serious faults of each of existing types” [3, page 337]. He believed that such convergence is a promising symptom and a healthy process.

Experience of Germany and Scandinavian countries that built socially oriented market economies became bright examples that confirmed validity of ideas of P. Sorokin. Experience of socialistic China, which today follows the integral path specified by P. Sorokin, also confirms fruitfulness and viability of the integral social system. It is possible that by the middle of the century the contours of a truly new alternative to capitalism will become more clearly visible. But *in the first half of XXIth century, for the period of 6th long wave of economic development of Kondratiev, global construction of the integral social system of P. Sorokin is most suitable and fruitful foundation for development of a new theoretical paradigm.* Of course, each country will build its own version of this new system, as P. Sorokin suggested. We all should make our considerable contribution to propaganda and establishment of paradigm based on transition to the integral social system of P. Sorokin.

*So, when we talk about a new paradigm, we have to specify new sources of long-term economic growth and new conditions, compliance with which will provide for long-term sustainable development.*

The source of economic growth in the coming long wave of Kondratiev (2018-2050), as it was established already, is the 6th technological mode (TM), based on NBIC-technologies (N – nano-, B – bio-, I – information-communication, C – cognitive technologies), born by the NBIC – revolution [4-7]. The active process of technological convergence that started in the end of the XXth century – beginning of XXIth century and meant mutual penetration of technologies, was especially visible in NBIC-convergence. The process of technological convergence is accompanied usually with synergistic effect, which characterises growth of production efficiency as a result of convergence of technologies. It is the synergy of NBIC-convergence that will have powerful impact at economic growth in XXIst century.

Therefore, developed countries in the first half of XXIst century will saturate their industries and sphere of services with high-technology science-driven products and services based on NBIC-technologies. At the same time developing countries will enforce industrialisation of their economies and form the up-to-date sphere of services. At the same time it is extremely important that they have wide access to en-

ergy and resource-saving technologies of 5th technological mode (TM), which serves as the foundation for current most developed economies of the world. It is remarkable that key technologies of 5th TM already became the general purpose technologies (GPT) [8]. Developing countries could implement wide-scale programs of 5th TM GPT introduction, first of all, into life-supporting industries of the economy (mining, water-gas-power supply, transport and trade industries, as well as education and health care), since these programs provide for real growth of national income (GDP). Besides, in this scenario of development, the damage to environment as a result of large-scale economic growth in the world is minimised.

*What are the conditions ensuring long-term sustainable growth during another long wave of economic development?* The author believes that the following five conditions should become imperatives during the 6th big Kondratiev cycle (BKC) (2018-2050):

*First of all, social justice*, providing for fair distribution of income in the society, reduced inequality of income to the socially acceptable level. The current finance and economic crisis clearly confirmed that socially oriented economies of Germany and some Scandinavian countries were quite sustainable even under conditions of turbulent instability of economic situation. Therefore it is required to return to the socially oriented model of market economy, to social states. It will make it possible to remove social and political stresses in national communities and to strengthen social cohesion required for sustainable growth of global economy.

*Second, fair harmonic globalisation*, providing for fair distribution of benefits from globalisation processes. It is required to harness chaotic process of globalisation and direct it for the benefit of both industrially developed countries, as it has been so far, and developing countries, so that the latter could overcome poverty and distress. Due to rising wealth of population in developing countries, the global middle class will be expanding fast, accordingly the demand for the goods and services of long use will be growing, thus promoting sustainable long-term economic growth at the global level.

*Third, environmental imperative*, providing for agreed, energetic and effective efforts of the entire global community for the balanced provision of all required resources to the growing population of the Earth – potable water, food, energy, etc., without damage to environment, without further deterioration of Earth biosphere.

The biosphere of the Earth is a self-regulating system, however, its ability to maintain stable environment is limited and remains until disturbances influencing the system exceed regulation capabilities. Anthropogenic impact of humankind already at the border of XIX-XX centuries exceeded this limit, and since then the Earth is in the status of continuously deepening environmental crisis. If further deterioration of environmental crisis is not prevented, it will inevitably grow into an irreversible environmental catastrophe, which will be ruinous for the humankind. Time is here, when current economy has to be transformed into the one that is environmentally oriented and protects the planet biosphere [9].

*Fourth, stability of the financial system*, providing for stable investment of financial capital into real economy. Financial capital definitely plays a key role in modern econo-

my. It is the first to support technological upgrade of economy, but then it contributes to deepening of contradictions leading to a possible crisis. Each technological revolution resulted in a period of explosive growth at financial markets as the precursor of future breakdown. Since maintenance of financial system stability is one of the main obligations of the state, more efficient state regulation shall be achieved in this critical sphere. It is absolutely clear that excessive regulation kills stimuli to innovations, development of new innovation products. However, insufficient regulation results in significant issues, as it was demonstrated by the current crisis. We hope that within cooperation of twenty developed and leading developing countries it will be possible to produce contours of a new global financial architecture, which is more reliable, more flexible and eliminates the opportunity for appearance of financial bubbles, generating crisis phenomena and resulting in a sudden collapse in economy, which is followed by breakdown and then depression.

*Fifth, convergent development* of economies in avant-garde countries of the world. Avant-garde countries of the world, which include countries of G5 (USA, Japan, Germany, Great Britain and France), and BRICS, are becoming locomotives of the global economic development in the 6th BKC of 2018-2050, creating the necessary demand by convergent development of their economies. Developed countries create demand for goods and services of BRICS countries, supporting transfer of mass consumption technologies (MCT) to the latter and inflow of direct investments. BRICS countries and other developing countries with growing markets promote to the maximum expansion of the middle class in their communities, thus creating the sufficient volume of demand for expensive knowledge-intensive goods and services provided by developed countries. Labour-intensive industrial production will still be located in developing countries.

BRICS countries, in their turn, will become locomotives for less developed countries, creating the necessary demand for raw materials and semi-finished goods, cheap goods and services, and also investing into development of infrastructure and social sphere. The key role for economic growth of poor developing countries may be played by fair terms of international trade, which may be created only with strong support of BRICS countries within G20 and WTO by successful completion of the Doha round. Therefore, it is possible to again recover global demand and maintain further its sustainable growth.

*The key problem here is the globalisation problem.* Indeed, one of the conclusions of the famous French economist, the Nobel laureate Maurice Allais, which he made as a result of empirical research of employment and economic growth conditions in process of globalisation, is as follows [11, page 22-23]: “Total globalisation of trade between countries with quite different levels of salaries (according to exchange rates) is bound to result in the end in total – both in developed and less developed countries – employment, drop in economic growth rates, inequality and distress”. The above is also true in respect to the issue of environmental situation deterioration in developing countries, to where developed countries of the West move their “dirty” industrial production capacities.

Considering globalisation as an objective process, another Nobel laureate, the American economist J. Stiglitz

proposes key reforms for elimination of its faults, in particular, he states the problem of *global economy management* [12, page 41]: “Unfortunately, we do not have global government responsible for nations of all countries, in order to control the process of globalisation by the methods, which are comparable to those that national governments used to direct the processes of nation formation. <...>

The main issue of the modern world is not globalisation, but the methods of its implementation. Partially it is due to international economic institutions, which design the rules. Often they do so for the benefit of leading industrially developed countries and for the benefit of special groups in these countries. These institutions put the trade and finance interests above all and see the world through the eyes of a financier, and not an economist, thus, issues of taking care about habitat, providing the voting right to the poor to make decisions that directly influence them, assistance to development of democracy, fair trade, remain outside their field of vision”.

Therefore, J. Stiglitz definitely relates the solution to above issues and development of the global government, which must act for the benefit of all countries of the world, the entire humankind, and not only the narrow group of developed countries of the West, as it is done today by the International Monetary Fund, the World Bank and many other international organisations.

Remarkably, but the same was on the mind of the great Russian scientist Vladimir Ivanovich Vernadskiy. This year the 150th anniversary of V. Vernadskiy is widely celebrated in many countries of the world. Vernadskiy developed the doctrine on the biosphere of the Earth that became globally known, and also predicted transition of biosphere to a qualitatively new state – noosphere [13]. Understanding noosphere as the sphere of interaction of the nature and society, Vernadskiy believed that *noosphere required global management of planetary processes according to a general reasonable will*, and this is related to ideas of socially oriented society.

I call a new model of global economy that meets the above five imperatives – social justice, harmonic globalisation, preservation of Earth biosphere sustainability, financial system stability and convergent development of economies of avant-garde countries of the world, generated and managed by the reasonable global government, “*nooeconomy*”, i.e. *economy of justice and sense*. Today, when the global crisis exposed all these issues, is the most favourable moment to start formation of nooeconomy in order to save the humankind from ruinous wars and natural catastrophes, and to provide for smooth transition to noospheric civilization. The humankind must understand that tomorrow it may be too late.

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**DUAL SPACIZATION OF THE WORLD:  
EMPOWERMENT/DISEMPOWERMENT OF NATIONAL CULTURAL INTEREST**

**Introduction**

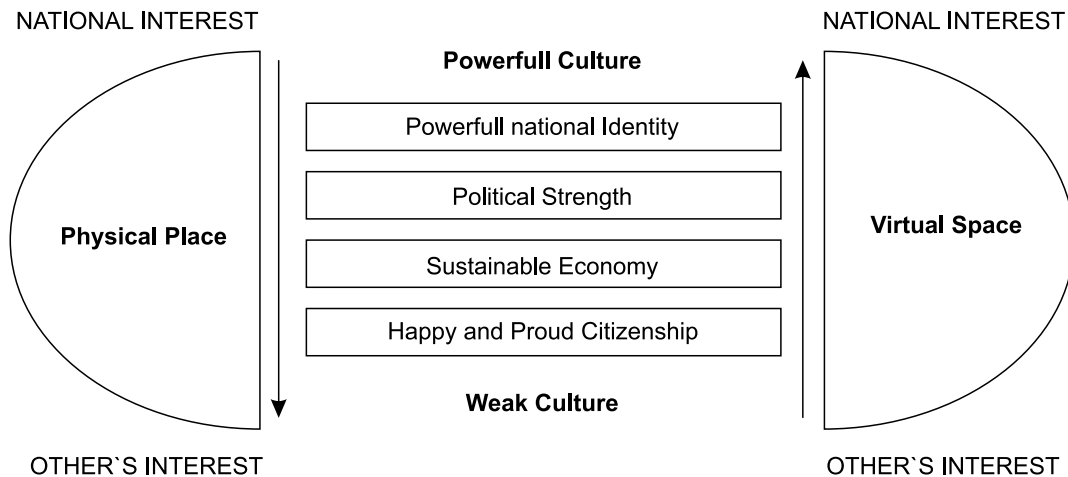
Global Challenges for national interest is related to many factors. However, the emergence of globalization and the new space of life or virtual-real geography of life which has tremendous impact on the physical-real life can be highlighted as the strategic milestone of our time. Accordingly, we can talk about a new paradigm shift of understanding, planning and structuring of our local-global-glocal national and international relations. This strategic milestone can be called dual-globalization of the world. By a different approach it can also be referred to as dual spacization of the world. Dual spacization is about parallel capacities and challenges in virtual-real space as well as physical-real place in which serious changes take place in medicine, city planning, publishing (Ameli, 2013), commerce, banking system, corporation networking, bureaucratic system, governance of private, public and official sectors and many other aspect of life which gradually pushing information, people, things, processes towards cyberspace not in isolated environment but in connection and detection of the actual physical elements.

In this short academic paper, some aspects of cultural national interest in relation to dual spacization of the world will be elaborated.

**Challenges of National Interest**

National interest is routed in many social resources such as powerful culture (Ameli, 2003), sustainable development (Dalal-Clayton and Bass, 2002), political strength and power (Pham, 2008), happy and satisfactory citizenship (Ameli, 2002a & 2002b). It can be argued, however that national interest also has strong ties to cultural power as a meta factor that has influence on national identity, happy citizenship and effective economy and politics. There is serious point of view that the main element of technological and ideological differences between east and west is culture (Mazrui, 2000).

Empowerment of individualism through global expansion of access to knowledge and information, translocalization of life in general and life-style and social and political role models in particular, has pushed every individual, social and cultural entity to decide whether to choose nation-



al culture or to go for other cultural life-styles. This is why political citizenship, economic consumption and social relations depend on cultural attachment.

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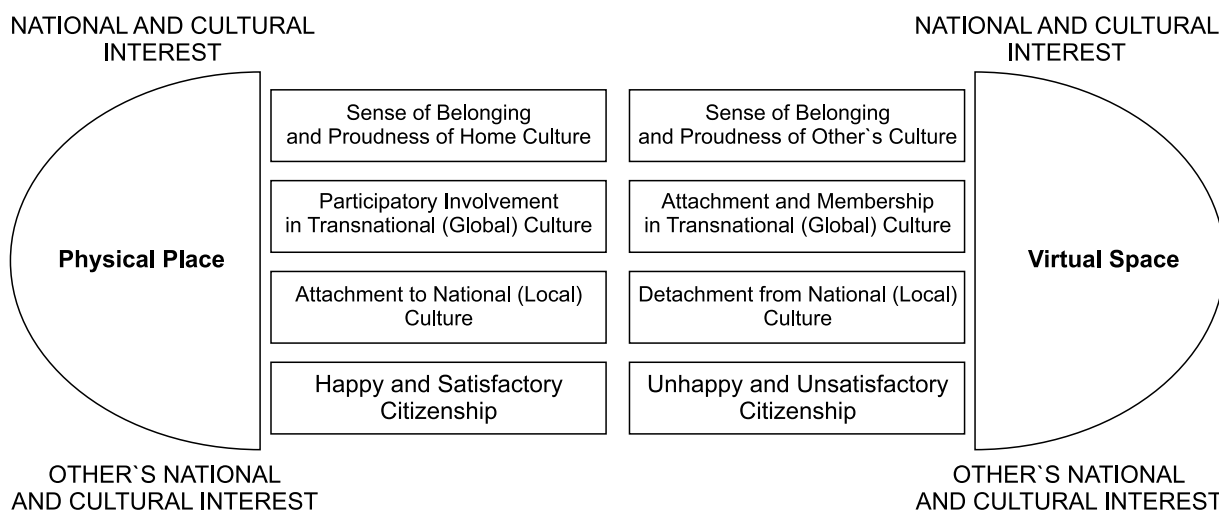
**Cultural Change of National Interest**

The main argument of this presentation is that national interest is no longer a political phenomenon, nor is it merely an economic issue either, but it is a cultural matter (Hammerich & Lewis, 2013). Accordingly, national interest is highly dependent on cultural interest, therefore, if one feels a high level of attachment to the home culture, then we

could say that the individual has a strong sense of belonging to that society and will not risk the national security and national interest for the price of other's political, cultural and economic rapprochement.

According to the Model of Dual Spacization of the World and Cultural Change of National Interest, the main factors that are involved in structuring a powerful culture or a weak culture, illustrate which dual spacization is the main macro factor that adds global capacity of virtual space to the life and choices of every society. In such circumstances, the attraction of happy and proud citizenship, sustainable economy, stability and strength of political system and powerful national identity can create a powerful culture and propel individuals and societies toward cultural interest and consequently national interest. In contrast, if one experiences weakness of all those four elements, people might be inclined towards an external cultural and political interest.

Nowadays, the virtual space is offering a shared room for all events and occasions no matter how sweet and bitter they are. And the same holds true for scientific, political, cultural and economic achievements. As a matter of fact, the virtual space is a visa-free world, where one can enter other countries without holding a passport. In spite of the fact that such a world is gradually getting aligned with political and social borderlines, still there're certain layers which can enter a "shared space" the access to which is available for the entire global public. While creating the hotbed for subcultures to develop, the virtual space can also serve as an axis for the shaping of subcultures as well. In other words, the nature and identity of many subcultures is rooted in or arising from the content existing in the virtual space. Such a space helps new subcultures shape and develop. It, however, has a great impact upon the forcing out of those subcultures which show adaptability to the structure of the virtual space.



**Cultural Interest Pyramid, Digital Diaspora and National Identity**

On the second model, namely the model of glocal empowerment/disempowerment of national/transnational cultural interest pyramid, I have tried to show the hierarchy of empowerment or disempowerment of national and cultural interest on the basis of happy and satisfactory citizenship. Powerful citizenship has the potential for strong attachment to national/local culture and it can be potentiate individuals and society to get involve in transnational/global culture in safe and healthy contribution which reinforced sense of belonging and prouddness of home culture.

Reformulation of culture within dual spacization environment can also affect tendency toward home culture and other culture in the form of digital diaspora. "Cultural Diaspora" has always come as a result of physical immigration or displacement, while digital Diaspora as a new cultural phenomenon is a product of the mental departure and a change in the values and thoughts of individuals due to the introduction of the virtual world (Ameli, 2011). This cultural phenomenon is capable of affecting one's nationalistic tendencies or cultural interest as well as the national and collective identities (Ameli, 2016).

Issue of national identity is another element of cultural interest which becomes subject of serious change in relation to diversification of access to others culture. The expansion and spread of the World Wide Web has reduced distances, creating some sort of a dynamic identity among the youth in particular. A UN Development Commission report in 2002 (Floridi, 2003) highlights the rise of a new common identity among the youth in various spots of the world. This has been particularly growing as borders among societies have started to vanish, leaving room for a tendency toward a greater information and network-based world.

The growth of a dynamic identity, thanks to the virtual space, can be described as an opportunity. But at the same time, there is a negative aspect to that, as it can weaken and undermine the individual's national identity in two ways. First. The virtual space has the capability to serve as a platform for borderless communication, replacing such identity features as nationality and language with gender and age. This can in turn gradually put aside the elements which are meant to strengthen national identity and prepare the ground for the growth of elements which put more emphasis on the sub-cultural notions of age and gender. Identity factors are interrelated. For instance, gender can be ex-

plained as dependent upon the greater identity factor which is nationality. Put more simply, an individual's understanding of their identity to a great extent depends upon the nationality to which they or others belong to. Any impact upon a certain identify feature can leave its impact on other features as well. In this context, the virtual space which affects the national identity brings about an imbalance in the traditional structure of identity features, more specifically gender and age. Nowadays, with individuals modifying the definition of their gender and that of others signifies a disintegration from the traditional and sustained notions.

### Causes of Instability of Culture

Why does this instability or fundamental cultural doubt, hybridity and undetermined orientation of identities and national/transnational orientation take place? The answer comes back to the rise of dual-spacization of the world which brought very critical changes. Amongst these changes, three are notable: 1) change in the entity and nature of time, 2) change in the level of access to the World, 3) Exploration in the power of choice.

1) Change in the entity and nature of time: Time was related to the elements of distance, movement and speed. Physical time, therefore, is very relative and depends on velocity of movement. However, spontaneous and transnational communication removed the importance of time and brought everyone to the omnipresence space which is accessible for all without consideration of distance. Therefore, as opposed to physical time, virtual time is not a relative time, it is not a time subject to death, but one can call it 'eternal time' which is the subject of sustainability, simultaneous accessibility and reversing the time direction (Ameli, 2016).

2) Change in the Level of access to the world: architecture of internet consisted of three elements: 1) modularity, 2) layers, 3) integrativeness (Van Schevick, 2013). This means that all dispersal nodes of communication have the potential to make access between one to one, one to many and one to all. That is how today more than 120 billion exchange of emails take place and this is only one way of access to the world, beside that access to information for more than 3 billion population of the world and billions of exchange and sharing of messages on social networks and OTT as well as billions of human electronic and/or smart activities in the form of e-banking, e-education, e-medicine, e-government and many other devices which have made connection to the internet in the form of Internet of Everything (IoE).

3) Exploration in the Power of Choice: Life and choices in the past were limited to access to near places and near environment and people living in the same village, city or at most same country. By emergence of instant communication, access and communication between presence and absence instantly became possible. This means access to people, commodities, societies, lifestyles, social policies and model of governance of others brought diversified choices which can affect cultural interest of one society, consequently this can even influence social and national interest of some nations.

### Conclusion: Empowerment of Cultural and National Attachment

Empowerment of cultural and national attachment would not take place unless in the competitive cultural market of the world, one society observes better choices in local/national culture. This chosen choices should not be so weak that everyone prefers others cultural products. What I mean here by culture is not only art, music, fashion or whatever comes as a popular culture, but I emphasis on culture as a whole way of life supported by good citizenship system which give impression of proudness, happiness, strong sense of belonging and membership and having sense of great support by government and society. Therefore getting support for national interest highly depend on impression of the people about the whole way of life, system of citizenship and social recognition.

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## CONTEMPORARY GLOBAL CHALLENGES AND NATIONAL INTERESTS

The challenges facing us, in our increasingly interconnected and globalised world, are also more wide-reaching than ever. They include the spread of extremism and terrorism, the threat of economic crises, the challenge of harnessing effective leadership and cooperation, as well as the conflicts being played out in the Middle East and its wide-reaching consequences, including the challenge of handling mass migration. Whether it be troubles within a country's banking system, the spread of the zika virus or the consequences of regime change, issues which arise in far-flung corners of the world have the potential to affect us all. In return, they only be truly addressed through a coordinated multilateral approach.

The nature of some of these global threats is also changing. The wars of tomorrow will not be fought using conventional armies – they will be fought against non-state actors. Across the world, terrorists are attacking innocent civilians, capturing and holding territories and disrupting trade routes. The current crisis in the Levant has spiraled and shows no signs of abating. The Islamic State began as one of many groups formed during a sectarian conflict in countries ravaged by civil war or which had gone through regime change. They have been successfully using sophisticated technology to recruit around the globe and spread their message. Their actions create a dangerous, unstable climate in which policies are harder to implement and the writ of the state in affected countries is in danger of losing elements of its effectiveness.

We are not equipped to handle these threats – our present world order has so far struggled to develop a coherent and adequate counter-strategy. The world needs to focus on a strategy to deal with these developments, and the sectarian, tribal, ethnic, nationalistic and religious issues which feed into them. It is still not properly understood how these organisations develop and gain ground – more sophisticated intelligence is needed to understand their funding and command and control structures, as well as the links they have with other groups. Traditional ways of tracing and tracking communication also do not work in the same way. We should also have a strategy for addressing the issues of return risk and handling those citizens who fled to fight among extremist groups, and now wish to return to their home countries. Special programmes are needed to rehabilitate them and ensure that they are not a threat to others.

Over the years, several mistakes were made by the international community. For example, not enough effort was made to generate economic activity following external interventions in the region. In any post-conflict environment, there should be a thought-out economic revival and growth plan, supported by the key countries and the Bretton Woods institutions. This must include out of the box solutions and credible structural reforms. While it is not necessarily helpful to dwell on past mistakes and make accusatory comments, it is important to study these experiences and learn from the past. Military intervention to topple the leadership of a country, without a clear post-conflict strategy, is

without doubt a recipe for disaster. It increases the chance of failing states, allowing non-state actors come in to fill the void.

We must address the root causes of terrorism, which involves recognising that this is much more than a security matter – it is a hearts and minds matter. Terrorism and extremism are both factors of deprivation. They spread by preying on the disillusioned and those who are struggling to find a place in their own society, and who find a place and purpose among their recruiters. Deprivation concerns much more than being in a state of poverty, and can manifest itself as a lack of opportunity, lack of human rights, absence of a voice or a lack of resolution of disputes. When deprivation reaches a stage where people feel they are not heard, they can become vulnerable to extreme causes. We must strike at the heart of these root causes. We must develop our intelligence capabilities, our methods for fighting these non state actors. Sadly, we have so far collectively struggled bring all the various factions together and create a sense of nationalistic spirit and propagate values of peace and tolerance, emphasizing the positive aspects of our own societies. Only then can we have a chance to truncate the movement of people wishing to cross borders to give their lives for these causes.

The fallout has been global – as the crisis in the Middle East continues to unfold, millions of refugees have already fled the conflict zone. More than a million have settled in Jordan and others have moved to Turkey and Europe. Each day, thousands make the perilous attempt to cross the Aegean Sea to get to Greece. While there are strong humanitarian reasons for giving refugees a home, a failure to control the flow of migrants could have troubling consequences for Europe. While migration can play a positive role in society and address the problem of an increasingly ageing population, which many developed countries are having, there must be the capacity to absorb the incoming migrants. Social security systems and infrastructure have to be equipped for them – and leaders have to convince their people that this can bring long-term benefit to their country and economy. At present these factors are lacking in many parts of the world, and the migration issue requires careful handling. If moderate leaders do not find a way to do this, the crisis can play into the hands of far-right parties and extremist groups. Cooperation is key – countries including Russia, Turkey, the US and the European states must find ways to work together and come up with lasting solutions.

One of the major challenges we collectively face is a crisis of cooperation. This is seen within Europe, with the current debate raging in the UK over leaving the EU – it is seen between the main economic and political superpowers, including the US, EU and Russia, and, more recently, between the US and its allies – as President Obama recently criticised France and the UK's role in the Middle East – and within multilateral forums, such as the P5. It is important for points of potential tension must be recognized and solutions sought through dialogue and diplomacy. These countries have many shared strategic and economic interests and it would help to focus on cooperation in these fields, thereby reinforcing linkages and interdependencies in the region.

<sup>1</sup> Politician, Prime minister of Pakistan (2004–2007), Finance Minister of Pakistan (1999–2007). In 2001, Mr. Aziz was also named "Finance Minister of the Year" by Euromoney and Bankers magazines.

By finding common ground, the incentive for peaceful behaviour and cohabitation will grow.

What we increasingly see, as different security, economic or social threats emerge, is that the world suffers from a leadership deficit. Politicians and decision-makers lack a global view and are too focused on their short-term domestic political cycles. As we are increasingly faced with growing global threats – of terrorism, security failures, nuclear proliferation, cyber attacks and natural disasters – this could create problems for the future and disrupt prospects for peace and progress. Countries, particularly in the developing world, need world-class and far-sighted leadership to unlock their true potential and face these threats.

The struggles seen within Europe must be resolved. In the long terms it does not benefit any of the European countries to be adversarial towards any of its fellow states or neighbours. Instead there should be a greater effort to engage, emphasise points of common ground and build linkages, connectivity and interdependencies to develop a better relationship while respecting each other's sovereignty. Increased cooperation will help lower the temperature and the peace divided will be high for both Russia and the EU countries. In the long term the security, stability and the prosperity of the whole of Europe can be attained with all major stakeholders working together.

Globally, we are seeing the emergence of a new balance of power. China has already established itself as a world player and is recognised as such by the international community. As it continues to grow, its citizens' incomes and consumption levels will increase, as will the country's market power. In response to its growing economic stature, it is natural that China's geopolitical influence is also on the rise. This has already been seen in the security and development dynamics of Asia, and China is now poised to look beyond the region and engage with the wider world. Inevitably, the global political order installed by the Western powers after the Second World War is set to change, if China is to become the economic world leader, expected to eventually surpass the United States in GDP.

China has already been expanding its military capacity, building the strength of the People's Liberation Army since the turn of the millennium, upgrading its training and technology – developments which make some other powers uneasy. These concerns were articulated by Hillary Clinton, who said while serving as the US Secretary of State: "History teaches that the rise of new powers often ushers in periods of conflict and uncertainty. Indeed, on both sides of the Pacific, we do see some trepidation about the rise of China and about the future of the US-China relationship." Washington's decision to "pivot" toward Asia was part of its new policy toward Beijing, which has involved attempts to counter China in the region.

Meanwhile, Beijing's stated policy has been the pursuit of a "peaceful rise" and "peaceful development" and its leadership has always been keen to emphasise this. Still, it must be recognised that whenever the power balance in the world changes, challenges are created. The Ancient Greek scholar Thucydides posited that conflict is inevitable when rising powers emerge to rival dominant ones. It is now customary to cite his "Trap" as a possible threat to global stability.

Firstly, it must be recognized that a multipolar world is, in the long run, better than a unipolar one. The exist-

ence of new world powers could be a source of strength for all nations.

Secondly, in many parts of the world we have largely moved away where conventional conflict is a viable option – in part because of the existence of a nuclear deterrent, and in part because the nature of competition itself is gradually changing. Global affairs now operate under two parallel paradigms: firstly, the traditional paradigm of power and rivalry; and secondly, the emerging paradigm of interdependence and common interest. At the present stage of history, both paradigms coexist uneasily, as evident in the seemingly contradictory behaviour of states – competing and cooperating simultaneously.

The power and rivalry paradigm remains dominant in the policy establishments of the United States, China, Russia and other countries. For example, it manifests itself in today's increasingly challenging Asian security environment, such as the alliances being built by the United States in Asia and the shift of America's naval power from the Atlantic to the Pacific. Meanwhile China has been building and developing its ties with Russia, Central Asia, Iran, Latin America and Africa, as well consolidating of old relationships, such as with Pakistan. However, whatever these movements indicate, the situation is unlikely to reach the stage where it tips over into physical conflict.

A more realistic medium-term scenario involves continued differing economic approaches between the important stakeholders, encompassing access to natural resources, rival development models and the need to increase influence in global economic and financial institutions. That said, work is still needed to diffuse existing tension over disputed territory. Focusing on areas where diplomacy and dialogue will help establish a working relationship.

The benefits of interdependence and connectivity are already becoming increasingly compelling to more policy-makers across the world. The willingness of countries around the world to subscribe to the Asian Infrastructure and Investment Bank (AIIB) was an encouraging sign, a testament to the strength of Asia and the space for a modern multilateral institution to play a role in the world. While some countries have not yet embraced it, the AIIB is an opportunity for the region – and the world – to build a new financial infrastructure, one that more accurately reflects the realities of today's environment. It will complement the existing development institutions such as the Asian Development Bank, the Islamic Development Bank and the World Bank. The AIIB should run on four key principles – meritocracy, transparency, a level playing field for all stakeholders and high standards of governance. It has the benefit of not being hostage to history and not tied by historic rules, as is the case for the Bretton Woods institutions, which sometimes stifles their ability to adapt to the modern world.

An important step forward towards building greater connectivity in the world is China's "One Belt One Road" initiative, an ambitious development policy launched by President Xi Jinping. It seeks to connect China to markets in Asia, Europe and further afield, and involves land and sea trade corridors, building connections along old and new trade routes between Central Asia, South Asia, China, Russia and Europe. It is expected to contribute to the further integration of the global economy and rising prosperity across Asia as well as Europe and Africa.

China has set the tone for the 21st century with One Belt, One Road. There is a great opportunity for other world powers – the US, Russia and the European countries – to build on this initiative and focus on inspiring greater cooperation, collaboration and connectivity. While a changing world order may be unsettling for some, the number of challenges collectively faced as a world, which cannot be solved unilaterally by any country, is only growing.

Existing multilateral organisations should be reformed to reflect our current needs and to be truly effective. At the same time, new initiatives, such as the Trans-Pacific Partnership (TTP), should be inclusive.

Close collaboration is also increasingly indispensable on a growing number of other issues, including disease control and the looming problem of antibiotic resistance; cyber security; outer space and non-proliferation. In areas of potential conflict, the method of communication between key countries should be institutionalised, with frequent contact, dialogue and discussion to prevent conflict escalating through misunderstanding.

Climate change threatens the entire planet. The US, China and other major carbon emitters, including Europe and India, are required to take joint action to reduce emissions and build a world economy based on green energy.

Last year's COP21 agreement in Paris was a positive step forward, but implementation will be the challenge.

One of our greatest challenges we face is demographic. In the developed countries, this manifests itself in the form of shrinking and ageing populations, which places more pressure on the welfare state. Conversely, many parts of the world are witnessing a population boom. With such strong demographics, broad-based educational reforms are necessary. Otherwise young people trying to join the labour force will not have the required skill sets, and this will limit the number of opportunities open to them. This runs the risk of having an alienated generation with a limited sense of disengagement with society. Instead, policy makers should focus on unlocking the potential talent and capacity to work in these young people could be huge boost for those countries, increasing growth and prosperity.

About 800 million people still live in extreme poverty and suffer from hunger. In countries affected by conflict, the proportion of out-of-school children increased from 30 per cent in 1999 to 36 per cent in 2012. More work needs to be done to eradicate global poverty and substantially improve the lives of those who most need it across the world.

Substantial progress has already been made – as witnessed by the progress made since the Millennium Development Goals (MDGs) were agreed upon. The UN re-

ferred to the MDGs as the “most successful anti-poverty movement in history” in its report in July 2015. Even though the target to halve extreme poverty was narrowly missed, the number of people living on less than \$1.25 a day has been reduced from 1.9 billion in 1990 to 836 million in 2015. While significant gains have been made for many of the MDG targets worldwide, progress has been uneven across regions and countries, leaving significant gaps. Conflicts remain the biggest threat to human development, with fragile and conflict-affected countries typically experiencing the highest poverty rates. Gender inequality still persists in spite of more representation of women in parliament and more girls going to school. Women continue to face discrimination in access to work, economic assets and participation in private and public decision making.

One of the biggest challenges for policy makers today is not only to encourage growth, but to make sure it is equitable. The economist Thomas Picketty has provided us with a stark warning about the dangers of the increasingly widening gap between the rich and poor. If prudent policies are not undertaken to manage this transition, the social implications could be significant. Capitalising on the opportunities presented by new technology – from increased automation to so-called “disruptive” innovation, which can transform old industries for the better – could be a step towards bringing our economies into the 21st century and providing new kinds of opportunities for social mobility.

We need to develop a way to better safeguard our systems from future economic crises. The nature of economic cycles means there will always be another downturn. However, prudent policy-making and a commitment to ongoing structural reform can guard us against potential shocks. As economies mature, they increasingly need to change and deregulate to sustain their rate of growth. Structural reform, for many countries, should involve a programme of privatization, liberalization and deregulation. This will help open up industries to world-class standards of management, while making them more competitive.

In conclusion, the main challenges facing us today are the existential threat of extremism and terrorism, the potential of economic shocks and downturns, a leadership deficit and the task of adequately addressing the political and humanitarian fallout which can come from external intervention and regime change. There are many other challenges – but the key to addressing all involves finding a way for all the main world powers to cooperate. The challenges facing the world today will not be addressed by a unilateral approach.



## **Her Royal Highness, Princess of Saudi Arabia Basmah Bint Saud bin Abdul Aziz Al Saud<sup>1</sup>**

### **BRINGING DIPLOMACY TO THE PEOPLE, AND THE PEOPLE TO THE DIPLOMATS**

The political turmoil of recent years is now seeping into the economic health of the world, which is a major cause for concern given the severe global economic shocks experienced since 2008. Stock markets have begun 2016 in turmoil, and commodity prices have dropped significantly. This creates shocks which reverberate into the world's domestic economies and the communities which live in them.

But this should not be surprising. Economic hardship and political hardship are never far apart from one another. Nor is there even the slightest sign of improvement. Refugee inflows are destabilising Europe and Syria's neighbours, while conflict and economic and political upheaval continue to drive the outflows. The relentless pace of the crises gives us little time to draw breath and consider the best course of action.

Yes, we have proper channels, and we have long experience of traditional diplomacy. But recently, it seems that when we enter into dialogue, there is not enough sincerity or intention to compromise. We are too guarded, and too convinced or afraid of the consequences of failure to approach dialogue constructively.

But we all suffer as a result. Ask our communities. The suffering endured by people across the Middle East and beyond, whether through conflict or grinding poverty is no secret. Media, technology, and civil society have developed to a point where there can be no excuse that we simply didn't know what was happening in the world.

But here's an opportunity. So far, media, technology, and civil society have been acting as conduits, sending messages out to the world. But we must take matters in to our

own hands, the hands of the people, and send meaningful constructive messages in. Begin a proper dialogue.

Broadly speaking, there are dialogues underway, and there is conventional Track I diplomacy, but its failures or weaknesses must be tackled and underpinned by us. We need to involve the suffering communities themselves. Instead of men in grey suits speaking for the communities, the people must be empowered to speak for themselves.

Track II diplomacy must be brought closer to Track I diplomacy. This is not to supplant leadership – which is needed now more than ever – but it is to provide content and popular support which can increase the chances of success and peaceful outcomes.

As the years of turmoil drag on, I am more and more convinced of this. We need to view ourselves as part of a global community, not a series of national groupings which connect with others or not when it suits them.

We need economic progress, which creates better living conditions worldwide. That requires better skills, and more investment in education and infrastructure. Government policy needs to support private enterprise in creating the right kind of operating environment, but more than this, it requires genuine partnership. This is especially true when talking about key social concerns, such as power grids and health systems.

We are in an era when people and their governments are experiencing a relationship, a social compact, unlike any time before in history. We have seen the results when it fails over the last five years. But the greater the input of communities in their governance, the greater the peace dividend. Above all, we must view the suffering of one community as the suffering of all communities.

<sup>1</sup> World figure, journalist, human rights activist. Creator of "The Fourth Way Law" – conditions and principles that are required in order to build harmonious society. She is a Chairwoman of a charity she established in London, "the Lanterns".

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

## LONG-TERM DEVELOPMENT STRATEGY: CHALLENGES OF OUR TIME, GLOBAL INSTABILITY AND METHODOLOGY OF DETERMINATION OF PRIORITIES

The present has been always perceived in Russia as being in a state of crisis. And this is typical of the Russian history. Remember: were there epochs in Russia which would have been perceived by contemporaries as quite stable and happy?

*D. S. Likhachov, Reflections on Russia*

Not so much methods and effectiveness of strategic planning and forecasting in individual countries are becoming the topic of discussions now, as the possibility itself of taking a look into the future amid a “steady global instability” which has long been distorting the area of international relations. Instability of this kind which has been called by A.S. Panarin *strategic instability* can be considered both as a consequence and a cause of the systemic crisis assuming a character of *global civilization crisis* which affects, at the same time, both the safety of the human species itself (risks of common civilizational nature) and the right of existence of local civilizations, including the Russian civilization.

Extremely dangerous contradictions are increasingly being observed behind purely economic and financial problems. The most important of them is the aspiration for unifying the mankind, while suppressing any manifestations of uniqueness and independence of certain countries and regions, under the pretext of necessity of a greater concentration of power in the globalized world against the backdrop of common challenges of our time, and the aspiration of countries and nations to retain the basis of national sovereignty and their confessional civilizational identity.

In such a situation, much depends on what meaning we give to the vision of current challenges, interpreting them

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either as a wide range of threats, including natural, social and economic, and technology-related, which are global in nature or cover most countries, requiring a coordinated position, or as a special conjuration formula which waives responsibility for consequences of the unification. In the latter case, current challenges so far appear not as a substantiation of “inevitable unipolarity”, but in a quite different way, i.e. as a crafty invention of policy-makers, which allows both to justify the external management and waive responsibility for incompetence, errors and crimes made and committed, having attributed all the risks “to the time”. It is the time or “spirit of the age” that acts in an unpredictable manner and incapacitates us to predict developments and see threats in advance.

In this regard, not so much methods of determining strategic development priorities amid the risks associated with the global instability factor are worth mentioning, as our knowledge of the nature of quite special risks accompanying the process itself of determining priorities. Unwillingness to consider such risks is one of the causes of gross and, sometimes, irrevocable errors that are, as you know, worse than a crime.

The heart of the problem is that the choice of a priority, or a set of priorities, is not only and not just an authorization for some activities, but more likely a hidden or clear prohibition. Briefly speaking, the following formula can be used: determination of priority in the area of domestic or international policy, as well as in adopting geopolitical strategies, is the ability to say “no”. “No” to everything that is not perceived, due to some reasons, as worthy of top-priority attention. If one of us rejects something, it is his own funeral. A quite different situation occurs, if it is the state or the whole global community who says “no”, cutting off everything “unnecessary”. Such “no” often sounds like a sentence without appeal.

Such conclusion is doubly true where the refusal to support “non-priority” areas or projects comes from the state which has not learned yet to share its rights, resources and functions with the civil society which, ideally, should taken on its shoulders the social burden dropped by the state. The civil society in Russia, which is taking initial steps in its development after nearly 100-year paralysis and amnesia, has for the time being no required resources, rights or experience.

Who can estimate accurately, how many risks are inherent to the indivisible right of government power and international structures, having specific authority, with due regard to norms of international law, to determine priorities

of the national or international policy? It is thought that we will not deviate from the truth, if we say that most of harmful social destructions and ecological disasters, of global-scale but of local origin, which occurred in a number of regions of the world, including our country, were the consequence of incorrectly determined priorities. A popular phase of Michelangelo comes to the mind: "I saw the angel in the marble and carved until I set him free". Easy to imagine, what would have become of the invaluable marble monolith, of which the genius carved its David, if not Michelangelo but some of Doges, chief magistrates of Venice, had gone about work...

In this context, of special interest is the Russian Northern policy which, until quite recently, resembled an expensive monolith – a value of really global scale which came to hands of public officials. If truth be told, over the years they have already carved of it everything which seemed to them to be "not essential" for this phase of development of resources of the North. Only one function is essential in their opinion – the function of "storehouse of resources". But our Northern policy just has to come to a qualitatively new level of comprehension and must correspond to the scale of the biggest country of the world and its share in the global resource and intellectual markets.

Any error contained in the methodology of national strategy, including that of the Northern strategy, can pass a wet sponge over and devalue all achievements of the country over its entire centuries-long history, and more importantly, put into question the safety and development prospects of the human civilization! The value of the problem is, frankly speaking, absolutely not equal to the level of its discussion and understanding we got accustomed to. Usually, when we try to build an industrial strategy (social, resource and economic or ecological), we have no doubt that the main thing in this challenging matter is to determine priorities. Although the main thing is the ability to doubt about the effectiveness of such approach and remember that it is limited. Forgotten, "non-priority" problems have a bad habit to grow together, turning into hard-to-solve and even unsolvable ones. And then their turn comes to rank among "privileged" and top-priority.

Our current priorities are mostly nothing more than previous errors. While the lack of priorities of this kind is a true sigh of good job of those who came before us. If, for example, we don't say today that scientific centers in the Russian North must be created from scratch in all basic fundamental areas without which the modernization is impossible, that is only because such centers were organized in good time by the decision of the leaders of the country, and in the hardest years.

Determination of priorities is a task which requires tremendous job to *differentiate competencies* of government agencies taking into account increasingly growing authorities of non-governmental organizations and local self-government (what is meant here is the distribution of functions not only within individual countries but also internationally). The requirement for *highest competence* of the

expert community is of equal importance, as well that of those who takes decisions with a glance to positions maintained by experts. The procedure for determining priorities itself unwittingly transforms even those strictly pragmatically minded politicians, civil servants and experts who are interested only in immediate benefits and economic conjuncture but are strange to "abstract reasoning about some highest values" or about the responsibility towards future generations, into thinkers, methodologists and even philosophers.

Certainly, nobody expects that intellectual and political elites will draw closer across the nation and, particularly, at a global scale to such an extent that the political activity area will become an example of scientific objectivity. That goal is unattainable and even undesirable since the substitution of functions of the policy and science engenders more problems than it can address. Nevertheless, the gap between these groups of authorities (political and intellectual) must not transform into a gulf. Such gulf becomes thousandfold more dangerous against the background of an enormous gap between the super wealth and mass impoverishment, one of the consequences of which is the so called "working poverty".

When it comes to Russian realities, it should be reminded that the higher social risk group in Russia includes the greater part of the country's intellectual elite, and that the most important of the factors compounding and stagnating the situation is the "hydrocarbon dependency of the Russian economy" impelling to an non-equivalent exchange of the natural resource rent for the intellectual rent. Against this background, the policy is regenerating in all of its aspects. This is the case of the social and ecological policy but first and foremost, however, the ecological policy. While it is impossible in principle to be silent about social priorities, so the priorities of the ecological policy currently cease, in substance, to be a few noticeable both for the political class and the population. The situation was not remedied even after the adoption of the Ecological Doctrine of the Russian Federation in 2002, in the initiating and development of which we participated.

So what is the main reason for the global instability? It is thought that the reason is that there is no priority of the social and ecological policy. No matter how accurately and intelligently we would determine priority areas, it will not change anything until the social policy and protection of natural heritage becomes the main priority, as a uniform basis for long-term and very long-term strategy.

The reason for this unity is that the main goal of the social policy, i.e. improvement of the quality of life, depends not only on social programs and national projects but also on the state of human environment. The latter factor is, firstly, one of the central in the preservation of world nations, and secondly, the determinative factor, since the environmental degradation can not only dramatically lower the quality of life of the greater part of the population of the country and the world but also cut short the life of millions of people itself ...

A. N. Danilov<sup>1</sup>

## A NATION-STATE IN THE GLOBALIZATION AND INTEGRATION CONTEXT

As anticipated by some politicians, globalization has failed to become the grave-digger of the nation-state. On the contrary, the offensive of builders of a new global paradise on the Earth has just instigated its defenders, having triggered worldwide a wave of anti-globalization movement. The more international forums on creation of certain supranational institutions are held, the broader is the people's outcry. Nobody wants to give up the nation... To all appearances, that is the way the man is, and that world is closer and clearer, in that way he feels more comfortable and safer. However, the idea of globalization keeps gathering a kind of "political moss" inspiring either somebody's expectations or somebody's fears and concerns.

Wakened by globalization hopes and expectations, with which many people met the new wind of change, appeared to be yet another delusion. Break-up of the Soviet Union has generated paralysis of power and new injustice, distress and sufferings of completely innocent people. It wasn't their choice. Refugees have appeared – people fleeing from war and violence, actual genocide, national and religious discord. Power vacuum and rampant corruption reigned in the newly formed states. The result was interruption of decades-long tried and tested socio-economic and cultural relations, shutdown of industrial enterprises, supply disruption, violation of mutual obligations, sharp rise in labor migration, once well-managed cropland all grown with weeds, rise in crime.

After former Soviet republics had acquired sovereignty, the post-Soviet world resulted in the outcome far cry from those expected by its initiators. Tragic events in Ukraine are a dramatic confirmation of this fact. The implementation of own national ambitions and building the life according to a foreign pattern failed to yield the expected result, having just stirred up long ago closed wounds. So, as a suddenly activated dormant volcano, now they came up with a bang, bringing distress, woes and new adversities to new states, nations, and people. The world has not become more stable and safe but rather has entered a high risk phase. The mankind needs nontrivial solutions and scientific discoveries to face the new challenges. And certainly, they will be found.

In general, the transformation process was designed to guarantee non-restoration of the old system, thereat the options of return to the previous ideology were considered as undesirable as the revival of the powerful state, which could exert a significant impact on geopolitical processes in terms of economic, commercial and financial, military, scientific and technological aspects. The key problem in the develop-

ment of this process was the lack of integrated technology of transformational changes, and each country had to develop its optimal transformation policy all by itself. In addition, artful prompters came up at once, not only homegrown ones, but also from the west. It was them who taught the Soviet power elite, which let its guard down and had no desire to resist, how to transform from developed socialism to modern (ex-display) capitalism quickly and without heavy losses. Few of them waded through, but the country was destroyed completely. Everything had to be started anew, and even then the start took some time.

As the recent experience shows, the rate and nature of changes in the political and economic system, as well as the susceptibility to a certain form of integration activity in many respects depend on structural and economic, ethnocultural, political and other historically specific characteristics of a certain country. While deepening the reforms in Eastern European countries, the objective clash of interests of various population categories is becoming unmistakably clear. The conflict of values becomes an unavoidable component in the transformation of the public conscience structure. In this context the change of mindset is directly connected with process of socialization under new conditions, and as further development has shown, political and economic systems may be transformed within a relatively short period, while the consciousness and socialization, which have been acquired during a long life, cannot be changed quickly. They keep influencing each other, and in the course of adaptation to new conditions they may cause identity crisis and system crisis. Under such conditions, people become hostages of the events, which they cannot manage, being permanently under social and psychological tension, in a traumatic situation. This is the uniqueness of the process of change.

The collapse of socialist system resulted in the break of the post-war balance of forces, destruction of the established checks and balances system in the world policy, which was a bipolar world model. The world is gradually drifting into chaos, and military power is again becoming globally the main regulator, the judge of the world. 70 years after the great Victory over fascism the world again smells powder in the air. All braces, which had been keeping the world balance, became useless at one stroke. The world safety system is now unable to curb the greediness of the new masters of the Earth, who declared themselves cold war winners, and are now fitting on the laurels of the unipolar world leader. Their lifestyle and management system are now presented as the single sample, a kind of ideal, which only must be praised, copied, and certainly patterned on. Any attempt of a country out of their circle to call for reason is ruthlessly suppressed and skinned alive.

It is not deniable that any experience has positive aspects, so why to ignore the good where is really exists? We may agree over this with the colleagues. The disinclination to see the obvious things cost us much during the cold war with the West, and today there is no need to fall into the same trap. However, we cannot but admit that the West also does not know the way to go, because having scarcely scrambled out of a crisis it gets into another one, and drags

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along the whole world. Isn't the terrible symbol "madmen lead the blind" designed by W. Shakespeare, flying over the planet? The world is again changing its form. What is salutary for the world? What is disastrous? How can the states and peoples that have lost life guidelines and stepped on flimsy path in search for their "new past" withstand in this new whirlwind of events? Will that foundation be reliable and stable? How to slice and dice previously common traditions, values and ideals? What to do with the heroes, common victories and defeats? A nation, which has forgotten its history, is doomed to live through it again...

Today it is absolutely unclear, which ideal of the future world is supported and taken as a development guide. In our opinion, the peace will not be strengthened through adoption of some common rules for all, recognition of some universal human values, but quite the reverse, it will be strengthened through respect for national interests, rights and dignity of all peoples and citizens, including on the part of the high and mighty. Maintenance of the world's diversity will put the actual dialog of cultures on the right track. Recognition of the lifestyle and development model of someone, who is stronger means capitulation, surrender of national interests, and in this connection, personal re-encoding of own cultural foundation, change of identification code, loss of the future. The historical experience rejects the supremacy of one country or a group of developed western countries, since it has proved its inability to address adequately the current challenges, to solve justly the global problems. A quarter-century of post-Soviet world shows that none of the states, which were newly formed on the ruins of former socialist community rushes to part with the acquired sovereignty or is ready to share even a part of its rights with some kind of supranational structures. In the today's world the countries, which have chosen sovereign development, actually have no alternative – either to take the American lifestyle or...no other way. Just a step sideward – and sanctions, bombing, blockade, etc. come up. What is the alternative, and is there any?

One of few states on the post-Soviet space, which managed to build dignified life, establish law and order in the country, is the Republic of Belarus. The country keeps demonstrating social and economic development, peace and accord up to now. Therefore it was the matter of course, when the civil war broke out last year in Ukraine, it was the Republic of Belarus that became the reliable site for negotiations on cease-fire and peacemaking.

A lot was written about Belarus during the latest two decades, mostly negative, the republic was seen through the lens of own political preferences and deep-seated clichés. Such stereotypes and bias when speaking about Belarus, and now the same about Russia, sometimes blindfold the actual achievements of fraternal peoples, their ability to get mobilized during hard times, to rally around their leaders, and to build their future independently. Belarus managed to create promptly mighty vertical power, to retain socially-oriented policy, though the transformation process is not yet completed. It has to overcome the impact of the world financial crisis, to lift the national economy to a new innovative stage of development, to upgrade agriculture, to make good progress in the humanities, sciences, education and culture. The arduous process of national identity formation is in full swing, which fact once again underlines the correctness of the course taken to accelerate the Belorussian

statehood. The process is not of ultimatum-like, sharp, unacceptable for Belorussian people, but the idea of the sovereignty value, own responsibility for their destiny and destiny of their state is getting more and more ingrained in the citizens' mind. These may be regarded as the main achievements of our state during the last two decades.

Russia, which is now experiencing a full range of threats, international pressure, political and economic sanctions, actual blockage, informational provocations and unproved accusations of all deadly sins, now understands better the sovereign Belarus, which paid dearly for the right to live with its own mind, to have its own opinion and to develop according to its own scenario. Russia is now going through hard times, but it holds end up, rallies around its leader and persistently follows its path. It appears that it is just the way leading to actual revival of the country and return back into the fold of superpowers, the most influential and mighty in the world.

But one should have no illusions and hope that the West will fall into creation of a sort of geopolitical alternative or will watch calmly somebody building a different development model, which is alternative to its own one. All the more so as the West has no intention to offer to the post-Soviet states a model of prospective social progress, and joining in world standards of independent development simultaneously retaining national identities. Only the resurgent Russia can take up that challenge. Therefore today what is bad for Russia that is good for the West. It is hard for them to understand how the rival, in their opinion, prostrated in the cold war, dares to have its own opinion and again starts to build up independent domestic and foreign policies, openly ignoring the position of the West.

In the 21st century, the Wider Europe has started to move and is taking a new shape. Once it was believed that Europe will eventually come under the full power of the European Union, however the history is different. It should be reminded that Wider Europe is understood as including not only the member-states of the European Union, but also those, which unite around Russia into the Eurasian Economic Union, those few states, which have not yet joined anywhere and are currently floating relatively freely. The Wider Europe is the aggregate of all European states, the number whereof is currently over fifty. But as practice shows, the breakup of the Soviet Union and expansion of Europe did not add a tittle to unity of European civilization, but visa versa a complicated and long-term process of Europe's new polarization has started.

Herewith, we don't detract from the fact that Europe, like Russia, has always been and will be one of world's centers of power, thus having inexhaustible potential for creation of the future. Breakup of the former Soviet bloc has dramatized the situation in Europe but also held out the hope for real existence of Wider Europe. Are the European Union member-states ready to perform the peace-support mission? Today more arguments are made in favor of the fact that Europe is still not at peace after the cold war. The main reason whereof is the fact that Europe still does not want to see the reviving creative strength of the new Russia. I mean Russia, not as the principal supplier of energy resources to EU, vast market for the goods of European origin, universal transport corridor between the states of Western and Central Europe and the states of Pacific Region and Southeast Asia, but rather as an equal partner in the eco-

conomic integration. It has become obvious during the latest quarter-century that it is impossible to respond adequately to current multiple global challenges without active participation of Russia.

Russia is the only relatively independent player in the global energy and resource relationship, which is able to take on leadership in the implementation of the Eurasian development model. Construction of a new world order as an alternative to the western development model is a task, which is well within Russia's range. All the more so as formation of the unified Eurasian energy and infrastructure system could create unique conditions for development of all economies of the continent, given that the relations between Eurasian states are being based on economic interdependence and political independence. On top of that, the Eurasian energy project (taking into account the Arctic region) could be continued and developed through formation of a new integrated association in the form of SCO (Shanghai Cooperation Organization), BRICS (Brasilia, Russia, India, China, South Africa), ASEAN (Association of South East Asian Nations), which would reverse the geopolitical situation. We can accept the opinion of those political analysts, who make the assumption that Russia has commenced the construction of a new world order as an alternative to the western development model.

In this context, Russia's foreign policy has become consistent, purposeful and logical: Russia and China supported by India have launched the integration process opposing the "American style" globalization process, and have commenced the construction of a new more just and safer world. Obviously, such foreign policy by all means could not but spark serious concerns in the West. However, today's Russia is an autonomous and quite self-sufficient civilization, which takes the rightful place in the world. New trends, which have appeared during recent years, present the outlines of a new multidimensional world, in which the complicated integration architecture of the euro-zone is ill-suit-

ed to serving the geopolitical interests of the USA on the Eurasian continent; both practice and real life vigorously resist this global perspective in every way possible. So far, EU fails to "digest" the latest selected countries, yet new ones are waiting in line – Ukraine, Georgia, Moldova, and even Turkey. At the same time Eurasian integration is gaining ground by forming in the Wider Europe a second independent and self-sufficient integration pole headed by Russia. In the meantime, these two poles are far from coming to any understanding.

President of Belarus A.G. Lukashenko noted in his speech in the general discussion at the 70th jubilee session of the UN General Assembly on 28 September 2015 that 'only by combined efforts we will be able to develop a formula of universal mutually beneficial cooperation. Belarus proposes the idea of *integration of integrations*, which is the most topical trend of the modern world, as basis for cooperation... Currently we keep discussing the prospects of interaction between the European and Eurasian economic unions, the large-scale Great Silk Route project, creation of Trans-Pacific Partnership, and Transatlantic Free Trade Area and dozens of others. If we manage to avoid any unnecessary and dangerous battle of integration models, to make them compatible and complementary, then ideally, we will be able to create a universal integration structure covering the entire planet, tightly connecting various regions and continents. Various nations and states would be able to coexist peacefully in this paradigm united by the common goal of progress and prosperity.' The Belorussian president further underlined, "The basic condition for integration is mutual benefit. Striving for immediate unilateral advantages is the root of all evil. We must recognize our responsibility to the future, think about what we will leave behind."

As we can see, when measuring the history by long periods, the optimistic forecast for the entire world is quite possible. Though now it is hard to believe. But as they say, keep putting one foot in front of the other...

Bruno Desgardins<sup>1</sup>

## CLOUDS HANGING OVER GLOBALIZATION

How is it that the clouds still hang on you?

*W. Shakespeare. Hamlet*

In 1995, I published an academic work, “Le nouvel environnement international” (The new global environment), on the theme of globalization. Since then, there has been a surge in the number of multinational firms, and years of global trade growth at twice the pace of GDP growth. To symbolize a world of vanishing differences between peoples and cultures, we could adopt the expression of a Wall Street Journal editorialist, Thomas Friedman, who in 2006 published a book entitled “The World is Flat”, or use the famous saying by General Sertorius to Pompey in Corneille’s tragedy “The Death of Pompey”: “Rome n’est plus dans Rome, elle est partout où je suis” (Rome is no longer in Rome, it is wherever I am).

Then came the 2008 crisis, leading to more widespread doubts over globalization, and a denunciation of its presumed evils. Today, the WTO struggles to have new liberalization agreements accepted, the virtues of free trade are brought into question by a protectionist movement and innumerable nation states are exposed to ethnic or religious strife, threatened by “feudalization” or even break-up. Faced with globalization, populations are suffering an identity shock and a loss of bearings, they have the impression that the “elites” are trapped in an economic vision of the world and that governments are struggling to master economic change. Hence the fall from grace of politics, a situation reminiscent of the analysis by *Heidegger: a globalized capitalism which deprives us of making the history we want and a liberal globalization which betrays one of the components of democracy, namely our right to be able to control our destiny.*

In Europe, it was thought that borders were vanishing, but barbed wire is reappearing. Stalin and his ilk, through the fear that they inspired, were fathers of Europe, and the Marshall Plan to support the reconstruction of Europe in 1948 was also one of the driving forces building Europe. In contrast, the so-called Islamic State and migrants are factors of division, and there are those who wonder whether this post-national identity which some aspired to has not been a failure at the European level. The various European nations are merely variants of a common mould, but they proclaim their identity.

Throughout the world, globalization, which was supposed to wipe out differences, is exacerbating the sentiment of identity, whose spokesmen are populist parties. At the time of the fall of the Berlin Wall, some, like Fukuyama, believed in “The end of history”, but today we can fear a return to more sombre times, as religion is reasserted as a factor of conflict, while nostalgia for empires – Chinese, Iranian, Ottoman and Russian – is stoked by the leaders of these major countries. And in each case, the casualties of growth will be drawn to these incantatory statements.

This note will not be about politics, but about the economic consequences of these temptations to withdraw. We shall try to determine the consequences for stock markets. The general idea is that while in an initial stage of development (Germany at the end of the 19th century, China, the end of the 20th century), protectionism was able to help countries establish their economic strength, conversely, protectionism chosen as a risk-averse withdrawal would increase production costs, cause a resurgence of inflation, impoverish populations, adversely affect corporate margins and entail a sharp rise in interest rates and an equity market collapse.

## 1. THE LESSONS OF THE PAST

## 1.1. Between Advocacy of Free-Trade and Invocation of Protectionism

1.1.1. *The Initiators of Free-Trade*

Without going back to the Medici, Jacques Cœur or the Fugger family, we shall mention that in England, the Prime Minister *Robert Peel* initiated free trade in 1842 to reinforce the country’s dominance, and abolished the Corn Laws in 1846. In France, Napoleon III signed a free-trade agreement with England in 1860. In recent decades, globalization has permitted the rapid development of emerging economies which have chosen export-oriented models, and many countries have benefited from global savings flows, because in an open world the savings/investment balance is defined on the global scale. But *Bairoch* has clearly shown that the most open economies have not always posted the strongest growth.

1.1.2. *Protectionism, between Development Aid and Temptation in Times of Crisis*

The German economist List maintained, in the 19th century, that in an open world, developmental inequality serves the strong and does a disservice to the weak. He believed customs protection was necessary to facilitate rapid growth in highly productive industries. Protectionism, on a temporary basis, can consolidate long-lasting competitiveness. But, and the nuance is important, protectionism cannot save declining industries.

Temporary protectionism can be a means of conquest and not a means of withdrawal. And the fantastic growth of the German economy in the late 19th/early 20th centuries is an indisputable illustration of this. Before Germany, American industry was boosted by the customs tariffs erected as a barrier by President Grant’s administration between 1869 and 1877.

However, even in England, the home of free trade, in around 1887 economic difficulties and competition from the German iron and steel industry led the Prime Minister Joseph Chamberlain, previously a liberal mayor of Birmingham, to encourage consumers, in vain, to prefer products made in England to German products. Chamberlain

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endeavoured to make a distinction between free trade and fair trade. Again in England, the 1929 crisis saw the end of free trade, because in 1931 “Imperial Preference” was to be adopted in the Commonwealth. And in the 1930s the United States decided to implement the *Smoot-Hawley* Tariff Act.

## 1.2. The Growth of International Trade

Globalization involves several aspects: business-government links, the international division of labour, sovereignty issues, and relations between states.

### 1.2.1. The Growth Pattern

Since the establishment of the General Agreement on Tariffs and Trade (GATT) in 1948, and its replacement by the WTO in 1995, economies have become more intertwined, a trend favoured by the invention of the container, and low transport costs.

Since the end of the 1960s, global trade has increased tenfold, while GDP increased fourfold and the population doubled. This trade development continued even during phases of sharp increases in transport costs, e.g. between 2003 and 2008 when the oil price reached \$150 per barrel. The reason for this is that the products most dependent on transport costs are often essential products. Examples are industrial metals and agricultural products which, according to a 2008 study by CIBC, represented 10% to 30% of the products’ value.

This globalization phase facilitated the emergence of a few large countries such as Brazil, and the “open” countries of South-East Asia grew more rapidly than less open countries. China’s entry into the WTO in 2001 and Russia’s entry in 2012 gave fresh impetus to globalization and opened up new markets for investors who were able to offshore production units there.

Multinational firms, of which there were 37,000 at the start of the 1990s and 82,000 in 2008 (according to the UNCTAD), play a growing role and generate one-third of global trade. Forbes stresses that, whereas in the 1960s 60% of the leading 2000 companies were American, this percentage is now merely 25%, because the number of players in this globalization is far greater.

The growth of the internet has been a powerful driver for globalization by facilitating the exchange of information within groups and by opening up protected sectors to international competition.

That said, although between 1990 and 2008 the economies most deeply involved in the global specialization chains experienced faster export growth rates than others, there has been a slowdown. Between 2012 and 2014, global trade growth was only 3%, in 2015 it did not exceed 1.7%, and foreign direct investment, as a percentage of GDP, fell from an average of 12% per year between 2000 and 2007 to less than 9% per year between 2009 and 2013.

In the United States, hampered by a strong dollar and weaker global demand, exports held back growth. In Japan, despite a weak yen, exports have hardly increased, because in recent years many companies offshored their production units and Asian demand has slowed.

The causes of this weaker trade growth are the fall in commodity prices, the evolution of the Chinese model, weaker growth in emerging economies and a trend to on-shoring of some production units. After a seven-year economic cycle of global growth, of long duration but weak in-

tensity, the proponents of protectionist measures are gaining votes while the heralds of free trade are losing influence.

### 1.2.2. The Growing Influence of Emerging Countries: between Cooperation and Competition

*Trade growth.* At the start of the 2000s, emerging countries were involved in 45% of trade, versus slightly more than 60% recently. Likewise, they now attract 30% of foreign direct investment (World Bank).

*The expansion of South-South trade.* From being production workshops for Western firms, emerging countries have become competitors and increasingly trade with one another. China, for example, has become the leading trade partner of Brazil and many emerging countries and, thanks to the 2014 creation of the South-South Development Bank, cooperation between the countries of the South is destined to gather momentum, with the financing of sustainable development projects and infrastructure projects.

*The rivalry persists.* It is true that Europe has two of the five permanent seats on the UN Security Council though it represents not even 7% of the world’s population. But, politically, when considering a reform of the UN Security Council, Mexico and Argentina are opposed to the entry of Brazil, just as Nigeria and Egypt block any admission of South Africa. Economically, China is endeavouring to protect itself from competition from the less developed countries, and Brazil does not hesitate to levy high duties on imported vehicles not produced in the Mercosur.

Let us consider *Africa*. The opening to globalization is both a cause and a consequence of the decline in conflicts and it has caused famine to retreat. The continent has benefited from the Chinese attraction to the mining of raw materials and American efforts to attain a certain political stability. But, after about fifteen years of opening, it must be recognized that half of the 54 African countries still have a per capita GDP of less than \$1000 and that beyond the favoured coastal regions infrastructure is weak, while corruption and obstacles (e.g., Bolloré’s plan for a railway line in West Africa) persist. The very high GDP growth figures of oil-producing countries such as Angola and Nigeria are offset by shortcomings, the lack of diversification of these economies. The flattering figures for mobile phones, estimated to number 700 million on the continent, are offset by widespread poverty. The figure of a middle class population estimated at 300 million is misleading, given that two-thirds of the population live on only \$2 to \$4 per day, and the favoured third \$4

to \$10 per day. Nothing to boast about. The continent is often presented as under-populated, with less than 40 inhabitants/km<sup>2</sup>, but the population is growing rapidly, and will double to 2 billion by 2050. This adversely affects the savings ratio of these countries, and hence their capacity for investing in infrastructure. Although mining production has expanded, the often embryonic manufacturing sector is still weak. One solution would be for the Chinese to offshore production units to Africa. Lastly, we note that very few African countries are industrialized: the Island of Mauritius, South Africa, Egypt, Ethiopia and Morocco.

### 1.2.3. The Predominance of Regional Trade

Multilateral negotiations, involving 160 countries, have no future, but bilateral agreements, of which more than 600 were reported to the WTO in 2015, are increasingly numer-



ous and can be interpreted as the search for a “second-best optimum” beloved by Pareto.

Even the United States, an advocate of multilateralism, has gone down the bilateral path, first with the signature of the NAFTA agreement (Mexico, Canada, United States), then, in October 2015, the Transpacific Agreement bringing together 12 countries with plans to abolish 18,000 customs duties. Likewise, the agreement currently being negotiated between Europe and the United States aims to create a vast market of 820 million consumers. The negotiations concern agriculture, non-tariff barriers and intellectual property, but exclude defence, healthcare and the audiovisual sector. The Americans, having a deficit of \$5bn to \$7bn per year in their agricultural produce trade with Europe, want Europe to lower duties on agricultural products, which are generally two times higher than on manufactured goods.

Of all the regions, it is Europe which is the most integrated, because 70% of trade takes place inside the region, to be compared with 50% on the American continent for the NAFTA members and 50% for Asian countries, because Japan and South Korea do a lot of trade with China, while China is endeavouring to revive the Silk Road. Only the countries of the Africa-Middle East region trade little with one another, at only 12%.

### 1.3. The International Division of Labour

#### *The end of “Made in...”*

In the 20th century, international trade concerned goods exports. Gradually the aim was to optimize the manufacture of those goods by organizing global value chains, and at present, according to the WTO, one-third of goods trade consists of semi-finished goods. For some products such as telecommunications equipment, the import content of exports may even exceed 80%. Formerly, in accordance with the principles of Ricardo, a country specialized in producing the goods for which it had a comparative advantage. Nowadays production is segmented, with several countries sharing production of the same good. For example, the manufacture of an Airbus plane may involve more than 40 countries. This is what is called the IDPP, the international division of production processes. This fragmentation of production is facilitated by the fall in transport costs, and the ease of information transmission. The value added upstream in research and downstream in marketing often remains in OECD countries, while assembly is offshored. Accordingly, the “Made in” indication is no longer relevant and the measurement of global trade in value terms takes into account a lot of double or triple counting. The value of a given Airbus can be booked at each border crossing, with the addition of the value added produced in each country. But, while few dispute the economic advisability of an international division of labour, a growing number of voices are being raised against the social cost of offshoring and plant closures.

#### *The loss of significance of the trade deficit concept*

An import of components is beneficial if it permits a productivity gain. In the past twenty years, the import content of exports has increased from 20% to 40%, thereby invalidating the conventional measure of exports. A value added approach is required, and the US trade deficit with China would thus be reduced by one-third (according to the OECD).

More fundamentally, the deficit no longer necessarily reflects a competitiveness problem but may reflect excessive consumption relative to the savings ratio.

## 2. THE PRESENT: BETWEEN SLOWDOWN AND CONTRACTION

Faced with globalization, some fear governments’ loss of sovereignty, while others would like to see the emergence of a world government. But this is a rapid view, because with each economic crisis, each international political crisis, and each social crisis (e.g. migration), it is to the government that all eyes turn for solutions.

### 2.1. The Complaints

#### *2.1.1. Excessive International Capital Mobility*

Notwithstanding the benefits of deregulation of capital flows, there is criticism of the excessive mobility of this capital, with governments losing tax revenue due to fiscal optimization schemes. There are also memories of the Asian crisis of the 1990s, when countries agonized as their currencies collapsed.

The emerging countries, with a current-account deficit, hence a shortfall in savings, depend on international capital and are exposed, as in 2014/15, to sudden capital outflows caused by the rounds of monetary tightening by the Fed, which can precipitate them into crisis.

Set against the benefits of global commodity markets, some critics cite speculation and erratic price fluctuations, especially in the case of food staples.

#### *2.1.2. Decline in the Number of Workers in Industry and Wage Stagnation*

The analysis of globalization as beneficial for economies is opposed by a social approach which emphasizes the impoverishment of the middle classes and the difficulty of finding stable jobs again for certain categories disadvantaged by the decline of industry.

In the United States, industrial production in volume terms is higher than at the start of the 1990s, but in the space of 20 years, from 1991 to 2011, the number of jobs in manufacturing industry decreased from 18 to 11 million, pressure on wages and losses of purchasing power have been more significant there than in other sectors, and the weight of industry has declined as a percentage of GDP.

In France, the situation is the same. Manufacturing employment decreased from 26% of total employment in 1980 to 12% in 2011, i.e. from 5.1 million to 3.1 million jobs.

At the same time, China, Mexico, South Korea and many other emerging countries created manufacturing employment, benefiting from lower wages and social protection and less stringent environmental constraints.

There are two significant issues here: offshoring and wages.

#### *2.1.3. Between offshoring and onshoring*

The diagnostic is inevitably mixed. It is true that the textile sector destroyed many jobs, 60% between 1970 and 2003 in the G7 countries, but the sector also developed high-value-added jobs and other industrial sectors, open to international competition, created or maintained jobs. Examples are the chemicals, pharmaceuticals and food processing sectors, which sometimes give priority to market proximity.

More fundamentally, globalization is far from being the main cause of job cuts. Some studies estimate that less than 5% of manufacturing redundancies are due to offshoring, while others assess the cost at 10%. So, in any case, the percentage is low.

The main factors impacting employment have been productivity gains, internal restructuring, the mechanization of production lines, the introduction of new technologies, outsourcing of certain functions now classified in the service sector, and weaker growth in demand for manufactured goods in OECD countries, or even bankruptcies.

To be exhaustive, we may add that offshoring can also affect certain service jobs, such as call centres and financial services.

Finally, remember that in the past twenty years the employment rate has increased in the OECD, providing proof, if proof were needed, that globalization is not a curb on employment.

In recent years, there has been onshoring, the repatriation of production operations, because costs have risen in many emerging countries and there has been a fall in labour costs in Southern Europe, a reduction in energy costs in the United States, and faster development of robotization and productivity gains in OECD countries than in emerging countries. And it may be imagined that progress in 3D printing will increase this advantage.

In Brazil and India, as in other countries, there is a shortage of senior managers and wages are often in line with, or even higher than those in OECD countries, so their advantage is not obvious. In China, in recent years, wages have increased faster than productivity and the yuan, stable against the US dollar, has appreciated sharply against emerging-country currencies.

But although many emerging countries have lost competitiveness, that does not necessarily mean a loss of appeal, because the rise of the middle classes is opening up markets and because, even in China, certain regions in the hinterland of the country still have low wages.

#### 2.1.4. Wage stagnation and increasing inequalities

The fundamental question is whether globalization, the clash between high-wage countries and low-wage countries, will result in a fall in wages and widening inequalities. Two points should be noted. Firstly, wage comparisons between countries must of course be adjusted by the comparison of their respective productivity levels. Secondly, for low-skilled jobs exposed to global competition, wage declines have been noted, with the extreme example of the trade union endorsement, given in 2008, to the halving of wages for newcomers on a Ford assembly line in the United States. But on the scale of a country, this concerns a small percentage of jobs.

The question mark surrounding wages comes within the far broader framework of the fall in the wages/value added ratio observed in the major countries since the 1980s, i.e. before and independently of the acceleration in globalization. The low-skilled suffer greater insecurity of their working conditions and are sometimes forced to choose poorly paid part-time jobs, while the skilled maintain their purchasing power. In this light, the encouragement of education and vocational training is understandable.

As regards inequalities, although between 1990 and 2008 the share of the wealthiest 1% in total US income in-

creased from 13 to 18%, that is due less to globalization than to the increase in investment income as a percentage of household income. This is basically a wealth accumulation issue, a consequence of the sharp rise in real estate prices and equity markets in the past thirty years.

The resentment of those left out is fertile ground for populism. René Girard's theory of the "scapegoat" had not found so many illustrations in a long time: the banks accused of fuelling speculation, migrants suspected of spreading criminality and terrorism, and the Chinese charged with unfair competition, yesterday because of an undervalued yuan and today as exporters of deflation.

## 2.2. Attitudes of Withdrawal

### 2.2.1. In Developed Countries

#### *The stigmatization of China*

Not surprisingly, there has been a revival of Chamberlain's distinction between free trade and fair trade. China is criticized, its state capitalism is accused, the liberties taken with the concept of return on investment are denounced, and there are complaints about the currency, long undervalued.

Probably these accusations partly reflect jealousy of an economy that, between 1994 and 2015, was able to increase its share of global GDP from 2.1% to more than 13% (even more on a purchasing power parity basis), its share in manufactured goods exports from 3% to 18%, and above all was capable of reducing the percentage of the poor (on less than \$1.25 per day) from 85% to 10%.

#### *The political reaction*

Left-wing populists stress the divide between high earners and the disadvantaged, while right-wing populists exploit divergences of identity, religion and nationality.

In the European Union, Poland, despite having been a big beneficiary of European manna, is being seduced by ultra-conservative sirens.

In the United States, Donald Trump, a nationalist and isolationist, wants to regulate international trade and reject the Transpacific Agreement. Some people downplay the risk, giving a reminder that it is Congress that has the power to regulate international trade, but there is nevertheless a threat to free trade and Trump has probably reflected on the saying by *d'Alembert* that "*La politique, c'est l'art de tromper les hommes en leur laissant croire que l'on travaille à leur bonheur*" (*Politics is the art of misleading people by making them believe that you are working for their happiness*).

### 2.2.2. In Emerging Countries

Many emerging countries have become interventionist in recent years. In China, for example, the presidency of Xi Jinping shows several of these characteristics: political, by taking back control of civil society, monetary, with a determination to keep control over the yuan by breaking the back of speculation, and industrial through the management of overcapacity in numerous sectors, notably steel, shipbuilding and paper.

## 3. THE FUTURE: BETWEEN COMPLEXITY, FEARS AND HOPES

Governments proclaim their support for free trade but do not hesitate, if necessary, to commit numerous infringe-

ments. Let us analyse these insidious protectionist measures and conclude by noting that there has been no return to the 1930s and there are still promising signs of liberalization.

### 3.1. Insidious Measures

Such measures concern certifications, exchange rate policy and the determination to protect national firms.

#### 3.1.1. Certifications

The GATT, then the World Trade Organization (WTO), have been able to remove numerous tariff barriers, and the residual customs duties are low: for non-agricultural products, in the major OECD countries, between 2.5% and 4.2%. The WTO added two subjects, intellectual property and services.

While previously tariff negotiations were mainly inter-governmental, nowadays the regulations on standards involve a very large number of stakeholders, companies or other organizations and are therefore complicated to conduct. At present the subjects of discussion are not so much customs duties as certification, not so much quantitative measures as qualitative protective measures, not so much closing borders as “economic patriotism”. The Buy American Act is a reality and President Obama did not hesitate to slap high duties on tyres manufactured in China. To this can be added temporary safeguard measures if a sector is threatened by foreign competition, export subsidies, or even dumping, a measure that is commonly used especially since it remains hard to prove.

Regulations are increasingly numerous and can be based on health and environmental standards or interests related to national defence, or even social requirements if an emerging country does not apply the labour standards in force in Western countries (labour regulations concerning children, for example). While few industrial groups express reservations regarding harmonization of standards which lowers costs, a growing number of consumers are taking up arms against insufficiently protective standards. Consider the debate on GMOs and the regulations on bioproducts. This is one of the sticking points between Europe and the United States in negotiating a new agreement.

#### 3.1.2. The Policy of Weakening Currencies

The Louvre Accord of 1985 by which central banks were to be entrusted with coordinated management of currency volatility has been forgotten. Like in 1931, when the Bank of England allowed the pound sterling to fall heavily after stopping the currency’s convertibility into gold, the sluggishness of growth at present is leading numerous countries to resort to the monetary weapon.

One of the “Three Arrows” of the Japanese Prime Minister, Shinzo Abe, was the depreciation of the yen. Mario Draghi has the same goal, and the ECB has been able to push down the euro from 1.60 to 1.10 against the US dollar. The Swiss National Bank had the same ambition when in January 2015 it chose to adopt a negative official policy rate to stop the appreciation of the Swiss franc.

And these three recent examples do not exhaust the subject, which explains why these policies have lost effectiveness: in Japan, the recent adoption of negative interest rates was unable to trigger another round of depreciation of the yen, which is now higher against the dol-

lar than last December. In Europe, the euro is now higher against the dollar than before the liquidity injection initiated in March 2015.

Fundamentally, currency depreciation designed to re-define comparative advantages is merely an expedient, it succeeds merely in exporting deflationary pressures to the other countries and in no way solves the structural competitiveness problems of economies, and even gives them no incentive to reduce them. Although the yen has lost more than 30% of its value since 2012, Japan’s exports have hardly benefited from this, because its firms have many production units abroad.

Other, structural factors prevail over currency manipulation. For example, quality: even when the euro was strong, Airbus gained market share against Boeing.

#### 3.1.3. The Will to Protect National Interests

The paradox is that the removal of customs barriers is matched by an assertion of national interests. Governments can block foreign takeover bids on groups judged strategically important. Remember the British preventing the Kuwaitis from taking over control of BP, while more recently, in 2006, the Americans blocked an acquisition by Dubai financiers of the Port of New York. And there are many other examples. More generally, the substantial expansion of Chinese foreign direct investment (FDI), from \$109 billion in 2015 to \$106 billion in the first quarter of 2016 alone, worries some analysts. For example, we can see a Japanese government prompt to reassert the role of the famous MITI, the Ministry of Industry, to better combat Chinese-style state capitalism, to promote the establishment of large Japanese groups, help them export and boost the development of key sectors such as robotics and new energies.

The idea is that, in an open world, governments and business can have converging interests. Governments should provide companies with external cost savings, ensure that real estate prices do not handicap investors, invest in infrastructure, and invest in education and research. Companies, thus attracted, will create jobs. This recommendation applies to the European Union, because its research spending as a percentage of GDP, at 1.8%, is less than in the United States and Japan.

### 3.2. No Return to the 1930’s and Still Promising Signs

#### 3.2.1. The Capacity to Cushion Crises

Widening inequalities and job insecurity are partly a result of globalization, or at least are perceived as such by political opponents. The 2008 crisis was profound, and some economies have still not regained the GDP level of that time, but the situation is not comparable to that of the 1930s, when GDP declined by 30%.

Nowadays the welfare state, with its unemployment benefit, health insurance and pension components, can cushion the effects of the crisis, especially in Europe. Nowadays, unlike in the 1930s, international bodies such as the IMF, World Bank and WTO, not to mention central banks, have the capacity to act. Admittedly, in the United States the middle classes have seen their purchasing power eroded in the past twenty or even thirty years, but this is by no means comparable with the 30% unemployment rates, deprivation and misery of the 1930s.

### 3.2.2. *Reasons for Optimism*

Undoubtedly, there is weaker growth in international trade, but let's not be too pessimistic. Given the extent of global specialization, it seems impossible to imagine an end to the globalization process. Economies are intertwined, and in manufacturing industry the value chain is substantially transnational.

*Some goods are not substitutable.* Whether it be agricultural commodities, such as cocoa or tea, or metals such as copper, a number of products require trade.

*Free trade still has many supporters.* The agreement signed recently between the 10 ASEAN members, representing more than 600m inhabitants (Indonesia, Malaysia, Singapore, etc.), is set to strengthen the integration of this region. President Obama has signed the TPP, the Trans-Pacific Agreement between 12 countries of the Pacific, but it is true that it has not yet been ratified. Europe is negotiating with India.

*New chapters are being written.* Here we are thinking of global tax harmonization and possible limits on tax optimization schemes, with the ambition of establishing fair treatment. The aim is not confrontation but a recognition of mutual interests. Governments should avoid behaving like Theodore Roosevelt, who had undertaken to break up monopolies, such as Standard Oil and others, because they cannot get by without multinationals. Between evading corporate taxes and submitting to a 40% rate, possibly the rational choice is that of the Cameron government, reducing corporate taxes.

*The expansion of FDI.* Since the early 1980s, foreign direct investment has increased four times faster than GDP, and there has even been an increase in the amount of foreign investment performed by firms from emerging countries, notably Chinese firms. Incidentally, this is one of the reasons for the fall in Chinese exports, even though there is a significant impact of falling commodity prices.

## CONCLUSION

Light always projects shadows somewhere  
*Bachelard*

We began with Shakespeare, let's end with Bachelard and note four conclusions:

1. *Further globalization or a step backward?* "Happy globalization", to adopt a trendy expression, has never existed, but conversely, a deepening of this globalization is a tricky matter. Multilateralism is no longer, and this makes one think of a saying by Churchill in his Memoires: "*Decided only to be undecided, resolved to be irresolute, adamant for drift, solid for fluidity, all-powerful to be impotent*". But bilateralism offers interesting prospects. The era of quantitative achievement, lowering customs duties, was easier to negotiate than the era of qualitative measures, standards. The signature of the Trans-Pacific Agreement is significant, while the TTIP negotiations between Europe and the United States are stalling and falling behind sched-

ule. The former agreement corresponds to the tradition of tariff agreements, while the latter affects politically sensitive interests at a time when the legitimacy of democracies appears vulnerable.

2. *The extent of globalization is overestimated.* Although global exports are equivalent to 30% of global GDP, this percentage is inflated by imports/re-exports arising from the international division of labour, and very likely net exports do not exceed 20% of GDP. While, between 1970 and 2007, foreign direct investment increased five times faster than GDP, it now accounts for just over 10% of investment. As for migration, it concerns only 3% of the global population. Although young people are assumed to be more open to the world, we discover that only 2% study abroad. Focusing on the banks, we note that their global networks have declined by comparison with the start of the 2000s. Concerning telecommunications, only 2% of calls are international. Speaking of savings invested abroad, the figure is nothing compared with the eve of the First World War when France had invested in Russia the equivalent of 20% of its GDP. So integration is weaker than we imagine.

3. *The harmful effects of globalization are exaggerated.* International institutions, the WTO, FMI, the G20 since 1999, and the major central banks play an effective role in the management of globalization and international crises, even though there have been many such crises since 1973. We shall add four key points:

- Free trade enriches nations but it is not without redistribution effects. Some profit, others are victims, and unfortunately, in a low growth environment, social mobility is less effective for finding work again.
- Job destruction is more the result of automation and productivity than of globalization.
- Globalization creates more jobs than it destroys.
- Widening inequalities preceded the last phase of acceleration of globalization and are the consequence of factors as diverse as the decline of trade unions, rising stock markets and hence growing assets since the 1980s.

4. *The consequences of a possible revival of protectionism are underestimated.* The comparative experiences of 1929 and 2008 show that the welfare state combined with globalization is a better cushion than protectionism. While it is true that the agricultural protectionism adopted in 1890 did not prevent trade growth, and although the decline in trade in the 1930s was more the result of recession than protectionist measures, we are bound to fear the consequences of a revival of protectionism for businesses. If protectionism were to gain favour, the first businesses hurt would be manufacturing firms, because a global market such as aeronautics offers economies of scale. There would be an increase in production costs, hence, from the macroeconomic viewpoint, a resurgence of inflation, a rise in interest rates and, from the microeconomic viewpoint, a decline in the margins of large international companies and a steep decline in stock market valuations. So, behind the (hypothetical) appearance of full employment, across-the-board impoverishment.

Piotr Dutkiewicz<sup>1</sup>,  
Vincent della Sala<sup>2</sup>

## POLITICS WITHOUT A CENTRE: POLITICAL CHANGE AND STABILITY IN RUSSIA AND ITALY

More than a decade has passed since Thomas Carothers declared the death of the transition paradigm, yet the logic of a democratization trajectory continues to pervade political commentary and scholarly research. Whether discussing democratic “backsliding”, the unrealized hopes of the Arab Spring or Putin’s Russia, the narrative revolves around previous and later arrivals to democracy. The transition literature has gone through many phases and come in for its fair share of criticism and attempts have been made to introduce all types of qualifying adjectives to place before “democracy” when describing states where the process of political change has not gone according to the liberal paradigm. However, this creates a false dichotomy between transition states and established liberal democracies as all states are in transition or constantly changing and that this may or may not imply movement towards some ideal model. We argue that different states at different points on the transition-consolidation spectrum may exhibit similar politics and politics in response to similar pressures.

We wish to add to the critique of the transition literature with a two-fold argument. First, we explore whether states, regardless of where one might place them on a conceptual scheme that implies transition, are characterised by what might be called “politics without a centre”, resulting from the prevailing modes of governance that are seen to be the ideal models of governing for market economies. Politics in the modern era in advanced industrialized societies have been based on a number of premises: that national identity and the national state are the sources of political integration and community; that the state is the repository of political authority and governance of social and economic life; and that legitimate authority in liberal democracy is expressed through its formal political institutions, particularly representative assemblies. These provided central sites – focused around the state – for the generation and mobilization of norms and processes for governing and regulating large parts of social and economic life. It is increasingly difficult for political authority to define political communities from the centre, to define and maintain borders and to use centralized political authority to command societies, from which it seems more and more detached.

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Our second objective is to argue that rather than focus on models of political development based on trajectories of transition to some standard democratic ideal, a more useful approach is to see how patterns of political development are being generated by the much deeper process of the hollowing out of political epicentres. Russia and Italy are two different states, placed on different ends of the transition-consolidation spectrum. The former is conventionally presented as a case where the transition to liberal democracy and market capitalism has been less than smooth, if not back-sliding; whereas Italy is presented as a post-war success story, successfully transforming a rural economy from the ruins of fascism into a leading industrial economy in the EU with a consolidated liberal democracy. We will look to whether these two different systems exhibit similar features of the erosion of political authority and politics without a centre. We examine three areas – representation, governing the economy and ontological security – to see whether different systems produce similar outcomes. We do not suggest that Italy is slipping into some form of semi-authoritarian regime or becoming an illiberal democracy; or that the criticism of the Putin regime have been unjustified. Rather, we want to explore whether there may be something in the nature of the challenges to governing in an interdependent global economy that lead to similar types of responses from different types of political systems and different political elites.

### 1. Politics Without a Centre

While governing and the state have taken on many different forms and dimensions in the modern era, one central narrative has been fairly consistent; that is, that the organization of political and social life was to have a “centre” from which the political community was defined and governed. The reference here to a “centre” is not linked specifically to the distribution of constitutional powers between the centre and the periphery but to the Westphalian state as the repository of political authority as well as the basis for ontological security for the political community. Political communities have organized social and political life with clear central nodal points, whether it was to define membership in the community, the aggregation and articulation of political interests or the governing of modern economies.

The erosion of the authority of a political centre – in the form of a sovereign power – necessarily leads to a discussion of the role of the state. We do not wish to engage with the on-going debate about the state of the state. Rather, we simply want to point out the ways in which the constraints on the capacity of the state to exercise a monopoly of political authority represent politics without a centre. We can continue to find the state as the focal point of political life, even in polities such as the European Union where it has transferred key areas of decision-making to the supranational level. However, it is a state that is limited in what it can do, how it can define the collective good and the capac-

ity to carry it out. It is hollowed out of some out of some of this capacity – such as governing the economy – while at the same time enhancing its capacity to control citizens (Jessop 1993, Jessop 2002). We argue that we can begin to compare different polities on the basis of this erosion of state capacity, regardless of where they may be placed on the spectrum of transition. We do this by looking at some of the major roles that the state has played in organizing political life in the modern era: representation; governing the economy; providing ontological security.

Political representation has centred on political parties to aggregate and articulate political demands, regardless of the nature of the party system (Downs 1957, Duverger 1959). In politics without a centre, political parties are challenged by technology, changing forms of social organization that diminish the importance of partisanship as a form of belonging, the end of ideology as a coagulant for diverse political demands. We can find signs of this erosion of representation in indicators such as the decline in voter participation, the fragmentation and volatility of party systems, and the personalization of parties.

Voter and public disaffection, what Francesco Cavatorta calls the depoliticisation of society, is clearly evident in both Russia and Italy (Cavatorta 2010). In the Italian case, voter turn-out in elections has been reaching historical low points, political parties appear and disappear from one election to the next, representatives change political parties easily (more than one-fifth in the current Parliament now sit with a party different from the one they were elected) and increasingly voters turn to protest or populist parties. The Russian case is slightly different – as they are weakened by a constitutional design – but nonetheless an example of the erosion of political parties. The centrality of the Communist Party during the Soviet era has been replaced by a political machine that centres around the figure of the President. Input of societal demands is now channeled through newly-constructed civil society organisations whose purpose is to aggregate and funnel demands to political leaders. In Italy, as in Russia, ideology as the glue that holds together disparate political demands has eroded and given way to a great deal of fluidity.

It is in the governing of the economy and the limited range of options available to policy-makers where the erosion of the centre of political authority is most evident. Russia, with its resource-based economy that seems to be state directed, also suggests that the capacity of political loci to shape the economy is limited. Russia's post-Soviet economic performance has been closely tied to global commodity prices and the blurring of private ownership with public office and policy demands. In Italy, as in much of the Eurozone, the loci of economic governance is blurred by a multi-level structure that has monetary policy made by an independent European Central Bank and fiscal policy by states, who have binding constraints imposed by European commitments and institutions. In both cases, policy options available are limited and constrained by market forces and transnational pressures. In both cases, the political agenda for economic governance seems to be dictated and implemented by technocratic elites that are subject to few democratic controls.

Finally, the state in the modern era has been at the heart of providing ontological security for defined political communities; that is, it is the centre of practices, routines and

narratives that help define who it is and why it remains as a political community. Drawing from its use by Giddens and international relations scholars, ontological security refers to a sense of confidence of one's identity (Berenskoetter 2014, Giddens 1991, Mitzen 2006). Ontological security claims that social actors need basic trust in the continuity of the factors that give them their sense of identity in order for them to have agency, to set objectives, define interests and act strategically. This continuity is rooted in habit and routine as well as in the stability of the environment that defines an identity. In politics without a centre, the state finds it increasingly difficult to provide this form of security. It is challenged on all sides, by local and regional loci of power, by markets, by new forms of political identity and by the blurring lines of public and private power. The erosion of political centres also raises questions about whether democracy or authoritarianism as forms of political regime can provide ontological security.

In both Russia and Italy, we find decreasing trust in state institutions and political leadership. Moreover, regional differences continue to grow unabated rendering it more difficult to see the state as providing those practices that allows it to shape the political community. It is not that institutions and structures are lacking but that they do not generate the sense that they have the capacity to act to solve issues generated by societal demands. This creates ontological insecurity as the political community looks to alternatives forms to address their issues, from local centres of power to private solutions. The result is a further blurring of the lines between public and private authority as well as fuelling the rise of anti-politics movements.

### Conclusion

Russia and Italy present two very different trajectories of political development. The former is consistently lumped into the group of "transition" states, usually as an example of a stalled transformation into a functioning liberal democracy with a market economy. Italy, on the other hand, is seen as a consolidated liberal democratic state that has been an integral part of the process of European integration, arguably the epitome of liberal democracy and market capitalism. Yet, the two cases are struggling to come to terms political, social and economic forces that are undermining the central and nodal points of governing in the modern era. In both cases, we find political elites struggling to find new ways to provide political representation for societal demands that are much more fragmented. The traditional roles of political parties as aggregators and articulators of those demands must struggle with society's that are much more fragmented. Ideology and party structures have given way to new forms of political communication that place an emphasis on political personalities and ephemeral issues. The capacity to shape and guide the economic destiny of the political community in both cases demonstrates that there is no guiding hand of a political centre. Governments struggle to deal with the consequences of having their economies traversed by transnational capital and economic flows. This erosion of representation and responsiveness has created a growing ontological insecurity, expressed in forms of anti-politics in both cases.

What consequences may flow from this politics without a centre? First, it provides further ammunition to the argu-

ment that the transition paradigm does not capture the complex interplay of different pressures on states in the contemporary world, thus limiting the utility of the transition-consolidated state binary. Examining ways in which different states are dealing with similar challenges may help us better understand what factors in political development are “transitional” and which are structural features of governing contemporary capitalism. Second, it may also help us better understand whether seemingly ephemeral phenomena such as populism have much deeper roots in the nature of contemporary society. If political parties no longer can aggregate demands and articulate them into clearly defined and consistent policies, what forms of representation can we imagine? Third, the two cases suggest that the security of a clearly defined political community cannot be taken for granted in this eroding landscape.

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## BACKWATER ECONOMICS AND NEW PRAGMATISM: CRISES AND EVOLUTION OF ECONOMICS

### Introduction

The modern history of economics is a series of unresolved crises. The first was a crisis of demand, unemployment and Depression, leading to the Keynesian Revolution and eventually to the neoclassical counter-revolution. The second was the crisis of affluence, identified with my father and never taken up by economists. The third and current crisis is a *crisis of constraints*, and in particular must take into account the cost of resources, the discipline imposed by climate change, and the institutional failures associated with an uncontrolled, reckless, and often fraudulent financial system.

### The two types of “old crises”

Paul Krugman (2009) distinguishes between “freshwater” and “saltwater” economics; the former refers to the ultra-free-market-theorists of Chicago and Minnesota and the latter to the “flaws and frictions” doctrines of MIT, Berkeley and other coastal universities of the United States. I propose however that both salt and fresh water are comparatively sterile. Evolution occurs in the backwaters, where economists abjure “pure” theory in favor of tools and use tools to solve problems. In this way, backwater economists concern themselves with the issues of their time. Backwater economics is a form of New Pragmatism, in the sense offered by Grzegorz Kolodko (2011a, 2011b, 2014).

Joan Robinson (1972, 8) spoke of two crises in economics, the first being over Say’s Law, the Treasury View, and the puzzle of effective demand. This First Crisis led from the Great Depression to the rise of John Maynard Keynes, subsuming also the new economics of imperfect competi-

tion and market power, which was her own work. Robinson did not like the dominant strand of Keynesianism in post-war America – the Hicks-Hansen model in theory and military Keynesianism in practical effect. But, at least, in 1971, the monetarist counter-revolution was not yet triumphant.

Robinson’s second crisis was a crisis of affluence, of public purpose, of pollution, of war and peace, and of the nuclear threat. “Private affluence and public squalor” were noted traits of that era; it was a crisis, as she said, of “the new industrial state”. Here, the public was outrunning the profession, and only my father and Kenneth Boulding and a few others were keeping up – along with cranks, who as Robinson said in her lecture, “are to be preferred to the orthodox because they see that there is a problem” (Robinson 1972, 8).

Joan Robinson knew that the second crisis would never gain traction so long as the battles over the first crisis continued, and they did, and it did not. There would shortly follow that outburst of cleverness called new classical economics, combining monetarism, supply-side economics, and the cult of deregulation and privatization into a toxic policy brew called Thatcherism, Reaganism, and later the Washington Consensus, widely exported to the Third World. These doctrines would then be carved into the tablets of Europe, including the Maastricht Treaty and the charter of the European Central Bank among the layers of what has been called the European Onion (De Neve 2007). So, the second crisis disappeared in a revival of the ideas that had preceded the first.

Soon, it was not possible to advance in economics unless one had forgotten about crises entirely. There was a recycling of language, draining the meanings that had suffused words in earlier times. Even the word Keynesian, though based as it is on the name of an actual person, was re-scripted to refer to a modified non-acceptance of the new classical market-clearing assumption via asymmetric information or increasing returns, as well as to such other reputable concepts as efficiency wages and the moving NAIRU.

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Thus formed one pole of the saltwater/freshwater pseudo-divide, which maintained an illusion of a discourse, of a conversation, yet always in orbit around the perfectly competitive, perfect-information rational-actor ideal type. This was a form of scientific regress for since Charles Darwin and Thorstein Veblen we have known that it is variation that matters and that the ideal type is a useless abstraction. But if mainstream economists ever drifted close to an appreciation of this, they unlearned it.

### The Great Financial Crisis and its consequences

The Great Financial Crisis briefly brought reality back into focus. For a moment, amidst the panic, the shock was so great and the sense of intellectual disorder so overwhelming that the guardians of the efficient market hypothesis were stupefied. One might argue that they were already stupefied, but what I mean is that, for a moment, this sub-surface fact became visible. In 2009 for example, Richard Posner announced his conversion to Keynes – truly, a curious thing. Why did he think that anybody would care? Even Alan Greenspan (2008) who (as anyone has studied his work closely knows) cannot be supposed ever to have had a theory, felt compelled to announce that he had found a flaw in it.

At that time, a few of the surviving true Keynesians, notably Paul Davidson (2009) and Robert Skidelsky (2010), saw for a moment the hope of a return of the Master. By this, they meant a final reckoning of the first crisis and perhaps also an element of just revenge for the decades spent out in the cold. But the moment passed. There was no return; there was no revival; there was no resurrection. The revival was killed as the economic crisis unfolded, and not by Keynes's declared enemies who had been stupefied into silence, but by some of his self-proclaimed friends.

This is a group that one may call the false Keynesians. The essence of their view has been, as Ben Bernanke (2009) put it, that "the global economy will recover...". It was never made quite clear why they believed this. Is the argument simply an extrapolation of history, or based on statistical reversion? Is it about some process, say, of labor market adjustment, an application of neoclassical theory, according to which the falling real wage will bring the economy back to full employment? If so, there's a problem; in the US the real wage (among those still employed) rose sharply as the crisis deepened in 2009. Or is it simply the unexamined power of the underlying metaphor of the economic body, which cannot contemplate its own demise?

Even supposing that recovery were inevitable, the function of policy, as the question was approached in early 2009, was mainly to help it along. It was to provide *stimulus*, a word that many Keynesians of all types used without reflection. Stimulus is that "timely, temporary, targeted" shot required by the sluggish economic animal until its natural energy kicks in (Summers 2008, Cox and Stone 2008). This is economic caffeine, adrenaline, amphetamine, or worse.

The supposed function of stimulus was revealed in the Bernstein-Romer forecast of late 2008. This function was not to get the recovery started; that recovery was inevitable was built in to the forecast. What stimulus did was to *advance the projected date of full recovery*, four years down the road, by about six months (Bernstein and Romer 2009). After five years, the model held, things would be back to normal, regardless of what was or was not done. The only

difference five years out, according to this and other false-Keynesian models, was that conditions would be slightly *worse* than otherwise, thanks to the supposed burden of additional public debt.

Joan Robinson's words on normality are worth quoting in full:

"There is no such thing as a normal period of history. Normality is a fiction of economic textbooks. An economist sets up the model which is specified in such a way as to have a normal state. He takes a lot of trouble to prove the existence of normality in his model. The fact that evidently the world does exist is claimed as a strong point for the model. But the world does not exist in a state of normality. If the world of the 19th century had been normal, 1914 would not have happened." (Robinson 1972, 2).

*Normality is the temporal equivalent of the ideal type.* Given previous estimates of multipliers, in the short run the automatic stabilizers and recovery programs did roughly what reasoning Keynesians would have expected, given their size. But they did not fulfill the hopes that were built into the underlying pattern of thought. The problem was not only a larger output gap than foreseen in late 2008, but also the unwarranted expectations for revival over time, which existed thanks to the natural rate underpinnings of the false-Keynesian worldview. Sadly, we had seen this movie before. It was a remake of the Phillips Curve debacle of a generation back, which merged a neoclassical idea with a Keynesian one to disastrous effect. In a dispiriting replay of that academic calamity, Keynesianism has died again and the first crisis goes on.

This has cleared the way for the New Crackpottery, a view rooted in the new classical economics but without the formal pretensions. The New Crackpottery simply enshrines the return-to-normal as holy doctrine and deduces that, since it has not occurred, misguided efforts to help it along must have interfered with the otherwise-normal course of events.

Thus, there are new New Deal scholars who argue that Franklin Delano Roosevelt cruelly, unnecessarily, and painfully prolonged the Great Depression<sup>1</sup>. They are not unaware that to contemporaries the Depression actually ended in March 1933. How otherwise could Roosevelt have been re-elected in 1936 with the votes of 46 of the 48 states, missing only Vermont and Maine, in an election that clearly demonstrated the national mood? The New Crackpottery overrules this fact, in favor of the now-conventional view that the Depression continued until the Second World War, on the ground that only then was the trend growth line of the 1920s reached again. Never mind that trend growth extrapolations were unknown in 1929, as the national income accounts had not yet been invented.

The New Crackpottery explains the Great Financial Crisis with the convenient notion that the government did it by trying to foster home ownership among the poor (Wallison 2011). To believe that, one has to imagine that in the early 2000s George and Laura spent long nights in their White House bedroom sipping tea and talking in earnest tones about how they might get more poor people into houses. Enough said.

<sup>1</sup> I first encountered this early in 2009, as I was invited to appear on a panel at the Council on Foreign Relations to comment on a revisionist treatment of the New Deal. I realized that things had gone so far that the CFR required my presence in order to maintain its respectability.



There are other causal stories associated with the great financial crisis that bear mentioning a bit less caustically. One of them is the fairly new idea that inequality did it. According to this view, inequality did it by fostering a Veblen-Duesenberry dynamic of competitive consumption among the working classes, fueled by debt.

This idea does have a certain appeal. Some growth in middle class consumption was debt-fueled. But this is far from being the whole story of the expansion of debt that led to the debacle. In *The Sub-Prime Virus*, Kathleen Engel and Patricia McCoy (2011) describe how in the poor neighborhoods of Cleveland older, low-income householders received loans on the order of \$5,000, for example, to repair a roof; had them refinanced half a dozen times in as many months; and ended up with debt of \$25,000 that they could not pay, and so faced foreclosure. In the meantime, the contractor walked on the deal and the roof was not repaired. Whole neighborhoods were destroyed by this dynamic of lending practices, which advocacy groups reported to the authorities and complained about at the time, to no effect. In other parts of the country, houses were built in new subdivisions and were sold to people who never moved into them. Why not? Because they could not afford to, and so they defaulted on the first payment. In some areas banks found themselves foreclosing on homes in neighborhoods where about one-third of the homes were vacant.

The inequality-did-it story presumes that the temporal sequence is one in which inequality rises first, provoking an emulative burst of consumption. But I have done a great deal of work on the actual movement of inequality and the evidence does not agree. In fact, rising inequality and the fees generated by the issuing of the mortgages were one and the same thing. The rise of inequality was the increase of incomes in the financial sector. This is how the bankers and mortgage brokers got rich. So the inequality-did-it story, as told by Raghuram Rajan (2012) and others, is crafted in a way that distracts attention from the agency of the mortgage originators, the banks, the ratings agencies, and those who created and sold the derivative bonds.

Two great ghosts hover over this sorry scene: Hyman Minsky (1993) and Wynne Godley (2007). Minsky taught that stability is destabilizing. Debt positions move from hedge to speculative to Ponzi. Collapses are inevitable. Big central banks and big governments are essential to stabilize matters when crashes come. Godley taught that you cannot escape the national income accounts, under which public debts and private wealth are the accounting reflections of each other, as are the balances of the internal and external sectors. The entire foundation of the budget process is built on an illusion of control; it is a basic error (whose consequences are visible all across Europe) to suppose that one can reduce public deficits and public debt by raising taxes and cutting spending. For the case of the United States, it is equally an error to suppose that the country can simultaneously eliminate its internal deficits and still supply reserve assets to the world. Yet there are people who believe that the dominance of the United States in the world's financial systems should be maintained, and also that the US should be balancing its budget. Thus the deficit hysteria in Washington, relentlessly advanced by front groups; and thus, too, the death grip of the Austerians in Europe.

Minsky and Godley were concerned with the problems of deficient demand, mass unemployment, and financial in-

stability that, after eight decades, still bedevil economists. Minsky and Godley's successors in the modern monetary movement are likewise haunted by the same issues, including Warren Mosler (2010), L. Randall Wray (2012), Stephanie Kelton (2003), and many others. This is still the First Crisis.

The Second Crisis and the need for an economics of the welfare and security of households; of the liberation of women; of civil and human rights; of regulation for safety health, and environmental protection; of war and peace; and of art and culture – all of this still has comparatively little purchase, despite the recent efforts of Juliet Schor (2002), Drucilla Barker and Susan Feiner (2004), and Zdravka Todorova (2009), among others. The importance of these issues and their deep roots in institutionalism notwithstanding, they remain in the background, while the earlier battles rage on.

Meanwhile, even good Keynesians preoccupied themselves largely with the basics of jobs and wages, while tending to under-emphasize the economic value of public services, public goods, and social insurance. Whereas progressives give great prominence to the stagnant median real wage – a statistical abstraction experienced by no one directly – matters that hurt society as much or more, such as retirement insecurity, lack of health insurance, and the bad quality of education, go underdetected and undercombated.

For example, at a session on January 5, 2013 of Economists for Peace and Security, Kenneth Arrow made a point about the importance of health to welfare. Health for many people is more important than income and much harder to attain. Arrow argued that there followed the critical importance of protecting such programs as Medicare and Medicaid that provide a degree of stability to the provision of healthcare in the USA. It was a profound argument, yet one that economists often neglect to put in its right place in the order of priorities. In a similar vein, the economist Gary Dymksi has told me that the state of California does not maintain statistics on foreclosures. Yet homes are as important to many people as jobs.

The topic of inequality was treated in Joan Robinson's 1971 lecture. She mentioned, for instance, the fact that technical change dispossesses and impoverishes many, while enriching only a few. This idea is not new. It goes back to Karl Marx and even to the famous chapter on machinery in David Ricardo's *Principles of Political Economy and Taxation*. The issue also has great relevance in the digital age. Kolodko (1999) discusses the case of the transition economies, where low inequality rose inevitably, but also abruptly and disruptively, with the introduction of finance capital and in the course of political and social upheaval.

In 1971 measured inequality was at a historic low, so this issue did not take up a lot of space just then. But inequality has since been rising. For two decades, the discourse over "Why?" was dominated by a debate that pitted a demand against a supply argument: a debate between those who said it was a question of technology and education and those who said it was the rise of trade with and immigration from less-developed countries. I believe this debate will eventually be forgotten, and economists, among others, will come to see that the rise of inequality was tied up with the drift toward economic and financial crisis. *We shall eventually agree, I hope, that the measurement of in-*

*equality captures the same phenomena as the rise of unstable finance.*

In this way, economic inequality resembles blood pressure in the human body. There is a range that one can consider healthy. Within that range, a lower reading is evidence of a greater degree of efficiency and stability – that is, of better health. Too low pressure is a problem. It may lead to sluggishness. Zero inequality, like zero blood pressure, is a value found only in the morgue. And then there is the question of what happens when inequality rises above the top end of the safe range. As with blood pressure, this is a sign of trouble. It may be symptomless. It is a warning of crisis to come.

That is more or less exactly what one observes when looking at the evolution of inequality toward its peak. This peak was reached in the United States in the year 2000, just as the stock market boom came to its crest. A mild crisis occurred at that point; and after some downs and ups in inequality the great crisis came seven years later.

### **The third crisis – does economics have the tools to stop it?**

Now economists face a Third Crisis in our thought. This crisis must be treated as distinct from the old battles over stimulus and austerity, raging on as artifacts of the First Crisis. It is not the same as that Second Crisis of affluence that animated progressive economists forty years ago. It must also be separated from the one-note narratives that have emerged since 2007, which tend to suggest a freak event, unpredictable *ex ante*. These include the Black Swan view, the idea of “fat tails,” and even the “bubble” metaphor. Statistical arguments and visual images are not substitutes for economic argument.

So, what is the third crisis in economics? It has to do not only with the causes of the financial debacle, but also with the dawning fact that it was not a transient event. It has to do with the realization that the economy is not going to experience a return to *ex ante* normality. I suggest calling it a *crisis of constraints*: a crisis of issues that, although present, were not decisive during either the first or the second crises. In the wake of the great financial crisis, they converged with the ongoing stagnation into a single matrix of questions that demand studying and a coherent approach.

Neither the saltwater nor the freshwater would be interested in doing that. So I propose to entrust the responsibility for addressing this matrix of questions to the *backwater* – to those economists who retain an appreciation for physical systems, for institutions, and for the pragmatic approach to economic and social questions. This is also the project of Kolodko (2011, 345-6), in his discussion of “an even bigger crisis.” The essence of the problem is to bring economic development into line with resources, technology and institutions in a sustainable way, and to do allocate the potential for growth and improved living standards reasonably between the poor regions and those that are already wealthy.

First, there is the problem of rising, falling and increasingly uncertain energy costs. All resource costs are highly dependent upon the costs of the underlying energy, especially as these affect the energy-importing regions, which is (necessarily) where the bulk of human economic activities reside. Higher costs squeeze profits, given fixed cost structures and fixed overheads.

What happens then is a threat to the rate of investment and to the rate of economic growth. In the limit, the issue facing certain societies and regions is whether there is any prospect for positive profits at all and the consequences if there are not. Rising energy costs were central to the disruptions of the 1970s, and they played a role in the runup to the collapse of 2008. Yet the bust follows the boom, and soon enough, these disruptions were filed away as “shocks.” Shocks, for an economist, are a class of events that do not need to be explained or analyzed until they can be forgotten.

Forty years later, Cyrus Bina (2013) reminds economists that classical political economy, focused on rents, provides the tools that are needed to understand resource costs. Economists have also perhaps learned that the economics of military control over resources is hopelessly adverse. A paradox of power in the control of natural resources states that power is affordable only if it does not actually have to be used. The world has (with one hopes no exceptions) long come to appreciate that this was true of nuclear weapons. The American experience in Iraq and Afghanistan has taught that it is a general truth. So we must come to grips with the economics of uncertain energy and resource costs in a world in which no one can any longer have a reasonable capacity to exercise coercive control.

Second, we need a practical response to an age of extreme labor-saving technical change. Robert Gordon (2012) asks whether any of the new technologies can raise living standards nearly so much as, say, glass windows and air conditioners did in the past two centuries. That is a good question, but I have a different one. I do not think the new technologies have destroyed all that many jobs, on balance, so far. If they had, unemployment before the crisis would have been worse than it was. But do they stand as an obstacle to job creation in the aftermath?

In the age of internal combustion engine, technological unemployment fell very heavily on that most unfortunate victim, the horse. For the people displaced from horse-raising, which occupied about a third of agricultural land in the United States before World War I, there was a future in mechanical arts, so that total employment ultimately grew. In the digital age, there is no expendable equivalent to the horse. There is also no easy equivalent to automotive repair-shops, highways, parking garages, or even to the chop-shops of the car-thief. So what is the business model for those displaced from desk work by computers, instant global communications, and outsourcing?

To be more precise, what is the institutional model that will replace for-profit wage labor for the people displaced by digital technologies – including not a few college professors, whose jobs can be done by others, via distance learning? The answer must be new institutional forms to provide employment in healthcare, home care, education, the arts and culture, human services and the environment, to absorb those who will be displaced, and to provide rewarding employment that serves social purpose.. To recognize the problem in this way is, a healthy start.

Third, we need an economics of fraud. Fraud has been a taboo topic in mainstream economic discourse, because it undermines the foundational identity of the profit-maximizing business enterprise with the human beings who comprise it. But it is of course possible, and even to be expected, that rational human beings in organizational settings may defraud their customers, their investors or the general

public in the interest of enriching themselves, if they can do so with minimal fear of retribution.

Why does no proper economics of fraud appear in the mainstream canon? In part because it would be terribly inconvenient. Kolodko (2011, 20) gives an exegesis of the progress of lies and indoctrination in the field, from close observation of the implantation of neoliberal dogma especially in Eastern Europe. There are paymasters, both state and private. There are ideologues, or more properly demagogues, who seek professional advantage in well-favored views. And there are the stubborn, who having once committed themselves to a vision cannot find their way out. As Kolodko writes, “it is possible to get lost in this matrix of truth, sincerity, ignorance, error, falsehood and lies.” (2011, 22)

The elements of an economics of fraud were outlined by George Akerlof and Paul Romer (1993) in “Looting: The Economic Underworld of Bankruptcy for Profit,” based on the experience of the US savings and loans. That story is told in detail by William K. Black (2005) who has spelled out the analysis of “control fraud” – a criminological term meaning fraud committed by those in control of the business firm. But this analysis remains something from which the mainstream averts its eyes. In the case of the Great Financial Crisis, no one denies there was fraud. Yet few dare to speak of it, despite vast evidence. The mortgage markets in the United States were suffused with fraud. It was fraud so routine that in Bethany McLean and Joseph Nocera’s (2010) book, *All the Devils Are Here*, one reads of a mortgage company that issued “welcome packages” containing scissors and white-out to its loan officers, as well as crystal methamphetamine, to increase their selling power. One learns how the chief executive officer of that company ended his career as the United States Ambassador to the Netherlands, nominated by President George W. Bush and supported for confirmation by the future President, Barack Obama.

The very lexicon of finance in this period reeks of fraud – liars’ loans; ninja loans (no income, no job or assets); neutron loans destined to explode and to destroy the people while leaving the buildings intact; toxic waste, or the equity tranche of securitization. One thinks of a restaurant where the wait-staff speak of the food as sludge, sewage, and scum; it gives the impression that they know that their business is not entirely honest.

Systemic fraud raises two issues: how it arose and what the consequences are. Jing Chen and I (2012) suggest that the rise of fraud is partly a response to the increasing cost of resources and to the associated squeeze on honest profit. Firms are expected to have a target rate of return. In previous times they could achieve the target through respectable means. For that reason, they were willing to accept effective enforcement measures to keep less reputable competitors at bay. But when the target rate of return can no longer be achieved honestly, it may yet be achieved by lobbying for deregulation and de-supervision, so that it is easier to cook the books undetected. This in turn gives a competitive advantage to crooks.

Even as I am speaking abstractly, I refer you to the fact that, in the immediate aftermath of the attacks on September 11, 2001 in the United States, five hundred FBI agents were reassigned from white collar crime (financial fraud) to counter-terrorism. That was understandable. What is not

understandable is that they were never replaced. Then there was the famous 2003 episode when Mr. James Gilleran, then head of the Office of Thrift Supervision, held a press conference to which he brought a chainsaw along with copies of the underwriting regulations. This was a message intended to be understood even by a run-of-the-mill mortgage man.

As Black has put it, the market for good loans was mature. Mature markets cannot grow quickly, so they would not underpin a rapid return to growth in the wake of the information technology bust. But there was another market that is mathematically inexhaustible. This is the market for loans that will not be repaid. The only thing that is required to make a market in bad loans is a sink somewhere – a *mark* is the word for it – who will take the ultimate loss. In *The Big Short*, Michael Lewis (2011, 67) supplied a very apt, one-word description of the mark. In a dialogue, one banker asked, “Who is buying this crap?” The answer came back, “Düsseldorf.”

A more general point underlying economic pragmatism is that every aspect of a modern economy runs on trust. There are practically no important markets where consumers can judge quality and safety directly. Almost always, the consumer relies on a long and opaque chain of design, production, and distribution. *Trustworthiness is supplied by regulation*. This means that in the modern world regulation is not a burden on markets, but an indispensable precondition for markets to exist. The difference between “advanced” and “developing” countries lies not in the presence or absence of technology, which is available everywhere and easily imported. It lies in the effective regulation of activity by a competent public agency. Lettuce is not commonly sold on the markets in China because customers won’t believe that it is safe to eat. Even if one grew it in a distilled sterile water tank, and said so, the buyers wouldn’t bite, for lack of trust. But, then again, one *can* buy lettuce in China. Sam’s Club sells it and it comes from California, with a stamp on it that says “USDA” – United States Department of Agriculture.

When markets are de-supervised, a Gresham’s Dynamic of looting destroys trust and the markets themselves. In the financial markets this happened practically overnight in August 2007. The rest of the crisis was the unfolding of institutional failures made certain by the collapse of trustworthiness, an application of what Paul Krugman (2007) called “the Wile E. Coyote moment.” The system really does go on, beyond the point of collapse, until people *see* that they have run over the cliff. The descent after that is very rapid.

Much of the Third Crisis lies in a failure to think through the interaction of trust with regulation. Economists have taught that regulation is an imposition, a burden, sometimes necessary but always costly. This presupposes that, in principle, the nuclear reactor could run without the cooling system. When we try it, the meltdown occurs, and we use that word in the financial and economic world but deny its meaning. Meltdown means that the underlying mechanism has been destroyed. After a “meltdown,” we somehow think that large banks continue to function, just because their offices remain open and their payrolls are met. But the offices are mere shells, a front behind which there remains the wreck of an enterprise. The big American banks today exist on the sufferance of the state and the forbearance of the Justice Department. They are a fixed charge against the profits

of other private enterprise. In short, they are the analog of the machinery ministries of the late-period Soviet Union, which commandeered forty percent of output but made no material contribution to living standards. Those ministries were gotten rid of only when the country broke up.

A final issue of the Third Crisis is climate change. It is part of the third crisis because the threat was unknown, at least to economists, at the time of the second crisis, and because it raises questions about the future of human society. To this day most economists prefer to think little about it. Of those who choose to think, many are not helpful and those who are should be honored. The carrying capacity of the atmosphere is an ultimate constraint, complicated by the fact that the constraint is not imposed in a time-consistent way. It can be violated with near-impunity by the living, for a while longer. Fifty years from now, the bill will come.

### What should we do?

What do these elements of the crisis suggest to those of us who are in the backwater caucus, the Keynesians, and the institutionalists and the New Pragmatists? What should we do?

First, we should open our discipline to learn from physical and geophysical scientists as well as from engineers. The purpose of this should not be to find yet another physical model for abstract economics. Instead, it should be to ground economics on a foundation of facts about real resource costs, engineering possibilities, and geophysical limits. Understanding the role of resources would also bring economics into closer contact with biological, biophysical, and ecological science, a long-sought goal of evolutionary economics.

Second, we might restore lines of communication with those who study the law. The purpose should not be another empty debate over whether and how markets can replace legal systems. It should be about reframing the view that law and regulation are what make institutions work, that institutional design is the design of law and regulation. The role of fraud in undercutting market economies makes this an especially urgent task. At the moment we do not know to what extent global finance – taking advantage of information and computational power and the possibilities for legal evasion and for regulatory and tax arbitrage – can, in fact, be controlled. This condition favors the assertion of simple solutions – the reimposition of Glass-Steagall or the Financial Transactions Tax – that are politically the most familiar and therefore the easiest to advance. There is an urgent need for research and for vigorous and open debate over what are realistic and what are not realistic measures.

Third, we should build a new narrative of solidarity. We need this to underscore the role that stabilizing sources of income and social insurance provide to all who are not in the active labor force at any given time – to the young, to caregivers, to the disabled, the sick, and the elderly. These numbers are rising rapidly for both demographic and technological reasons. Before the postwar cult of growth, there was an economic discussion centered on the problems of security, stabilization, and the full use of human resources. This discussion was a source of strength in the institutionalist project. In this respect, the progressives who gave us the estate and gift tax and the income tax; social reformers

who gave us social security – the people's pension; and the trade unions, who won collective bargaining rights and the minimum wage, are pivotal agents.

Today the neglect of solidarity at all levels – personal and institutional, national and international – plagues economics. The unnecessary erosion of Social Security, Medicare, Medicaid; the pressure on old people to work longer while young people go begging for jobs; the inadequate recycling of great wealth into philanthropy; the forced impoverishment of countries by their creditors; the expectation that development should be run on commercial banking terms; and the voluntary self-impoverishment of countries that do control their own currencies in the grip of ancient error and ulterior agendas, are instances of a great conceptual betrayal.

This last point suggests a new-old way of resolving those great issues, the challenge for the institutional and evolutionary economics still to come. As Kolodko writes, "We should be looking all around the horizon." That cannot be done by asserting that there is an easy path back to the open-ended growth of the early post-war dogmas; neither the simple Keynesians nor the retrograde Austerians can move us back in irreversible time. A New Pragmatism, looking forward into danger and uncertainty, must instead seek forms of development that are sustainable in three distinct ways: in terms of economic dynamics, in terms of social acceptability, and in terms of the environment. (Kolodko 2014, 403). The right approach is an economics of moderation, as I also have argued in *The End of Normal*. This must come, by finding ways to work within the constraints, to use human potential within well-organized institutions, to provide security for all, and to conserve our natural resources and the planet as best we can.

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## ARE NATIONAL INTERESTS OUTDATED IN THE WORLD ORDER?

In order to deal with our topic of the contemporary challenges facing national interests, we have first to consider whether national interests actually exist. In the affirmative, we must go on to define them and identify the stakeholders of national or anti-national interests, which is the aim of this brief research paper.

My proposal is that the current world order dislikes nations, States and peoples as much as it delights in globalisation, borderless finance, political interference and military intervention. In the West, many politicians, publishers and academics share the mainstream view that national interests no longer really exist.

Is our world ultimately an order or a disorder, and for whom? To what extent is such an "order" sustainable?

The Infowar in fact begins with the use of certain words in preference to others, and assertions (Margaret Thatcher's famous "There is no alternative<sup>2</sup>) matched with injunctions.

### 1. The "Liberal Empire" Dropped Democracy

#### *Governance vs. Democracy*

Samuel Huntington's publication, 40 years ago, was more discreet than his later *Clash of Civilizations*. He was indeed the major author of the Trilateral Report *The Crisis of Democracy*<sup>3</sup>, which acted as a roadmap for the decades to follow. It proposed depriving the people of their legitimate right to take decisions and replacing it with submission to the will of an elite. Governability and governance are the expression of this system of exclusion. Basically, govern-

<sup>1</sup> President of Geneva International Peace Research Institute (GIPRI). Author of many scientific works, including "Peoples and Nations: an Essay on the National Environment of the European People", "Thinking of the Republic, War and Peace in the Footsteps of Jean-Jacques Russo" (et al.) and many others.

<sup>2</sup> This won her the nickname "Mrs. TINA"

<sup>3</sup> *The Crisis of Democracy: On the Governability of Democracies*, M. Crozier, S. Huntington, J. Watanaki. New York University Press, 1975. The Trilateral Commission was founded in 1973 by David Rockefeller, directed by Zbigniew Brzezinski, and promoted by President Carter.

ance dissolves the will of the people, normally expressed by the public authorities: "Governance is a triangle involving public authorities, private interests, consumer and user civil society. (...) Clearly, this means that during a vote, none of the three categories has the sole majority. The public authorities no longer hold the role of unique representative of the common interest."<sup>1</sup> The mercantile market democracy dislodges the democracy of the people. The NAFTA project, among others, is a clear example of this process.

Dissociating the elite from their own respective nationalities simultaneously reinforces the international solidarity of the groups in power.

Part of Huntington's programme was to be implemented from the seventies in several nations in Europe within the framework of the European Community, known at the time as the European Union. The argument was to declare "the European national state a somewhat obsolete entity."<sup>2</sup> The economic (i.e. monetary, industrial, financial) crises proved to be levers for reshaping the national and international order, both domestically and abroad. Demonising the Nation-State enabled emerging classes and groups to lose "touch with the people. The unreal, artificial character of our politics reflects their insulation from the common life..."<sup>3</sup>

The collapse of communism in the USSR and Eastern Europe made it possible to implement the rest of the programme, once any political and military counterweight had disappeared. The situation also opened new markets and gave NATO the opportunity to expand<sup>4</sup>. Zbigniew Brzezinski's dream was beginning to come true<sup>5</sup>. Who were the beneficiaries of the new situation?

#### *Violence of the Markets & Markets of Violence*

Violence is a facet of power, namely non-institutionalised power. The institutions contain violence through constraint, what certain authors like Johan Galtung call "structural violence". The ruling groups impose, propose or negotiate the legitimacy of their policy, placing the State at the crossroads of groups of interests<sup>6</sup> rather than as the pure expression of a single-class interest, as traditional Marxists would have it. The State witnesses and confirms the balance of power between the groups and the classes. As from the seventies, the popular classes began losing their influence to the benefit of a neo-bourgeoisie gathered around the emerging financial elite and their clerks.

Physical strength is no longer the major characteristic of structural violence. Economic power, for one, could be considered as the violence of the markets, despite the fact that it actually boils down to the connection between market and capital: market capitalism or the commodification of life and societies. This economic power, violence of the

markets or commodification, is basically divided into wage ratio (employer-employee dependence), major inequalities, mass unemployment and restricted common or public services due to capital flight, limited taxes and subsequently impoverished elected political authorities. The State, as such, vanishes, surrounded by and dissolved in private interests. This is why Robert Cox uses the term "state/society complex": "I have used in preference to "state" the more cumbersome term "state/society complex."<sup>7</sup>

In exploring the process of "economic empowerment", Michel Aglietta and André Orléan amplified their work in 1998 with *Monetary Sovereignty*: "Economic empowerment, the instrumentalisation of collective forms, and the primacy of power relationships over forms of authority do not draw a coherent social model, which, on the contrary, supposes the subordination of power relations to an authority. The authority is a set of collective values in whose name the coherent society is confirmed. (...) One can say that authority subordinates power for what it is worth. Power is dominance, based on the possession of means of production allowing certain individuals to dictate to others how they should conduct themselves."<sup>8</sup> Let us call "oligarchs" the persons who possess this economic power, and eligarchs (the former "elite" who were concerned about the common interest and then, most often, turned into a separate class having lost touch with the people) the politicians, academics, journalists and so forth who join and support the oligarchs. The solidarity between oligarchs and eligarchs typically characterises "crony capitalism." They come from the same milieu, attend the same business schools, intermarry, cross interests and share a similar cosmopolitan vision of the world.

Aglietta and Orléan distinguish economic power from the "authority," "a set of collective values," to be expressed in political decisions. This has two consequences. First, the market works through merchants, the genuine actors of the social complex. Second, the withdrawal of the State automatically means the increased influence of the merchants, leading to a privatisation of violence including the private security contractors. On August 15, 1971, President Richard Nixon staged an "international coup" by declaring the end of the convertibility of the U.S. dollar into gold, thus ending the Bretton Woods system of fixed exchange rates. The "Nixon Shock" opened the door to the financialisation of capitalism, accelerated by information technologies and the reign of speculators.

Marc Guillaume qualifies the brutal economic order as a "state of war": "Of this order, I will first remember an aspect that illustrates the capacity it has to distort values that seemed assured: it is the acceptance, and even the exaltation, of a permanent state of war as a normal, indeed ideal, situation. This state of war is, of course, the economic war waged by companies and nations, a war considered legitimate, despite the misery and tragedy it imposes on the poorest countries and, increasingly, on the industrialised countries themselves. The economic order is fundamentally an endless mobilisation, a war order, idealised or euphemised into a competition model."<sup>9</sup>

<sup>1</sup> «La gouvernance est un triangle où se côtoient les pouvoirs publics, les intérêts privés, la société civile des consommateurs et des usagers (...) En clair, cela signifie que lors d'un vote, aucune des trois catégories n'a à elle seule la majorité. Les pouvoirs publics sont désinvestis du rôle de représentant Unique de l'intérêt général» Michel Camdessus, Bertrand Badré, Ivan Chéret. Pierre Frédéric Ténière-Buchot, Eau, Robert Laffont, 2004.

<sup>2</sup> *The Crisis of Democracy*, p. 18.

<sup>3</sup> Christopher Lasch. *The Revolt of the Elites*, W. W. Norton Company, New York ; London 1995. P. 3-4.

<sup>4</sup> "The United States will press forward on enlarging NATO, she (Madeleine Albright) said, "to integrate new democracies, defeat old hatreds, provide confidence in economic recovery and deter conflict." <https://www.mtholyoke.edu/acad/intrel/albright.htm>

<sup>5</sup> Zbigniew Brzezinski. *The Grand Chessboard: American Primacy and Its Geostategic Imperatives*, 1997.

<sup>6</sup> Namely according to Jean Jaurès and Nikos Poulantzas.

<sup>7</sup> Robert Cox. *The Political Economy of a Plural World*, Routledge, 2002, p. 32.

<sup>8</sup> M. Aglietta et A. Orléan. *La monnaie souveraine*, Paris, Odile Jacob, 1998, p. 11.

<sup>9</sup> Marc Guillaume. «L'héritage de l'histoire ambiguë» in Pierre Dockès, (dir.), *Ordre et désordres dans l'économie-monde*, 2002, p. 41.

The extension of the violence of the markets involves the rise of the markets of violence. “Markets of violence” (Gewaltmärkte) is primarily an expression coined by Georg Elwert<sup>1</sup> and later developed by his former students<sup>2</sup>. “Markets of Violence,” however, has an anthropological as well as an economic connotation, where the former includes the latter.

“In its conceptual meaning, the term “markets of violence” refers more directly to anthropology than to economics: the market is a culturally registered place of exchange. Applied to rationalities of exchange in war zones, it opens on a theory that gives a better understanding of a society’s ability to manage its conflicts, as well as its aptitude for state-building. The theory of markets of violence focuses on the strategic action of the social actors, who are not only older politicians controlling local institutions, but also young men generally ignored by studies centred on the elite. In a gerontocratic society, as are many societies in the developing countries, they choose the “AK47” option, i.e., they seek in the markets of violence the possibility of building up social and economic capital.”<sup>3</sup> The arms trade – the primary source of corruption according to a SIPRI report – is the perfect symbiosis between the violence of a market and a market of violence.

#### *Empires in Territories and Networks*

It is doubtful whether the President of the United States is the genuine ruler of this empire.

The new empire is constituted by the entanglement of territories, which are politically-militarily dominant, and of networks woven by large commercial, financial and informational companies. “But this empire of the liberalised market is not only (...) a socially disembodied, abstract monster. Substantially, it identifies itself with dominant nations (...) and, within these nations, with social layers that have never been in such a favourable situation. This empire constitutes in fact a system of alliances between elites on a global scale. (Underlined by GG). It strengthens the implantation of capitalism in certain areas, excluding the others, but the great difference with the past is that its border is not geographical; it has become social.”<sup>4</sup> The United States are still the predominant head of this untypical empire because they control many territories – and more decisively, the major networks – through their companies, their armies, their norms and their technologies.

The “Liberal (also “postmodern”) Empire” is an expression used by Robert Cooper, former counsellor of Anthony Blair, and later advisor to the European Union High Representative, Javier Solana. Cooper writes: “What is needed then is a new kind of imperialism, one acceptable to a world of human rights and cosmopolitan values. We can already discern its outline: an imperialism which, like all imperialism, aims to bring order and organisation but which rests today on the voluntary principle.

Postmodern imperialism takes two forms. First there is the voluntary imperialism of the global economy. This is usually operated by an international consortium through In-

ternational Financial Institutions such as the IMF and the World Bank – it is characteristic of the new imperialism that it is multilateral. These institutions provide help to states wishing to find their way back into the global economy and into the virtuous circle of investment and prosperity. In return they make demands which, they hope, address the political and economic failures that have contributed to the original need for assistance. Aid theology today increasingly emphasises governance. If states wish to benefit, they must open themselves up to the interference of international organisations and foreign states (just as, for different reasons, the postmodern world has also opened itself up.)

The second form of postmodern imperialism might be called the imperialism of neighbours. Instability in your neighbourhood poses threats which no state can ignore. Misgovernment, ethnic violence and crime in the Balkans pose a threat to Europe.”<sup>5</sup>

This empire indeed combines the various elements of power: the military, the commercial, and the hard and soft power that make up “smart power.” Cooper considers US leadership of the empire a lesser evil.

The bodies of the empire are political authorities, national or international agencies, financial institutions such as the International Monetary Fund or the World Bank, the European Commission or the boards of major companies. Alain Joxe points out “the sovereignty of the companies” within the “global empire.”<sup>6</sup>

David Harvey<sup>7</sup> considers that the “new imperialism” follows a two-pronged strategy focusing on business interests on the one hand and political domination on the other. The goal is to maintain economic and political domination. In Iraq, the military occupation was only the latest, if most overt, phase of that strategy.

The peoples abroad are the further victims of the empires.

## **2. Towards Partnerships between Sovereign Nations**

The world is run by a transnational oligarchy, certainly not really cohesive, but united against their respective peoples, who demand more independence, respect and solidarity. The scission of the oligarchies is both horizontal (micronationalisms such as Catalonia<sup>8</sup>) and vertical (opposing the rich and the poor). The oligarchies divide the nations vertically and horizontally.

It is worth noting that several U.S. authors, be they radical (Blum, Johnson<sup>9</sup>, Chomsky) or moderate (Barber), denounce the imperial stance of their country. Benjamin Barber, former Counsellor of William Clinton, notes that the U.S.A. tend to confuse the promotion of democracy with the defence of their own markets or interests.<sup>10</sup>

To briefly outline the major thrusts of a desirable world order, some feasible directions or ways to favour multilateralism are worth noting:

<sup>5</sup> “The New Liberal Imperialism” <http://www.theguardian.com/world/2002/apr/07/1> and “Why we still need Empires” <http://observer.theguardian.com/worldview/story/0,11581,680117,00.html>

<sup>6</sup> Alain Joxe. *Les guerres de l’empire global*, 2012.

<sup>7</sup> David Harvey. *The New Imperialism*, 2003. <http://eatonak.org/IPE501/downloads/files/New%20Imperialism.pdf>

<sup>8</sup> Gabriel Galice. “Des micronationalismes en Europe : “identité”, pouvoir et appropriation en Ecosse et en Savoie”, in *L’Europe à la recherche de son identité*, (Edit. Christiane Villain-Gandossi), Paris, 2002.

<sup>9</sup> Chalmers Johnson. *The Sorrows of Empire*, 2004.

<sup>10</sup> Benjamin Barber. *Fear’s Empire – War, Terrorism and Democracy*, 2004.

<sup>1</sup> <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.537.3680&rep=rep1&type=pdf>

<sup>2</sup> Martin Kalulambi Pongo et Tristan Landry. *Terrorisme international et marchés de violence*.

<sup>3</sup> Ibid. p. 2-3.

<sup>4</sup> Edgar Morin et Sami Nair. *Pour Une politique de civilisation*, Arléa, 1997, p. 42.

First, the strict implementation of the United Nations Charter, starting with the respect for the sovereignty of the States (which are equal in terms of rights) and non-interference.<sup>1</sup> The Charter also poses the principle of negotiation as opposed to force.<sup>2</sup> The respect of the principle of non-interference implies the acknowledgement of a plural, multilateral order, contested by those in power but advocated by the developing or emerging nations, including Russia.

Second, giving priority to the development (in economic and social terms of education, welfare, and so on) of nations rather than to business and private companies.<sup>3</sup> The case of the drug industry, torn between WTO and WHO, is a shining example<sup>4</sup>. The food industry is a similar case, as are other services such as education. Use value or exchange value?

Third, the dismantling of the existing military alliances (above all NATO) and reconstruction on the basis of the existing OSCE. Articles 46 and 47 of the United Nations Charter, stipulating the establishment of a Military Staff Committee to advise and assist the Security Council, should

be implemented. NATO should cease to be considered as the strong arm of the UN.<sup>5</sup>

Fourth, the reinforcement of States and nations instead of their dismantling. "Nowadays, the political force of a nation lies precisely in its capability to strengthen the link between the people and the State."<sup>6</sup> The reinforcement of nations is underpinned by the enhancement of participatory democracy, backed by the new technologies. This is the very opposite direction of that indicated by Huntington in 1975 in favour of the Trilateral Empire.<sup>7</sup>

A fifth measure is the building of regional co-operative (rather than competitive) unions between neighbouring countries.<sup>8</sup>

A sixth means is opening the status of permanent member of the Security Council to additional major countries, notably emerging nations.

Keeping in mind the close relationship between peace, development and justice and acting accordingly. Prof. Roy Preiswerk promoted positive and dynamic peace through an adequate method.<sup>9</sup>

**G. M. Gatilov<sup>10</sup>**

## ON CONTEMPORARY INTERNATIONAL RELATIONS AND GLOBAL CHALLENGES

Over the past year, global situation remained complex and quite mobile due to the deep-seated shifts in the geopolitical landscape meant to create a new polycentric world order model. Not unlike all important historical transformations of the past, it is a long process characterized by unpredictability and rising instability. Contradictions related to uneven global development, widening gap between the welfare levels of countries, struggle for resources, access to market outlets, control over transport routes are aggravating. To a large extent, world economy stagnation destabilizes the international situation. There is high volatility in currency and primary commodity markets in terms of continuing low growth rates. Attempts to create new separating lines aimed at fragmentation the global economic space by

<sup>1</sup> <http://www.gipri.ch/wp-content/uploads/2013/06/States-of-War-and-Proxy-Wars-rev.pdf>

<sup>2</sup> <http://www.monde-diplomatique.fr/2015/06/GALICE/53103>

<sup>3</sup> Christian Comelieu, *L'économie contre le développement ? 2009 and La croissance ou le progrès ?*, 2006.

<sup>4</sup> Gabriel Galice, *Santé et profit – l'industrie pharmaceutique*, 1974.

<sup>5</sup> The secretaries-general of NATO and the United Nations, Jaap de Hoop Scheffer and Ban Ki Moon, signed a joint declaration in September 2008.

<sup>6</sup> Gabriel Galice, *Du Peuple-Nation*, 2002, p. 37.

<sup>7</sup> "A value which is normally good in itself is not necessarily optimized when it is maximized. We have come to recognize that there are potentially desirable limits to economic growth. There are also potentially desirable limits to the infinite extension of political democracy. Democracy will have a longer life if it has a more balanced existence." Samuel Huntington, Chap. III, "The United States", *The Crisis of Democracy*, p.115.

<sup>8</sup> Jean-Marc Siroën, « Régionalisme contre multilatéralisme ? », *Les Cahiers Français*, n° 269 sur l'économie mondiale, janvier-février 1995 and <http://www.dauphine.fr/siroen/acr2.pdf>

<sup>9</sup> Preiswerk (Roy), "Que faut-il entendre par « Recherche pour la paix ? »" <http://www.gipri.ch/institut/fondation>

<sup>10</sup> Deputy Minister of Foreign Affairs of the Russian Federation, Ambassador Extraordinary and Plenipotentiary. An expert in multilateral diplomacy. Author of a number of publications, including: "Peacekeeping UN Blue Berets", "Results of 'The Great Gathering' at the UN General Assembly", "Results of the UN Doha Forum", "On Some International Aspects of the Dialogue of Cultures Under Globalization", "Formula of Reconciliation in Syria" and some others. Awarded with the orders of Friendship and Honour.

establishing closed trade associations do not contribute to strengthening of international cooperation either.

One of the main contemporary distinguishing features is the fact that global competition has covered not only human, scientific and technological potential, but has also reached civilizational dimension. It is being perceived as a form of competition of values and development models more frequently. The outbreaks of the most ongoing international conflicts are on the borders of "the civilizational divide" and the future world contours are increasingly determined by the confrontation of different "civilizational blocs".

In this regard, today, great attention is paid to rethinking the approaches to implementation of national interests, security of the state, society and the individual. Contradictions traditionally considered as "the third basket" challenges, in other words, the humanitarian issues, at any moment can turn into a tangible threat to national security. Events associated with the promotion of the so-called "colour revolutions" happening in different parts of the world confirm this assumption.

Thus, the situation in the Middle East has approached the line, beyond which the destruction of the regional political map begins. Outbreaks of chaos in Syria, Iraq, Libya and Yemen became a kind of integrated "crisis areas", the situation in which is aggravated by the increasing risks of growing sectarian tensions and the deepening of inter-civilizational contradictions.

This is happening against the unprecedented strengthening of the terrorist threat that in the past few years gained an entirely new, more alarming dimension. It incarnated in the activity of terrorist groups, such as the Islamic State (ISIS/DAISH), Jabhat al-Nusra and related structures, committing numerous barbaric crimes, including those outside the



region, against the citizens of Russia, the EU, the Middle East, Africa, the United States, and provoking the mass exodus of residents of the Middle Eastern countries *inter alia* to the EU member states. The terrorists are trying to spread their activity to Europe, Central and South-East Asia, USA, Russia. Today, terrorist aggression is the key challenge to international stability.

The reasons for such a dangerous scenario are clear: despite our repeated warnings, the “collective West” represented by the USA and their supporters opted for consequential and irresponsible concept of “geopolitical engineering” in the Middle East and North Africa, providing, in fact, targeted and systematic intervention in the internal affairs of independent states resulting in destabilization and overthrow of the “unwanted” regimes. The very “Arab Spring” led to destruction of traditional control mechanisms and security in the Middle East, to uncontrolled radicalization of the “Muslim street” and, ultimately, to increasing activity of terrorist and extremist organizations, such as the Islamic State, Jabhat al-Nusra and others.

By the way, the refugee crisis in Europe has arisen precisely because of the irresponsible and short-sighted intervention in the internal affairs of sovereign states in the Middle East and North Africa. According to the UN High Commissioner for Refugees, the number of refugees and migrants arriving in Europe in 2015 exceeded 1 million people. Since the beginning of 2016, their number exceeded 50 thousand people. The situation related to their mass arrival in Europe is already being called a humanitarian catastrophe and the most serious challenge to European stability. Moreover, experts see it as a real threat to the existence of the Schengen area and even of the European Union.

It appears that the main task for today is the elimination of the root causes of the current refugee crisis, first of all, the achievement of a peaceful settlement in Syria and Libya. During the anniversary 70th session of the UN General Assembly, the President of the Russian Federation Vladimir Putin called on the international community to face this challenge with willpower and solidarity forming a broad global front against terrorism based on international law and acting with the consent of and in close coordination with the countries of the region concerned.

In this context, upon request of the Syrian government and in accordance with international law the Russian Air Space Forces were involved in the operations in Syria to support Syria’s legitimate government in the fight against terrorism and extremism. Our military made significant progress in eliminating terrorists and their infrastructure. The decision on partial withdrawal of our forces was made based on the fact that the tasks assigned to them were generally accomplished. The Syrian army restored its positions in key areas; substantial damage was caused to the terrorists.

By sending our military to Syria, we proceeded from the interests of Russia, from the need to eliminate the extremism threat in the distant approaches without giving it any chance to get closer to the borders of our country. We also proceeded from the interests of the Syrian people living in war for many years; we were striving to mobilize maximum international support for the fight against terrorism. This goal is achieved, and a good foundation is laid to finally defeat ISIS, Jabhat al-Nusra and other terrorist organizations, to address the humanitarian issues and to promote the

political process based on the UN Security Council Resolutions 2254 and 2268 and the resolutions adopted by the International Syria Support Group.

Today, coordination of efforts of all the parties concerned in the fight against terrorists in order to optimize their operations has become particularly important. It is necessary to strengthen border control and resistance to other forms of terrorism support.

We hope that our Western colleagues will behave constructively and responsibly in regard of Syria striving for finding albeit difficult, yet reliable termination of crisis in the country.

At the same time, we can see that they also transferred the practice of offensive interference in the internal affairs of sovereign states to the centre of Europe with Ukrainian events being the main evidence thereof, as they largely repeated the most negative aspects of the Middle Eastern crises: radicalization of political trends generously fuelled from outside, activation of extremist groups, dramatically increased violence.

Using the pretext of disagreement with Russia over the Ukrainian events, the West first had frozen most of the anti-terrorism cooperation formats involving the participation of Russia and then imposed unreasonable sanctions inconvenient for its own partners.

In fact, as a result of these rash acts our closest neighbours experience bloody retaliation carried out by Kyiv against its own citizens, catastrophic economic situation and blatant excesses of ultranationalists. Consequently, refugees from the South-East of Ukraine started migrating to our country. According to the Federal Migration Service of Russia, about 1.1 million Ukrainians have moved to the Russian Federation since April 2014. I would like to emphasize that, unlike the European Union, which adopted a similar number of immigrants, while being populated by five hundred million people, we coped with the reception of such a large number of forced migrants successfully in spite of the objective difficulties, not urging the international community “to share the burden” as they are doing now in the West. Moreover, Russia continues to be one of the leading countries in the world in the numbers of inbound migration flow.

Obviously, the key to solving the Ukrainian crisis is the full and strict implementation by the parties, Kyiv and the self-proclaimed Luhansk People’s Republic and Donetsk People’s Republic, of their obligations undertaken as a part of the Minsk agreements. Russia will remain firmly committed to finding a comprehensive and peaceful solution to the internal Ukrainian crisis, while continuing to promote restoration of the national consensus of the fraternal people and return of the country to the path of sustainable development. Herewith, the striving among a number of partners to impose their position and their attempts to shift the blame for the delay in the settlement on Russia, as well as linking of Kyiv idleness to the ongoing sanctions policy against our country lead to a dead end.

We hope that our foreign colleagues will stop aligning vital security tasks with short-sighted political goals. Now, “after Paris”, just as once was after the terrorist attacks in New York and Washington in September 2001, the European public accepts our arguments much better. It is regrettable that the politicians are often taught by mass tragedies, which have seemingly opened the eyes of many in the West

in terms of the true meaning of the international anti-terrorist cooperation.

Another serious aspect challenging global politics is the negotiability of parties. We face obvious unwillingness of the partners to carry out their commitments quite often. Flimsy, illogical and inconsistent excuses are used to justify counterproductive actions as, for example, the delay in the start of negotiations on Syrian settlement some time ago in order to attempt to document the ousting of the legitimately elected Syrian leadership as a mandatory requirement, or such an absolutely “forbidden technique” as being “stabbed in the back” by Turkey, a recent partner.

Still, the international atmosphere is being seriously poisoned by information wars involving global media, Internet, social networks. Under the guise of freedom of speech and expression, information manipulation, “brainwashing”, inciting of religious and ethnic hatred occur; subversive activities against the states, their institutions and policies are carried out. We have witnessed a rapid growth of European and global extremist movements and political parties advocating racism, ethnocentrism, aggressive nationalism and xenophobia promoting nazi ideology and racial superiority. One of the factors fuelling this trend is the disregard for the tragic lessons of the past.

In recent years, we have been witnessing an unprecedented media aggression against Russia on the part of those trying to falsify and rewrite history. Their goal is to belittle the role and the place of our country in the modern system of international relations. They want us to feel a kind of “guilt” for what in fact our people not only have the right to, but are also obliged to be proud of. It is sufficient to recall the attempts to promote the concept of “equal responsibility of Nazi Germany and the USSR for the outbreak of the World War II”, the development in the UN and in the OSCE of a statement that “May of 1945 brought many European countries new crimes against humanity rather than liberation and freedom”. The “war against monuments” started in Poland and in some other states, the attempts to present former members of Waffen SS, the local nazi collaborators, as the “fighters of the national liberation movements” now seen in the Baltic States and Ukraine, stand in the same row.

Responsibility for combating and preventive measures in relation to these challenges rests with the politicians. Any attempts to cover up their inaction and connivance of the events organized by radical parties and movements with concerns about freedom of speech and peaceful assembly are unacceptable. There can be no freedom for the spread of nazi ideology, glorification of nazi collaborators or torchlight processions.

Thus, it is necessary to talk today about a two-discourse opposition in the information field. On the one hand, we observe the USA and the Western Alliance guided thereby trying to reverse the objective trend of the establishment of a more fair polycentric international system by any means, to impose faith in the uniqueness of the Western model development based on unilateral advantages. On the other hand, there is the striving to the civilized competition, to prioritizing joint resolution of the common challenges and to setting up a dialogue between cultures and civilizations.

Enhancement of the moral dimension role in the global agenda is an objective issue in the globalization era, if we are not willing to slip into permissiveness, both within our countries and in international affairs. In this regard, the religious factor is quite important for the world politics, especially its part in building an inter-civilization dialogue. Traditional values common to the world’s major religions and constituting a universal basis of human solidarity are unfortunately majorly forgotten. However, the peacekeeping potential of the leading religions is a universal tool to prevent tensions in the relations between civilizations, to overcome various forms of extremism.

The recent meeting between the Patriarch of Moscow and All Russia Kirill and Pope Francis became a good example thereof, as, they made a joint statement not only recognizing the need for inter-religious dialogue “in this disturbing era” but also reminding the faithful that “no crime can be committed in the name of God”.

The analysis and generalization of the experience of our multidisciplinary work at the international arena show that reliance on traditional civilization values, rich cultural heritage, as well as still popular Russian education, are obvious advantages able to attract foreign attention to Russia and to motivate to take part in our multilateral initiatives.

The model of successful co-existence of various faiths, religions and cultures accumulated over the centuries in our country is not only the Russian patrimony, but also our contribution to the global efforts to achieve harmony between people adhering to different cultural, linguistic and religious traditions. It is important not only to preserve but also to multiply this heritage.

Dmitry S. Likhachev wrote: “...We shall not lay full responsibility for neglecting the past on others or just hope that government or public organizations are engaged in preserving the culture of the past and “it’s their business”, not ours...”. I am sure that the preservation of traditions and our identity is a common cause and a common goal, which is possible to be met successfully through collective action only.

S. Yu. Glazyev<sup>1</sup>

## STRATEGY RUSSIAN ANTI-CRISIS POLICY IN THE CHANGE OF TECHNOLOGICAL AND WORLD-ECONOMY WAYS

Today Russia, as many times before, has again become the target of the Western aggression caused by battle for global domination by ignition of the global war for control over the periphery. Authorship of such destructive policy belongs to the USA, which consider Europe and Russia as peripheral regions of their financial and economical empire and try to subjugate them by imposition of a hybrid war. This policy, if one deeply investigates the laws behind the contemporary social and economic development, has its logical explanation. Today's changes of the global economical and political system, as in previous historical periods, are due to the processes of replacement of technological and global economic patterns.

Technological patterns are groups of technological combinations identified in the technological structure of the economy and joined to each other by identical technological chains to create reproducible unities. Every such pattern represents an integral and a stable formation, within which a complete macroproduction cycle is realised, which includes production and collection of primary resources, all stages of their processing and issue of a set of finished goods that comply with the appropriate type of public consumption.

The concept of the global economic pattern is defined as the system of interrelated international and national institutes that provide for expanded reproduction of the economy and determine the mechanism of global economic relations. The institutions of the leader country are of the highest importance, providing dominant influence at the international institutions that govern the global market and the international trade-economic and financial relations.

Each global economic pattern has the limits of its growth, which are defined by accumulation of internal conflicts within reproduction of the institutions it includes. Such conflicts are deployed until the moment of destabilization of the system of international economic and political relations that have been solved so far with global wars. During such periods the system of international relations is drastically destabilized, the old world order is destroyed, and a new world order is formed. The capabilities of social and economic development on the basis of the existing system of institutions and technologies are being exhausted. Countries that have been leading so far come across unsurmountable difficulties to maintain previous rates of eco-

nomie growth. Reaccumulation of the capital in the obsolete production and technological complexes casts their economy into depression, and the existing system of the institutions complicates formation of new technological chains. Together with new institutions for production organization they cut a path for themselves in other countries that break through as the leaders of economic development.

Former leaders try to retain their domination in the global market by amplification of control over their geo-economic periphery, including methods of military and political enforcement. Thus, the contemporary information and communication technological pattern was to a large extent produced by the "star wars" doctrine – a strategic defense initiative that made it possible for the USA to justify the need for large-scale investments into improvement of breakthrough technologies of the new technological pattern. Therefore, the breakthrough towards this new technological trajectory happened via a powerful initiating impulse, organized by the armaments drive. In a similar way the transition before last from one technological structure to the other happened via the catastrophe of the Second World War.

The current transition period caused by replacement of both technological and global economic patterns is characterised by the usual attempt of the global hegemon – the USA – by provoking the instability foci (a series of "colour revolutions", civil wars and conflicts under auspice of democratic values export) to affect entire regions, having made them a resource periphery, which is dependent and provides for economic interests of the "metropolis".

The second incentive of the US geopolitical attack at Eurasia is a desperate attempt to prevent appearance of a new integral global economic pattern, the centre of which is formed in Asia. Creating the integral system that combines advantages of the market self-organization and strategic planning, China, India, other Asian states harmonize interests of social groups on the basis of the anticipatory development policy. Russia may use substitution of the America-centric model of the world with a new one, oriented at harmonic cooperation in Asia, and may become an important link in this new centre of the global economy, if it starts implementing a similar policy of anticipatory growth of the new technological pattern and utilize institutions of the integral global economic pattern. This will make it possible to ensure a stable growth of economy with the rate of at least 6-8% of GDP growth per year, successful development of Eurasian integration and, most importantly, to stop the global hybrid war. In this journey Russia may recover its leadership in the global intellectual, scientific and technical and economic space. Otherwise Russia will find itself torn between the old and new centre of the global economy (USA and China), and its certain parts will remain in the resource periphery of the global market. Choice between these scenarios that are opposite by their social and political results is fully in the plane of the state economic policy. If it remains unchanged, Russia will slide into the catastrophic scenario. If the policy of anticipatory growth on the basis of a new technological pattern is implemented, by combi-

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nation of strategic planning and market competition, Russia will achieve its economic miracle, will create a valid economic union in the post-Soviet space, and together with the dynamically developing Asian “tigers” will become a core of attraction for the new integral global economic pattern. The latter blends harmonically with the historical and political tradition of the Soviet economy system, which makes it possible to organically use institutions and mechanisms adapted by China and other Southeast Asia states in the contemporary management practice.

In China and other new industrial countries of the Southeast Asia the growth of the new technological pattern happens simultaneously with formation of a new system of institutions of expanded economy reproduction that matches its specific nature. This system of institutes considerably differs from the American model, which has only recently seemed to be the best role model to many. Thus, the communist leadership of China continues to build socialism, avoiding ideological set phrases. They prefer to formulate objectives in terms of national well-being, setting the targets of overcoming poverty and creating the society with medium prosperity, and to further achieve the best standard of living in the world. At the same time they try to avoid extreme social inequality, maintaining the labor grounds for national income distribution and orienting the institutions of economy regulation at productive activities and long-term investments into development of productive forces. This is a common feature of countries in the core of the integral global economic pattern.

Regardless of the dominant form of ownership – state, as in China or Vietnam, or private, as in Japan or Korea, the integral pattern is characterized by a combination of institutions of state planning and market self-organization, state control over the main parameters of economy reproduction and free entrepreneurship, ideology of general welfare and private initiative. At the same time forms of political order may differ fundamentally – from the Indian democracy to the communist party of China, both the largest in the world. The priority of nationwide interests above private ones remains unchanged, which is demonstrated by strict mechanisms of personal responsibility of citizens for good behavior, clear performance of their duties, compliance with laws, serving the nationwide objectives.

Superiority of public interests over private ones is expressed in institutional structure of economy regulation, which is specific for the integral global economic pattern. First of all, in the state control over the main parameters of capital reproduction by means of mechanisms of planning, financing, subsidizing, pricing and regulation of basic conditions for entrepreneurship. The state at the same time does not only order, but rather serves as a moderator, forming the mechanisms of social partnership and cooperation between the main social groups. Officials do not attempt to manage entrepreneurs, but organize joint work of business, scientific, engineering communities to create common objectives of development and production of methods for their achievement. This is what mechanisms of state economy regulation are tuned at.

The state provides a long-term and cheap credit, and businessmen guarantee its targeted use in specific investment projects for production development. The state provides access to infrastructure and services of natural monopolies at lower prices, and enterprises are responsible for

production of competitive goods. In order to increase their quality, the state organizes and finances the necessary R&D, education and training, and entrepreneurs implement innovations and invest into new technologies. The public-private partnership submits to public interests of economy development, national welfare rise, improvement of quality of life. Therefore, ideology of international cooperation changes, too – paradigm of liberal globalization for the benefit of private capital of leading countries of the world is replaced with the paradigm of sustainable development for the benefit of the entire mankind.

Based exactly on such impressions of the current world order model, the Eurasian integration process in the post-Soviet space is happening today. The Eurasian idea and the Eurasian policy are not only geopolitics in its traditional meaning as domination in the region, it is also the battle for the national system of values, which actually became an integral part of the battle for sovereignty and protection of national interests in Eurasia. It is no coincidence that at the “Valday Forum” in 2013 V.Putin said: “It is not only about the analysis of the Russian historical, state, cultural experience. First of all, I mean common discussions, conversation about the future, about the strategy and values, the value basis for development of our country, about the way how the global processes will influence our national identity, about the way we want to see the world of the XXI century, and what our country – Russia may contribute to this world together with our partners”<sup>1</sup>.

Limits of liberal globalization become apparent with transition to a new global economic pattern. New independent centres of global economy – China, countries of the Association of South East Asian Nations, India, as well as the Eurasian Economic Union – that are created in spite of the American domination – have their own cultural and civilisation characteristics, differing by their system of values, history, culture, spirituality and other national and regional specificity. Today it is already obvious that with all the meaning of mutual penetration of globalization, neither of these centres of forces will not refuse from its specificity and cultural and ideological identity. They will develop them within the forming integral global economic pattern, trying to increase their competitive advantages in respect to other centres of forces.

Russia is facing an obvious choice: to become a powerful ideological and civilization centre (which was specific for its entire history of the last millennium), and also the economic and social one, or, having lost its identity, to remain at the periphery of the new global economic pattern. Choice of self-sufficiency and independence based on understanding of its cultural and historical mission requires recovery of the relatively high weight of Russia and the Eurasian Economic Union in the global economy, trade, scientific and technical cooperation. It is necessary to develop, adopt and implement a complex of measures with account of still limited Russian resources and its opportunities in Eurasia. For this purpose the strategy of anticipatory growth of the Russian economy justified in this monograph should be implemented.

As it was shown above, wide Eurasian integration, including Europe, China and India, as in the Middle East, could become a strong stabilising anti-war factor, helping

<sup>1</sup> Speech of V.Putin at the plenary session of the “Valday” club. 2013. September 21

to overcome the global economic crisis and creating new opportunities for development. The thinking and most responsible part of the global community understood that in order to avoid a new wave of self-destructive confrontation and provision of sustainable development, a transition to a new worldview model is necessary on the basis of principles of mutual respect of sovereignty, fair global regulation

and mutually beneficial cooperation. Russia has a unique historical opportunity to return the role of the global uniting center, around which a fundamentally different balance of forces will start, as well as a new architecture of global currency-finance and trade-economic relations upon terms of justice, harmony and cooperation for the benefit of the nations of the entire Eurasia<sup>1</sup>.

**A. A. Guseynov<sup>2</sup>**

## WHAT IS HUMANITY?

Presentation. A possible understanding of the topic of the next International Likhachev Academic Conference “Contemporary Global Challenges and National Interests” may be as follows: it is impossible to respond adequately to global challenges within the framework of national interests. There are many national interests and many nations, the number of which exceeds two hundred even considering a nation-state as one. Most importantly, their number tends to increase. In every case, even if we bear in mind the greatest nations, they represent a limited amount of people in a limited territory and are generally private and local on a scale of humanity and the planet. The said challenges are global and represent a threat to humanity and the planet. In order to respond thereto, the humanity itself shall become the doer in its natural responsibility for the living conditions on Earth. The question requiring a theoretical understanding and a practical solution is whether it is possible and, if so, how it is possible.

1. First of all, it should be noted that the nations limited by their own interests cannot develop in a certain entity (unity) capable of acting in solidarity (within the framework of a joint plan), even facing an equally common threat. It is impossible both by definition and in fact.

It is impossible by definition, since every nation typically unites a collection of people on top of their family, tribal, ethnic, racial and other differences to the same extent as isolates, separates, distinguishes and opposes them to other nations. This is where a kind of dialectics can be applied: uniting through separation and opposition. According to the experts, the “insiders – outsiders” opposition is inherent in every collective identity being basic for the national identity; not by chance the relations particularly tense and fraught with conflicts arise between the border-line and closely related peoples. As a part cannot be equal to the whole, so a national interest may not coincide with a humanity interest, if the latter exists. Nations cannot arrange their existence in accordance with the basis and the logic of global challenges; even in cases where it is advantageous to act on behalf

of global interests and to be, as the expression goes, the history locomotives, they do it based primarily on their specific interests and guided by the striving for self-preservation and expansion of capabilities as these particular nations. Activity of a nation connected with global challenges is aimed, first of all, at its own benefit rather than the benefit of humanity. It can be proven by a relation to such purely man-made global danger as the danger of self-destruction by nuclear weapons: those states having them look at these weapons from the point of view of their own security and superiority, rather than in the universal perspective, and protect their monopoly thereon in every possible way. The countries not having nuclear weapons and seeking to acquire them by hook or by crook are guided by the same logic.

Nations cannot develop into a global unity in fact either, as evidenced by the real state policy considered in the context of globalization. In this regard, two trends are obviously apparent. First of all, each country tries to use the opportunities opening in the course of globalization to gain competitive advantages and capture world leading positions; it is striving to pass its national interests off as global and, today, one transatlantic superpower is particularly successful in doing so. Secondly, social and political instability situations will inevitably arise in the course of globalization (uncertainty, mobility, variability) and generate centrifugal (not centripetal, as one might expect, but centrifugal) trends, become a cause and a source of separation, isolation, implementation of unmet national claims to independence, rather than of unification and consolidation of ethno-national communities. There are practices of combining national efforts on a global scale in order to ensure security (UN), joint struggle for the environment preservation (Earth Summits, climate forums, etc.); these practices are valuable as there is nothing else, but they are secondary to the national interests and are disproportionate in their effectiveness towards dangers called upon to confront.

2. We often use the concept of humanity in our general humanitarian lexicon: we speak on behalf of humanity; we do something for the sake of humanity; we grieve for humanity; we are proud of and disappointed in humanity. But what do we mean by humanity? Do this kind of appeals to humanity and pondering on behalf thereon have a specific and responsible content or are they beautiful figures of speech having transformed (rhetorical, demagogic or other) definition only?

Humanity is primarily a biological population of certain species, *Homo sapiens*, the totality of all living and ever lived individuals representing it. It is believed to be crown-

<sup>1</sup> S. Glaziev. Eurasian integration as key direction of Russia's current policy. – Magazine “Izborskiy Klub”, No.1, 2014

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ing biological evolution and transferring its being to the social form, creating a second, supra-biological, environment: a culture produced, maintained and inherited by individuals and their associations in the course of their lifetime activity and enshrined in symbolic information forms. Humanity is a biological and social synthesis being such at the level of population as a whole and at the level of each human individual in particular: due to the artificially created social environment, it has won in the struggle for existence as a species and turned the planet into its ecological niche; each human individual is viable and active exercising its existence due to the combination of genetic and cultural information.

Experts still have not reached indisputable consensus on the issue of whether human origin was a single process and, having arisen in one place (East Africa), they settled all over the planet; or it happened many times in different parts of the world. With regard to social evolution, we can certainly claim that it was and still remains a repeated process to some extent. Cultural development was carried out in various separate lines independent from each other, like small streams connecting to each other and forming large deep rivers. Most likely, civilizations known to us arose according to this scheme, including those surviving until now with their own autochthonous history of formation and development, civilizations which, by the way, originally evolved along the big rivers.

A surprising moment in the socio-cultural development of humanity is that it, although carried out as a variety of independent civilizations, however, proceeded according to some general laws and lines comparable with each other, passing through the same stages, the identity of which is particularly high in the case of production forms (gathering, hunting, agriculture, cattle breeding, industrial development). Even the division by historical periods (Antiquity, the Middle Ages, Modern Times) is universal and applicable to each thread of civilization development with certain clarifications. Leaving aside the question of the role of mutual influences, which still took place in some form, and even assuming that these influences were more than we know, it should be recognized that such uniformity of development lines indicates the social evolution objectivity, allows interpreting it as a process that takes place independent of the composition, targets and conscious efforts of the participating people, though implemented through their activities.

3. Leaving aside the complex issue of combining biological evolution and social development, taking as obvious the fact that the social development of humanity continues its biological evolution or is building over it, but in any case runs autonomously and much more dynamically than a natural process in a person, it should be noted that global challenges and dangers are of, if not exclusively, then mainly social nature and particularly require social (public) decisions. From this perspective, it is important to note two more features of the historical development of humanity in the form of separate independent civilizations.

One feature is that each civilization grew, strengthened and broadened in fight, including, even primarily, violent struggle, between the communities (countries) encompassed in its orbit and between social groups within these communities (countries). Today, covert or overt struggle of peoples and states for domination within its civilizational space still goes on. Anyway, civilizations arrived to their

modern state with a great experience of wars and social violence, with deep-rooted and fully supported beliefs and habits to protect their interests by force. It is no coincidence that at least four (European in two relatively independent sub-options: Western and Russian, China and India) of the world's current civilizations comparable in scale and historical claims prioritize the armed potential highly and possess nuclear weapons. Moreover, there is the Islamic civilization, yet quite fragmented in itself, without an unquestioned leader, but also going in this direction compensating for the gap in conventional arms with such an unusual but extremely powerful means of violence as terrorism.

Another feature is the following: each civilization has its own culture of common nature. Each thinks of itself as a universal historical project, the expression of universal human and unconditional truth. Civilization produces, receives continuation and consolidation in the global culture, as if it was generally one of a kind or, at least, the most worthy. There is no actual single historically integrated humanity and has never been, but it existed perfectly in the form of culture. Each civilization has its own idea of humanity allowing it to think of itself as the world centre and focus. Referring to the old dispute about the relationship of culture and civilization, it should be noted that culture expresses the spirit of civilization, reinforces its claims to commonality and versatility and, thus, incompatibility with other civilizations. Culture, like a shell, gives each civilization containment allowing, even forcing, to realize itself as one-and-the-only, not as one of many (or more), but one-and-the-only.

4. Civilizations developing up to the present time, each following its own ways, in the framework of their cultural decoration, historical inertia, more or less locally defined territory, have come together and hit up against each other, which resulted in impossibility of their previous autonomous existence. Their fate will depend on whether they are able to rise above themselves and find stability under the single dome or not. Globalization, the contemporary world development trend gaining strength, is an attempt to move from the millennia process of human development as separate civilizations to existence as a single civilization or super-civilization. The success of such a transition is far from preset; of course, any transition, along with the opportunities, encompasses risks and in this sense the human future (and the individuals and society as a whole) has always been and remains a probability value, but the extent of that probability is different, as it is now (at least in regard to the future of humanity) essentially smaller than ever before. After all, global threats are global not only in the sense affecting us all, but also in the sense that they threaten the very existence of humanity.

More than twenty years have passed since Samuel Huntington suggested a clash of civilizations as a sign of a new era in international relations. Particularly, it meant that after the Cold War not ideologies, but cultures became the division lines of international conflicts and that conflicts themselves moved from being intra-civilization to being inter-civilization. In estimation of these claims based on the experience of post-Soviet Russia, it can be concluded that the first of them turned out to be true and the second – false. In fact, the complete refusal of Russia from the ideological confrontation with the West, as well as from the ideology inciting to such a confrontation, and the transition of its ideological values and priorities to the position of the

West did not change the architectonics of its still confrontational relations with the West. At the same time, conflicts in the post-Soviet space which can be characterized as intra-civilization have not disappeared and are more amplified than weakened. In this respect, the following example is quite representative. In order to illustrate this thesis that conflicts turn to being inter-civilizational, Mr. Huntington refers to the experience of overcoming the imminent military conflict between Ukraine and Russia in the early 90s accompanying it with the remark that “they are two Slavic, primarily Orthodox peoples who have had close relationships with each other for centuries. As of early 1993, despite all the reasons for conflict, the leaders of the two countries were effectively negotiating and defusing the issues between the two countries. While there has been serious fighting between Muslims and Christians elsewhere in the former Soviet Union and much tension and some fighting between Western and Orthodox Christians in the Baltic states, there has been virtually no violence between Russians and Ukrainians.”

What did not happen in the relations between Russia and Ukraine then, happened twenty years later. This example does not refute the assertion of civilizational foundations of today’s conflicts, but, like many similar examples in other regions, it shows that the driving forces of world politics remain national interests with national states being their subjects.

In international politics, civilizational and cultural factor is really more important than ideological, not per se, but because it is gaining crucial importance in the consolidation of national states. Nation-states, as before, are key world politics’ actors, but they link their self-affirmation primarily to the fact of protecting their cultural and civilizational values. To the extent that we can speak of a clash of civilizations, its actors are national states.

5. Global interests and challenges run into particularism and conflict of national interests. The issue of the possibility of adequate responses to them is the issue of the possibility of overcoming national divisions in a higher synthesis. Today, the scenario, although not completely closed, but least likely, is whether national disunity will ever be overcome in a certain supranational (post-national) community, just as the nations overcame ethno-tribal fragmentation and the language diversity is supplemented by some common Esperanto. The public mind does not even consider it as utopia. The motion is rather in the opposite direction as evidenced by the experience of the Soviet Union and Yugoslavia.

The possibility of humanity social consolidation around one (single) power centre of legitimate violence, formation of a state on a global scale, is just as problematic and even less likely. Judging by experience, the opportunities opened by globalization are considered by the currently dominating nation-states as the chance to get such a superiority in military power that will allow to finally implement those global imperial ambitions, which are considered to have failed in the past due to lack of appropriate technological means. Ideas and thoughts prevailing in our Russian society proceed from the fact that a state-like global alliance, while being unreal, is not desirable either so that it would become a form of cultural degradation.

In short, humanity as a social whole is composed objectively, by virtue of the social development laws, as particularly evidenced by the process of globalization. But it does

not exist as a subject of social action and its ability to become such a subject is blocked by the national, state, civilizational and cultural heterogeneity. Nation-states (by themselves or even if they could be grouped by civilizations) could possibly come together to solve any particular threat, such as the danger of global warming, but they cannot become a stable association and to act as one in principle. In this respect, it can be assumed that the social evolution is similar to the biological: the existence of man as a species is guaranteed by its diversity, in particular, and by the fact of its existence as many flocks not gathering together in one.

Even if we assume the unity of humanity under a single universally accepted power authority, it would not have acquired a quality allowing adequate respond to global threats. Global threats, like any great historical or planetary event, are an objective result, a kind of resultant of an almost countless number of single (individual and group) actions differing from them like the sum differs from the numbers of which it is composed. The fates of nations and states do not depend on the rulers, although the latter, of course, somehow affect them. In the same way, the fates of humanity cannot depend on those who rule them, no matter how intelligent they are. Sociology and philosophy of history prove that the organization of large masses of people is subject to its objective laws and that social development should be regarded as a natural historical process.

6. The unity of mankind, unlikely or even excluded at the collective level and in the form of mandatory legally guaranteed administrative decisions, can become a real effective force on the individual (personal) level and in the form of a morally responsible position. Reasonable actions of a man having their cause in his freedom are required as a response to global threats and only they can exist in the form of a moral core of his social behaviour. Humanity as an idea and an ideal has existed for a long time, at least since the so-called Axial Age; when it comes, for example, to European culture, it is possible to refer to philosophical abstraction of a man, monotheistic views about his origin and divine purpose, outstanding human oriented aesthetic and moral experience. Currently, if we talk about the globalization challenge, then it is about the way what has been the idea and the ideal becomes a self-evident everyday practice.

The concept of humanity may be filled with the appropriate content, become a reality and acquire effective force only as humaneness of all its constituent individuals. Answering the question “What is humanity”, we can say that humanity is humaneness. An analogy with biological evolution may again be relevant: nature guarantees the form safety so that its specific features are fixed (embedded, encoded) in the body of each individual. Social evolution can also be applicable with the only difference: it does not consider humaneness as a generic human essence initially inherent in each individual assuming it as their free decision.

Humaneness of people as a way through which humanity comes to unity and finds its historical subjectivity seems utopian. Actually, it is quite realistic and its realism lies in the fact that there is no other way. Another, disastrous, way is followed by humanity today aimed at achieving cohesion and unity of actions on the scale of humanity by external coercion. If a person differs from mechanical bodies and other living beings, if mind and soul really mean something and are destined to give the universe a new qualitative state, then it at least shows that he/she can set the conditions for

its own existence and not only submit to external influences and instincts and desires of his/her body.

7. At least two objections against the very possibility of humaneness as a working, efficient universal norm require reasoned response. Firstly, there is no direct transition from the norm to the action and actions are always individualized, unique, just as are the individuals committing them. Secondly, the particularism of national and other culturally determined interests, which, as already noted, blocks their humanity synthesis, finds expression in the behaviour of individuals representing these interests.

Both of these objections are removed, if humaneness in question is considered in the context of negative ethics and understood not as a meaningful positive program, but as a set of unconditional prohibitions. A prohibition is a special rule, as it can directly, without any mediation, be transitioned into an action of not doing something. In order to obey the prohibition of certain deeds, a person does not need anything extra (special), but their own will to follow this prohibition. Speaking about the effectiveness of prohibitions in general, we speak only whether they can be referred to clear concrete actions and whether they are accepted by a person in their binding force. With specific regard to humaneness as an expression of the essence of human species-being, the question is as follows: can it take shape in prohibitions able to become a morally binding individual position?

Humaneness, or humanism in a broader sense, is synonymous with morality and can be translated as a love for man, doing good to him. However, this common position is inadequate to decide how to behave or how to perform an action in a particular situation. It is easy to imagine that, for example, a

believing father and a freethinking father - equally loving their children and wishing them good - will tell them different stories and give different books to read. The deeds of a Christian father and of a Muslim father will also be different under the same general rules. It is natural and morally worthy to wish good to one's country and countrymen, however, within the framework of such a notion, some public figures in the history of Russia called for protecting the Fatherland from Western influence, while the others called for cultivating such an influence in every possible way. It happens with almost all issues and situations and it is natural and normal: different people, different opinions and different positions. The humaneness issue arises differently if we translate it into the language of prohibitions, which, however, ethics has been doing par excellence since long ago in formulating its codes of conduct.

There are at least two prohibitions: the prohibition of violence ("Thou shalt not kill") and the prohibition of lying ("Thou shalt not bear false witness against thy neighbor") clearly stating what one ought not to do - accepting them, and that are certainly human, because they state humanity in the name of each person. They do not specify the content of the deeds, but just the architectonics of human relations being such architectonics which aims to support humanity in the entirety of its individuals. Humaneness understood this way is not contrary to and does not exclude the diversity of particular interests and situations; on the contrary, it sanctions their possible diversity. The meaning of these prohibitions is that they prohibit the actions of individual which separate him/her from the generic essence as if he/she were more than a human. They include an individual in the humanity simultaneously not allowing them to rise above it.

**G. A. Hajiyev<sup>1</sup>**

## ON TRADITIONALISM IN LAW

Social life of people on Earth produced multiple versions of democratic principles. And most probably there is something universal about them. But it's hardly probable that anyone would argue that the way how common democratic principles are implemented in different countries, in different continents, to a large extent depend on such factors as history, tradition, culture and self-identification of the nation. Conformism in the philosophy of law is an important cognitive category that reflects the objective reality.

There is a certain materialization of conventional norms of culture, moral, law, and this is the state of confidence. At the same time, as a rule, there are no rational explana-

tions for legality of confidence, it is viewed as an axiomatic value.

Confidence holds colossal social energy - either the energy holding forward movement, which supports the ideology of conservatism, or the energy of dynamic development - and this is ideology of progressivism. But quite exotic configurations exist. Thus, neoconservators in the USA do not tend to take into account the traditional social forms of being of some, let's say, Arabic nations. And as Evgeniy Primakov wrote, they follow Trotskyists doing this, who were confident about utility of exporting the proletarian revolution to other countries, regardless of whether a revolutionary situation has formed there or not.

Confidence and persuasion are two different systems of reasoning among people. In the end human mind is responsible for anything happening in the world, which may be oriented either at confidence (conformism) or searching for persuasion, at rationalism. The paradox of real life lies in the fact that as it turns out, it is possible to combine rationalism and idealism, and cynicism, which is justified by idealistic purposes.

Probably, since such objective law as the law of inertia is effective in the physical material enclave of the total reality, in its ideal enclave the law of conformism is effective.

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tive, which is isomorphic to the law of inertia. When moral world view is constructed, a feature of human consciousness should be taken into account – inability of a human being to identify themselves to anyone in the world, confidence in his or her uniqueness. These features of human consciousness are formed by public consciousness, producing either myths or realities of uniqueness, singularity of a nation.

Confidence lacks persuasion? Or persuasion should still take into account confidence, i.e. conformist basics?

Here the sources of scientific discussions of many years are hidden, where representatives of many social sciences are involved. They say that a horse may be brought to a water hole, but you can't make it drink water. Scientists-lawyers participate in these global discussions, speaking about those aspects of uniform public relations, such their perspective, which is believed to be the monopoly of legal science. These are problems of state or political nation sovereignty, which legally register the attempt of the nation to remain itself in process of continuous development, in constitutional identity. These legal concepts are definitely under crisis. This is now the task for sociologists and political scientists – to count, how many sovereign states are left there in the world?

To which extent the system of the international humanitarian law collides with constitutional principles of national states?

And if constitutions of countries are viewed not only as transplanted legal norms, but also as the method to codify traditions of the nations, then the gap between the universalist system of international law norms and the constitutional conformism will increase, creating quite severe risks.

The problem of conformism in the philosophy of law turned out to be much wider than the ratio of traditions of the nation and the Constitution. Conformism lies in the very heart of classification of legal systems (families) in the world. There is a tradition of continental law, to which the Russian law also refers, and there is common law or systems of common law. Therefore, after the famous speech of the Chairman of the Supreme Commercial Court of the Russian Federation A.A. Ivanov at the Third Senate Readings on March 19, 2010 on the precedent-setting revolution in Russia, the Chairman of the Constitution Court of the Russian Federation spoke in the press with a call to take into account the traditions of the Russian law and called to demonstrate reasonable caution in the complex process of legal world view re-adjustment<sup>1</sup>.

Conformism is also a methodological setting for some scientists-lawyers. It may be seen as natural limits to so called legal transplantation, i.e. borrowings from foreign law of any legal institute. Our experience shows that transplantation or reception of legal norms may not automatically result in the fact that the perceived legal institution will have the same effect in the perceiving legal system as in the country's law, from where it was borrowed. Therefore, it is necessary to take into account the complex contextuality of legal norms or the common normalization system. In my opinion, the idea of complex contextuality of legal norms gives evidence of the law attempt

to develop more complex theoretical models on the substance of law and to develop the legal methodology. In legal systems under condition of accelerated transformation (to which the Russian law also refers), as a rule, there is a conflict between the transplanted norm and other legal institutions. The effect of alienation manifests more, if the borrowed legal institution comprises a new social program. If a foreign legal institution is implemented into the Russian law, sometimes the borrowed institution acquires a new content.

The provided observation leads to a more common and obviously a non-original conclusion that there are countries, which lag behind Europe in cultural development, but still believe it is permissible to adopt their legal experience, not being confident that they are ready for practical realization of European legal principles.

I think that a rational, in this sense persuasive system of ideas is necessary on taking into account the status of confidence, conformism. Including conformism of the Constitution of Russia, which possesses an obvious constitutional identity. Judging by its content, and more importantly by the way it is used, collective and social components, i.e. values of solidarity and justice, are expressed in it more clearly than in other constitutions.

The main philosophic-legal idea of the Constitution of Russia is therefore not a concept of the liberal state and not a concept of a strong state (which in the German doctrine is equivalent to the police state), but a concept of the state, the objective of which is, as specified in the Preamble of the Constitution, confirmation of human rights and freedoms, in the organic unity with provision of "civil peace and harmony".

Traditio is a legal term of the Roman law, which means a simplified procedure for transferring things into ownership. But this is also teaching, education, a long-established opinion, which deserves to be transferred to future generations. This is that "memory of ancestors", which is specified in the preamble of the Constitution.

The tradition in the constitutional law is the need for transmission of values of personality autonomy to future generations in organic unity with solidarity values.

But what seems very important to me is the fact that while admitting the objective existence, ontologic being of confidence status, one should not fall into sin of exaggeration. I believe that this sin or belief into evergreen myth of their uniqueness is inherent not only into Germans or Americans.

Another problem is a problem is existence of values not in space, as I explained now, but in time. The issue arises in connection with the fact that we must think not only about yesterday, when we make a decision, but rather about today, as we solve the issues on the basis of future image creation. Including the legal image of the future. And then this issue about the traditional arises again. What to do? Whether to move forward and at what pace or not?

Whether we want it or not, but answers to the set questions suggest choice between certain philosophic tradition, and there is something to choose from – either the Kantian tradition or the pragmatic one.

<sup>1</sup> See: Economics and Law: New Context. // Rossiyskaya Gazeta. 2014. May 22.

Valur Ingimundarson<sup>1</sup>

## FROM HISTORICAL FASCISM TO POPULIST ULTRA-NATIONALISM: THE INFLUENCE OF THE RADICAL RIGHT IN CONTEMPORARY EUROPE

### Introduction

The current surge of nationalist, populist right-wing parties in Europe not only poses a challenge to traditional political elites and to the functioning of liberal-democratic systems. It also invites comparisons with historical fascisms,<sup>2</sup> raising the question of how to define, classify, and position these parties on the political spectrum. After Marxism lost much force as a protest vehicle following the disintegration of the Soviet Union, the Radical Right became the main mouthpiece for the opponents of a globalized, multiethnic Europe.<sup>3</sup> The recent electoral successes of populist parties owe much to their radical nationalist and anti-immigrant stance, in particular, and political discontent, in general. Their varying degrees of Euro-skepticism, Islamophobia, xenophobia, and anti-establishment positions have set them apart from their mainstream rivals on the Right and Left. Indeed, despite the heterogeneity of the European Radical Right, what unites it – from the Danish People's Party (Danske Folkeparti, DP)<sup>4</sup> to the extremist Golden Dawn in Greece<sup>5</sup> – is a core belief that the nation state should be as culturally and ethnically homogenous as possible. This means that strict assimilationist and anti-immigration policies should be adopted and any form of multiculturalism rejected.<sup>6</sup>

In this paper, I explore this ultra-nationalist phenomenon from three perspectives: I begin by comparing and contrasting far-right parties – theoretically – to fascist parties in the interwar period; then, I analyze the similarities and differences between individual parties in contemporary Europe; and, finally, I gauge their influence on government

policies and the ideological agendas of mainstream parties within the context European politics.

A state of exception, resulting from political and economic emergencies, is the ideal condition for the rise of the Radical Right as the experience in the interwar period testifies to. Hence, it should not come as a surprise that the turmoil generated by the recent financial and migration crises have buttressed far-right parties in many, if not all European countries. To be sure, their impact remains uneven due to their varied ideological appeal in different national settings, the resilience of mainstream political parties, and the obstacles posed by non-proportional electoral systems.<sup>7</sup> Yet, despite the adversity, what they have been able to do is to challenge the left-right dichotomy in European party politics and to play an agenda-setting role, especially with respect to anti-immigration policies. In many European countries, they can count on 20–25% of the popular vote. In other words, they have become a potent political force that cannot be ignored. The current asylum crisis in Europe has not only strengthened their ideological appeal but also catapulted their agenda to the center of national politics and, simultaneously, raised questions about core tenets of the European project, such as the viability of a common border control scheme and coordinated immigration and asylum policies.

### A Return to Historical Fascism?

While Western Europe has had the strongest fascist legacy since the end of World War II, its current national right-wing parties, such as the Front National (Front National, FN) in France, the Freedom Party in Austria (Freiheitliche Partei Österreichs, FPÖ), the Danish DP or the Alternative for Germany Party (Alternative für Deutschland, AfD), do not, on the surface, have much in common with the fascist parties of the 1930s. Their goal is not to destroy liberal democracy and to establish one-party rule; they accept the main tenets of the capitalist system – even if they may oppose unfettered globalization – and eschew corporate solutions; and they are not fighting a Marxist ideology or Communist parties. No European Radical Right party proposes national expansion by war, even if irredentist schemes are not absent from the agenda of some, like Jobbik in Hungary. Indeed, the advocates of border changes in postwar Europe have mostly been secessionist rather than expansionist. Moreover, Islamophobia has replaced anti-Semitism as an ideological common denominator. The far-right parties claim to represent the “vanguard in the fight for the Western, democratic community” against the “totalitarian threat” of “fundamentalist Islam.”<sup>8</sup>

<sup>7</sup> See: Cas Mudde, “Fighting the system: Populist radical right parties and party system change,” *Party Politics*, 20, 2 (2014), 217–226.

<sup>8</sup> This shift away from anti-Semitism and towards Islamophobia was underscored by the so-called “Jerusalem Declaration” signed by the Austrian FPÖ, Belgium's Flemish Interest (Vlaams Belang), the German Freedom – Civil Rights Party for More Freedom and Democracy (Die Freiheit – Bürgerrechtspartei für mehr Freiheit und Demokratie), and the Sweden Democrats (Sverigedemokraterna, SD) in 2010. It supports Israel's right to defend itself against terror. The anti-Islamic Party for Freedom (Partij voor de Vrijheid) in Holland – under the leadership of Geert Wilders – has promoted a similar agenda and expressed support for Israel. See, for example: “Far-Right Politicians Find Common Cause in Israel,”

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<sup>2</sup> On historical fascism, see, for example, Robert Paxton, *The Anatomy of Fascism* (New York: Alfred A. Knopf, 2004); Geoff Eley, *Nazism as Fascism: Violence, Ideology, and the Ground of Consent in Germany 1930–1945* (London and New York: Routledge, 2013); Richard Bessel, *Fascist Italy and Nazi Germany: Comparisons and Contrasts* (Cambridge: Cambridge University Press, 1996); Roger Griffin, *The Nature of Fascism* (London: Pinter, 1993); idem, (ed.): *International Fascism: Theories, Causes, and the New Consensus* (London: Arnold, 1998); Dave Renton, *Fascism. Theory and Practice* (London: Pluto Press, 1999); Ian Kershaw, *The Nazi Dictatorship: Problems and Perspectives of Interpretation* (London and New York: Bloomsbury Academic, 2000); Roger Eatwell, *Fascism. A History* (London: Pimlico, 2003).

<sup>3</sup> Paxton, *The Anatomy of Fascism*, p. 181.

<sup>4</sup> On the Danish People's Party, see Priscilla Southwell and Eric Lindgren, “The Rise of Neo-Populist Parties in Scandinavia: A Danish Case Study,” *Review of European Studies*, 5, 5 (2013), 128–135.

<sup>5</sup> See: Jo Angouri and Ruth Wodak, “They became big in the shadow of the crisis”: The Greek success story and the rise of the far right,” *Discourse & Society*, 25, 4 (2014), 540–565.

<sup>6</sup> See: Ann-Cathrine Jungar and Anders Ravik Jupskås, “Populist Radical Right in the Nordic Region: A New and Distinct Party Family?” *Scandinavian Political Studies*, 37, 3 (2014), 215–238.

True, there have been exceptions, deviations, and flirtations with historical fascism all over Europe. The Golden Dawn in Greece has, for example, turned into an openly neo-Nazi party;<sup>1</sup> the founder of the Pegida Movement – Patriotic Europeans Against the Islamization of the Occident (Patriotische Europäer gegen die Islamisierung des Abendlandes) – in Germany had to resign when an image of him wearing a mustache in the style of Adolf Hitler was publicized;<sup>2</sup> Jobbik – the Movement for a Better Hungary (Jobbik Magyarorszáért Mozgalom) – is overtly anti-Semitic, and some party members have identified with fascism, even if its leaders disown any historical links to the Nazi Arrow Cross Movement in Hungary in the 1930s and 1940s.<sup>3</sup>

But, in general, the parties on the far-right have been careful not to identify themselves with fascism because of the stigma attached to it. They realize that any open fascist connotation would diminish their political influence and threaten their electoral appeal and prospects because of the memory of the Holocaust and the criminalization of wartime collaboration. In certain areas, their agenda has also marked a clear break with the past. While being conservative and traditionalist on social issues, parties, such as the Austrian Freedom Party, the Norwegian Progress Party (Fremskrittspartiet, FrP) or the UK Independence Party (UKIP),<sup>4</sup> have espoused individualist liberal economic policies in contrast to the social corporatist and, in some cases, anti-capitalist rhetoric of the interwar Radical Right. The parties that are most likely to be electorally successful in contemporary Europe are the ones that combine a nationalist ideology with conservative cultural values and social protection policies. In contrast to historical fascism, ethnicity and blood are, as a rule, not highlighted in their political propaganda, with the stark exceptions of the Golden Dawn and Jobbik.

Thus, one can agree with Richard Griffiths that it is problematic to call the European far-right parties neo-fascist.<sup>5</sup> The ultra-nationalist far-right phenomenon is too broad an umbrella term, covering parties that not only have dissimilar historical roots but are too different from each other to belong to a single party family.<sup>6</sup> This is nothing new: the classical fascist parties were equally fractious; after all, extreme nationalism does not lend itself easily to a classification into transnational groupings or solidarities. Even if the interwar parties had many things in common, they differed on whether they, for example, identified with Nazi Germany or Fascist Italy, whether they subscribed, in their nationalist rhetoric, to an extreme regressive racial agenda or to an anti-liberal modernist vision, or whether they espoused national expansion and irredentism

27 February 2011, <http://europe.newsweek.com/far-right-politicians-find-common-cause-israel-68583?rm=eu>.

<sup>1</sup> See: Jo Angouri and Ruth Wodak. *Op. cit.* P. 540–565.

<sup>2</sup> On Pegida, see Jörg Michael Dostal, “The Pegida Movement and German Political Culture: Is Right-Wing Populism Here to Stay?” *The Political Quarterly*, 8, 4 (2015), 523–531.

<sup>3</sup> On Jobbik, see, for example: Varga Mihai, “Hungary’s ‘anti-capitalist’ far-right and the Hungarian Guard,” *Nationalities Papers*, 42, 4 (2014), 791–807.

<sup>4</sup> Robert Ford, “Understanding UKIP: Identity, Social Change and the Left Behind,” *The Political Quarterly*, 85, 3 (2014), 277–284.

<sup>5</sup> Richard Griffiths, *Fascism* (London: Continuum, 2006), 150–152.

<sup>6</sup> Daphne Halikiopoulou and Sofia Vasilopoulou, “Support for the Far Right in the 2014 European Parliament Elections: A Comparative Perspective” *The Political Quarterly*, 85, 3 (2014), 286.

(Germany, Italy, and Hungary) or a state of territorial status quo (Romania).

Yet, despite fundamental differences, ideological similarities can be found between the contemporary and historical Radical Right. What these parties share is a stubborn refusal to define themselves as either right-wing or left-wing, leading them to appeal to voters in both camps. Their hostility toward intergovernmental/supranational projects – whether the League of Nations in the 1920s and 1930s or the present-day European Union – is similarly a defining trait. And identity politics – the need to respond to an existential threat posed by national and cultural decline – is a common theme. By attacking the alleged corruption and weaknesses of traditional political elites, the parties want to reinforce their status as saviors and political outsiders. Finally, their ultra-nationalist agenda, which, in some cases, smacks of overt cultural racism, is directed at specific marginalized social groups, such as foreigners, immigrants, and asylum seekers.

As Robert Paxton has stressed, it can sometimes be more productive to see how past fascisms worked than to focus too much on their ideologies and rhetoric. While fascist texts and political agendas should be taken seriously, fascists often acted opportunistically by abandoning certain elements in their programme for tactical political advantages. The typical warning signals – extreme nationalist propaganda and hate crimes – are insufficient. More important are situations of stalemate in face of political and/or economic crises, and threatened conservative elites looking for allies – who are ready to abandon the rule of law – and seeking mass support through ultra-nationalist demagoguery.<sup>7</sup>

In the present, there is no political inevitability about such scenarios. Indeed, those countries that were initially hardest hit by the 2008 financial meltdown – Iceland, Ireland, Spain, and Portugal – did not witness any resurgence of the Radical Right. It suggests that when there is no systemic breakdown as a result of an economic crisis – and governments, whether right-wing or left-wing, are able to govern on the basis of a parliamentary mandate – the far-right parties do not have the opportunity to exploit a power vacuum created by a political deadlock. Fascists are closer to power when conservatives actively begin to parrot their techniques, engage in populist rhetoric, and to appeal to a fascist voter base.<sup>8</sup> Thus, the nature of the relationship between the Conservative and Radical Right is of key importance here. The question is whether the former can contain and/or neutralize the latter – either through collaboration, cooptation, or suppression. Needless to say, this strategy failed miserably in the case of Germany and Italy in the interwar period, but it worked in other countries, such as Hungary or Romania, even if the authoritarian regimes of Miklós Horthy and Ion Antonescu were fundamentally anti-democratic.

### **Conservatives and the Radical Right: Collaboration, Indifference or Exclusion?**

A look at how the moderate Right has dealt in recent years with far-right parties in Europe shows that it has taken several different forms. On the one hand, it has involved government cooperation, ideological borrowing, and a mi-

<sup>7</sup> Robert Paxton, *The Anatomy of Fascism*, p. 205.

<sup>8</sup> *Ibid.*

nority government dependency; on the other, it has led to political detachment, estrangement, or outright exclusion. When the center-right Austrian People's Party (Österreichische Volkspartei, ÖVP) decided, in a first, to form a coalition government with the FPÖ in 2000, it created a storm of criticisms followed by controversial EU sanctions. This political experiment, however, proved to be less consequential for Austrian democracy – which had already been under criticism for a long-standing toleration of a political spoils system resulting from successive grand coalitions between the Center-Right and the Center-Left – than the electoral fortunes of the Freedom Party, which lost support in the following elections and its government portfolios. The FPÖ, it turned out, regained its electoral support.<sup>1</sup> But its experience points to a problem confronted by all European far-right populist parties: by joining governments, they lose their outsider status and are forced to make ideological compromises with the traditional parties.

The Scandinavian parties are cases in point.<sup>2</sup> The Progress Party (FrP) in Norway, which is far less radical than other populist parties, in Europe, is currently grappling with a loss of support after it formed, for the first time, a government with the Conservative Party in 2014 in the wake of a huge electoral victory.<sup>3</sup> The same can be said about the Finns Party<sup>4</sup> (Perussuomalaiset, PS) in Finland, whose standing in opinion polls has deteriorated significantly – after it abandoned the opposition ranks as the second largest party – to join a government with the conservative and center parties.<sup>5</sup> The Danish People's Party, DF, however, has managed to sidestep this dilemma – at least temporarily – and maintain its electoral strength by supporting a minority government of the center-right liberal party in Denmark after the 2015 elections.<sup>6</sup>

While the Scandinavian populist parties have had to dilute their radical nationalist agendas in exchange for direct or indirect government responsibility, they have received rich political dividends in return. They have not only had a significant influence on government policies but also been instrumental in shifting the political agenda by putting immigration and multiculturalism in the spotlight.<sup>7</sup> They have argued that due to the economic crisis – made worse by EU policies such as freedom of movement and soft immigration controls – the social contract has been put at risk.<sup>8</sup> Hence, the need to curtail the influx of immigrants, refugees, and asylum seekers. The Scandinavian mainstream parties – not only the Conservatives but even the Social Democrats (es-

pecially in Denmark) – have, in varying degrees, bought into this narrative by toughening their policies and rhetoric on immigration, asylum, and border control.

This highlights a vulnerability on the Left, which has become more apparent lately. Having downplayed or abandoned a neo-liberal economic agenda, the far-right has put increased emphasis on promoting social and welfare issues targeted at the majority national population (not foreigners or immigrants). Indeed, in some countries, the Radical Right is not only competing with the Conservative Right for votes but with the Socialist Democratic Left, hoping to win over its traditional social base.<sup>9</sup> Austria provides a good example. The Freedom Party is vying for the same urban voters – often among the secular working and lower middle classes – as the Social Democrats, while the conservative Austrian People's Party has largely retained its rural, religious electoral base.<sup>10</sup> Thus, while the conservative parties have so far been the only ones open to cooperation with the far-right under certain political conditions – especially when they need assistance to form majority or minority governments – the question arises whether the Left will also be willing to do so at some point. At the European national level, the Coalition of the Radical Left, the SYRIZA Party (Synaspismós Rizospastikis Aristerás) in Greece is the only left-wing party that has formed a coalition government with a small far-right party, Independent Greeks (Anexartitoi Ellines, ANEL).<sup>11</sup> But in a move thought unthinkable only a few years back, the Austrian Social Democrats negotiated, at the regional level in Carinthia, a coalition deal with the Freedom Party after the municipal elections in 2015.

What this means is that the far-right populist parties have succeeded, partly at least, in getting the message across that they belong neither to the Right nor Left. To be sure, their most likely coalition partners – based on intersecting ideological strands, stressing nationalist and traditionalist values – remain conservative parties. Yet, they cannot always count on the willingness of the moderate Right to enter into such cooperation. In Sweden, for example, the mainstream conservative party, the Moderate Party (Moderata samlingspartiet) has joined the Social Democrats in refusing any collaboration with the far-right Sweden Democrats. While the SD is not a neo-Nazi party and has been trying to moderate its image, it has, in the past, had ties with extremist supremacist groups.<sup>12</sup>

The Front National in France also failed in its quest to take over several regions in the 2015 municipal elections despite a surge in voter surge. It was mainly due to tactical voting, especially on the part of the Socialist Left, which, in some cases, supported the moderate Right in the second round of the elections, because of the latter's policy of ruling out cooperation with the Radical Right. This has not prevented the Front National from increasing its polit-

<sup>1</sup> Despite a split when the FPÖ's late founder Jörg Haider created a rival far-right party, the Alliance for the Future of Austria (Bündnis Zukunft Österreich, BZÖ), it received 17.5% in the 2013 parliamentary elections. It did not enter the government, which is made up of the largest parties, the ÖVP and the SPÖ.

<sup>2</sup> Ann-Cathrine Jungar and Anders Ravik Jupskås, "Populist Radical Right in the Nordic Region," 215–238.

<sup>3</sup> The FrP received 23% of the vote and became the country second largest party after the Labour Party.

<sup>4</sup> See Jussi Westinen, "True Finns: A Shock for Stability? Testing the Persistence of Electoral Geography in Volatile Elections," *Scandinavian Political Studies*, 37, 2 (2014), 123–148.

<sup>5</sup> The Finns Party received 17.7% of the vote in the 2015 parliamentary elections.

<sup>6</sup> The DF garnered 21% of the vote in the 2015 parliamentary elections, and is the second largest party in Denmark after the Social Democrats.

<sup>7</sup> See: Linnéa Lindsköld, "Contradicting Cultural Policy: A Comparative Study of the Cultural Policy of the Scandinavian Radical Right," *Nordisk kulturpolitisk tidskrift*, 1 (August 2015), 8–26.

<sup>8</sup> See: Daphne Halikiopoulou and Sofia Vasilopoulou, "Support for the Far Right in the 2014 European Parliament Elections," 285–288.

<sup>9</sup> On working class support for the Radical Right, see Daniel Oesch, "Explaining Workers' Support for Right-Wing Populist Parties in Western Europe: Evidence from Austria, Belgium, France, Norway, and Switzerland," *International Political Science Review*, 29, 3 (2008), 349–373.

<sup>10</sup> Julian Aicholzer, Sylvia Kritzing, Markus Wagner and Eva Zeglovits, "How has the Radical Right Transformed Established Political Conflicts: The Case of Austria," *West European Politics*, 37, 1 (2013), 113–137.

<sup>11</sup> ANEL's share of the vote was just 4.7% and 3.6%, respectively, in the two parliamentary elections in 2015.

<sup>12</sup> The party received 13% of the vote in the 2014 elections, but its poll numbers swelled to about 20% due to refugee crisis in 2015, with Sweden accepting far more asylum seekers than most other European countries.

ical influence<sup>1</sup> throughout France.<sup>2</sup> Yet, what has ensured the exclusion of the FN from government and parliament participation (it has only two seats in the national legislature) is that France does not have a proportional voting system in National Assembly elections.<sup>3</sup> The same can be said about the situation in Britain, where the plural voting system has prevented the nationalist and Euro-skeptic UKIP from a parliamentary representation, reflecting its share of the popular vote.<sup>4</sup> Because the Conservatives won an outright majority in the 2015 parliamentary elections, they could bypass the far-right entirely, both in government and in Parliament.

The surge of the FN and the Sweden Democrats raises the question of whether the mainstream parties will be able to maintain their exclusivist stance. Given the intensity of the anti-Islamic rhetoric of the FN and the SD, it will certainly not be easy. But it puts much stress on a political system, when a party receiving 20% or more support among voters, is effectively barred from participation in it. By engaging such parties, the mainstream Center-Right and Center-Left would possibly be able to question their radical agendas and to demystify their purist self-image – which is undoubtedly part of their appeal. The obvious counter-argument, as was the case with the fascist parties in the interwar period, is that the most radical far-right parties will receive political respectability if they are allowed to become part of a government, resulting in a legitimization of their racist and hate speech agenda. This applies, in particular, to the more extremist varieties of the populist Right, such as Jobbik and the Golden Dawn.

#### **The Diversity of the Radical Right: From Neo-Nazism to Populist Liberalism**

The degree of acceptance – by the mainstream parties – of the far-right phenomenon in Europe can be measured by the flexibility or rigidity of the populist parties' ideological agendas and by their potential or actual function as political allies. In some cases, the Radical Right is simply not needed because the Conservatives can rule on their own. The British Conservative Party is an example of a party that has refrained from mimicking UKIP or pandering too overtly to it, even if it borrowed from its anti-immigration agenda during the 2015 election campaign. Other conservative parties, notably in Eastern Europe, have moved so far to the Right that they have effectively neutralized the populist parties as ideological competitors. The Hungarian Civic Union, Fidesz, is a case in point. To the chagrin of Job-

<sup>1</sup> See: James Shields, "The Front National since the 1970s: Electoral Impact and Party System Change," in Emile Chabal (ed.), *France since the 1970s: History, Politics and Memory in an Age of Uncertainty* (London: Bloomsbury Academic, 2015), pp. 41–66.

<sup>2</sup> There is a precedent for such a development. In the 2002 presidential elections, FN founder Jean-Marie Le Pen managed to get to the second round after receiving 17% of the vote. The same could happen in 2017, when his daughter Marine Le Pen – which garnered one percentage point more than the party's founder in the first round of the 2012 presidential elections, will be a candidate. See Williams, Michelle Hale, "A new era for French far right politics? Comparing the FN under two Le Pens," *Análise Social*, XLVI (2011), 679–695.

<sup>3</sup> Having won 13.6% of the vote in the first round in the 2012 parliamentary elections, the FN only got 3.6% in the second round and two seats. In other words, despite securing about 18% of the vote in the 2012 presidential elections, 25% in the 2014 European Parliamentary elections, and almost 28% in the regional elections in 2015, the FN has not been able to achieve a breakthrough, enabling it to exercise power at the national or regional levels.

<sup>4</sup> Even if UKIP received 12.5% of the vote to become the third largest party after the Conservatives and Labour in the 2015 elections, it only got one seat in the House of Commons.

bik, Fidesz has borrowed some ultra-nationalist ideas, such as commemorating the day of the Trianon Treaty – which deprived Hungary of two-thirds of its territory after World War I – and rehabilitating Horthy, Hungary's interwar authoritarian ruler. Having retained its absolute majority in the last parliamentary elections, Fidesz is not dependent on Jobbik.<sup>5</sup> The Law and Justice Party in Poland has also adopted a hard right-wing agenda, and like Fidesz, been accused of using its majority parliamentary powers to curb media freedoms and other constitutional rights. In such political circumstances, the Radical Right has no government part to play.

In other cases, far-right parties – such as the Golden Dawn<sup>6</sup> – are simply considered too extremist to work with. Jobbik would be another obvious candidate if the mainstream Right in Hungary had not embraced some of its ideas. The AfG party, which has benefited greatly from the refugee crisis in Germany, has been rejected by the Christian Democrats (CDU/CSU) or the Social Democrats (SPD) as a potential political partner. And the German political establishment as a whole can hardly conceal its contempt for the anti-Islamic Pegida Movement for its association with ultra-nationalism and xenophobia.<sup>7</sup> While the conservative Right in France has sought to dent the impact of the Front National through political borrowing, for example, by criticizing the EU's migration policies and by toughening its law and order agenda, it has, as noted, still refrained from showing any signs of being willing to work with the FN.<sup>8</sup> With the exception of the Swedish Democrats, the Scandinavian far-right parties have been the most successful at integrating into the political system because they are seen as being far less extremist than populist parties in other countries. Yet, their ideological platform – the emphasis on combining nationalism and traditionalism, the expression of anti-EU rhetoric, a commitment to the Welfare State, and the advocacy of strict immigrations controls – has not only played an agenda-setting role at the national and regional levels in Europe. Given the scope of the refugee crisis, it has also become a key part of the European political agenda.

#### **Conclusion**

In spite of a political climate characterized by economic and social uncertainties, there are no signs that the European far-right populist parties are on their way of becoming government majority parties. Only a system-threatening political crisis or war is likely to open up such possibilities. With the exceptions of Nazi Germany and Fascist Italy, and to a lesser degree Romania and Hungary, the diverse interwar fascist movements and parties did not either get a chance to rule on their own. The fundamental difference between the contemporary and historical Radical Right is that the overt goal is not anymore to defeat liberal democracy or to fight wars of expansion to restore the health of the nation after a period of decline. At the same time, the upsurge of far-right

<sup>5</sup> Jobbik received about 20% of the vote in the last parliamentary elections, making it the third largest party.

<sup>6</sup> The Golden Dawn garnered 7% of the vote in the second 2015 parliamentary elections in Greece.

<sup>7</sup> On AfG and Pegida, see, for example: Maja Henke, "Protest und Populismus – eine schwierige Abgrenzung in Zeiten von AfD und Pegida. Ein Bericht über die Tagung 'Protestkultur – Populismus?' 2014 in der Akademie für politische Bildung Tutzing," *Zeitschrift für Außen- und Sicherheitspolitik*, 8, 2 (2016), 287–291.

<sup>8</sup> Aurelien Mondon, "The Front National in the Twenty-First Century: From Pariah to Republican Democratic Contender," *Modern & Contemporary France*, 22, 3 (2014), 301–320.

parties – while unevenly spread in Europe – reflects a typical revival of ultra-nationalism in times of crisis.

Some of the populist parties have been able to narrow their differences with mainstream right-wing – and even left-wing – parties by their ability to push immigration to the top of the political agenda. Indeed, their success in wooing traditional left-wing working class voters by their policy shift away from neo-liberal policies toward the social state and by portraying foreigner workers as competitors in labor markets shows that their political vocabulary is subject to change. Such initiatives are also meant to buttress their claim of not being part of the left-right ideological divide. In doing so, they have adopted tactics reminiscent of those pursued by fascist parties in the 1920s and 1930s – parties that portrayed themselves as outsiders with no responsibility for a societal crisis created and sustained by corrupt political elites on the Left and Right.

As I have stressed here, political processes are often as important as ideologies, when defining and comparing the historical and contemporary Radical Right. Populist parties are rarely capable of shaping government policies without occupying a functional role. As experience shows, they

have almost exclusively thrown in their lot with the Conservative Right. This has made their rhetoric about transcending the right-left paradigm far less credible in practice. Through electoral support and occasionally direct participation, they have made it possible for center-right parties to form majority or minority governments. In such a capacity, they have been in a much better position to push their political agenda on core issues, such as immigration, traditional values, or the EU. To be sure, the far-right parties have not managed to achieve a political breakthrough or break the grip of established parties on political systems in Western Europe's largest states – Germany, France, Britain, Italy, and Spain. But as long as they capitalize on crisis situations across Europe through their ultranationalist, populist ideological agenda – in a period when traditional political elites are facing a serious lack of trust – it is likely that they will continue to carve out larger political spaces. What it allows them to do is to reinforce their claim to represent – and voice the grievances of – those who oppose, or have lost out to, globalized economic forces, immigrant populations, and radical Islam, and those who refuse to identify with the European supranational project.

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

## **NEITHER WASHINGTON, NOR BEIJING CONSENSUS, BUT THE NEW PRAGMATISM**

First things first. In the short run, the expansion of social market economy is not on the agenda, because more urgent challenges must be addressed. However, in the longer run a kind of global social market economy seems to be the only sensible option for the future of the mankind. Social market economy implies that the core of economic activity is based on private ownership, motivated by the desire to maximize the profits, yet at the same time it takes care of social cohesion. The power of market must be used for facilitating the needs of the people, and not just for the purpose of people's exploitation. Therefore, social market economy is not just incompatible with the neoliberalism which works on the behalf of a few at the cost of many; it is contradictory to it.

One must not be naïve. The world, with 7 billion people already and 9 billion in 35 years from now, with so many inequality and contradictions, with a variety of hardly compatible values and agendas, never will look like the social market economies of social-democratic Scandinavian countries. Yet it can be less conflicting and more progressing if only there will be balanced and sustainable development. As I write in my book: "It is not possible to get to a perfect world, yet it is worth it to keep moving there".

Regarding neoliberalism, which is confusing the means with the ends of economic policy, it is just a recipe for dis-

aster. The mankind must get rid of this biased type of market economy. Recent crisis should help to do so, however – and strangely – so far it hasn't.

### **Is "Beijing Consensus" leading to social market economy?**

There is a question to what extent "Beijing Consensus" meets the criteria for social market system? Unfortunately, the current Chinese institutional system and development strategy is not determined sufficiently to create social market economy. It should, but it does not. Basically, because China is extremely pro-growth oriented. Such strategy indeed delivers remarkable growth of GDP, but at the same time creates new problems and challenges which are not addressed in a way they ought to be in the social market economy. Most important issue with this regard is high – and still growing, which is a destabilizing factor – income inequality. This is not sustainable and cannot be tolerated much longer. Either it will be reversed by policies means, because market works the other way, or there will be serious social conflict.

As for so-called Beijing Consensus, as it is understood in the West, China is more like a "state capitalism" than "social market economy". Definitely, it would be much better for China as well as for the world if your great country will evolve gradually from the former to the latter. And, of course, never to the neoliberalism. Therefore, the economic development strategy shouldn't rely neither on "Beijing Consensus", nor already compromised "Washington Consensus". It must be something between.

The other developing countries, recently more often marked as "emerging markets", ought to learn a lot from

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China, but they should follow also what works in such different countries as Brazil and Poland, and even Canada and Sweden. Of course, while taking all local, specific factors into concern. Learning from the experience of the others is a multi-direction process.

### **Why New Pragmatism?**

There is a great need for pragmatism, a new pragmatism. Why “new”? First, one must take all country’s specific factors into considerations: geopolitical position, local culture, legacy from the past, resources, existing structures and institutions. One size absolutely doesn’t fit all. Second, the policy for better future implies heterodoxy. The orthodox mainstream economics is passé. New Pragmatism points to the necessity of exercising various approaches, be it a bit of neokeynesism or monetarism, neoinstitutional and behavioral economics, development economics and ordoliberalism. Third, it’s “New”, since it must take into account not only traditional micro- and macro-economics, but also a new mega-economics of interdependent global economy. Therefore, there is a need for pragmatic co-ordination of the policies on the worldwide scale. More and more challenges cannot be solved neither on the national economy level, even if it is as mighty country as China or USA, nor at the regional level, say the European Union or ASEAN. Fourth, it’s a new approach, because it must deal with new position of transnational capital vis-à-vis national states. Traditional regulation and government interventionism is categorically not adequate.

In another words, China’s policy over couple of last decades is indeed quite pragmatic: many problems step by step are being solved and the country doubles GDP every seven years or so. Contrary, the US economic policy hardly has been a pragmatic one since it’s led to such great crisis. Yet neither is New Pragmatism, because “new” implies also “global”, or worldwide. Still long way to go.

### **The institutional challenge of interdependent global economy**

The most difficult problem has emerged: how to manage the conflict of interests on the truly planetary scale? It is indeed a great challenge, but we must find a pragmatic way forward. The main mechanism must be transnational negotiations and agreed global co-ordination of policies response. My proposition is to move ahead, toward more socially oriented worldwide economy, within specific triangle of long-term development. It must take into account not only a requisite economic (trade, finance, investment, migrating labor) equilibrium, but also social balance (kind of worldwide social cohesion) and environmental sustainability (especially slowing down exploitation of non-renewable natural resources).

The points of such triangle are: values, institutions, policies. The policies must change and be more accountable, this time already for pro publico mundiale bono. The institutions (in behavioral, not organizational meaning) are critical. The civilization of the future does need a new institutional order of global economy that is a new set of the rules of economic game and worldwide regulation of many forms of economic activity, starting from international finance, migration, and environment. Yet also the values must change. They differ significantly between China and USA, between Poland and Russia, between old and new, between

rich and poor. The values of the future must shift from ‘to have as much as possible’, and from greed, to ‘to be as fine as possible’, and to share.

### **G-194, G-20, G-2 or G what?**

This is indeed a long quest for a better future. We’re just on the onset of the road and the current crisis, paradoxically, may happen to be a good thing if it only pushes us in correct direction. Is it going to happen? By all means, it’s not sure thus far. Therefore, the more we need new intellectual leadership on the transnational, if not global scale. We need new forms of policies co-ordination. Sometime it can be the United Nations G-194, another time better if it is just G-20, and on still another occasion the G2, that is China and US, or Chimericaa. But that won’t be enough. I would put some trust in further progress of regional integrations. The world of the future instead of being divided into almost 200 national economies should consist of dozen or so regional groupings and, of course, China, because China is so large it doesn’t have with any other country, but just with the world as such. And then it will be easier to co-ordinate the policies on planetary scale and on the mankind behalf.

When I’m saying that neoliberalism has been the last great utopia of 20th century, I mean utopia from the viewpoint of balanced, equitable, and sustainable development of the world economy. Yet from the point of view of a few, which enriched themselves at the cost of many, it was quite pragmatic concept. It’s enough to say that in the USA the richest 1 percent of people were getting just 10 percent of GDP (not a small part) in 1979, and in 2007, on the eve of the crisis eruption, it was as much as 20 percent.

The West was entirely shocked by the speedy collapse of socialist centrally planned economy in 1989-91. There wasn’t any sensible idea how to tackle the issues, only so-called Washington Consensus, derived from neoliberal ideology and economic thought. So, it was not only advised, but enforced for the East European countries and Russia at the beginning of 1990s. With dire results, as in Russia or in Poland during shock without therapy. In my country, Poland, such ill-advised economic policy was exercised in 1989-93, with too much of pain and not enough of gain. The country lost 20 percent of GDP in first three years and unemployment skyrocketed from non-existing to over 3 million people, or over 17 percent. The costs were much higher than unavoidable, and the results much lower than possible. Just a shock failure. It has changed in 1994, under my stewardship, when I’d become deputy prime minister and minister of finance and implemented comprehensive and unorthodox program of reforms and development known as “Strategy for Poland”. Soon afterwards, Poland was nicknamed ‘tiger of Europe’, the real GDP jumped in 4 years by 28 percent per capita, unemployment declined by 1/3rd and inflation by 2/3rd, and my country become member of OECD in 1996. This was “New Pragmatism” in practice.

### **How it was possible to be misled for so long?**

So, how it was possible that the world, including part of East Central Europe, even my country for some time, was misled by harmful neoliberalism? Simply; there were (and still are) groups of special interests benefiting from the policy of fast (that means cheap) privatization, chaotic deregulation, and tough fiscal and monetary policy advised by the

Washington Consensus. There was also very strong, ideologically driven, motivation of naïve and primitive anti-communism. Neoliberalism is not just an ideology and policy. It's a doctrine, a dogma, which can mislead plenty of people. Of course, only if the media assist such, what some of them do with great pleasure.

Why the misery of this ideology and policy was overlooked for so long, until the moment it brought a great crisis, first to the USA and then to the world economy? Mainly because of the permanent lobbying of special groups of in-

terest, corrupted politicians, and media as well as a part of "academic" circles support. They were working hard to get public support for the policies which were not truly devoted to these very public needs; on the contrary. Many economists and policymakers, analysts and politicians, lobbyists and journalists, they were not mistaken, what would imply that they just relied on the wrong economic theory. Several have been just lying, doing so on the behalf of special interest group. Contemporary this is also a global, worldwide phenomenon.

Hans Köchler<sup>1</sup>

## POWER, LAW AND WORLD ORDER. REFLECTIONS ON THE ROLE OF THE UNITED NATIONS ORGANIZATION

### The antagonistic relationship between power and law

It is commonplace that sovereign states, unless relations between them are governed by law, will always be at the mercy of the most powerful actor(s) or, more precisely, of those states that are relatively more powerful at a given point in time. International anarchy would be the ultimate consequence of a system that is essentially shaped by the rule of force. This was evident, for example, in the European concert of powers before World War I, which has often been characterized by reference to the German term *Souveränitätsanarchie* ("anarchy among sovereign states"). If sovereignty is understood in an absolute, exclusionary sense, its exercise will necessarily be arbitrary, and the sovereign power of the state will be interpreted as to include the right to wage war (*jus ad bellum*) – without any need to justify the use of force. Accordingly, sovereign power, understood in this sense, is incompatible with the idea of the rule of law. It indeed rejects the very notion of international law,<sup>2</sup> because it negates equality among states and the resulting principle of reciprocity, putting each sovereign entity as ultimate source of the law and creating a structural conflict of interests, indeed a permanent, essentially anarchic, struggle for power. It is obvious that this state of affairs cannot be the proper framework for a just and peaceful international order.

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<sup>2</sup> John Austin has emphasized the incompatibility of the notions of sovereignty (in the traditional sense) and law when the latter is applied to the realm of international relations: "Speaking with greater precision, international law, or the law obtaining between nations, regards the conduct of sovereigns considered as related to one another. And hence it inevitably follows, that the law obtaining between nations is not a positive law: for every positive law is set by a given sovereign to a person in a state of subjection to its author." (*The Province of Jurisprudence Determined and The Uses of the Study of Jurisprudence*. With an Introduction by H. L. A. Hart. Indianapolis, Indiana: Hackett Publishing Company, 1998 [first published in 1832 and 1863 respectively], Lecture VI, p. 201.)

It is equally obvious that only through a system of norms that are binding upon all states – whether large or small, rich or poor, weak or powerful – can a just and stable international order be guaranteed where the fundamental rights of all citizens, first and foremost the right to peace, will be preserved.

In order to have any meaning at all, the norms of international law must be enforced consistently, and in a unified manner. This excludes, in principle, any form of arbitrariness, which, nonetheless, often seems to be the mode of the Security Council's decision-making. What is at the roots of this dilemma?

Like domestic legal norms, the norms of international law must be linked to a system of sanctions for non-compliant behavior. What distinguishes a legal from a moral norm or principle is its being connected to a specific sanction that takes effect in case of its violation (and in conformity with specific procedures determined by law). Accordingly, a legal norm is more than a mere appeal to the conscience of the respective addressee. This is also reflected in Hans Kelsen's classical definition of a legal system as "coercive normative order" (normative *Zwangsordnung*).<sup>3</sup> However, although coercion is in fact a *conditio sine qua non* for the rule of law, mechanisms of and procedures for its exercise only exist in rudimentary form at the international level. It is no wonder that, under the aspect of enforcement, the legal nature of "international law" has often been put into question.<sup>4</sup>

Domestically, the norms of the law are implemented through the power of the state's judicial and executive organs that exercise their constitutional authority on the basis of the state's monopoly of force and in the framework of a separation of powers. This arrangement is intended to pre-

<sup>3</sup> Hans Kelsen, *Reine Rechtslehre*. Mit einem Anhang: *Das Problem der Gerechtigkeit*. Vienna: F. Deuticke, 1960, pp. 45ff. (English edition: *Pure Theory of Law*. Translation from the second [revised and enlarged] German edition by Max Knight. Union, N.J.: Lawbook Exchange, 2000.)

<sup>4</sup> As explained in fn. 1 above, the dictum that "international law is no law" dates back to John Austin's legal positivism and his emphasis on state sovereignty. See esp. Lectures V and VI of the lecture series "The Province of Jurisprudence Determined" in: *The Province of Jurisprudence Determined and The Uses of the Study of Jurisprudence*, pp. 118ff and pp. 191ff. For an overview of the contemporary debate see Oona Hathaway and Scott J. Shapiro, *Outcasting: Enforcement in Domestic and International Law*. (Draft November 3, 2010.) Hauser Globalization Colloquium Fall 2010, [www.iilj.org/courses/documents/HC2010Nov10.HathawayShapiro.pdf](http://www.iilj.org/courses/documents/HC2010Nov10.HathawayShapiro.pdf), accessed on 20 September 2011. – See also Jack L. Goldsmith and Eric A. Posner, *The Limits of International Law*. Oxford, New York etc.: Oxford University Press, 2005.



clude arbitrariness in the practice of state organs, and in particular to curtail extreme abuses of power and what is nowadays characterized as a “policy of double standards.” At this level, the “quality” of the rule of law is determined, to a substantial extent, by the quality of a state’s mechanisms of checks and balances.

Internationally, the basic element of enforcement is the power, including the authority and capacity to use armed force,<sup>1</sup> of the member states of the Security Council of the United Nations Organization,<sup>2</sup> an entity that is based on a treaty among sovereign nations. It is obvious that, because international relations are still shaped by states as sovereign actors, the system of international law enforcement in the framework of an intergovernmental (not supranational) organization will always be rudimentary (when compared to the domestic level) and imperfect. At the present moment, a mechanism that would, at least in principle, enable universal “law enforcement” only exists in the field of international peace and security, i. e. in the area set out in Chapter VII of the United Nations Charter.<sup>3</sup> In all other domains – whether those of human rights, international humanitarian law or international criminal law<sup>4</sup> – such a mechanism exists only in a very weak, fragile and incomplete form. The phrases “humanitarian intervention”<sup>5</sup> or “responsibility to protect,”<sup>6</sup> which, in recent years, have often been used in connection with armed enforcement measures of the Security Council, have remained lofty philosophical principles. Narrow political interests have almost always conditioned the – inconsistent – application of the underlying doctrine. Today’s practice reminds us of “Walewski’s maxim,” a dictum attributed to 19th century French Foreign Minister Count Walewski who considered it an essential task of diplomacy to clothe one’s own interest “in the guise of a universal interest for the purpose of imposing it on the rest of the world.”<sup>7</sup>

The predominance of interests over ideals highlights a basic dilemma of law enforcement in relations between states: In order to prevent the illegal use of power in relations between states, and in particular acts of aggression and measures that threaten international peace and security, the very power (in the sense of “hard power”<sup>8</sup>) of UN member

states is indispensable. According to the decision-making procedures set out in Article 27 of the UN Charter, it is the group of the five permanent members of the Security Council that (a) determine how, and to what extent, this power is exercised, and (b), with their economic and military might, give “credibility” to the respective resolution. The inherent risk of abuse of these powers has become one of the main challenges to the United Nations Organization, and particularly under the conditions of today’s unipolar order.

### The tension between power and law in the United Nations Organization

To take “effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression,” is one of the basic purposes of the United Nations Organization (Article 1 [1]). In this regard, the Charter goes well beyond mere exhortation or solemn proclamation of norms. Unified enforcement of the underlying norms, as provided for in Chapter VII, is indeed the very essence of the international rule of law in the intergovernmental framework of the UN.<sup>9</sup> In terms of the system of collective security, this represents, at first glance, a paradigm change in comparison to the consensus-based and recommendation-oriented Covenant of the League of Nations.<sup>10</sup>

As regards the enforcement mechanisms in the United Nations system, the consensus requirement only applies to the five permanent members of the Security Council. There should be no illusions, however, about the efficiency of a system that ties legally binding resolutions to the political considerations of some of the most powerful members of that organization. The improvement over the state of affairs under the League of Nations Covenant is only relative.<sup>11</sup> In actual fact, we are dealing here not with genuinely collective security (which would require consistent enforcement on the basis of equal participation of all members of the authorized body, the Security Council), but with a system of coercion that relies on the might and depends on the consent of the five permanent members (P5) of the Council.

At the time of the foundation of the organization, the rationale of the respective provisions of the Charter was certainly that these were the leading (military) powers against whose will and without whose very might no resolution could be enforced. Furthermore, as Harry Almond rightly observed, “if the veto had not been made part of the rights of the five permanent members, primarily responsible for establishing authority in the Council, it is unlikely that the United Nations could have been established.”<sup>12</sup>

The ambiguity of the use of what is nowadays called “hard power” in the field of “collective security” (a phrase that evokes the idea of equality) lies in the fact that the pro-

<sup>1</sup> For a general analysis of the role of power in international relations see Edward Hallett Carr, *The Twenty Years’ Crisis, 1919-1939: An Introduction to the Study of International Relations*. Reissued with a New Introduction and additional material by Michael Cox. Basingstoke (UK) and New York: Palgrave Macmillan, 2001, Chapter Seven: “Power in International Politics,” pp. 97ff.

<sup>2</sup> The enforcement authority of other UN member states is only of secondary nature insofar as it depends on a Chapter VII resolution by the body that, according to the Charter, represents the entire membership (Article 24[1]).

<sup>3</sup> For a comprehensive overview and analysis see Erika de Wet, *The Chapter VII Powers of the United Nations Security Council*. Oxford and Portland, Or.: Hart, 2004.

<sup>4</sup> On the problems of power and law in matters of international criminal justice see Hans Köchler, *Global Justice or Global Revenge? International Criminal Justice at the Crossroads*. Vienna and New York: Springer, 2003.

<sup>5</sup> Concerning the post-Cold War practice of “humanitarian intervention” see Hans Köchler, *The Concept of Humanitarian Intervention in the Context of Modern Power Politics: Is the Revival of the Doctrine of “Just War” Compatible with the International Rule of Law? Studies in International Relations*, Vol. XXVI. Vienna: International Progress Organization, 2001.

<sup>6</sup> For a critical analysis see Aidan Hehir, “The Responsibility to Protect: ‘Sound and Fury Signifying Nothing?’,” in: *International Relations*, Vol. 24, No. 2 (June 2010), pp. 218-239.

<sup>7</sup> Count Alexandre Joseph Colonna-Walewski, French Foreign Minister 1855-1860, in remarks to Otto von Bismarck (1857), as reported by E. H. Carr, *The Twenty Years’ Crisis, 1919-1939: An Introduction to the Study of International Relations*, chapter “National interest and the universal good,” p. 71.

<sup>8</sup> On the distinction between “hard power” and “soft power” see Joseph S. Nye Jr., *Soft Power: The Means to Success in World Politics*. New York: Public Affairs, 2004.

<sup>9</sup> Because enforcement of norms *sensu stricto* is only envisaged in the area of collective security, i. e. as regards the fundamental principles of peaceful settlement of disputes and non-use of force (Article 2, Paras. 3 and 4), the Council, in determinations according to Article 39, has tended to interpret the term “threat to the peace” rather vaguely and in an expansive manner.

<sup>10</sup> Article 5 of the Covenant of the League of Nations states the requirement of consensus for all decisions (except on procedural matters) of the Assembly and the Council (with the exception of countries involved in a dispute, as implied in the provisions of Article 15).

<sup>11</sup> For details see also the author’s analysis: “The Precarious Nature of International Law in the Absence of a Balance of Power,” in: Hans Köchler (ed.), *The Use of Force in International Relations: Challenges to Collective Security*. Studies in International Relations, Vol. XXIX. Vienna: International Progress Organization, 2006, pp. 15ff.

<sup>12</sup> In: Hans Köchler (ed.), *The Reagan Administration’s Foreign Policy: Facts and Judgment of the International Tribunal*. Studies in International Relations, Vol. XI. Vienna and London: International Progress Organization and Third World Centre for Research and Publishing, 1985, p. 438.

jection of power by sovereign states, the members of the United Nations Organization, is to be checked by the very power of those states, with a privileged statutory role given to the Security Council's permanent members. The law, namely the norm of non-aggression, is essentially enforced through the authority of those states and their allies. It is worthy of note that, since the collapse of the power balance of the Cold War, the Council's practice has meant not only an expansive interpretation of the enforcement measures under Chapter VII (as in the instances where wide-ranging sanctions régimes were imposed such as in the case of Iraq over the period 1990-2003),<sup>1</sup> but also their drastic expansion, something which has seriously undermined the legitimacy of the world organization. In addition to the courses of action mentioned in the Charter, namely the interruption of communications and partial or complete economic sanctions (Article 41), and subsequently the use of armed force (Article 42), the Council has added special arrangements for criminal justice to the methods by which it enforces its resolutions, although measures of this kind are nowhere listed in the Charter.<sup>2</sup> This practice has been evident in the establishment, by the Council, of ad hoc courts (as in the cases of the former Yugoslavia, Rwanda and, in a certain respect, Lebanon) and referrals of situations to the International Criminal Court under Article 13(b) of that court's Statute (as in the cases of Sudan and Libya).

It is to be noted that any resolution on coercive measures requires a determination, by the Council, of the existence of a threat to or breach of the peace (Article 39) and, in the case of the use of armed force, a further decision that other measures "would be inadequate or have proved to be inadequate" (Article 42).<sup>3</sup> However, the Council undertakes such determinations – as well as the decisions about the appropriate means – totally outside a framework of checks and balances as would be customary within a domestic jurisdiction.<sup>4</sup> No clearly defined criteria are available for these decisions. There exists no judicial review mechanism for resolutions under Chapter VII. The Council effectively acts as prosecutor, judge and executor "in personal union." The power balance – should it actually exist – among the five permanent members,<sup>5</sup> which the veto provision of Article 27 appears to be intended to reflect, has certainly not been an antidote to the course of arbitrary action that the provisions of Chapter VII seem to encourage. In the period since the end of the Cold War, this structural balance has anyway been rendered largely ineffective.

Enforcement action undertaken by UN member states on the basis of Chapter VII resolutions essentially depends

on the statutory authority and relies on the "hard power" of the Security Council's permanent members. Such measures are different from law enforcement measures at the national level, and in one basic respect. The permanent members of the Security Council enjoy absolute discretion as to their *modus operandi*: (a) There are no checks and balances; no division of powers is provided for in the Charter, and there exists no equivalent to a constitutional court. (The International Court of Justice, the "principal judicial organ" of the United Nations, is of a totally different nature.) (b) A permanent member has the right to veto a binding (i.e. Chapter VII) resolution even if that member is involved in the dispute in question,<sup>6</sup> which is tantamount to immunity from punitive action also in cases of aggressive war. The NATO war against Yugoslavia in 1999 and the invasion of Iraq by the United States in 2003 are clear evidence of this predicament of the UN system of collective security. As regards the non-obligation of a permanent member to abstain from voting "in its own cause," the UN Charter is even lagging behind the Covenant of the League of Nations, which took the principle *nemo iudex in causa sua* more seriously.<sup>7</sup> In terms of the international rule of law, such "privilege" granted to particular states can only be seen as *contradictio in adjecto*, something which profoundly delegitimizes the Security Council's assigned role as representative of all United Nations member states (Article 24 [1]).

Apart from the political arbitrariness in the use of force due to the structure of and the voting procedure in the Security Council, binding resolutions which the Council adopted in 1990 and 2011 on Iraq and Libya respectively have created precedents according to which any UN member state may feel entitled, in specific situations where the Council has authorized armed action under Chapter VII, to resort to the use of force, and at its own discretion. The magic phrase "all necessary means" (resolution 678 [1990])<sup>8</sup> or "all necessary measures" (resolution 1973 [2011])<sup>9</sup> has been excessively exploited by interested member states to advance their own war agenda, and to do so with a semblance of international legitimacy. The insertion of this phrase in resolutions with the stated aim of achieving a specific goal set out by the Council (such as withdrawal from an occupied territory<sup>10</sup> or "protection of civilians"<sup>11</sup>), has effectively allowed member states to conduct coalition wars that followed an agenda that was entirely different from the respective resolution's stated goals, and in a manner as if they were unilateral actions.<sup>12</sup>

<sup>1</sup> For details of the Council's sanctions policy in the case of Iraq and that policy's incompatibility with fundamental human rights see Hans Köchler (ed.), *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. – See also the report of the Harvard Study Team, fn. 3 above.

<sup>2</sup> For details of this obvious arrogation of powers by the Council see Hans Köchler, *The Security Council as Administrator of Justice? Studies in International Relations, Vol. XXXII.* Vienna: International Progress Organization, 2011.

<sup>3</sup> The Charter uses here the weaker term "consider" (instead of "determine").

<sup>4</sup> See also: fn. 14 above.

<sup>5</sup> See the author's analysis: "The Shifting Balance of Power and the Future of Sovereign States," in: Franz Matscher, Peter Pernthaler, Andreas Raffener (eds.), *Ein Leben für Recht und Gerechtigkeit: Hans R. Klecatsky zum 90. Geburtstag.* Vienna: Neuer Wissenschaftlicher Verlag, 2010, pp. 359-370. See also: Hans Köchler, "The Politics of Great Powers," in: *The Global Community. Yearbook of International Law and Jurisprudence, 2009, Vol. I,* pp. 173-201.

<sup>6</sup> This is implied in Article 27(3) according to which the obligation to abstain from voting only applies to non-binding decisions under Chapter VI. – For details see Hans Köchler, *The Voting Procedure in the United Nations Security Council, ch. V/b: "Circumventing the abstention clause,"* pp. 29ff.

<sup>7</sup> See: fn. 15 above.

<sup>8</sup> Adopted on 29 November 1990 by 12 votes to 2 with the abstention of China.

<sup>9</sup> Adopted on 17 March 2011 by 10 votes with 5 abstentions (including those of the permanent members China and Russia).

<sup>10</sup> This was the issue in the conflict between Iraq and Kuwait (1990ff). For details see Hans Köchler (ed.), *The Iraq Crisis and the United Nations: Power Politics vs. the International Rule of Law.*

<sup>11</sup> This was the stated goal concerning the uprising and subsequent civil war, fuelled by UN-sponsored intervention, in the Libyan *Jamahiriyah* in 2011.

<sup>12</sup> On the use of force against the Libyan *Jamahiriyah* see MEMORANDUM by the President of the International Progress Organization on Security Council Resolution 1973 (2011) and its Implementation by a "Coalition of the Willing" under the Leadership of the United States and the North Atlantic Treaty Organization. International Progress Organization, Doc. P/22680c, Vienna, 26 March 2011, i-p-o.org/IPO-Memorandum-UN-Libya-26Mar11.pdf.

This again testifies to the fact that the enforcement of the law in relations between states by the United Nations Organization is not only imperfect and fragmentary (insofar as it relates only to certain aspects of state behavior, involving threats or uses of force), but fundamentally flawed: For structural reasons following from normative contradictions in the United Nations Charter, such enforcement happens (a) without even a semblance of checks and balances (which are indispensable for the rule of law under any system), and (b) on the basis of a special privilege granted to the most powerful states, i.e. outside a balance of power among the member states.

### Conclusion

As we have stated in our analysis of the “antagonistic” relationship between power and law, any political entity or enterprise, whether domestic or international, must nonetheless, in order not to be doomed to irrelevance, take into account, and adapt its procedures to, the social realities, or the dynamics of collective interaction. Unlike in an ideal setting, which is based on the assumption of a perfect human nature, the interdependence of power and law cannot be ignored in the real world. While (state) power is indispensable for the enforcement of norms, its exercise must be subjected to constant judicial scrutiny and democratic control.

Globalization is one of the most widely spread recent cultural, social, economic and political phenomena which has strongly marked the discourse of humanities and social sciences at the beginning of the third millennium, a new era observing the end of the old and the birth of a new not-yet-defined world.

After the collapse of Communism, the old bipolar world of the clash of ideologies and two mutually confronted economic, political, societal, military systems, i.e. the old “cold war” world came to the end. The new emerging epoch were defined firstly in a negative sense by a set of various postisms: post-modernism or post-modernity, post-industrialism or post-industrial society, post-capitalism, post-historicism or the end of history, post-communism etc.

<sup>1</sup> “Hard power,” as defined by Joseph Nye, also includes forms of economic coercion such as embargoes and sanctions (which the Security Council has resorted to with increasing frequency since the end of the Cold War). See Joseph S. Nye Jr., “Think Again: Soft Power,” in: *Foreign Policy*, February 23, 2006, [www.foreignpolicy.com/articles/2006/02/22/think\\_again\\_soft\\_power](http://www.foreignpolicy.com/articles/2006/02/22/think_again_soft_power).

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In relations between states, this means that the assertion of national interests by the sovereign states:

a) is to be integrated into a genuine balance of power which must include all regions of the globe;

b) has to be conducted on the basis of a separation of powers within and between the existing intergovernmental entities (in terms of the decision-making procedures of organizations such as the UN, and of the interaction among these institutions); and

c) is to be regulated by norms that are applied on a universal, non-selective and non-discriminatory basis.

The actual structure, rules and procedures of the United Nations Organization lag far behind these requirements.

If comprehensive reform measures along the lines suggested above are seriously pursued, the United Nations Organization could eventually provide the normative and institutional framework for the multipolar order of the 21st century. A structurally reformed UN would have to be based, first and foremost, on decision-making rules that constrain the use of hard power, and in particular of armed force,<sup>1</sup> to those measures that are indispensable for the common good of mankind, and not merely for the benefit of the most powerful member state and its allies. Such is the permanent tension between power and law within which the United Nations Organization has to operate.

Mislav Kukoč

## THE CLASH OF CIVILIZATIONS IN THE AGE OF CONTEMPORARY GLOBALIZATION

However, the negative signification of the prefix ‘post’ is a characteristic distinction indicating the identity crisis of the new epoch; a period following the end of a fully defined segment of historical reality, but one whose new distinguishing marks and determinants were not yet clearly defined.

The identity crisis theory is not a specificity of our times, primarily because the theory of crisis as the determinant of a given epoch is a theme running throughout the 20th century and beginning with Edmund Husserl (*The Crisis of European Science*). A general criticism of the current post-isms, can be directed to all historical phenomena of this kind, all historical epochs which attempt to define themselves prematurely, before reaching their full fruition and achievement. As G. W. F. Hegel (2001: 20) writes in the Preface to *The Philosophy of Right*: “Philosophy, as the thought of the world, does not appear until reality has completed its formative process, and made itself ready(...) The owl of Minerva, takes its flight only when the shades of night are gathering.”

The process of globalization has already been ruling the world in a number of ways, and has already conclusively determined the structure of the new epoch, which is why Minerva’s owl must not stand still.

The globalization paradigm seems to be generally accepted as the fundamental mark of the new emerging contemporary epoch, as the new stage of the philosophy of history. In the similar sense, some authors believe that globalization is not only an all-embracing process of transforma-

tion, but is rather a process of transition to global society or the beginning of the global age.

In this sense globalization is identified and defined as a value-free phenomenon, an objective present-day reality, a complex phenomenon with its positive and negative sides, characteristics and effects. Globalization is, thus, a complex and controversial process of the building of the world as a whole by creation of global institutional structures and global cultural forms, i.e. the forms that have been produced or transformed by globally accessible means. It is disclosed as a) the free market-economic unification of the world with uniform patterns of production and consumption; b) democratic integration of the world based on common interests of humankind, such as equality, human rights protection, rule of law, pluralism, peace and security; c) moral integration of the world concerning some central humanistic values, essential for sustainable development of humanity. (Spajić-Vrkaš et al., 2001: 178)

Globalism is a related concept, which is frequently also used as synonym for globalization. However, while the concept of globalisation terms a value free objective phenomenon, globalism principally connotes a subjective, voluntaristic and ideological standpoint – much like all the other -isms do – and represents a viewpoint, doctrine and ideology that promotes the principles of inter-dependence and unity of the whole world, of all nations and states instead of national and state particularism. In contrast to the cognate concepts of cosmopolitanism, which places emphasis on the cultural identity of the pre-national “citizen of the world”, and internationalism, which promotes the ideology of revolutionary “brotherhood” amongst nations, the idea of globalism rests on post-national economic, information and inter-cultural planetary binding and inter-dependence. (Spajić-Vrkaš et al., 2001:179)

The pro-globalist understanding has equated globalization with westernisation or modernization, especially in an ‘Americanized’ form (Spybey, 1996; Taylor, 2000). Following this idea, globalization is a dynamic whereby the social structures of modernity (capitalism, rationalism, industrialism, bureaucratism, etc) are spread the world over, destroying pre-existent cultures. Globalization in this sense is described as the most important instrument of continuation of Western domination over the other civilizations from the rest of the World, as hypercapitalism, as an imperialism of McDonald’s, Hollywood and CNN (Schiller, 1991), also as neo-colonialism (Khor, 1995). From that point of view a number of alarmists have suggested that global corporations now rule the world (Barnet and Cavanagh, 1994; Korten, 1995; Berger, 1999). On similar lines many of the same critics have denounced global governance agencies like the World Bank and the World Trade Organization for usurping the power from states and local governments (George and Sabelli, 1994).

Globalization has perpetuated if not heightened inequity in relations between countries (Hurrell and Woods, 1999). In these accounts, globalization is a post-colonial imperialism that has not only reinvigorated the exploitation of the South by the North, but also added former communist-ruled areas to the list of victims. For poor countries, globalization allegedly means perpetual financial and related economic crises, the immiserating effects of structural adjustment programmes imposed by the International Monetary Fund and the World Bank, further subordination in world trade,

ecological problems without economic benefits, and cultural imperialism of global communications (Thomas and Wilkin, 1997). Globalization has frustrated hopes and expectations that de-colonization would give the South equal opportunity and self-determination in world affairs.

Neoliberalism has generally prevailed as the reigning policy framework in contemporary globalization. Indeed, this approach has generously served powerful interests, particularly those related to dominant classes and countries in today’s world. From the side of multilateral institutions, agencies such as the IMF, the WTO and the OECD have continually linked globalization with liberalization. Champions of neoliberal globalization have also abounded in commercial circles, particularly in the financial markets and among managers of transborder firms. Business associations like the International Organization of Employers and the World Economic Forum have likewise figured as bastions of neoliberalism. In the mass media, major business-oriented newspapers like the Wall Street Journal and the Financial Times have generally supported neoliberal policies.

Given this widespread hold on centres of power, neoliberalism has generally ranked as policy orthodoxy in respect of globalization. Indeed, in recent years neoliberal ideas gained widespread unquestioned acceptance as ‘common-sense’. (Scholte, 2000: 29, 35, 40, 242)

However, contemporary globalization has caused intercultural tensions and conflicts. It has given stimulus to transnational cultural and religious bonding, particularly in universalistic religions. At the same time, the growth and strengthening of religious collective identities has frequently been to some extent a defending reaction to globalization, as well. In that sense, religious renewal has repeatedly developed into a sort of supra-territorial cultural protectionism. However, contemporary globalization has encouraged religious revivalism in a number of ways and in a different manners. Religious revivalism revolted against modern secularism in the context of the ‘clash of civilizations’. Some theorists of globalization, e.g., J. A. Scholte (2000: 22-24, 176-177), noted the civilization paradigm as marginal, one of numerous manifestations of globalization in the field of culture and religion. Contrary to it, if we, however, have in mind globalism as an ideological and driving force of the widespread globalization than we can describe globalization, more precisely expressed as neo-liberal globalism, just as an instrument, even as the most efficient one, used by the West in order to maintain its superior position in the ongoing clash of civilization.

The crucial point of the paradigm on the clash of civilizations is that the fundamental source of contemporary global conflict is not primarily ideological or economic, but cultural. The civilization factor is to be increasingly important in the globalized world, for various reasons. The most important of these reasons is – religion. Differences among civilizations are not only real; they are basic. They are founded in “history, language, culture, tradition, and, most important, religion. (...) They are far more fundamental than differences among political ideologies and political regimes.” (Huntington, 1993: 25) As a central element of civilization identity religion is in the global process of revival. This revival, as de-secularization, or ‘unsecularization of the World’ (Weigel, 1991: 27) which has, according to Huntington (1996: 95-96), pervaded every continent, every civilization, and virtually every country, Gilles Kepel

(1994: 2) described as “la Revanche de Dieu” [the Revenge of God] process.

In the mid-twentieth Century pro-globalist social and intellectual elites generally assumed that economic and social modernization was leading to the withering away of religion as a significant element in human existence. Modernized secularists hailed the extent to which science, rationalism, and enlightenment were eliminating the superstitions, myths, irrationalities, and rituals that formed the core of existing religions. The emerging society would be tolerant, rational, pragmatic, progressive, humanistic, and secular.

Economic and social modernization became global in scope, and at the same time a global revival of religion occurred. Yet, this revival, *la revanche de Dieu*, has not pervaded the whole World but some non-Western civilizations. The West, particularly Europe, under the influence of liberalism and Enlightenment rationalism and secularism, has not generally accepted this sort of religious expansion, so the revivalist anti-rationalism has been a minority tendency in European society, even in most Christian communities. On the other hand, there is a quite different situation with immigrant communities belonging to non-European civilizations and non-Christian confessions, particularly to Islam. A new religious approach took shape, aimed no longer at adapting to secular values but at recovering a sacred foundation for the organization of society – by changing society if necessary. Expressed in a multitude of ways, this approach advocated moving on from a modernism and globalism that had failed, attributing its setbacks and dead ends to separation from God. The aim was no longer to modernize Islam but to ‘Islamize modernity’. (Kepel, 1994: 2; Huntington, 1996: 96)

There is a global explanation for this global religious resurgence. In times of rapid social change the self must be redefined, and new identities created. For people facing the need to determine Who am I? Where do I belong? – religion provides compelling answers. All religions furnish people with a sense of identity and a direction in life. In this process people rediscover or create new historical identities. Whatever universalistic goals they may have, religions give people identity by positing a basic distinction between believers and nonbelievers, between a superior in-group and a different and inferior out-group. (Huntington, 1996: 97; Al-Turabi, 1992: 52-55). The religious resurgence throughout the world is a reaction against secularism, moral relativism, and self-indulgence, as it is a reaffirmation of the values of order, discipline, work, mutual help, and human solidarity. The breakdown of order and of civil society creates vacuums that are filled by religious, often fundamentalist, groups.

On the other hand, scholars that researched religious situation in Western and Eastern Europe discussed the same phenomenon: even the higher level of the process of secularization and the weakening of religiosity after the collapse of Communism. And finally, despite the protests from the Christian Church hierarchies, the proposed European Union Constitution does not mention religion, i.e. Christianity as the spiritual and cultural basis of European identity. In the Western civilization, however, globalization with its crucial effects (liberalism, rationalism, secularism, scientism, etc.) has replaced the resurgence of religion. Although numerous brand new forms of the New Age spirituality spread across Europe, Kepel’s announcement of “the second evan-

gelization of Europe” (1994: 2) seems to be overestimated and unfounded.

All political ideologies of the 20th century (anarchism, communism, Marxism, corporativism, socialism, social democracy, liberalism, conservatism, nationalism, national-socialism, fascism, Christian democracy, ...) are products of Western civilization. No other civilization has generated a significant political ideology. The West, however, has never generated a major religion. The great religions of the world – Judaism, Christianity, Islam, Hinduism, Buddhism, Confucianism, Taoism, and Shinto – are all products of non-Western civilizations (Huntington, 1996). It is obvious that culture and religion have become significant instruments of resistance to Western dominance used by non-Western civilizations, especially Islam, in order to abandon Western ideologies including the brand new one, i.e. neo-liberal globalism.

Consequently, the movements for religious revival are anti-secular, anti-universal, anti-globalist, and, except in their rare Christian manifestations, anti-Western. Purified Islam is going to play a role in the contemporary era comparable to that of the Protestant ethics in the history of the West, as Max Weber (2002) theoretically exposed. Much more than the ideology of neoliberal globalism, religion provides meaning and direction for the rising elites in modernizing societies. More than anything else, reaffirmation of Islam means the repudiation of European and American influence upon local society, politics, and morality. In this sense, the revival of non-Western religions is the most powerful manifestation of anti-Westernism in non-Western societies.

In the present moment the West tries to preserve its dominant world position by instruments of globalization. Three issues involve such efforts of the West: 1.) to maintain its military superiority through policies of nonproliferation and counter-proliferation; 2.) to promote Western moral and political values as universal by pressing other societies to respect human rights as perceived in the West and to accept Western democracy; and 3.) to protect the cultural, social, and ethnic integrity of Western societies by restricting the number of non-Western immigrants or refugees. In all three spheres the West has had difficulties. First, non-Westerners do not see human rights and democracy as universal values but as distinctive Western values that have been used as the source of Western hegemony. Second, concerning these values, hypocrisy and double standards are the lasting characteristic of the Western behavior, i.e. gaps between principles and action: the West promotes democracy but not if it brings Islamic fundamentalists to power; it preaches on nonproliferation for Iran but not for Israel; it demands for human rights issue with North Korea but not with Saudi Arabia. (Huntington, 1996: 183-206)

The level of violent conflict between Islam and Christianity over time has been influenced by demographic growth and decline, economic developments, technological change, and intensity of religious commitment. A comparable mix of factors has increased the conflict between Islam and the West in the beginning of 21st century. First, Muslim population growth has generated large numbers of unemployed and disaffected young people who become recruits to Islamist causes and migrate to the West and vice versa. Recently, they also migrate from the West to Syria to join Islamic State forces. At the same time the huge number of mi-

grants and refugees have migrated to the Western Europe, from the Middle East war zones.

The West's simultaneous efforts to universalize its values and institutions, to maintain its military and economic superiority, and to intervene in conflicts in the Muslim world generate intense resentment among Muslims. The collapse of communism removed a common enemy of the West and Islam and left each the perceived major threat to the other. And, finally, within both Muslim and Western societies, tolerance for the other declined sharply; first, after September 11, 2001 and recently after terrorist assaults in European societies, such as in France, Germany, The Netherlands, Scandinavian countries ...

The present-day culture based conflicts have to be replaced by an inter-cultural dialogue which can offer a reconceptualization and transformation of globalization, shaping a more humanized image of globalization. The globalization of neo-liberal economy should be accompanied by a normative (socio-political and moral) requirement of a globalization of responsibility in order to protect the global future of humankind and global commons, i.e. global public goods (from clean drinking water to a clean environment and the ozone layer, from a rich biodiversity to a rich cultural diversity (Lenk, 2006). Moreover, the social traps that accompany the ideology of the current neo-liberal globalism promoted by corporations and the dictate of the free market must be exposed, particularly today, in the time of global political and economic crisis. The recent global crisis draws attention to proposals for radical transformation of globalization in the direction of its humanization.

Some theorists (Hauchler, 1995; Küng, 1997; Rupert, 2000; Scholte, 2000, etc.) pledge for global supraterritorial Keynesianism and progressive redistribution of world wealth by so-called "Tobin tax", cancellation of debts, and the reorientation of international financial institutions toward domestic economic growth and full employment rather than export-led growth.

Intercultural globalization of ethical and common religious aspects and perspectives like humanitarian goals, human rights, international globalization of responsibilities requires a sort of applied philosophy and ethics in the global intercultural realm. The specific ethical globalization requires sophisticated and sensitive intercultural philosophical analysis with the purpose to avoid a patronizing pressure by imposing moral values from one culture to another.

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## NATIONAL INTEREST AND THE EUROPEAN UNION: REFUGEE CRISIS AND TERRORISM

### Introduction

At the Likhachov conference in 2015, I outlined some of the difficulties in calculating national interest and illustrated some of these difficulties with regard to the supra-national European Union (EU) in the area of its energy policy. Since then it has become very clear that the EU's poor performance in developing its various policies and overall strategy has led to a resurgence of diverse national interests within it. These national divergences now threaten the very existence of the European Union as a functioning entity. It is possible that the core institutions of the European Union will continue to function while being increasingly disregarded, thereby ending up as 'zombie' institutions, but it seems equally likely that there could be a spectacular collapse. How did such an ambitious project come to this?

This paper concentrates on the EU as a potential institutional arena for interstate cooperation in the anti-terrorism struggle. It argues that the EU's response to the 'refugee crisis' that emerged in 2015 has been so poor that it has actually reduced international solidarity among its Member States to the point where divergent groups of states within the EU are acting in concert but in ways that contradict the policy stance of other groups of states. The most notable example of this is the so-called Visegrad Group, consisting of Czech Republic, Hungary, Poland and Slovakia. These have a very different approach to the 'refugee crisis' from that of Germany and France. In addition, the Visegrad Group have effectively been joined by Austria, as well as FYR Macedonia and possibly Serbia, even though the latter two are not EU Member States.

This diversity of response indicates that the EU itself is showing clear signs of systemic crisis, so that EU Member States must look elsewhere (including to themselves) for ways of dealing with the EU's current problems. This situation results in part from different analyses of such problems, including the relation of the 'refugee crisis' to international terrorism.

The problem has become more acute because of the sudden increase in the exodus of refugees and economic migrants from the Middle East (including Afghanistan) and North Africa. Because the main route to Europe has switched from North Africa to Turkey, Greece and the Balkans, this also means that winter and poor maritime weather have not reduced the flow as much as has happened in the recent past. This change has imposed an additional economic burden on European countries, with the resultant strains producing very public disagreements between countries as to how to deal with this issue. To some degree, all this is exacerbating problems of dealing with the Euro currency crisis.

It is widely believed that the main source of this increase in refugees and economic migrants has been the rising intensity of the war in Syria. This war has certainly

thrown a harsh light on the dysfunctional nature of policy formation and decision making within the EU, but there are claims that the 'refugee crisis' has been stimulated by outside forces with an interest in attacking the nation states within the EU. This view will be examined below. Yet whatever the motives or drivers of this suddenly rising migration, the EU rhetoric of solidarity has not been fully applied in practice to Greece, which has borne the brunt of becoming the main initial point of entry to the EU from Turkey. This has exacerbated the unresolved economic crisis in Greece whereby pressure from the EU and European Central Bank (ECB) resulted in the abandonment of its anti-austerity programme by the newly elected governing coalition led by the Syriza party. The European Commission (EC) and leading EU countries have not handled this and other crises well, leading to a growing crisis of legitimacy for the Eurozone currency area and even for the EU itself. A constellation of crises and difficulties, of which the 'refugee crisis' is an increasingly acute example, means that the future of the EU itself is now in doubt. Hence it is worth considering the nature of this 'refugee crisis' and its relation to international terrorism.

### Refugee Crisis or Covert Invasion?

The invasion of Iraq in 2003 resulted in the imprisonment by US forces both of captured Baathist military personnel and of militant jihadist Islamists in the same large camp. No measures were taken to isolate these groups from each other, and so together they formulated a strategy to be implemented after they were released. The joint decisions are said to have been recorded on the waistbands of their underwear. This alliance could be considered the core of what became self-styled Islamic State (IS). The presence of former Baathist military personnel helps explain the strategic planning capacity and the increased tactical sophistication of IS compared with other jihadist terrorist groups. It has been claimed that IS always expected to be defeated in Iraq and Syria (although they had assumed that it would be the USA that would do it). Hence the conflict there was seen as a recruiting phase for subsequent attacks in Europe.

In the case of Syria, a BBC Radio 4 reporter stated very clearly at the time of the early peaceful demonstrations against the government in 2011 that some people were shooting at both pro- and anti-government demonstrators. This is the same tactic that was later used in February 2014 Maidan Square in Kiev, and shows that there was a hidden agenda of regime change in both countries. When the Arab League sent in a peace mission to Syria in late 2011/early 2012, it had some success, and asked for more resources to continue the dialogues between various contending parties. However, the peace team's report was suppressed and both funds and arms were sent to the rebels. It is clear from reading that suppressed report, which was later leaked, that various Arab countries had not been serious about that peace mission.

Subsequently, arms from Libya were funnelled through Turkey into Syria to jihadist groups, including IS. It is

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claimed that one meeting to negotiate further arms transfers from Al Qaida to the Syrian conflict resulted in the death of the then US Ambassador to Libya. As is now widely understood, jihadist organisations such as IS and Jabhat al-Nusra were advancing on western Syria, with the potential to capture Damascus in 2015, when Russian forces intervened to stabilise the situation, with stunning success. Reports from Western sources as well as Russia claim with convincing evidence that some people in Turkey has been ‘laundering’ oil coming from IS through Turkey. Satellite images from Russian sources appear to confirm this, but US sources have given more detail on what happens to the oil once it reaches Turkey. Bilal Erdogan is now on trial in Bologna, Italy, charged with laundering money from such oil sales through banks in Bologna. His defence is that he visited Bologna for his PhD at the American University there. This de facto cooperation between elements in Turkey and IS raises the question of whether Turkey has become complicit in the alleged IS plan to spread terrorism into Europe on a far bigger scale than witnessed so far.

In other words, it is possible that the ‘refugee crisis’ in Western Europe has been used as a cover for infiltration by so-called Islamic State (IS). In 2014, IS gave notice that it would do this, but most people saw this in the context of migration from Libya across the Mediterranean. Following the rapid growth of refugees entering the EU in 2015, various claims emerged including a claim that, at least in part, this was ‘coerced engineered migration’. Most notably, the German intelligence service (BND) had estimated that there could be as many as 20,000 IS members infiltrating into Europe with the refugees, whose numbers had suddenly risen to 1.25 million in 2015. Europol has estimated that there are at least 5,000 IS members in Europe, and stated that they are thought to be planning widespread attacks with a variety of weapons. In view of this, it has been very surprising that the German Chancellor, Angela Merkel, has been so very slow to respond to evidence suggesting that at least some refugees constitute a threat at least to public safety, if not to national security.

The authorities in various countries through which the refugees had passed in 2015 had been administratively overwhelmed and had failed to record details or register many of those who passed through. Some refugees complained about conditions and even ‘threatened’ to return to the Middle East. That suggested that they had been led to have high expectations of their treatment in Europe. Recently it has emerged that there has indeed been a campaign encouraging refugees to move to Europe, using social media. An analysis of Twitter sources engaged in this activity has shown, surprisingly, that the timing of this activity indicates that it probably comes from the West Coast of the USA. It seems likely that this campaign emanates from IS supporters in the USA. A leading figure in the Syrian community in New York has stated publicly that IS are present in New York, and so it is at least plausible that there are some IS members on the West Coast. Thus if the migration is not coerced, then some migrants have probably been incentivised and in some cases financed.

With regard to Europe, Syrian Christian refugees in Germany have recognised individual IS members in refugee camps. These people have not been arrested, because so far they have broken no law in Germany. After the Paris attacks in 2015, this situation is disquieting to say the least.

While Western mainstream media (WMSM) coverage started to treat the refugees as coming fairly directly from the conflict in Syria (yet also acknowledged that some of them came from other countries) it soon became clear that many refugees had been safely settled in well-funded camps in Turkey, and had had funds to pay people traffickers to provide (usually unsafe) transport to Greece. Indeed Turkey publicly claimed that it had spent 6 billion dollars or so in building and maintaining these camps. So why did refugees wish to move on to Europe, when they were already safe, sheltered and fed? Admittedly conditions in such camps were not wonderful, but did they merit risking a dangerous journey to Europe if there were not some additional incentive to migrate? Most refugees had already succeeded in leaving Syria for refugee camps, and so had escaped the brutality and horrific destruction of the war there.

Turkey then claimed publicly that it could no longer afford to support so many refugees, and demanded payment of about 3 billion Euros from the EU to prevent others from leaving Turkey. German Chancellor Angela Merkel acceded to this, although some commentators described Turkey’s demand as extortion. Turkey further demanded that the EU re-open the process of negotiation for Turkey’s entry to the EU, and the EU acceded to this demand as well. One can only imagine what the Greek government thought of this, given its difficulties in obtaining loans from EU sources to help deal with its debt problem – a debt that even the IMF has described as unsustainable. Yet the EC is evidently willing to hand over the 3 billion Euros to Turkey, although it has not yet done so. This slowness exemplifies the problems that the EU faces in making timely decisions in response to a rapidly changing situation. It is also negotiating over a further payment of 6 billion Euros to Turkey.

As expected, the winter months have not seen the usual reduction in the flow of migrants into Europe. In fact numbers of migrants arriving in Greece have tripled in the first few months of 2016. Consequently Greece (rather than Italy as in 2014) is now bearing the brunt of the arrival of these vastly increased numbers of refugees and other migrants. Yet it has been getting very little aid for this from the EU, although some has recently been announced. Meanwhile, the EU is bringing forward to April 2016 the implementation of an agreement to allow Turkish citizens visa-free travel within the EU.

The response of the EU shows that Turkey achieved some important foreign policy objectives very rapidly as a result of the ‘refugee crisis’. What has exacerbated the migrant/refugee crisis for Europe has been the spread of a practice known as ‘Taharrush gamea’. It consists of a swarming technique whereby large groups of men surround women in public places and sexually molest, assault or rape them as a means of intimidation. Yet apart from treating these events as isolated incidents, the WMSM failed to analyse the phenomenon. This resulted in a failure to see the connection between events in different countries. Although it has not been a practice that had spread to Syria, “Taharrush gamea” has somehow appeared among the migrants entering Europe. While WMSM coverage of refugee/migrants has concentrated on families and children, and generated heart-warming sympathy among many in Europe, the overwhelming majority, probably over 90 per cent, of migrants are young single men.



So the European Union now faces two problems with the inward migration of refugees and others, apart from the huge logistical strain that it has placed on housing and welfare resources in some countries. These are: firstly, the spread of ‘Taharrush gamea’ and secondly, the certainty that IS has already infiltrated the EU under cover of the refugee crisis, as reported by Europol and the BND.

With regard to sexual assaults and other unacceptable or illegal behaviour, there have been two responses in EU receiving countries. One response has been to cover up the problem. The other was to attempt to educate migrants in ‘proper’ behaviour. The attempted cover up was a huge mistake, because it has meant that a culture of impunity has arisen among some of the refugees/migrants. Examples include all Scandinavian countries, Finland, Germany, Austria and Belgium. The cover up has also undermined confidence in the rule of law, and trust in politicians, and has led to an enormous increase in sales of legal defensive weapons and other security technology in the EU. Opinion polls show German women now turning against refugees, because they no longer feel safe. Eighty-one per cent of Germans now feel that their government has mishandled the problem. Twenty-nine per cent would now support the use of arms to prevent immigrants from crossing into Germany.

The EU now faces a major crisis of legitimacy, in part because contrary to all the rhetoric about the EU being a rules-based organisation, both EU treaties and the German Constitution have buckled under the pressure of this crisis. All of this has fuelled support for right-wing political parties and movements, and the political response to that rise in support has been political manoeuvring by establishment parties and attempts to suppress legitimate protests. Unsurprisingly, political divisions have deepened as a consequence. A rising proportion of the European population wants to hold a referendum on leaving the EU: 53% in France; 49% in Germany and over 40% in three other countries.

The attempt to set up education classes has largely failed, because of the fact that migrants have been walking out of classes on gender relations. Those who remained have shown scepticism and contempt for the ideas being conveyed. This has happened in various countries. So there is no cause for complacency regarding these issues.

Such problems have been exacerbated by the high-handed actions of the German and Swedish governments in placing refugees in accommodation. This has included evicting German citizens from public or rented housing and has generated violent reactions. By November 2015, the police on various occasions had had to call in the Bundeswehr (German Army) to deal with problems in refugee camps, because they could not cope. Problems included sectarian and other conflicts among the refugees, which had simply been transported from their home countries. Such problems have led to the head of the Swiss army formally warning of coming social unrest and calling on citizens to arm themselves.

The crisis is now imposing a serious strain on the budgets of EU member states. To take the example of Germany, it has been estimated that the cost per annum will be 55 billion Euros, while the annual cost of infrastructure, health and education is 48 billion Euros. Yet the German government has until March 2016 maintained its ‘open door’ policy, with a slight tightening up of regulations to facil-

itate the deportation of criminals. Even purely statistically, one should have expected a fair number of criminals among over 1 million people. In fact the amount of migrant crime has been systematically under-reported by the WMSM, with the predictable result that people rely on the WMSM less, and increasingly use the internet as their main source of news. Confidence in German newspapers has declined enormously, and hits on their websites are down by about 30 per cent in 2015.

More worrying than any of this, however, is the fact the arms shipments to IS people in Europe have already been intercepted. Have there been others that were not detected? The experience of Paris suggests that there are. Police in the EU have certainly detected and intercepted at least one truck carrying shotguns. Of course shotguns are ideal for killing civilians at close quarters. The evidence that the Cologne ‘Taharrush gamea’ attacks were coordinated indicates how easy it would be to overwhelm police with coordinated swarming attacks using shotguns and other small arms, or even simply machetes.

On 25 January 2016, the head of Europol was quoted in The Guardian website as saying that Islamic State is actively focusing its attention on conducting large-scale attacks in Europe similar to those last year in Paris. Europol is the Hague-based organisation that coordinates EU policing efforts over terrorism and organised crime. Its head said that IS had “developed a new combat-style capability to carry out a campaign of large-scale terrorist attacks on a global stage, with a particular focus in Europe”. At the same meeting of interior ministers in Amsterdam, France’s interior minister said Islamist terrorists had planned to attack another concert in Paris and carry out a mass killing in the streets of the capital.

Much of the more recent media coverage in 2016 has described Germany as being in denial, and as attempting to sustain the ‘welcome culture’. The latter may seem laudable, but it indicates that the population is probably unaware of the BND assessment of the danger. It may not take too many armed attacks on the population to generate serious social unrest. At present the existing unrest includes demonstrations against those protesting about migrant behaviour, calling the protest demonstrations racist. This reflects the prevailing consensus, but that consensus is breaking up. The growing perception that the police are not impartial may lead to further violence as the legitimacy of policing and politicians declines, perhaps inexorably.

Violent action in Leipzig and elsewhere implies that the distinction between Muslims and jihadis has broken down already for some people. This view will surely grow if there are the swarming armed attacks within the EU that I now expect. If jihadist forms of Islam are not distinguished from other forms, then all Muslims could become a potential target, and IS propaganda in particular will come to be seen as a personal threat to the safety of one’s own family. The scale of the ensuing violence could easily overwhelm police and possibly army capabilities. Although European politicians have described IS ideology as being a misinterpretation of Islam, they have failed to specify that the origin of this ideology lies mainly within the Wahhabist tradition, which is relatively recent in Islam. Without more clear specification, the variety of doctrine within Islam could easily become invisible to the general public in Europe, when terrorist attacks encourage a recrudescence of opinion.

The response to the refugee/migrant crisis in various countries has included deportation of refugee/migrants, confiscation of migrant assets as a contribution to costs and/or a closure of national borders within what was meant to be the unified European space as defined by the Schengen Agreement on open borders. This is producing a domino effect as Sweden, and then Denmark have closed their borders to the north of Germany, and Austria has closed its borders to the south. Within Germany, the former president of Bavaria (near Austria) has advocated the closure of the border. Hungary, Slovenia and Croatia have effectively closed their borders, and Serbia is threatening to do so if it cannot send refugees onward. FYR Macedonia is looking to measures to further strengthen its borders. Austria has stated that if other measures fail, then in cooperation with Balkan countries, it will place troops in the Balkans to prevent further refugees from arriving in Austria. These developments have built up to a major refugee/migrant traffic jam in Greece, which itself has been under increasingly serious stress from migrants for some years. It is now clear that Greece faces an incipient humanitarian crisis. Unsurprisingly, Greece is resisting this trend towards closure of borders within the EU.

Poland has stated that it will not accept Middle East refugees, and this is not simply because it has taken in about

1 million refugees from Ukraine. It has stated that it will not accept Muslims. All four members of the Visegrad Group have effectively indicated that they are not open to Muslim inward migration. This amounts to a major political split within the EU, and the Commission has found itself increasingly ignored as it has attempted to re-impose the official position of free movement within the EU. The temporary suspension of the Schengen agreement is under discussion.

Perhaps unsurprisingly in view of these problems, prominent European politicians, including two national presidents, have indicated that the EU is facing an existential crisis if it proves to be incapable of addressing its current problems. The complacent response to the refugee/migrant crisis, together with the cover up and attempted suppression of protest, especially in Germany, has not only damaged Chancellor Merkel's position as leader of her party (CDU) and the country, but it has also further divided various EU countries between 'welcomers' and 'refuseniks'. Within countries that have had a large recent refugee influx, one could describe the difference as one between 'welcomers', 'refuseniks' and 'expellers'. It seems that this difference could readily fuel the possibility of civil unrest, of which the early indications have already been seen.

V. L. Makarov<sup>1</sup>

## THOUGHTS ON TOLERANCE AND DIVERSITY

Much doubt has been expressed recently in regard of eternal human values. What had once been considered undisputed for centuries, going back to the precepts of the Bible, the Koran and other holy books, became subject to criticism of various kinds. The so-called Western civilization has been gradually revising traditional family relations (gender equality), "mockingly" stressing equality of all races and nationalities, turning double standards and lies into everyday practice. These developments have led to increasing number of murders, which contradicts the law, as well as the concept of justice as described in religious precepts. This has been one of the discussion topics in the intellectual community.

Another trend is growing diversity of social institutions and relations. It would seem that cutting-edge information technologies and the desire of world powers to dominate would reduce social diversity. However, observations of so-

cial scientists suggest otherwise. The Laboratory of Diversity Studies at the Russian Economic School confirms the trend toward increasing diversity.

For example, over several decades the Western economic science has considered it indisputable that the so-called classical model of market economy is most effective for any country in the world, and that the civilization will inevitably come to use it as a sole model. Therefore, no talk of diversity here. In reality, though, things are very different. A variety of economic systems in the world is growing precisely because every country has its own history, culture, traditions, and social norms. It is this diversity that leads to formation of each country's unique economic model, which is most effective for this particular country. There are quite a few differences between different versions of the purely market model, as in the USA and Germany. In the USA every person, down to ordinary housewives, is involved in share and financial instrument trade. In Germany people prefer to delegate these operations to banks, or at least professional brokers.

When it comes to the rest of the world, China has its own type of economy, which encompasses market and planning mechanisms combined. In the UAE the economy is often said to follow the family model. And even a professor of Economics would find it hard to give a definition of economy in Bhutan. Russia and other countries with the emerging economy model are still looking for their optimal options<sup>2</sup>.

The process of globalization still remains, however, in place. The world is becoming increasingly more electron-

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<sup>2</sup> Макаров В. Л. О разнообразии экономического и политического устройства в мире // Философия, методология и история науки. 2015. Т. 1, № 1. С. 55–67.

ic and digital. Standards in this sphere in general and in the technical sphere overall are becoming universal. A universal computer language is also being gradually created, independent from the native language of users (Russian or Chinese). But diversity has nothing to do with it: electrical sockets are standard, and the variety of gadgets using these sockets is only growing.

A few words about tolerance. Discussions about tolerance, associated with the phenomena of racism, religious hatred, and human rights have been going on for a while, but have recently increased due to a number of countries allowing same-sex marriage, the influx of refugees to Europe, “Charlie Hebdo” events, and so forth. When we talk about “multiculturalism,” we do so mainly in relation to the current situation in Europe.

Tolerance is a delicate and sensitive area of relations, and each person understands it differently. For example, one of my friend from Ukraine is proud to be called *khokhol*. I am sure that among the blacks there are people for whom the words “Negro” or “Black” are not insults, but, rather, recognition of their uniqueness. The word “Banderite” is praise for some, and an insult for others. The degree of tolerance depends on the environment in which people communicate. At scientific conferences opponents using relatively delicate word choices. Mass media often allow pretty strong words to be more expressive, and it becomes a norm. In the so-called blogosphere there are no barriers at all; take for instance Ekho Moskvy, which serves as an example of free speech.

Why is tolerance associated with diversity? When we have ideological, religious and cultural diversity growing, there naturally increases a number of conflicts in his area. People begin looking for compromises in relationships much oftener. Tolerance is one of the instruments in search of compromise. But the instrument is not effective; it often leads not to resolution of contradictions but their aggravation, as could be seen in recent events.

This report reflects a fundamentally different approach to conflict resolution, which does not break with the trend of increasing diversity. The history of humankind shows that the only effective way to resolve global conflicts is a war. But, as has been mentioned above, the war helps reduce diversity, imposing a single worldview, and tolerance is unimportant in this context.

At the heart of the discussed method is “voting with your feet.” The term had first appeared in the House of Lords, where the Members of Parliament had to pass one or other room to express their opinion. In 1956 an American scholar Charles Tiebout<sup>1</sup> wrote an article in which he proposed a model of the optimal state where local communities (municipalities, communes) have complete autonomy in setting local laws and regulations, in particular, tax rules. At the same time people in those communities were allowed to choose their place of residence in accordance with their preferences. Tiebout believed that if local authorities made sure more people wanted to live in the community, they would start “voting with their feet,” settling in an optimal way and making everyone happy.

After this publication by Tiebout there appeared a large variety of different articles. Some of them praised the model, and others criticized it. Mathematicians had found the

conditions for Tiebout’s optimal hypothesis to come true<sup>2</sup>. Sociologists carried out an applied study in the state of Massachusetts, where it was confirmed that people seek a place of residence in accordance with their preferences and income levels. That had the sociologists worry about the dominating parameter of “income levels.” Rich people wanted to live in areas away from poor people, and vice versa. This was obviously a case of segregation, which disagreed with the understanding of the best human society setup. These communities are formed also according to national and religious factors (China towns, Mexican blocks; Old Rite Christians and other communes).

Nevertheless, the idea of a separate world, which exists relatively independently from others, is being implemented in different forms. For instance, take free economic zones, which have proven their effectiveness in China. The Chinese are, actually, much more wise than other countries (e.g., Russia), in doing their reforms. When they intend to introduce a new tax or monetize some benefits, they first experiment at the level of one village, district or province. Then they analyze the results, and then the reform is spread (or not spread) to the rest of the country. By the way, the famous George Soros had offered in the late 1980s to build capitalism in one small district (and not in Moscow). This idea had some meaning behind it, but it also overflowed with politics.

In real life you can observe certain separate islands of relative independence where the population determines their own destiny and does not seek to persuade others to follow suit (Bhutan, Monte Carlo, Lichtenstein, and even Switzerland). These “islands” have existed for many years, and they do not get involved in military conflicts, yet no one talks about the multipolar world. We see the multipolar world as the world where there exist several, not one superpower. Imagine that the world consists only of these small (and not so small) states, which do not even get to think about dominating over other countries. This would not be a multipolar world. It will be diverse, multi-colored, but not multipolar in the current sense.

This diverse world, according to Tiebout, can only be created if a number of very strict rules are followed. The main condition is not to have domineering states or blocks. Transfer from one state into another is possible only if laws of both countries are followed, especially the country that admits the other.

Clearly, such actions within one state can be opposite to understandings of other states. Should one state behead people for breaking laws, this should not shock other states, and they will have no right to intervene.

This is similar to Bandera or Hitler states who build their worlds the way they see fit. The problem is that their ideology consists more in taking away other people’s property, not creating their own. Therefore it is difficult to imagine a peaceful Bandera state.

So, voting with the feet, according to Tiebout, will only happen if the power need is applied only to those who think alike, not the rest of the world.

The reasons for military conflicts are as follows:

1) The tendency of one country to dominate over others, to run the world, which idea is always veiled in good intentions (such as to teach them “a better way of life”,

<sup>1</sup> Tiebout C. A Pure Theory of Local Expenditure // Journal of Political Economy. 1956. No. 64. p. 416–424.

<sup>2</sup> Bewley Truman F. A Critique of Tiebout’s Theory of Local Public Expenditures // Econometrica. 1981. May. Vol. 49, No. 3.

although often by means of decreasing diversity). Let us remember the dreams of Euclid, and Alexander the Great, Campanella's "Sun City," Marx's Communism, Churchill's Great Britain, Fukuyama's "End of Civilization," the global halifate, Mandel's world currency, etc.;

2) The desire to add to the country's territory, especially if the neighboring country is rich in mineral resources;

3) Underwater rocks of tolerance, which are immediately invisible but can lead to serious conflicts. For instance, when the society adopts laws and rules under which all races, religions, and cultures are proclaimed equal, the population with rational thinking considers it to be a logical norm; however, rejection and even hatred of another can not be altogether eliminated. Therefore, for peace and quiet within the nation people are forced to accept the fact that one ideology will dominate over all others anyway, or else there will be no "voting with the feet."

The aforementioned fundamental causes of armed conflicts are not important if countries (their governments, population, communities) should be completely isolated from each other, i.e. if each country achieves unity of opinion in ideological, religious, political and social spheres.

Human beings have always sought power and dominance in various spheres, including the intellectual sphere. They have always wanted to spread their worldview, their ideology and religion. This need is an inalienable part of human nature. Therefore, we must find other ways – except warfare – to promote this need, including new instruments, institutions, and ways of satisfying these needs. The very diverse world according to Tiebout will consist of relatively small countries, with no superpowers. The countries will form coalitions, associations, blocks, etc. Ideology will spread within this block, but not through military (or similar) channels. These blocks might be large, even domineering, but there will be no military component to them. People will preach their views, but in a peaceful fashion, without forcing them onto others.

In conclusion I would like to say that the thoughts regarding the trend for diversity and tolerance are quite unbelievable. This trend leads, on the one hand, to greater uncertainty of the future, and on the other – to existence of a multi-colored peaceful world, which corresponds to the real essence of the human being.

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## **GLOBALIZATION, CONSUMPTION PATTERNS AND POLITICAL STABILITY**

### **Introduction**

Rapid changes in technology and economy that we observe nowadays are accompanied by rapid changes in traditional values and attitudes. In the contemporary world, a permanent proximity of internet, computer, television or smartphone makes us all citizens of the globalised, virtual world rather than a physical, geographical, real one. But even if people consider themselves to be citizens of the "global village", a political architecture of the real world has remained based on the nation – state.

One of the main characteristics of a nation – state is its territory defined by its borders. Recognition and respect of nation-state borders is considered to be a principle of national sovereignty, national interest and territorial independence, which shape international relations.

Historically, rulers always usurped the right to control what happens on their territory, but there were some areas that had escaped their supervision. The first one is the sphere of science and more broadly – ideas. Whether it was religion, superstition or steam engine, ideas were unstoppable even for isolated countries. Second area is a realm of trade. Rulers were usually rather kind for merchants, therefore borders were always wide open for business people.

It is worth mentioning that both: ideas and trade are significant driving forces in the history of world. Their influence is sometimes stronger and sometimes weaker but it is always meaningful. Yet the very hypothesis of this article states that in contemporary, globalised world a third impor-

tant factor has arrived. It was always present but until the economy hasn't become globalized, its impact wasn't noticeable. This third factor can be described as universalisation of western consumption patterns and it plays an important role particularly in developing countries.

### **Globalisation and consumption patterns**

There is no country and no socioeconomic system that operates in a vacuum. Such actors as: geography, climate, culture or neighbour countries play a significant role in its overall performance. On the top of that an increasingly important factor is globalisation. By globalisation I understand a historical and spontaneous process of liberalization, along with the accompanying, systematic integration into a single, independent global market in goods, capital, technology, information, and – belatedly and on a smaller scale – labour, which previously constituted markets that were isolated or bound by loose functional ties (Kołodko, 2011). It is particularly important to note, that from the perspective of socioeconomic cohesion, globalisation simultaneously influences directly or indirectly: state, society and the market.

But how specifically globalisation affects the functioning of socioeconomic system? In order to answer this question I suggest to look at the process of globalisation from one particular side, which is consumption patterns. One of the possible approaches to globalisation is to treat it as a process of promoting consumption patterns of rich countries. World order is often characterised as an equilibrium state between independent territorial entities – countries, but due to a contemporary advances in global trade, technology and even thanks to international social networking media, steadily frontiers between countries are disappearing (Kissinger, 2015). Such a situation favors a gradual harmo-

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nization of customer needs worldwide. This very harmonization is dominated by western products and reflects western lifestyle which may be described as western consumption patterns.

What are the main characteristic of consumption patterns in rich countries? First characteristic is the structure of household spending. In rich countries households spend relatively less on basic needs. Considering Maslow's pyramid of needs, consumption patterns in rich countries may be described by stating, that the pyramid (structure) of spending

is the inverse of the pyramid of needs. Frankly speaking, people spend relatively more money on culture, education and entertainment than on food or housing. This regularity is reflected in statistical data. It turns out that in Germany households spend 9% of their income on food and beverages, while Poles on the same purpose spend 20% of their income and Hindus – 50%. The pattern is straightforward: the richer the country, the more people spend on higher needs. And when a certain country gets richer, than simultaneously spending on basic needs decrease.

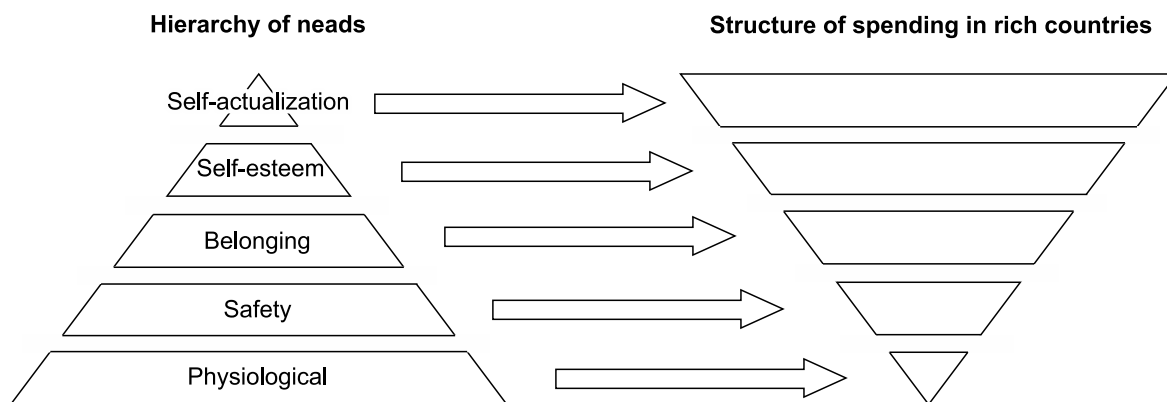


Figure 1. Pyramid of needs vs Pyramid of spending in rich countries

Second characteristic is about globalisation of brands. Nowadays it is striking, that consumer's needs have been unified all over the world by creating products with a global reach. As a confirmation of this statement one may use a numerous rankings from different countries presenting the most popular companies and brands. It doesn't matter whether a particular benchmark is launched in Poland, Germany or India, always: Apple, Google and CocaCola are the most powerful brands. Worth mentioning is the fact, that it's not only popularity but also desire. Because of globalisation in general, and because of media and advertising in particular, all people, even in distant countries have got the same desires. For instance according to the Next Mobile Frontier Report (2014) when it comes to smartphones, respondents from Nigeria, Brazil, India, China and Vietnam would like to purchase either I-phone or Samsung because this is a brand they aspire to. The very same pattern applies to most of products of everyday use. Therefore the world is facing a unification of needs with a simultaneous materialisation of these needs in a form of specific brands and products. This process is quick, it doesn't encounter any resistance and from the perspective of economics, it poses all features of monopoly.

#### Unification of consumption patterns – consequences

At this point however a crucial question arises. What happens when an underdeveloped (or at least developing) country adopts consumption patterns that are similar to those in rich countries? In other words: what happens, when not so wealthy people want to purchase the same stuff as citizens of rich countries?

First consequence is that, in an underdeveloped country the needs are growing faster than the ability to satisfy them

(Kołodko, 2014). It is commonly known, that there is a positive correlation between disposable income and the level of consumption. In economics this relationship is represented by consumption function. Same reasoning may be applied in order to construct an "aspiration function" – function that depicts the relationship between disposable income and the level of aspiration, which can be defined as desired, but realistic consumption level. At the "normal" level, by which I understand lack of prevalence of consumption patterns from rich countries, an aspiration function is parallel to consumption function. However, as mentioned before, I suggest that contemporary an additional phenomena plays an important role. In underdeveloped countries, due to increase in disposable income from one side and due to the popularity of consumption patterns imported from rich countries, needs grow faster than the ability to satisfy them which may be described as aspiration function been detached from economic reality of a country. A desired consumption level is being fixed at the level determined by rich countries and I assume it is beyond the reach of underdeveloped countries. It becomes a benchmark that everybody want to achieve. However for most of the developing countries it is not possible at least in the predictable future.

Frankly speaking, importing consumption patterns from rich countries creates the situation where people in Nigeria or India, with monthly wage not exceeding 300 \$ wish to buy the same smartphones as Germans do (in this case however, average monthly wage exceeds 2500 \$). Considering the fact that the cost of the smartphone is around 700\$, comparison between purchasing power of different nations is meaningful.

In certain parts of the world, because of unmet needs, frustration arises. It is particularly important today, be-

cause of the prevalence of media industry. A hundred or two hundred years ago people from different parts of the world were also willing to achieve the western standard of living. However an average person from the past, who was living in an underdeveloped country probably had no idea of western standard of living, and was not able to

compare his / her situation with the situation of an average German or French. Today, because of internet and Television, it is not a problem for people from Chad or India to compare themselves with rich countries. Comparison of wages, comparison of unmet need rises frustration (Skidelsky, 2012).

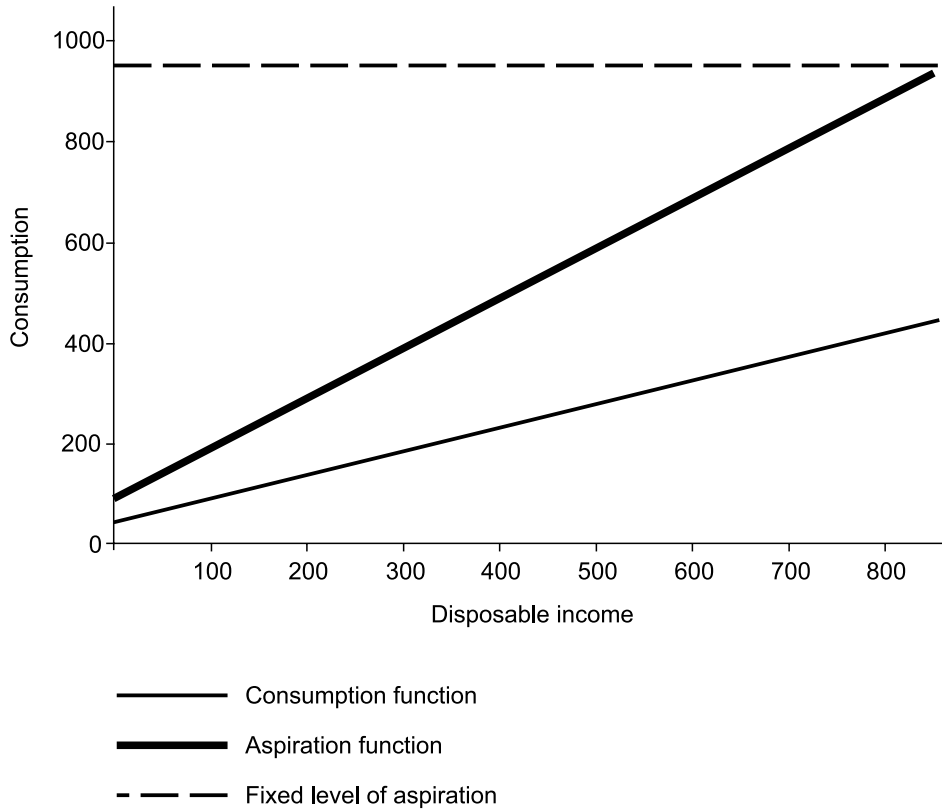


Chart 1. Consumption function, aspiration function and a fixed level of aspiration

Under such circumstances, there is a growing pressure on the government to “do something” to change situation as fast as possible. However from the macroeconomic perspective, substantial changes require time, even decades in order to shorten the distance to the rich countries. But in many cases governments are not being given enough time, discontent arises even when the economy is growing. Also, in many cases, such a situation leads to radical government decisions which turn against country’s economy. To some extent, Poland is an example of how this mechanism works in practice. Becoming EU member and experiencing a durable economic growth has risen the aspirations of Poles. From their perspective, a comparison between their situation and the material status of Swedes, British or German started to be more common than comparisons to the situation of Slovaks, Lithuanians or Bulgarians. And although high aspirations are considered to be rather good, such comparisons were rather frustrating than motivating. In result, a new government was elected, with completely different vision of Poland and with rather populist characteristics.

The growth of impatience and dissatisfaction is accompanied by an increase of economic migration or at least in-

crease of desire to emigrate (Milanovic, 2011). There is a numerous statistics supporting this hypothesis, and we can expect global migration to increase in the future. History tells, that people always move from territory with poor development opportunities to a richer surroundings. Nowadays, this tendency may become even stronger than it was in the past, because people know the material status of rich nations and because the very process of removal is, in general much safer than it was in previous centuries.

**Conclusions**

Recently a lot of research has been done in the area of income inequalities and equality of opportunity. Most of these studies represent a national perspective which means, that their main goal is to indicate certain implications of (for instance) high economic inequalities in a particular country. Such an approach is not adequate, especially in case of developing countries. The reason to this is globalisation. Globalisation has changed and still changes the reference point of individual people. People no longer compare themselves only with their neighbours and compatriots but more frequently they compare themselves with rich nations or with

individuals, who moved to rich countries. Therefore not local, regional or national but global inequalities are becoming more and more important from the perspective of research adequacy. This observation is not only important on the theoretical level. Also politicians and economists whenever they try to maximize the level of equality of opportunities must consider the fact, that equality of opportunity is becoming more and more difficult to maximize, because a traditional reference point – a nation state is being replaced by a new one, which is a fixed level of consumption that is determined by patterns imported from rich countries via media industry. And at this point the government has no instruments to change this state of affairs.

But as far as I am concerned, there are two options to mitigate that phenomena. The first one is the example of rich countries with high income inequalities, like USA. Discontent caused by a high level of inequality is to some extent mitigated by myths and legends widespread in a country (Malinowski, 2014). For instance the myth of “American dream” makes people believe that everyone living in the United States has got the same level of opportunity. It doesn't matter that the very concept of the “American dream” was refuted in a numerous studies, the persistence of this idea is puzzling (Wilkinson, 2011). So if a comparable myth or idea is popular in a certain nation, there is probably no need to be afraid about fixed level of aspiration.

Second option is limited and it has all to do with social needs. There is a growing necessity to drop them. Obtaining such an outcome is difficult and cannot be done immediately. But by reducing the reach of advertising industry, the uncontrolled growth of needs may be restrained. A good example of such policy may be found in Scandinavian television, where advertising during children's programs was banned.

Government's efforts towards inequality reduction may be considered a potential cure for problems caused by fixed level of aspiration. However this would probably not be an effective solution, because reducing inequalities in one country doesn't change the situation at all. Only a substantial reduction of global inequalities (Milanovic, 2005) may bring us closer to solving this problem.

The very fact, that due to globalisation and unification of western consumption patterns most of individuals worldwide have got the same aspirations may be distorting from the perspective of world order. Country frontiers steadily disappear or they are simply ignored by ideas, business and technology – factors that on their own have created a virtual reality that is increasingly becoming more real than a physical reality of international arrangements. In these conditions, the governance becomes to be more and more difficult. Even a successful government with pragmatic policy that improves the living conditions of citizens may be perceived as inefficient, because in a world of universal consumption patterns, needs grow faster than the ability to satisfy them. This creates a dangerous potential for a growing social discontent and a simultaneous populist response of the governments in developing countries.

For the time being, the influence of consumption patterns being set at the fixed level should be carefully studied empirically, especially from the perspective of its influence on the political stability of the country.

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**Juan Antonio March<sup>1</sup>**

## CONTEMPORARY GLOBAL CHALLENGES AND NATIONAL INTERESTS. A WORLD BETWEEN CONFLICT AND CREATIVITY

We live at the beginning of this Century under an increasing tension, between the attraction towards a new world -marked by the creativity as a result of the speedy progress in technologies- and the destructive instinct -product of the frustration of large groups who feel themselves as losers of the modern times- of those who feel losers in the new era. Never mankind has been able to create best performing societies than in our times. Never mankind has been in the eve of having to face such tremendous destructive conflicts as could be the ones in the horizon, nourished by the frustration of large groups of population.

So, the crucial question in our present times is the architecture of power. For the first time in History, the individuals, not the States, nor even certain groups or organisations, are the main holders of power in the World. Individuals are moving today's world. But individuals still need the public. They need that the social and the world environment does not turn into an hostile element. And this can only be guaranteed by a good architecture of the world political order. Otherwise the great positive potential of creativity, innovation and initiative the individuals have, risk to remain blocked, neutralised and even destroyed by the disorder in the social order. We need more than ever excellent politicians...because for the rest all is quite in order; we have capable individuals able to push all sorts of activities, the appropriate innovation in technologies to open constantly new avenues for all sorts of activities, great financial capacity to turn into reality ambitious projects, etc. To be provocative I would say that the profession that should be the best paid one in our modern world is that of the architects of the political order. From them it depends that life inside the societies turn to be a rich and peaceful one or a depressing one. In the meanwhile this becomes true, we assist unfortunately to a progressive fragility of the political class all over the world and consequently we pay the price of the general incapacity to create and give birth to a new order supporting a more peaceful and promising world. Nobody or no group of wise people is today conducting the world. Crisis start and explode without control and there is only "damage control" a posteriori in the international scene.

Today, the most worrisome conflict we have ahead of us is the clash of the Islamic world with the modernity. And the frightening thing is that this is a conflict that has been taken shape for the last 60 years. It is very clear now that we, the international community, we have not been able to help the Arab world to find its path in the new framework of the globalisation. We have not managed well the political dimension and they have not managed well the economic dimension. As a result of this, we have today a large

number of countries in disarray with enormous populations ready for showing their frustration.

Why we have not managed well the political dimension? First of all because the insertion of Israel in the middle East area has not been carried out in the right way. Obviously it was a very difficult task but the tragic history of the Jewish people, the horrible suffering inflicted to them under the Holocaust and the expectations of the emerging Arab nations starting a new chapter of its independent life should have produced a much better model of coexistence. The lack of the appropriate way of inserting Israel in the middle east has certainly destabilised the whole region and boosted the fundamentalistic Islamic movement. The Arab world has started the era of modernity following II World War, under a feeling of frustration and injustice. This has driven large numbers of populations to be against the new modernity and support atavistic attitudes. Second, no political efficient model has been found for channelling the potential of these societies, boosting a dynamic of progress. In some areas of the Planet, countries have managed to find the political model that delivers certain harmony to the society and manages to get the best of each individual. A model that allows to settle disputes and arbitrates among the ambitions. Unfortunately this has not been the case in the Arab World where either the individuals are too dominated by certain leaders (under different forms) or a dynamic of eternal disputes among different groups brings constant destruction and a very unstable environment. We can not blame the Arab world for this because all societies know along the centuries moments of success and moments of failure in the effort to organize themselves. Unfortunately for the Arab World this initial moment of modernity has been marked by a temporal moment of incapacity for finding the right model on which to base its governability. As a result of this, there is a very deep "malaise" in the Arab world that it is initially directed against those who have the local power but once this are put away and no improvement in the economic life arrives, the anger is directed towards the international community and the global political order. Third, the internal religious dispute between Sunnis and Shiis is emerging again with renewed strength. It is used to reinforce alliances and deepen conflicts among nations. All this brings increasing instability and conflict in the whole Islamic World.

The result of these three political issues is a deep dissatisfaction in many populations of the Arab world, and consequently, a serious threat to the world stability.

This worrisome scenario is amplified by the unsatisfactory economic performance of most of the Arab countries in the global competition. The strength of the insertion of China in the World Economy has acted as an attraction to many industries to relocate there their factories. Many have left the Arab World. The difficulty to manage the genre issue in the Arab World in the successful way the Asian societies have managed, the low performance in science, and the inefficiency caused by very slow bureaucracies, have been playing very much against the economic performance of the Arab economies in a context of open global competition.

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We have certainly to realise how fierce is competition under the global pattern, and how the gap widens constantly between those countries that by any reason can really benefit of the global competition and the global economy and those that for a very different variety of reasons are not well prepared to get the same benefits of the global scale. The rise and fall of nations accelerates and the potential conflicts by the disenchantment of the new era appear shortly. The first one maybe is the clash in some Arab countries. The depth of the Arab culture, the existence of many glorious moments and the difficulty to really generate an armonious progress in their societies in this modern time, is creating an intense sense of frustration in certain populations that can not be resolved at present.

The nature of the frustration is different now from that existing in the XXth century after the end of colonialism. At that time nations were angry with the domination they had lived and the way its territory was divided or restructure by external powers. It was anger towards injustice but there was proudness towards the future. The enemy was the past, not the future. Nowadays the frustration is much deeper. It connects with the feeling that there is no brilliant future for them. Although they blame some political circumstances of the fatal fate of their dark future, the reason unfortunately is much deeper. It is connected with its lack of competitiveness in the global world vis a vis other emerging cultures or regions. So after initial reaction against the existing establishment or dominant powers at national level, many turn the anger towards the international order to fight against.

One of the major existing problems in these societies is the difficulty for creating jobs of quality for the young generations. It is not clear in most cases the kind of economic specialisation that can take place in them, as industries tend to locate in other regions and services do not find there the right environment to grow. The result is a growing attitude – among some groups of these populations- towards modernity and globalisation and by that, we are approaching a crash with the international order and the stability of other countries.

So the big problem we face today is the perception that national societies have of their capacities to enjoy a prosperous life, and what they really can achieve in the global world driven by fierce planetary competition, as a result of their real strengths and weaknesses compared with the others. This “decalage” between the national dimension and the limits imposed by the global dynamic, is maybe one of the most outstanding characters of the world politics in this XXI Century. National societies are aware of all the new goods and new standards existing in the world as a result of unlimited communications. And everybody wants to benefit of all the good. But at the same time, little can be got if you have not the means to buy the goods and the services. And you only have the means when your productive economy generates them. And what it is even more cruel in this century is that there are no borders that can preserve non productive economies. A country can only generate means if it is more productive than others than offer the same. So there is an enormous effort that has to be made to inbed this idea in the mind of the citizens. But this idea is connected to great effort and excellency in the decisions. This is a difficult message to pass if you want to be elected or if you want to be backed in the complex political scene of

the countries where you only are elected or kept in power if you offer roses and not pain to the citizens, if you appear more as Santa Claus than a demanding coach. So the political leaders have today great difficulty to play a role of visionary transformers for their people. The more they can do is related to keep stability and mediate among the different conflicts existing inside their societies. So national societies can only improve through the circle of doing mistakes, paying the prize and reemerging stronger for avoiding mistakes. This circle can take long and in many cases can bring long periods of decline and poorness. This is maybe what is happening in many of the national societies in the Arab World today. Nobody can play at present the role of Winston Churchill in the eve of the second world war then he promised to his citizens “blood, sweating and tears” as his commitment to defeat nazism. No national leader has still arrived to any Arab country to say to his nationals that only through a long period of deep commitment with work, discipline and good management, the future could be sunny for them. And the same happens in many Latin American and European countries. Only in certain Asian countries the message of going through tough effort for gaining the future is passed to the people.

So we assist to a dynamic of deep frustration in many countries in a period in history when progress through technology has achieved its highest levels. People think in many countries that future is gloomy because of bad public administration, or because of corruption. To my view all these are negative factors that exist and limit the potential of a country, reducing the scope of its development. But the real factor that blocks harmonic development lies inside the society itself. It is the lack of awareness that the national factors are not the only ones determining their progress. That how the others are moving is key, and that maybe their are not reorganising themselves in the efficient way they should to avoid to be swept away by others. This is the key. Because when a country has no longer capacity to compete decline starts. And when decline starts, unemployment grows, uncertainty towards the future grows, complaints vis a vis the political powers grow.

Employment, is then a key element for the well being of individuals and for the stability of societies. In our time, employment will be each and everyday more and more linked to the technical skills of the people. In this context, how the educational system is organised to deliver real capacities for everybody is crucial. The human being as a machine will be less and less necessary. The Human being as an intelligent being capable of manipulating machines will be each and every day more and more necessary. And this will affect all areas of the activity, from the elemental ones (work in a factory or driving a car) up to the most sophisticated ones (like being a doctor or conducting a research). Machines will be each and everyday taking larger role in our activity and the role of man will be either to understand the machines and manage them well (the executors) or being extremely creative and designing the new machines and new instruments or techniques of working (the researchers). The internal effort of the countries is then linked to the capacity of structuring the most effective educational system to prepare the new generations to match the future needs in the economic field. The external effort is to insert the country in a favourable neighbouring and international environment.

This second aspect is particularly of interest in the conference we are attending today. We can not ignore that how a political space is structured in terms of stability and security becomes key for the future development of the countries. At this respect the middle East region continues to be under constant turmoil. The destabilisation of Irak is clear, after the enormous mistake of the 2001 Iraki invasion of the country by the US. The war in Siria with a non existent clearly defined opposition has been another big mistake that has produced millions of refugees and large destruction in the country. The Palestinian conflict continues to be unresolved and the population is every time more in despair. The recent agreement of the 5 + 1 with Iran opens certainly new avenues of hope in this country but at the same time triggers a new era of tension between Saudi Arabia and Iran. Unfortunately the intensity of the conflict between Sunnis and Chites may grow in the near future leading to more tension in the area.

The fall in the oil prices all along 2015 has inflicted serious pain to many middle east economies. Some of the economies are seriously reliant in Oil production and the fall in oil prices is putting a break in many of the projects under way in the Gulf economies and by that undermining its influence. Under these circumstances all has become very unpredictable in the middle East area. No leadership, very strong subyacent conflicts, destabilisation of many countries, no clear direction for these economies, and growing frustration among the new generations, all these factors are causing a deep disaroy of great part of the Arab world inside the global conomy.

It is obvious that the Arab world has a serious organisational problem in this XXI century but it is also clear that the lack of a global political management eliminates the possibility of finding an outside solution to their problems. The leading political powers of today's world continue to act in a very individual basis, failing to honour the global responsibility they should be facing at. So we are in a complex crossroad in history. We have developed a global political Organization, the UN, that has certainly great value for its existence. But as the UN is fully dependent on the member countries it can not play any real leading role in the global political dimension. It can play a successful role of calling the attention vis a vis certain political problems but it has not the capacity to really solve existing important problems. We live now in a stable inestability. It means that the system is not well organized to evolve without tensions and conflicts of power but at present no one of the present strong players wants to start a serious conflict that restructures the whole balance of powers. Up to know although technological progress is having similar impact in the evolution of the lives of all citizens of the whole world, human beings continue to be organized under national political structures. The weight of belonging to a nation is still very strong among many citizens of the world. This means that by acting in the area of causing pride or humiliation to nations, conflicts can start quite quickly independently on how much populations are going to suffer or the potential destructive effect of the dynamic.

And which will be the evolution of the existing main powers and which conflicts look like more challenging at short term? Let's take a look to the first issue, the existing main superpowers.

The United States, is by large the main force for preserving a certain degree of stability in the world for its vocation for economic power and economic development. The US is not a military project but an economic one. Nevertheless its strong weakness for the future lies in the reduced number of its population to continue to act as main superpower in an era where other much larger nations or political entities will experience great development. The US has been able to create an efficient political structure that allows its population to have a good environment for its personal development. The problem is that the US is a State with around 300 million people and there is not a clear way on how to increase the population substantively in the next coming years. China on the contrary is not affected by this weakness. China has managed to create a national political structure to embrace 1.500 million people without syntoms of explosive conflicts in its interior. The fact that China is delivering a fast development to its population, takes us to think that the days of this country to act as a major superpower are not far away. We can not ignore that the per capita income of China has gone from 380 Dollars in 1983 to 7.500 Dollars in 2013. It has been multiplied by 20 in the last 20 years! There is no other case of a large country experiencing such a vast development in the last century! This has been possible, among other factors, by the strong integration of the country and the strong hold of the political system in avoiding uncontrolled tensions and conflicts. The key for the future is the combination of political stability to maintain the integrity of the country and the scope of its development. With a country growing between 5 and 8% annually and 1,500 million people on board, its potential of power is enormous. So it is possible that important political tensions appear between China and the United States at the end of the first quarter of this century. The advantage is that none of them is by ADN an aggressive power but the possibility that China overpasses the US as main world power will not happen without serious tensions.

Then you have the unknown evolution of the European space. Its decline is very obvious because of the increasing weight of the older population. The constant progress of the medicine is leading to a constant expansion of the life expectancy. It is predicted that most of the European countries will have a life expectancy of 90 years by mid next decade. This fact, added to the reduced number of the young population and the very heavy and costly public structures, will lead to a depressive situation in this large area of the planet already along the next decade. Nevertheless its very rich historical legacy, its high educational standards, its well structured territories, take us to think that some new movement to wake them up has to appear before it is too late. Europe needs a political project to awaken its populations and mobilize again its citizens for the future, instead of surrendering to the fate of decline. We can find Russia in similar situation with a constant decrease in its population and its unaccomplished modernisation that unfortunately does not go as fast as needed. A possible way to turn this gloomy situation into a more prominent future for both, would be to join forces and set the ambitious target of creating a new common space. What we have defined as "the large Europe". The challenge in this case is that after a few years of positive economic dynamic, the strength of the new entity would oblige it to take a new role as great superpower. This cre-

ates panic in more than one capital of small States as history has put in evidence the tendency of the Europeans to act too much in others territories when they feel they have a mission. So for the good evolution of this project it would be essential to structure it in a very smart way. We should be sure that the new entity avoids any risk of potential neocolonialism. It will be crucial how to organise the election of the leaders, of those who will be in the driving seat, guarantying that diversity will be preserved at all costs! This is a very serious question but a smart way has to be found as the result of non-acting will be the decline of Europe and Russia. Something too painful for both to be accepted during the 21st Century.

Thus, in my view this are the three potential great powers of this century; US, China and the Large Europe (a common space created between the EU and Russia). In the world dynamic other very important nations will certainly play an important role. I think in India, Japan, in some Latin American Countries, in some Middle East key players. As the century progresses, Africa and certain countries of Asia too. However the pillars of stability or conflict will depend on the game among the three major players. This will be crucial issue. And by saying this, I have to recognise that during this century the world power will continue to be more in national than in international hands.

So, at this point in history we are certainly facing a major structural challenge; on one hand science is connecting all human beings in all areas; from communication, to benefiting of medical discoveries, to participating in the launching of new products at global scale. Nevertheless we have not the capacity to organise yet a global government at planetary level that could guarantee to all citizens of the world a peaceful progression to general prosperity, neutralising the risk of conflicts emerging from the old national structures. Once again science goes faster than concepts and interests, but it is not guaranteed that old concepts and powerful groups of interest will not lead us to major clashes before the new era of "citizens of the world" as a result of global science, takes shape. This can cause blows on us with important damages! Let's hope that this risk can be neutralised on time and world evolution continues to progress with tensions but without major clashes. What remains quite passionating, nevertheless, is that nothing is still definitively settled and the future remains totally open to our wittiness or deep egoisms. To bet for a better world, a major interest should be then devoted to world politics in all countries, and the concept of citizen should prevail to the concept of national or the pride of nation. This will be safer and certainly more positive for all and each of us. Let's all of us work for that. Many thanks.

A. P. Markov<sup>1</sup>

## RUSSIA VS THE WEST: CIVILIZATION PROJECTS WARFARE

### Information and psychological warfare is an attribute of postindustrial society

Information and psychological warfare, initiated by global players, who are forming the "new world order", is the key problem and attribute of the modern civilization. The specific nature of information warfare is the "consciential nature" (Yu.Gromyko) – the competing forms of conscience arrangement oppose each other, and mental "enemy" matrixes become the object of destruction. These are wars for the minds and values, attitude to life and behavioral patterns. The strategic task of information and psychological warfare is, using "gentle" methods, to discredit values and essences of the enemy's national world, blast interethnic relations, destroy traditional foundations of national and cultural identity, form "internal" forces of influence – the so-called "civil society" structures, capable to destabilize the operation of the key social institutions, providing the functioning of the state and society. The striking weapon in the information and psychological struggle is information discrediting national referents, devaluating important events of the past, deforming the spiritual basis of the society and destroying the social and psychological climate that con-

solidates people in the national and cultural community "we". The technological repertoire of information warfare includes a wide choice of destructive methods and manipulating practices providing translocation of the target state into the "enemy image", including by equipping this image with symbols threatening the world; "utilization" of national cultures, "reformatting" and destruction of their spiritual matrixes (including by proving the advantage of liberalism and democracy values brought to the "target of aggression", active establishment of consumption ideology); "heroic packaging" of biographies and fates of representatives of the opposition; "demonization" of political leaders of the opponent country; dehumanization of the enemy's image, etc.<sup>2</sup>.

Information campaigns of globalization subjects, positioning themselves as "non-violent", are equal to "combat" information activities in their destructive force – they often result in civil wars, destroying the key state institutions of the states, which are selected as "targets" of aggression. The danger of information warfare is that the society and authorities of the state under attack do not always understand and realize in time the degree of real danger of information influence, due to that the intellectual elite may not work out the effective mechanisms to hold in check destructive information flows and energies capable to destroy spiritual matrixes of national cultures and cause irreparable damage to the spiritual health of civil population of the "enemy".

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<sup>2</sup> See: *Zapesotsky A. S., Markov A. P. The Epoch of Information Warfare and Problems of Providing the Society's Spiritual Safety \ Questions of Culturology, #4, 2015*

### Priorities of information strategies of the West

Russia is a strategic object for information and psychological influence by the Western world and first of all the USA. The basis of information strategy and policy of the West in relation to Russia (and the world as a whole) are two priorities:

First. Assertion of the Western “civilization project”. The West has been already carrying out a global geopolitical strategy for many years: transmission and establishment in any way (including as a part of information warfare) of the liberal modern project, the basis of which is the model of a man, society and state. The world outlook core of this model is the humanistic ideal of a man, which was originally built on revision of the Christian anthropology: the “European humanism” asserts the priority of mind, rationalism; it looks upon a man as the subject of its fate and the center of its universe<sup>1</sup>. The “image packaging” of the Western project is values of human rights and freedoms (including their present-day ultra-liberal version), democratic arrangement of a political system, as well as the European model of the “social state”. The maximum efficiency of the Western “civilization project” is provided by its basing on the national idea of the aggressor state. It was the idea of American “global order” that became the resource of information expansion of the USA, the range of which acquired the worldwide scales over the recent decades. The national idea of this state became the basis of the “American dream”, which created America as a geopolitical center and lawmaker of the modern world’s values and still plays the role of state ideology and the key criterion of national identity.

Second. Discrediting the image of Russia as the main rival in world influence and supremacy (and first of all spiritual). The efforts of global “players” are directed to undermining of trust to Russia on the world’s arena as a part of the information and psychological warfare.

Aggressive and purposeful information policy of the leader states of the Western world pursues fairly evident geopolitical tasks: to deform the image of Russia in the eyes of the world community, presenting it as an “enemy” of modern civilization. Severe opposition to Russia’s revival, its attempts to be guided by national interests in the international policy is taking place over all channels and lines. The strategic goal of information campaigns is to force Russia out of Europe and isolate it from the civilized world, to deprive its economy of foreign investments, create prerequisites for establishment in Russia of a political regime capable to do what the world powers want in defining the foreign policy, give them control over the use of energy resources (O. Maleeva). In order to bring this into life, giant administrative, financial and intellectual resources are engaged – from massed attacks by leading mass media, Hollywood industry and up to public anti-Russian statements by the leaders of West European states (S.N. Bukharin).

<sup>1</sup> However, the “typical European values” in fact resulted in the colonialism, racism and Nazism, dreary totalitarian regimes, with mass terror and genocide. Europe became the source of numerous and horrible wars: crusades, colonialism, two world wars in the course of which tens of millions people from all continents died. Medieval Europe became known all over the world for its infamous witch hunt and Inquisition fires. The crusades of the 11-13th centuries brought sufferings and death to the people of the East – the Europeans presented themselves to the people of the East as violators and conquerors, and that stayed in the “genetic memory” forever. After formation of colonial empires, the word “Europe” became associated in many regions of the world not with achievements of science, economy, culture, but with the image of a ruthless “enemy”, oppression and discrimination, with imperial idea of the “white race’s” superiority.

The past becomes the object of destruction, including the role of the USSR and Russia in the World War II. The efforts directed to rehabilitation of the Nazi ideology are becoming more active, the consequence will be inevitable review of the war results. The essence of this project is to knock out the basic foundation of the national and cultural identity from under the Russian civilization – the Heroic Deed, and thus discredit the historical mission of Russia, its basic contribution to saving the people of Europe from the Nazi plague. Russophobia, uniting both sides of the Atlantic Ocean today, becomes an inalienable component of the West’s information expansion. Leading Western mass media are purposefully trying to present Russia as, on the one part, a source of the “world evil”, on the other part, as a poorly developed economically, politically and socially country, affected by corruption, including the highest echelons of the state authorities. Mass media portray Russia as a world threat, using expressions suitable to characterize totalitarian regimes and racist ideologies: “Russian barbarism”, “Russian aggression”, etc.

Information expansion of the West makes us advance the “tools of attack”, work out programs and scenarios of response. In recent years, Russia took significant steps to optimize its image in the world, however, the results turned out to be rather modest, and in several aspects they gave the reverse effect. Unfortunately, the negative attitude of the European community to Russia continues to strengthen – now the image of Russia in the global information space looks even more negative than during the times of the cold war (K. Kosachev), and the attitude of influential world mass media to Russia is worse than to some openly dictatorship regimes. Celebrations of the Victory Day in 2015 – the event which saved Europe and the world from the Nazi plague – confirm the impossibility to change the West’s attitude to Russia. Unfortunately, Russia found itself nearly in solitude – Europe tried to arrange a boycott of the celebrations of the 70th anniversary of the Victory, and the ceremonial event, called up to emphasize the “allied spirit of the anti-Hitler coalition” suddenly turned into the field of intensive cultural and symbolic conflict (E. Kholmogorov).

### Conflict of anthropological matrixes is the key factor of Europe’s negative attitude to Russia

The illusion of quick and happy “joining the world civilization” and “return to common to all mankind values” was generated by liberals in the post-perestroika years; they already saw Russia as a “part of the world community” and “free world”. Articles by patriotically inclined publicists were an ideological contrast to the euphoria of the political elite because of the “speed” of the giant Eurasian country’s entering the “European house”. The said publicists opposed the openly stated in the 1990s policy of “Russia’s entering the world civilization” – they wrote about uselessness of Russia’s efforts to improve its image in the eyes of the Western world, about the criminal nature of this problem’s solution by way of changing the Russian culture’s spiritual nucleus<sup>2</sup>.

The matter is that the negative attitude of the West to Russia is a historically long-lasting phenomenon, and there

<sup>2</sup> Kamenskaya G. V. Image as Sublimation // Image of Russia: Looking for Innovative Technologies: minutes of scientific conference of the Russian Policy Department, Politology Faculty, Lomonosov Moscow State University, March 19, 2013 / Ed. by I.A. Vasilenko. – Pushkino: Strategic Situation Center, 2013, p.16.

are no grounds to think that it will change in the near future. The image of Russia in the public opinion of the West and, first of all, in the minds of the political elite, has always been loathsome, and that attitude became a long-lasting tradition of the Western world. And the Europeans themselves give a lot of facts and arguments in favor of this point of view, mentioning that the “West of the 21st century in real politics is, in essence, the United States of America, that, in their turn, are getting support from their loyal follower and ally – Great Britain”<sup>1</sup>. These kindred in spirit states make the nucleus of the Anglo-Saxon world, which will use all means striving to preserve supremacy on the world arena at any price, seeing Russia as the main threat.

The reasons of negative perception of Russia by the West (and even negative attitude of Europe to Russia) have been known for a long time – more than one hundred years ago N.Ya. Danilevsky wrote that “Europe sees not only an alien but also an enemy force in Russia and the Slavic people, and this animosity stays notwithstanding big sacrifices of Russia in the name of saving Europe”. Because of that, we should not “take upon ourselves the useless work of enlightening the public opinion of Europe” – the reasons of “not understanding” or “wrong understanding” by the West of the domestic and foreign policy of Russia, the driving forces of its history, psychology of its people lie not in deficit of information about us – they lie “in unexplored depths of those tribal sympathies and antipathies which as if compose the historical instincts of people, leading them (without the knowledge, though not against their will and conscience) to a goal unknown to them”<sup>2</sup>. Animosity of the West to Russia has providential roots, it answers the divine historical idea of Russia. The reasons of this animosity lie in mental dissonance, it is also the result of the age difference – Europe entered the period of decline, while the Slavic civilization is entering the period of flourishing of its creative forces. Besides, Russia and Europe belong to different cultural and historical types: Russia is still a culture, and the West is already a civilization. The main reason of the West’s negative attitude to Russia is dissonance of anthropological matrixes being the basis of Russian and European culture. The European “humanism” – starting from the Renaissance epoch – is returning to the pagan model of a man, the value dominant of which is autonomy, success, richness, pleasure.

Russian culture was originally formed as Christian, European culture (about which Academician D.S. Likhachov said and wrote many times). The first and the deepest “window to Europe” was cut by Prince Vladimir – the “window” to the spiritual world of Byzantium, from where authentic, real Christian tradition, which had naturally absorbed humanistic pathos and energy of the antique culture, came to Russia. Russian culture preserved the spirit and essence of the real Christian culture (and consequently, real European as well), despite all temptations and heavy trials which befell it (and may be because of them).

West European culture undoubtedly took shape as Christian but in the course of time it lost the spiritual essence of Christianity. The 15-16th centuries became the “world outlook fork”, where the roads of Russian and West European cultures separated. It was exactly at that time when Russia

started understanding its spiritual mission in the world history, the essence of which was expressed by formula “Moscow is the Third Rome”. At approximately the same time, Europe experienced the reformation stage with the opposite motion vector. This period is known as the Reformation, which was brought about by deep spiritual crisis of the West European culture. It was exactly at the time when a new ideology was formed (as a part of Calvinism, Protestantism), which became the basis of modern Western civilization (vices of the Church of late Middle Ages became the evident impetus for reforms – trading in indulgences, corruptibility, lechery, etc.). The capitalist model of living arrangements became the nucleus of the socioeconomic paradigm of the Western civilization, the model started forming already in the 16-17th centuries and continued its spiritual expansion in the intellectual space of Europe in the 18th century. The process of establishment and cultural legitimization of the capitalist system had conceptual, axiological, ideological character and consisted of the principal correction (and replacement in essence) of the civilization matrix of Christian culture. The following changes of natural and cultural ethnos and ontological nucleus of European mentality, which determined transformation of anthropocultural type, certify a deep crack-up of the Christian spirit of the European culture.

Now the social basis of “new anthropology” carriers is quickly expanding in the European civilization space, with hedonism, individualism values, striving for success and material flourishing dominating in its axiological nucleus, and morals and spirituality being driven to outlying districts. This anthropologic type turns out to be opposing the Christian anthropology, which elevated a man by belief in the good, creation and spiritual possibilities, asserted this belief in images of world arts, in philosophic and religious texts, in ethic and pedagogic concepts. It was exactly the mutually exclusive value dominants of cultural systems that became the reason for Russia’s and the West’s multi-century mutual failure to understand each other. Deep opposition of the Russian culture and the Western civilization is evident: culture is asserting spirituality, sociality, conciliarism, it is modest and sinful, while civilization is aggressive and self-sufficient, it does not know either shame or sin; if there are moral regulators acting in culture, strength and external forms of compulsion, based on the law, dominate in civilization.

And today the main object of incomprehension (and even hatred) for the political elite and a European average man is a Russian man, with his values, mentality, spiritual vector of life intentions, which have always been a silent reproach to a Western average man (repeating in the new era the “feat” of Apostle Peter, who denied ethical ideals of the Sermon on the Mount). In that sense, we have always been a “threat” to the existence of the Western civilization – by our way of life, ability to sacrifice for the benefit of the Motherland. The “ideal” inclination of Russian mind has always been an essential mental feature: it was not rare that the people demonstrated deep craving for the “cosmic transformation” of life, they were ready to exert their efforts, not counting the cost, for saving Holy Russia, protection of the Motherland, building communism, etc. Russian classics, mentioning compassion, unwarlike nature, readiness to make sacrifices in Russian people, thought that it would be the fate of the Russians to transform the bour-

<sup>1</sup> Papadopoulos M. Russophobia: Firmly Rooted and Unofficial Policy of the West. // Modern Global Challenges and National Interests. XV International Likhachov Readings. May 14-15, 2015. St. Petersburg, St. Petersburg Humanitarian University of Trade Unions, 2015, p.145.

<sup>2</sup> See: Danilevsky N. Ya. Russia and Europe. Moscow, Kniga, 1991, p.50.

geois soulless Western civilization, they saw the essence of Russian Messianism “not in the arrogance of self-affirmation, but in sacrificial burning of the spirit, in spiritual rush to new life” (P. Gurevich).

But in such context optimization of the image of Russia in the global world presumes refusal from natural and cultural identity and copying the West in all its “civilization’s nasty tricks”, including official recognition of same-sex marriages, assertion of tolerance and political correctness, thanks to which open sodomy is being brought to the level of national pride, participation in legitimization of pedophilia and incest. It is exactly the legitimization of “initiatives” of European perverts that becomes the obligatory condition for joining the ranks of “civilized countries” – the West is not ready to take us in a different capacity, as an equal subject of the European civilization. Consequently, in the present-day situation, optimization of the image of Russia according to “West European scenarios” is a way leading to destruction of spiritual and moral matrixes of the Russian civilization and finally to systemic catastrophe of Russia, as death of the national “soul” inevitably ends with rotting of the state’s “body”.

In the conditions of global changes taking place and strengthening of international rivalry, first of all, working out of the project for one’s own nearest future becomes an urgent task of the domestic and foreign policy. Events of the recent years certify that the world is entering a global competition for the change of hegemony (S. Glazyev). And in order to stay a subject of the world history, Russia requires an innovative “spurt” in economy, for which super-efforts of the people are necessary – otherwise, and especially after reduction of its nuclear potential, Russia will inevitably withdraw from the group of the leading countries of the world<sup>1</sup>. Second, the strategic task is raising of the status of Russia in the world, and, first of all, by way of promoting the “cultural and symbolic capital” along the global communications channels. Solution of this task presumes purposeful transmission to the world (including through the system of national brands) of historical and cultural uniqueness of the country, mental, spiritual and moral originality of its people, demonstration of the “picture of the future” – friendly and constructive message, promising historical perspective to the people of the world and guaranteeing fair arrangement.

#### **Russia’s civilization project is the basic resource of information policy**

A “civilization project” for minimization and solution of global problems, which the country can address to the world, should become the core of the image of Russia and its assertion as a full-scale subject of international relations. Various geopolitical and sociocultural modifications of the “national idea”, capable to resonate with problems, hopes and expectations of the people of the world, can be the basis of such project, namely:

1. The image of Russia as a country with traditional Christian values, with a rival “pole of essences”. Information and psychological warfare is less confrontation of technologies than competition of intellectual abilities of the

<sup>1</sup> This “spurt” is only possible in the conditions of “mobilization ideology”, which was built in the history of our Motherland, basing on the key values of the Russian culture, namely: domination of the spiritual over the material, the common over the individual, the future over the present, justice over the law (G. Malinetsky).

people, confrontation of mental matrixes, competition of spiritual potential of opponents. In this sense, Russia has a perceptible advantage – its humanitarian culture, historical and spiritual experience of the people (including tragic lessons of the 20th century) are able to present to the world a “pole” of values and essences, alternative to the Western consumption and at the same time attractive for the people and countries striving to preserve their national and cultural identity in the conditions of the modern unjust world order and stand up for civilization independence.

2. The idea of Russia as a center of the Eurasian civilization, characterizing the country as a special cultural and historical world, synthesizing in itself the Eastern and Western culture as a unique and self-sufficient center of the Eurasian continent.

3. Messianic paradigm of Russia as the world leader of outcast people (A.S. Panarin), the spiritual resource of which is spirituality and ascetism of the Russian culture, which has always strived to provide a man with essence and dignity besides his social status and economic success.

4. The establishing image of Russia as the “Center of civilizations’ harmony” – a space for consolidation of people and states on the principles of cooperation and development, a guarantor for preservation of the world order and opposing systematic threats of global character – is fairly competitive. Assertion of Russia’s role in information space as an intermediary between conflicting countries, which it has been actively playing in the recent years, really overcoming the opposition on the world’s scales, will help to destroy the stereotype of Russia as a world policeman and establish the country as an initiator and supporter of open discussions at the forums of universal international organizations. In order to assert this most important facet of the image, it’s important for Russia to systematically throw information about events of the historical past into the world public conscience, positioning the great role of Russia as a savior of the European civilization – from Mongol and Tatar invasion, Ottoman yoke, Napoleon, Soviet Union saving the world from the Nazi plague in the 20th century at the expense of a great number of victims.

5. Assertion of Russia as a country, providing preservation of institutions and rules of international law, will be an important for the world community facet of the project “Russia Is a Guarantor of the World Order Preservation”. Today, Western countries, mostly NATO member-states, and first of all the USA, often ignore the UN opinion, considering this organization to be too outdated, referring to the bipolar world format (Yu.P. Boyko). In this situation, Russia acts as an advocate for preservation of the international law rules, asserting the UN as an organization, assisting consistency, mutual complementarity and coordination of solutions, providing peace, order and development at the global level.

6. Russia can offer the world a model of ethnic and cultural tolerance and religious tolerance, the basis of which is multi-century positive experience in inter-national and inter-denominational interaction and cooperation within the limits of the Russian world. An important component of the above said area of focus is positioning of Russia’s state structure on democratic principles of federalism. This feature allows improving the image in the eyes of former allies, the relations with whom were broken off during the perestroika years difficult for the country, when the country er-

roniously hoped to change the negative attitude to itself on the part of the West in this way.

Throughout the course of history, Russia was the only one of European empires built not on the principles of metropolis (national nucleus) – colonial and dependent territories (oppressed nations), it was structured according to the principle of mutually advantageous co-existence of people on the East European Plain (Yu.P. Boyko). This heritage makes it possible to introduce an important for Europe feature into the image of modern Russia, positioning the country as the one preserving tolerance in international relations long before the Europeans addressed this concept. Ethnic and cultural tolerance and religious tolerance are natural principles of arrangement of the national being for the “Russian civilization”. As it is known, universal, spiritual foundations of identity are deeply built in the national and cultural matrix of Russia. Russian statehood was formed as a polyethnic civilization, and the model of local polyethnicity is principally different from the multi-culturalism policy (as Russian understanding and forgiveness from the tolerance ideology). Nationality in the Russian world has always been an extra-ethnic (above-ethnic) identity system. A Russian here is not “who you are” but “whose you are”. Ethnic, clan factor in the “body” of the Russian nation is pushed out and replaced to a considerable extent by the symbol of the

Motherland as a community “we” according to the place of birth, territory. This criterion of the “we”-community’s consolidation becomes the most important aspect and symbol of the national and cultural identity, including the basis of patriotic feeling, which does not divide people by belonging to a certain ethnic group. The common nature of the Motherland is presented in old Russian texts by the concept of Mir (meaning both “world” and “peace” in Russian), which includes the essences of spiritual unity and arranged space of the joint existence – it’s a world without war and condition of intelligent advancement (V.A. Malakhov).

Assertion of the Russian “civilization project”, the foundation of which is basic modifications (or formulae) of the national idea, in the world will be able to “improve” the current globalization project, help it to modify into a new development stage, the basis of which will be understanding of human civilization as a “common live organism, in all variety of its civilization types”, and the planet as a habitat requiring preservation (L.G. Ivashov). The consolidating paradigm of the Russian civilization project will become an alternative of the current global ideology, based on competition, oppression and exploitation of the weak, it will expand the common space of development, helping civilizations to transfer from confrontation to dialog and cooperation.

**Manuel F. Montes<sup>1</sup>**

## **THE UN’S 2030 DEVELOPMENT AGENDA: GLOBAL RESPONSIBILITIES AND NATIONAL SOVEREIGNTY**

Last 25 September, the heads of UN member states adopted the document called “TRANSFORMING OUR WORLD: THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT” (United Nations 2015b) to succeed the development agenda centered around the Millennium Development Goals (MDGs). (We will use the shorthand “Agenda 2030” to refer to this document.)

UN member states uniformly supported the view that the overall aim of Agenda 2030 is no less than the structural transformation needed to achieve sustainable development in all its three dimensions. These dimensions – social, environmental, and economic – had originally been agreed among UN member states in 1992 under Agenda 21. Agenda 21 has become Agenda 2030.

In a sympathetic reading, the new UN development agenda can be associated the following characteristics<sup>2</sup>:

1. It incorporates intentions to treat the causes of lack of development and not just the symptoms as in the case of the MDGs.

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<sup>2</sup> I must acknowledge Amit Narang, Counsellor, Counsellor, Permanent Mission of India to United Nations, New York, as the original formulator of most of these characteristics.

The key example is that by including items such as economic growth (SDG 8) and industrialization (SDG 9) as direct objectives, the SDGs can mobilize development cooperation and domestic policy toward overcoming underdevelopment.

2. The SDGs seek to address long-term causes, not just act on quick fixes.

It is always possible to push some members of a population across a poverty line, measured usually by income/consumption per day per person. These gains can be lost overnight in a balance of payments crisis.

Developing countries have a lot of experience with balance of payments crises. Toward the end of 2015, after the agreement on Agenda 2030, many developing countries are have begun to experience these kinds of difficulties as credit conditions tighten internationally after seven years in which credit was generous and many borrowed in global markets.

Without a diversified jobs and income base, countries are vulnerable to these kinds of crises. But such a diversified base is only possible if countries diversify their industries and job opportunities.

3. Agenda 2030 calls for universal responsibility.

All countries are responsible, not just developing countries: every country must achieve the objective to eliminate poverty, in its own borders, including developed countries. Universality also makes the goals a venue to hold Northern countries to account for the effects of their policies on developing countries.

Universal responsibility is particularly important because Agenda 2030 must address the question of climate

change. Agenda 2030 imports the idea of sustainable consumption and production from Agenda 21. For example, a study has shown that in the case of the UK, in the production sector carbon emission has fallen significantly (UK 2015). However, when the carbon content of the UK's own consumption is included, then its contribution to global warming through its consumption has actually gone up. (By the way, the study finds that UK consumption is based more on imports from EU than from China.) Half of the UK's carbon footprint comes from the consumption of imported goods which were produced in carbon-causing processes.

4. Agenda 2030 insists on an integrated, holistic view of development.

This approach is consistent with the original intention behind the 1992 international agreement on the term "sustainable development." Then, the political agreement was based around the analysis that poverty is an important driver of environmental degradation. For example poor people were burning forests for access to unpriced energy. The forests were getting depleted and watersheds were being destroyed as a result. While this logic tends to reduce the responsibility of international trade and large enterprises for deforestation, it makes poverty eradication essential to environmental sustainability.

Can developing countries irresponsibly install coal-fired plants to have access to the energy they need to meet SDG 6 and other goals?

The 1992 legal framework provides in Article 4.7 of the UN framework convention on climate change (United Nations 1992) provides that:

The extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial resources and transfer of technology and will take fully into account that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties.

Article 1: All Parties, taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances, shall:

Developing countries can install the coal-fired plant unless developed country parties provide the financing and the technology for the incremental cost and new technology involved in a less polluting plant.

(The UNFCCC is not only about mitigation. It is also about Adaptation and Loss and Damage, not to mention the technology transfer commitments involved as in paragraph 4.7 above.)

Article 9.1 of the Paris Agreement (United Nations 2015c) provides that:

Developed country Parties shall provide financial resources to assist developing country Parties with respect to both mitigation and adaptation in continuation of their existing obligations under the Convention.

While Paris Agreement is silent on the formulation of the UNFCCC Article 4.7 that the "extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial

sources..." the text recognizes that the obligation is "in continuation of their existing obligation."

5. Instead of only objectives as in the MDGs, SDGs also include instruments and the means of implementation.

Some of the 17 goals are actually instruments, such as economic growth (SDG 8), infrastructure and industrial development (SDG 9), energy provision (SDG 7), and Inequality both within and among countries (SDG 10). In the MDGs, all means of implementation were crammed into MDG 8: the Global Partnership for Development.

Particularly notable is Agenda 2030's attention given to the role of technology and finance, with a potential to address the North-South divide. Paragraph 41 (United Nations 2015b) states:

We recognize that each country has primary responsibility for its own economic and social development. The new Agenda deals with the means required for implementation of the Goals and targets. We recognize that these will include the mobilization of financial resources as well as capacity-building and the transfer of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed. Public finance, both domestic and international, will play a vital role in providing essential services and public goods and in catalyzing other sources of finance.

#### **How will the global community meet these goals?**

It would be fair to say that the outcome of the Third International Financing for Development Conference held in Addis Ababa 13-16 July 2015, unmasks the state of multilateral development cooperation today. The most important outcomes of the conference, arrived at with great difficulty in the face of determined resistance on the part developed countries, are two new processes: a proposed technology facilitation mechanism (TFM) and a follow up mechanism in the Economic and Social Council to monitor progress on financing for development (FfD) issues.

#### **No new commitments**

In fact, the conference outcome, entitled the "Addis Ababa Action Agenda" (AAAA) did not feature new sources for financing for development. The developed countries took the negotiating position that the AAAA should constitute the main and sole means of implementation (MOI) to achieve the sustainable development goals (SDGs). Given this view, it would have been logical that new and additional financing would be a headline outcome to support the new sustainable development goals, which are universal and even more ambitious than the previous Millennium Development Goals, because these now include targets in industrialization, employment, and economic growth and infrastructure development.

Developed countries fought, successfully, not to have additional financing commitments.

#### **Preserving developed country dominance in economic policy-making**

The few process outcomes of the AAAA proved almost impossible to introduce since developed countries sought to have the topics of these processes debated, decided, and executed in platforms which they dominate such as the International Monetary and Financial Committee in the Interna-



tional Monetary Fund (IMFC), the Development Committee in the World Bank, and the Organisation for Economic Co-operation and Development (OECD).

If nothing else, the Addis conference highlighted the resolute position of developed countries not to cede their dominance over global economic policies. The last one-and-a-half days of negotiations in Addis revolved around the issue of whether the UN Committee of Experts on Cooperation in International Tax Matters would be upgraded to an intergovernmental body. The G77 and China stayed united in this demand but, in the crisis atmosphere as the clock ticked down, were forced to accept the adamant position of developed countries to have these matters decided in an intergovernmental manner only in the OECD.

The de facto choice in the AAAA to rely essentially on the OECD in the setting of international norms in tax cooperation was only one of a large number of initiatives which located the decision-making and operations of interventions in financing for development beyond accountability to the UN community.

The Global Financing Facility (GFF) for “Every Woman, Every Child,” inaugurated in Addis and recognized in the outcome in paragraph 78, is intended to fill the estimated \$33.3 billion financing gap for SDG3, “Ensure healthy lives and promote well-being for all at all ages,” with a mix of public and private funding. The ultimate decision-making body access to GFF resources rests in a small GFF Investors’ Group. According to a June 2015 analysis by Global Policy Forum (an NGO), “[I]mportant decisions about the financial support of national health strategies are taken at the sole discretion of the GFF Investors Group. But the GFF Investors Group is a self-selected, exclusive body and not subject to intergovernmental oversight and mutual accountability mechanisms.”

In sum, the AAAA protects and reaffirms the North’s dominance over economic decision making in international economic matters.

### Does policy space exist?

This vent to retain developed country dominance in economic policy-making is why the debates on recognizing “policy space” in developing countries became quite tortured in the negotiations. In the end, “policy space” merited one mention in paragraph 9 in terms of “We will respect each country’s policy space and leadership to implement policies for poverty eradication and sustainable development, while remaining consistent with relevant international rules and commitments.” Following the 2008 Doha Declaration, policy space is confined within international rules and commitments. The sovereign exercise of policy space can only be tested in specific situations. The actual boundaries can only be breached through legal proceedings, such as in rulings from the dispute settlement mechanism in the World Trade Organization. The exercise of policy space is particularly important when dealing with international agencies, especially those offering financing, which are dominated by developed countries. Paragraph 44 of the outcome document of the post-2015 negotiations (not the FfD outcome) recognizes this: “We acknowledge the importance for interactional financial institutions to support, in line with their mandates, the policy space of each country, in particular developing countries.”

### Common but differential responsibilities in development cooperation and climate change

The principle of common but differentiated responsibility (CBDR) as an organizing principle for international cooperation should not be understood in the context of magnanimity on the part of parties enjoying a relative power advantage<sup>1</sup> but as a question of the feasibility and efficiency. By feasibility I mean the manner in which all of the parties are able to discharge their obligations towards a shared objective. By efficiency I want to refer to minimizing the net economic cost (cost minus any direct economic benefits and excluding the economic benefits from the common goal itself which would normally be an order of magnitude larger) to participating parties of meeting a common goal.

CBDR as a principle of international cooperation makes feasible universal obligation and action. CBDR enables efficiency in international cooperation. CBDR’s application can also avoid inefficiency-creating international cooperation.

Feasibility and efficiency are not based on enlightened self-interest. Enlightened self-interest requires action mainly on the part of the party enjoying a relative power advantage and not necessarily by all other parties. In contrast, action on the part of all parties is an unstated norm of multilateral international cooperation. When international cooperation requires action by all parties (so-called “universality”), feasibility and efficiency are extremely desirable properties of the manner of joint action.

The efficiency criterion looks at the net cost to all participating parties. In the case of external debt, disorderly and untimely resolution of debt servicing burdens can lead to violations of efficiency. Many sovereign external debt problems start off as a loss of liquidity (insufficient foreign exchange as a result of drops in commodity prices, for example). The criterion of efficiency is violated when an untimely and inadequate debt resolution system converts a liquidity crisis into a solvency crisis; the additional costs from insolvency created violate the efficiency criterion. Providing liquidity to troubled debtors is within the differentiated capability of creditors through renegotiation and/or re-profiling of their claims on debtors.

In coercive regimes, such as historical colonialism, the criteria of feasibility and efficiency are treated as trivial considerations. Coercive systems apply super differentiation and violate another commonly desired criterion – equity. In fact, the current external debt resolution system shares many of the elements of a coercive system. It applies super differentiation by requiring adjustment obligations only on debtors, until their adjustment capability runs out. A coercive system does not hesitate to sacrifice feasibility and efficiency in the defense of the common goal. In the case of the debt resolution system, the common goal is the integrity of capital lending across legal jurisdictions.

When the matter is not about coercive arrangements, but international cooperation, criteria of feasibility and efficiency though CBDR are very appropriate. However, one can detect an almost irrational fear on the part of developed country parties every time CBDR is invoked. After

<sup>1</sup> For example, there is the “liberal contractualist” justification which sees CBDR as an accommodation by parties that benefit more from the common goal (Eckersley 2009). Because advanced economies, for example, are supposed to benefit more from an open trading system, they accommodate the “needs” of less developed countries which would benefit less.

the climate change conference of parties in Durban in December 2011, Harvard Professor Robert Stavins, who is a leading light in the IPCC, celebrated the disappearance of the CBDR in Durban in a New Year January 1, 2012 blog, as if to celebrate the dawn of a new era. The principle of CBDR came back before too long in July 2012 in the Rio+20 outcome.

### The Looming Debt Crisis Scenario in the Developing World

Akyuz (2011) included a warning that the global environment of ample liquidity and rising commodity prices must eventually come to an end since the situation was specific to the response strategies chosen by the developed countries to the financial crisis. These favorable conditions will soon go into reverse and cause balance of payments difficulties in the developing world. This scenario is now coming to pass, as commodity prices decline across-the-board and countries are now extremely vulnerable to the disappearance of liquidity because of more open capital accounts, deregulation in the financial sector, and the external debt load undertaken by large corporations – to take advantage of the favorable interest rates – in developing countries. The downturn in commodity prices, particularly in energy, has of course been beneficial to commodity importing developing countries. However, there is a global demand deficit and impending constriction in the availability of external finance that these countries have to contend with. Without improved macro-economic coordination, the global demand deficit will be

part of the economic landscape in the medium term. History suggests commodity prices can remain at low levels for an extended period.

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## Miguel Angel Moratinos<sup>1</sup>

### CONTEMPORARY GLOBAL CHALLENGES AND NATIONAL INTEREST

#### Challenges, risks, uncertainties and opportunities

Global challenges are transnational in nature and involve a multiplicity of actors and institutions in their solutions. Any government or institution acting alone cannot address them. They require collaborative action among governments, international organizations, corporations, universities, NGOs, and creative individuals. Forecasting global risks has been an important preoccupation of ministries of foreign affairs at least since the 1970s when the first units dedicated to such a task were created. Often associated with policy planning departments, these specialized units often combine the expertise of diplomats with the knowledge of scholars studying attention to global trends on the short and long term.

In the area of peace and security, a few research centers and think tanks around the world provide statistical work on the evolution of armed conflict since the end of 1945. Such scientific work help diplomats better identify the priorities of diplomatic work. Looking at the data produced over the years by the Center for Systemic Peace, we can observe how interstate wars have dramatically declined in numbers over a 70 years period of time. If new types of conflicts

have arisen, i.e. intrastate and societal conflicts involving ethnic violent confrontations and mass violence on a high scale, it is noteworthy to observe how the overall number of political violent conflicts has been continuously declining since the end of the Cold War. Wars appear to be more concentrated in certain regions, present specific and recurrent characteristics and involve a number of ‘private actors’ that call for new diplomatic strategies – not only military ones – able to engage with a diversity of actors, public and private.

Familiarity with such scientific and expert productions would help diplomats and decision-makers cope with heightened complexity and uncertainty resulting from the world’s highly interconnected nature and the increasing speed of change. The above Global Trends in Armed Conflict figure help also understand how contemporary conflicts are intimately related to the fragility of states and societies. Looking to enhance global stability, diplomats need to know how to deal with fragile states, societies in transition, post-conflict contexts and civil unrest.

Diplomatic uncertainties also comprise the growing challenge to handle global risks and threats. Each year, the World Economic Forum (WEF) publishes a Global Risks Report mapping and forecasting global challenges for the 10 years to come. The report evaluates the likelihood and impact of future potential crises. It also provide for strategies to prepare for such events. In the 2015 edition of the report, the WEF focused on 28 global risks distributed over

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5 categories of risks: technological, societal, geopolitical, environmental, and economic. The report sheds lights on the interplay between these risks' categories and focuses on the need to develop coordinated international responses to interconnected challenges. Such strategies cannot be dealt with unilaterally, and states can definitely not act alone to prevent and protect. Public and private actors should learn how to work together to reduce the impact of coming financial, social, geopolitical, environmental crises.

Such needs for collective global cooperation enhance the importance of diplomats and diplomatic practices. All five categories identified by the World Economic Forum are related, in one way or another, to international negotiations of common agreed norms and rules. Here, the capacity of diplomats to negotiate in a variety of contexts and on a diversity of subjects is key to any multilateral strategy. The genuine character of the diplomat's work, his capacity to assume to continuity of negotiations while following long term coherent policy objectives will help to cope with renewed challenges and increased uncertainty.

Such observations call for a better structuration of foreign ministries central administrative apparatus, For a better balance between specialists and generalists, and between experts and seasoned negotiators. If the diplomat's role abroad (embassies, foreign representations) has been eroded, its duty and capacity to act at the intergovernmental level appears to be at the core of its renewed functions and missions.

#### **New world governance**

It is quite difficult to reflect on the realities affecting the international community without referring to the processes of the so-called globalization. No one can deny that the term globalization is one of the most frequently repeated concepts nowadays. Most of the definitions and the most delicate issues carry the adjective "global" and, logically, the term comes up upon tackling "world governance".

Globalization is, therefore, a fact and it is necessary to highlight, as Guillermo de la Dehesa does, that "it is neither an unquenchable source of benefit to humankind as preached by some, nor is it responsible for all the perverse effects that others attribute to it". Thus, it can be stated that neither globalfilia nor globalphobia are fully justified.

We should clarify the place held by globalization processes within foreign policy governance. Therefore, when it comes to analyzing national interests, we must ascertain the major changes that have occurred recently. Far gone are the times in which liberals stated, as Charles A. Beard did, that foreign policy is a phase of domestic policy, an inseparable phase, and that it is the latter that determines the former. One nation's foreign policy is based on its domestic policy and peace and war depend on the latter... Thus domestic positions are simply transferred to the international scene. Democracy is peace, autocracy is war... Today everything has changed. It is its international-scale movements that affect and change national practices. Globalization has flooded the political arena and the major issues affecting the future of human security have global dimensions: earth warming, ener-

gy crisis, food production, struggle against climate change, international terrorism, natural catastrophes, pandemics... All of these not only shape the national policy agenda, but also force nation states to include those issues in their policies, when, so far, they had been pushed to the international policy agenda and only required once in a while the attention and interest of some international scientific meeting.

If as stated by E. H. Carr the League of Nations was an attempt to apply the principles of Lockean liberalism to the building of a machinery of international order, we are now faced with a new challenge, the global solidarity idea that demands and claims for the creation of a new international governance. It is not nation states anymore which solve the big issues and protect international public goods belonging to all humankind, but other kinds of entities and bodies able to respond in the face of these challenges. Therefore, any 21st century political approach must take into account all these new realities concerning the international agenda in order to respond as appropriately as possible to the aspirations both of each one of the States and the citizens.

This new approach demands a clear international mobilization in order to respond to the new contemporary challenges that have to live together with the permanent interest of each country.

It is true that national interests have not disappeared and that in certain cases they are still the "raison d'être" of many international actions.

The major crises still looming in the diplomatic scenario are in general based and supported by different national interests, not always well defined.

The main question we should ask ourselves is to what extent this so-called defense of national interest is really giving a real benefit to the real national interest.

It is true that if we analyze the Middle East situation, we will discover a series of contradicting national interests that are competing among themselves.

The real question should be different, that is, how a common agenda, agreed and negotiated by the main actors interfering in the Syrian crisis, could be much more important for the national interest of all these nations.

At first glance, we could come with the impression that the USA and Russia will be the two main winners of this conflict or that Turkey and the Gulf States could in the end benefit from certain influence in the region. We are not so sure. My belief is that all main interlocutors should join forces to stop the war, deactivate ISIS and create a collective security system in the Middle East that could better guarantee the national interests of all these nations.

Of course, national interests will continue to be present in this global world but the way to protect them better should be through innovative international mechanisms where the indivisibility of today's security could be much better addressed and solved.

The time has come for a new approach in which national interests live together with global challenges, and international cooperation and partnership replace the old systems in which military alliances or secret agreements undermine the real resolution of problems.

Colin B. Moynihan<sup>1</sup>

## CONTEMPORARY GLOBAL CHALLENGES AND NATIONAL INTERESTS

### Introduction

In 1991, in what was perhaps intended to be the geostrategic equivalent of Francis Fukuyama's celebrated notion of 'the end of history', President George H W Bush envisaged the concept of a 'New World Order' to define the post-Cold War era.

But instead of a more benign security environment, the opposite has proved true. Today's global environment might more accurately be termed a 'New World Disorder', underwritten by an 'arc of instability' as unrest and conflict take root from Ukraine to the Middle East and North Africa.

More than 25 years after the end of the Cold War, the global landscape appears increasingly volatile and turbulent, contoured by myriad violence and escalating conflicts. No matter their origin, these can engulf us all, thanks to the pace of a rapidly globalising world, not least the digital revolution, which has often seemed to outstrip the capacity of both national governments and multilateral institutions to respond effectively.

Three years ago, William Hague, the then British Foreign Secretary, warned of 'systemic disorder' and observed that the UK was 'living through sobering hours in world affairs'. More recently, Philip Hammond, the present Foreign Secretary has spoken of the 'new and unprecedented' dangers facing our world.

Even if the global landscape is not more challenging than ever, it is certainly as challenging as ever. The multiplicity of new and continuing threats at times appears overwhelming: terrorism, conflict, insurgency, jihadism, sectarianism, WMD, cyber threats, mass migration (often springing from humanitarian crises), climate change, global pandemics from Ebola to Zika, drug resistance, corruption, nuclear proliferation. The list is a long one.

In this bleak and dystopian world, the liberal order and the democratic, free-market prescriptions of the 'Washington Consensus' are being challenged as never before, calling into question many of the previous assumptions under which Western foreign policy practitioners have operated.

It is perhaps not surprising then that the foreign policy postures of many western chancelleries have seemed faltering and uncertain in the face of these challenges. The US has sought to retreat from its post-World War II posture of instinctive forward engagement and has turned inwards, a trend which is all the more marked in a presidential election year. In Europe, most EU economies remain in the doldrums, leaving many countries with neither the resources nor the will to pursue imaginative diplomacy.

At a time when the problems seem much more obvious than the solutions – the present turmoil across the Middle East and North Africa, the crushing tragedy of Syria, the continuing rise of so-called Islamic State or Daesh and the terrorist threat it poses, the waves of refugees, determined Russian assertiveness, conflict in Ukraine, tensions in the South China Seas, continued nuclear provocation by North

Korea, to say nothing of the various crises in the EU, there are few easy wins, and for those tasked with framing a policy response, it is something of a poisoned chalice.

The most determined, most violent and potentially most destructive global challenge arises in the Middle East, where the scale and nature of the problems are vast: terrorism, extremism, sectarianism, insurgency, conflict, corruption, authoritarianism and lack of governance. For this reason, the Middle East is the focus of this paper.

### The Middle East: A Region In Flames?

In August 2013, William Hague, the then UK Foreign Secretary, declared that the turmoil in the Middle East might take 'years or maybe decades to play itself out'. There is little reason to fault that analysis today. More than two years later, in December 2015, the think tank Carnegie Europe asked seven experts to predict the big global foreign policy stories of 2016 – four selected the Middle East.

The British Foreign Secretary, Philip Hammond, has defined the three main priorities for current UK foreign policy as: the EU referendum; the challenges of Islamist extremism and terrorism; and insecurity in the Middle East (increasingly linked with the challenges of an expansionist Russia).

In country after country, the situation appears to be more unstable and more dangerous. Wherever one looks in the region, it is not easy to find good news. The Middle East remains as mired as ever in sectarian turmoil, deeply divided down a Sunni-Shia fault line, which fosters an atmosphere of profound distrust and hostility and looks set to condemn the Arab world to instability. The gloomiest predictions suggest that the region could be entering its own version of the Thirty Years War, which saw Catholic and Protestant states in Europe vie for supremacy in the 17th century.

The picture is one of a regional order disintegrating under the weight of complex, multi-layered politics and conflicts, shot through by sectarian, ethnic and religious divisions, which western foreign policy is struggling to navigate. The argument has been made that Islam is engaged in a fierce internal battle, and that outside actors risk being drawn into a confessional civil war between Sunni and Shia. To compound the situation, the trajectory of the oil price – now at \$30 a barrel – is further impacting on both the economic and the political stability of the region.

While the ancient schism between Sunni and Shia, which lies at the heart of Islam and underlies nearly every major conflict in the Middle East, carries on unabated, the emergence of the jihadist group, Daesh, in Iraq and Syria has altered the equation. Daesh is now at the heart of the Islamic struggle, not just in the Middle East, but stretching across North Africa, down into the Sahel and on the other side, into Afghanistan and Pakistan. Like any contagious disease, it has spread, and its network of terror is now embedded in Europe.

Layered on top of this is the conflict in Syria, which has escalated into a global security threat and is now the all-consuming focus of international attention. Syria's misery is being globalised and exported by refugees and foreign

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fighters alike. The migrant crisis engulfing the EU, together with the dagger of IS-inspired terrorism pointed at Europe's heart, particularly after the November 13th Paris attacks, means that Europe is no longer a bystander. Syria has become a more urgent crisis in search of a solution, though how it will be found and by whom remains unclear, as this paper will seek to explore.

### **The Iran Nuclear Deal**

For all the doom and gloom in the region, it is perhaps fair to start with, what for some, is the one much vaunted success story – albeit one that remains both not fully realised and extremely controversial. This is the landmark nuclear agreement with Iran. If – and this is a big if – this delivers on its stated objective of preventing Iran from acquiring nuclear weapons and succeeds in its implied objective of transforming Iran's overall interactions with the West so that Iran becomes a more normal participant in regional and global affairs, fourteen years after George W. Bush's inclusion of Iran in the infamous 'axis of evil', this will be a historic achievement of diplomacy by the P5+1.

The agreement is still in its infancy and faces criticism (and potential derailment) from hardliners in both Iran and the US, while in the region, the prospect of a sanctions-free Iran is causing consternation in Saudi Arabia and Israel.

Huge problems remain: Iran is a destabilising influence in the region, threatens Israel, violates human rights at home and supports terrorism abroad. But Iran's (relatively) moderate President, Hassan Rouhani, has staked his leadership on the deal, describing 'implementation day' (when sanctions were lifted) as a 'golden page' in his country's history.

Supporters of the deal rightly view it as a triumph for multilateral diplomacy, those in the West not least because of the prospect of a rare emerging market bonanza – witness the enthusiasm of business and political elites during President Rouhani's visit to France and Italy at the end of January.

Nonetheless, there are those who fear that, paradoxically, rather than usher in a new era of stability and cooperation, the historic nuclear accord could add yet another layer to the geopolitical struggle between Iran and Saudi Arabia, with a resurgent Iran sparking Saudi Arabia, already impacted by tumbling oil prices into a new phase of competition with its long time regional rival.

### **Saudi Arabia and Iran**

The start of 2016 saw tensions between Saudi Arabia and Iran escalate dramatically. While the two countries have a long history of mutual animosity, driven by deep sectarian divisions and an intensifying power struggle for regional hegemony, actions such as the former's controversial execution of the Shia cleric, Sheikh Nimr Al-Nimr, in January, added fresh fuel to the fire. The crisis deepened with the torching of the Saudi Embassy in Tehran in protest and the subsequent severing of diplomatic ties between the two.

Relations between the two regional powers appeared to stand at their lowest ebb for decades and the resultant fallout threatened to further fracture a region deep in crisis. With ferocious proxy wars already underway in Yemen and Syria, the possibility of a direct conflict between the two appeared to have significantly increased.

In addition to this longstanding legacy of distrust, Iran's nuclear deal with the West now looks set to disrupt the political calculus in the region and possibly transform the balance of power. Saudi Arabia and its allies inside the Gulf Cooperation Council are uncertain whether Iran's new role as a 'normal' participant in regional decision-making will be as a constructive moderate or, as they suspect, a destabilising revolutionary, backing armed Shiite groups, promoting sectarian strife and intensifying the conflicts in Syria and Yemen.

At the time of writing, it is too early to predict the effect of the new regional dynamic on conflicts from the Levant to Yemen. Much will depend on how Iran uses its new-found legitimacy and on whether Rouhani, long seen as a proxy for rapprochement with Saudi Arabia, is able to prevail.

For now, even the possibility of Tehran's thaw in relations with the West and the re-opening of its markets, however problematic this may be in reality, has fuelled Riyadh's fears of an emboldened Iran, empowered to challenge Saudi Arabia politically, economically, militarily and culturally for regional predominance, particularly as GCC countries like Qatar and Oman are likely to find their own bilateral economic and commercial accommodation.

### **The Arab Spring: Five Years On**

The consequences of the 2011 Arab Spring and the forces of turmoil and transition which were unleashed, continue to reverberate within the region and across the world today. Five years on, bloodshed and extremism have largely been its legacy, rather than the realisation of a new age of democracy and reform, as so many had hoped. Instead, the power vacuums created have increasingly been filled by Daesh and its affiliates, with devastating consequences.

The Economist in its 9th January 2016 edition passed a damning indictment of the last half decade, concluding that 'Arabs have rarely lived in bleaker times. The hopes raised by the Arab spring ... have been dashed. The wells of despair are overflowing'.

With 500,000 Arabs estimated to have been killed in the past five years, this gloom seems hardly exaggerated. The prospect of a more inclusive politics and greater prosperity seem very distant. Right across the region, the landscape is one of, at best, an occasional flickering of democracy and state order to, at worst, total catastrophe. Libya and Yemen have descended into chaos, Syria's civil war seems no closer to ending, but instead has drawn in additional combatants; and Daesh has still to be defeated. Meanwhile, Egypt, considered by many commentators to be a bellwether for the region, has returned to military authoritarianism, with President Morsi convicted and the Muslim Brotherhood banned. In economic freefall, it is facing its own increasingly violent Islamist insurgency on the Sinai peninsula.

Even Tunisia, thought to be the one bright exception, has found itself unable to keep political turmoil or militant Islam at bay, following the terrorist attacks at the Bardo Museum in March 2015, and in Sousse in June 2015.

Worryingly, many of the drivers of the Arab Spring are still in place: it is a fatal union of demographics and economics. The Middle East is the youngest region in the world, apart from sub-Saharan Africa, while economically, the expectations of a generation of well-educated, but not well-employed Arabs, are being crushed under the weight of poor governance amidst pockets of corrup-

tion. And with Europe increasingly neuralgic on migration, there are fewer opportunities to leave. The net result is a restive young population particularly prey to the millenarian jihadism of Daesh.

While there is a weary sense that the 2011 mass protests for peaceful change were naïve and a renewed debate over the value of stability versus democracy, the likelihood is that popular dissatisfaction and disappointment in the region will ultimately find another form of expression, which, in the short-term at least, will lead to more turbulence.

### Libya

Prospects for an effective government of national accord based in Tripoli do not look encouraging. Even more worryingly, Libya's ungoverned chaos and anarchy is allowing Daesh, already in Sirte, to make the country its 'bolt-hole of choice'.

Libya has no real army to fight the experienced jihadists and any expansion of Daesh' presence will further destabilise neighbouring Tunisia, and Egypt. This gives western policymakers – who have huge equities in Libya, not least the UK, where British assets and prestige were actively involved in the removal of Muammar Gaddafi – the imminent challenge in 2016 of a terrorist pseudo-state less than 200 miles from Europe's coastline and possibly in control of Libya's oil fields.

### Syria

The statistics for Syria's five year-old blood-soaked armed conflict are appalling, yet in 2016, the prospects for ending it look bleak. The latest efforts at UN-sponsored peace talks in Geneva collapsed after only two days, with recriminations all round. With Aleppo being ferociously pounded by a combination of government troops and Russian aerial firepower, the one brief moment of optimism following the Russian-US initiative to destroy the regime's arsenal of chemical weapons in 2013, seems a distant memory in a conflict whose complexities have since evolved by an order of magnitude.

A possible breakthrough emerged at the Munich Security Conference in mid-February, when global powers agreed to seek a 'nationwide cessation of hostilities' in Syria. The US Secretary of State, John Kerry, acknowledged that this was 'words on paper' and that implementation on the ground was another matter entirely. It will test the commitment of all parties – the Syrian government, opposition groups and all outside powers as to whether they can build a peace process from this agreement, or whether that hope will be extinguished at the first hurdle. Judging by President Bashar Al-Assad's response on the same day – he promised to 're-take the whole of the country' from rebel forces – the signs are not hopeful.

The Syrian carnage has been described as a revolt-turned-civil war-turned-proxy war. Multiple conflicts are playing out and there are wars within wars, with several proxy wars layered over the original conflict, as the combatants rocket in number and the fighting intensifies: the Assad regime versus the opposition as well as the jihadists group IS and AQ-affiliated Jabhat al-Nusra (who are also battling each other), the Turks versus the Kurds, regional power rivals Iran and Saudi Arabia on opposing sides, and most recently, the US-led coalition versus Russia as both undertake air strikes in the skies above Syria.

As the recent Supporting Syria and the Region 2016 Conference in London underlined, it is the innocent and vulnerable who suffer, as an unending stream of bombed, tortured, starved and uprooted refugees are driven into exile, reproaching the failure of the international system to find a solution. With the February agreement by the International Syria Support Group (ISSG) to accelerate humanitarian aid, at long last there may be some relief.

In the meantime, there are no clear pathways to peace and no sign that the warring parties are prepared to coalesce around the Security Council-endorsed road map for peace, including a ceasefire and a transitional period ending with elections or that they feel they would gain more from securing a peace deal than from defeating their enemies. There is not what Jonathan Powell, the Prime Minister's Special Envoy to the Libyan Transition, has called a 'mutually hurting stalemate' and despite UN peace-brokering efforts, there is no one, credible, external mediator able to exert pressure on all parties to compromise.

### The Russian Angle

The strategic calculus in Syria was further upended last autumn with Russia's unexpected entry into an already crowded battlefield. Aside from practical deconfliction issues in the skies above Syria, western governments viewed this development as deeply unwelcome, seeing it as prolonging an unwinnable war by holding out a lifeline to the Assad regime, and delaying the departure of a Syrian president who is now unacceptable to a large swathe of his population, as well as undermining international efforts to find a political solution to the crisis. They have been further infuriated by its effect of strengthening Daesh, despite repeated Russian assertions that the airstrikes are primarily aimed at IS terrorists. Furthermore, the Russian action has been accused by its critics of worsening the refugee crisis, fuelling extremism and causing grave civilian casualties through indiscriminate bombing.

The dispute over airstrikes follows a period of sharp deterioration in relations between Russia and the West, fuelled by a new assertiveness on Moscow's part. Russian actions such as the annexation of Crimea, the Ukraine crisis and the ongoing separatist war in the country's eastern Donbas region stimulated the imposition of sanctions, some symbolic military exercises, and a large dose of harsh rhetoric in response, reminiscent of the Cold War. Indeed, Mikhail Gorbachev, the former Soviet leader, was motivated to warn that the world was on the 'brink of a new Cold War'. UK-Russian bilateral relations have been further complicated by the release of the Litvinenko Inquiry report in January 2016, which deepened the froideur.

To Western consternation, Russia certainly appears to be making more strategic and interventionist moves, both in Syria and in the Middle East as a whole, than it has done since the Cold War. The West now perhaps faces a similar frustration in responding to Russia's actions in Syria as Russia experienced with regard to NATO's intervention in Kosovo.

### The Rise of Daesh, so-called Islamic State, ISIS, ISIL

Despite the much-vaunted Global War on Terror, the US and its allies have yet to fully destroy a single jihadist group. Far from disposing of Al-Qaeda, the security threat has globalised and morphed into an aggressive new brand

of international terrorism at least as severe as anything seen since 9/11.

The emergence of Daesh in Iraq and Syria and its philosophy of violence, terror and extremism has provoked widespread abhorrence and condemnation. A series of grisly films portraying the murders of innocent Western hostages propelled Daesh from nowhere to being the object of a 'generational struggle' and 'an evil against which the whole world must unite', in the words of David Cameron. Almost overnight, the narrative that a decade's worth of high-intensity and immensely costly Western military and diplomatic engagement in Iraq had left behind a stable polity, a capable military and a severely depleted terrorist threat was shattered.

For a movement that two years ago barely attracted a mention in Parliament and virtually no media coverage and which, in the US, as President Obama has acknowledged, received scant attention in intelligence assessments, Daesh has come a long way very fast. It controls large parts of Syria and Iraq, which it has declared a caliphate under its leader Abu Bakr al-Baghdadi, and seeks to export its own brutal and extreme version of Sunni Islam. It generates an annual revenue of \$300 million a year, has captured an arsenal of the most modern weapons and boasts 30,000 fighters, including a significant number of foreign fighters. Significantly, Daesh has developed a highly skilled and effective online media presence, which as many commentators have observed, sets a new gold standard for terrorist PR. They are singularly successful in deploying social media – Facebook, Twitter, Instagram – to weave a seductive narrative, and to recruit young Muslims to their extremist cause.

Contrary to many evaluations, Daesh has proved more resilient on the ground in Iraq and Syria, despite the coalition's sustained bombing campaign and its expansion throughout the Middle East, North Africa, and the Sahel continues, especially in Egypt's Sinai Peninsula and in Libya.

Indeed, by authorising airstrikes in Syria to take out the 'head of the snake' – the leadership of Daesh in Raqqa – it may well be that the British government is falling prey to a basic misunderstanding of Daesh and of the nature of contemporary jihadist fundamentalism. Even if its lifespan as a caliphate in Syria and Iraq proves short, Daesh is resilient. It did not emerge from nowhere in June 2014 to occupy Mosul – its roots were far deeper. Nor is it an organisation that can be destroyed by decapitation. Instead, it is a universal movement whose ideological protégés and affiliates can spring up wherever there is governance collapse or voids of chaos, into which they can all too seamlessly move. These ungoverned spaces have often been inadvertently created by western policy and interventions, such as the disastrous dismantling of the Iraqi army in 2003 or the aerial bombing campaign in Libya in 2011 which removed Gaddafi. As such, Daesh and its affiliates look likely to dominate global jihad for at least the next decade.

#### **Middle East and Western Policy**

Against this troubling background, the options for outside actors to steer events seem more than usually limited. With so many problems, it is difficult to know how those actors should begin to address them and what role they should play.

Moreover, the West's reputation in the region is tainted and the UK's as much as any. Despite the standard ut-

terances of deep and longstanding historical ties and relations, with the notorious Sykes-Picot Agreement ('I should like to draw a line from the 'e' in Acre to the last 'k' in Kirkuk.') in 1916, the Treaty of Sevres in 1920, the overthrow of the Shah, and our arms supply policy to the GCC countries on our record, to name a few, it is not altogether surprising that western policies, often driven by the need to keep oil flowing at an acceptable price and to prevent its supply being threatened, have left a legacy of betrayal and mistrust.

Far from being an honest broker, it is not hard to make an argument that western powers have presided over years of failure in Middle East, most recently through misconceived and unnecessary fights in Iraq, Afghanistan and Libya. Western policy today appears cast adrift on both a lack of strategy and a lack of clarity in its objectives, together with a failure to align ever more limited resources and growing commitments.

Instead of being able, as many had hoped, to put Iraq and Afghanistan in the rear-view mirror, both are very much in front of us. A recent UN report concluded that violence against civilians in Iraq 'remains staggering'.

In the UK, we do not know whether our policies towards the Middle East and North Africa are making us safer as a nation or whether we are in turn motivating new generations of terrorists. And our decisions, when we do make them, are not always what they seem: despite the government's impassioned arguments in favour of airstrikes against Daesh in Syria, relatively few have taken place since the 2nd December Parliamentary vote, suggesting any 'meaningful difference' they might make has far more to do with realpolitik than the military situation on the ground in Syria.

And in all of this, we have done nothing to prevent and have even facilitated the spread of jihadist Islam.

As a result, it is hardly surprising if the Arab Street does not trust us and our influence has waned. Although we have strong strategic interests in the region, all too often, we have failed to accurately read its political, religious and sectarian dynamics.

From Washington and London, the US-led invasion of Iraq and the overthrow of Saddam Hussein was championed as the removal of a brutal dictator, but in the febrile sectarian politics of the region, many in the GCC countries saw it as handing Iraq to Iran on a plate, with Iran the 'winner' in the turmoil that has consumed the region since 2003.

We have never understood the complex religious difference between Sunni and Shia, frequently siding with Sunni regimes for economic strategic reasons, when neutrality would have been more sensible. We are buffeted by the cross currents of the region and send mixed signals: we support the Saudi-led coalition against the Houthi Shia militia in Yemen, but also support, if less overtly, the use of Shia militia around Baghdad against Daesh.

#### **Western Policy After the Arab Spring**

Responding to the momentous events of the Arab Spring, Western governments, including the UK, struggled to find their footing. The early hopes that the democratic aspirations of the people across North Africa and the Gulf would produce transitions to forms of governments that would be more recognisably Western in character turned to disappointment and the collapse of those positive expectations

has since challenged some of the established premises of the western approach to the region since 9/11.

Policy has been dictated by an almost knee-jerk readiness to back what appear to be popular liberation movements without any real analysis of who or what underlies them and the assumption of a liberal democratic consensus and a clear, unified agenda, when all too often, that is simply not the case.

The conceptual framework – now looking increasingly naïve – under which the West has been operating in the Middle East, namely that democracy – whether brought about by the forceful overthrow of dictators as in Iraq and Libya or emerging from indigenous reform movements like the Arab Spring – would produce stability, has been severely dented.

As a result, the ‘democracy agenda’ of 2011 has now been abandoned. Faced by a choice between stability and democracy, stability has won. Western policy has found itself tacitly defending military governments and soft-peddalling criticism of the authoritarian monarchies of the Gulf – those forces in the region viewed as standing for stability.

Western policy is now largely confined to a short-term, emergency response – in the words of Tarek Osman, ‘to stop the bomb exploding – or if not, to contain it’. The focus is terrorism, migration and conflict, by and large reflecting western concerns that the radicalisation of the region represents a heightening of the domestic terrorist threat.

Hopes of peaceful, democratic transitions have been replaced by uncertainties as to whether in fact democracy is the right model for the region, whether Islam is somehow ‘incompatible’ with democracy and even whether Islam and authoritarianism go hand in hand. But before we are too quick to write off the credibility of democracy as the organising principle of policy, it should be remembered that the birth of democracy is rarely smooth or quick. It emerges as a chrysalis of compromise over time – as indeed it did in Europe. A long view is necessary, with a more strategic approach, which does not stigmatise Arab countries as somehow unique and immune to the broader sweep of history.

However, today, certainly in the ashes of the Arab Spring in North Africa, there are many who feel that there is little role for policymakers in the West, where resources, will and credibility are limited and that this is now an Arab story.

### Western Policy in Syria

Syria is the greatest focus of western attention and the greatest locus of western failure. The western response can summed up as follows: diplomacy largely in disarray, peace repeatedly postponed, an overwhelming humanitarian, refugee and terrorist crisis, and an aerial bombing campaign, which may or may not address the causes of those crises and even worse, could put even more lives at risk, both in the Middle East and in the West.

Western policymakers are faced with a combination of short-term imperatives and long-term issues: the need to secure a political solution in Syria, to enable an effective fight against Daesh; and to stem the flow of refugees. Western powers have been clear that this cannot involve Assad. Without any other strategy or vision for the region,

we have made common cause with what we term ‘moderate opposition groups’, but whose unity is untested and whose agendas, other than the removal of Assad, may not coincide. We speak confidently of an ‘inclusive’ government which will represent all Syrians and will be a ‘natural partner’ in the fight against Daesh, but with little certainty that the groups who form the moderate Syrian opposition can cohere to meet the gargantuan challenges of a post-Assad Syria.

We have rightly condemned Assad for his brutality and the war waged on his own people, but assumptions of his imminent demise have proved premature to date. And therein lies a dilemma, because the Russians may well have decided that Assad is the best partner to fight Daesh and thus support for him is in Russia’s national interest. They have made it clear that the West is playing with fire by trying to topple him. There are those – former Finnish President Martti Ahtisaari amongst them – who believe that a chance for peace was missed back in early 2012 and the European refugee crisis could have been avoided, had the West taken up Russian suggestions that President Assad be allowed an ‘elegant’ way out.

While European and US officials bemoan what they view as Russian opacity and duplicity, in contrast to the western lack of strategy, President Putin appears to have a clear long-term vision and an agenda: namely, in a deadlocked war, to tilt the balance in favour of his client, President Assad, by crushing the opposition forces. The Russian calculus seems to be that it is best served by Assad who can defend the status quo ante, the current regional order and its borders against the revisionist, millenarian force of Daesh – a fact which is surely key to Russian preoccupations, given that the security of Central Asia – vulnerable to wahhabism with a population of 13 million Sunni Muslims – is a critical issue.

Yet the West has persisted in this approach. Paddy Ashdown, the former High Representative for Bosnia-Herzegovina, put it thus: ‘To make the removal of Assad a cardinal principle of our policy when we did not have the means to make it happen was utter folly. If you will the ends, you must will the means, and we had none, since he was supported by Russia and Iran’.

Any solution to Syria is also not possible without Iran and there are two options, which both US and Russian policy will shape: that a sanctions-free Iran will seek to promote a reasonable negotiated settlement to sustain the nuclear deal; or that Syria’s geopolitical significance to Iran and its proxies will win out, causing Tehran to ‘double down and dig in’ on its support for the Assad regime.

Iran has been very clear about its position on Syria: Syria is of strategic importance, not least as a transit route to supplying Hezbollah in Lebanon, but the Iranians also see Assad as a necessary force without whom Syria will descend into the same chaos as Iraq. In view of the legacy of Iraq and Libya, where the forcible removals of Saddam Hussein and Muammar Gaddafi have not yet led to an era of peace, stability, and democracy, who is to say they are wrong? What evidence is there to believe that things will be different this time?

2016 throws up a huge number of questions for the future of Syria and whether an end can be found to its tragedy. If Russia and Iran prevail, there could follow an expansion of the 4+1 coalition as a new potential security architecture



for the region. This could have profound and polarising implications if Western powers, as is likely, viewed such an architecture as hostile and antagonistic.

But with the international agreement to seek a cessation of hostilities, we are seeing yet another throw of the dice in the high stakes game that is being played out in Syria. It marks the first, highly tentative, sign that the impasse could be broken. Not because there is yet any agreement or compromise over the future of Assad, but because Russia and the US may at last be working towards some sort of accommodation – a long overdue acknowledgement on the part of the US that if Russia is part of the problem in Syria, it is also a central if not the central part of the solution.

### Israel-Palestine

What about the Israeli-Palestinian conflict? Long considered a running sore across the whole of the Muslim world, and once the focus of western policy towards the Middle East, the peace process is at a standstill and progress towards the two-state solution is non-existent. The last Israel-Gaza war was a mere 18 months ago, but 18 months is a very long time in the shifting quagmire of the Middle East, and with no sign that the political elites on either side are serious about changing the status quo, it has plummeted in the international priority list.

This does not mean any of the issues have gone away – in fact, the situation has worsened. While the eyes of the world are elsewhere, Israel, unhinged by the Iran deal, continues to aggressively pursue its illegal settlement programme. At the same time, more violent extremists are moving into Gaza and the West Bank, stoking tension and trouble for the future. The running sore is festering badly and 2016 may well see the contagion erupt again.

### Conclusion

We live in a world where threats are global and require global solutions. Yet frequently we prove incapable of finding those solutions. Despite its mandate, the UN has all too often served to provide a magnifying glass through which to view the international community's deep divisions, while NATO, far from far from embodying a new vision of peace, looks out on a much more fragile landscape. Finding multilateral means to address the threats we face, in a way that necessarily transcends narrow interests, but equally acknowledges the importance of national identities, is perhaps our greatest challenge.

Moreover, for any and all of the West's foreign policy priorities – Iran, Syria, North Korea, Ukraine – there is no solution without Russia. Western governments may disapprove of and distrust President Putin, but they should not and cannot ostracise him. Russia's role in global diplomacy is simply too important. A new Western pragmatism which accepts that reality and seek to harness it to the greater good is long overdue, and I hope that we are seeing the first signs of that in Syria. Securing the peace there will be fraught with difficulty and will involve hard won compromise layered on even harder won compromise. But if we succeed, we have a chance to fulfil our promise as founding signatories to the UN in 1945, to 'save succeeding generations from the scourge of war' – after a war which European nations, Russia and the US all devastatingly experienced and should not forget.

We will also have a far greater chance of success if we work together to defeat Daesh as a common foe – a high priority for both the West and Russia. Our separate spheres of influence can be brought to bear to de-escalate tensions between Iran and Saudi Arabia. If not, they will continue to stage their fights inside other countries' borders, and in the ensuing chaos and confusion, the only winners will be Daesh.

A. D. Nekipelov<sup>1</sup>

## MACROECONOMIC POLICY IN THE GLOBALIZED WORLD: MODERN RUSSIA EXPERIENCE

Nearly a quarter of a century has passed since the Soviet Union collapse and the beginning of sweeping economic reforms in modern Russia. The role of external factors in developing the Russian economy in this period increased significantly for two reasons. The first is, so to speak, purely technical: transformation of the Russian Federation into a sovereign state automatically transferred economic ties with the former Soviet republics to the international category. The second reason is related to the process of systemic reforms: market transformation radically changed the functions and then the importance of external economic relations in functioning of the Russian economy.

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Nevertheless, Russia embedded itself in the world globalization most actively. The combination in time of the two fundamental processes being the market transformation and the opening of the Russian economy toward the rest of the world had special requirements to the quality of economic, including macroeconomic, policy. The situation was further complicated by the world economy changes, especially in the monetary and financial area, taking place in parallel. Therefore, the subject matter of my speech consists of the main issues faced by the Russian monetary and fiscal policy and the assessment of the impact caused by the decisions made. Herewith, it should be taken into account that, since the beginning of the "sweeping reforms", the Russian economy has passed a series of stages with different macroeconomic policy directions coming to the foreground.

### Sweeping Reforms (1992-1998)

When the sweeping reforms started, the main threat in this area was generally clear: the risk of the entire financial sector destabilization (chaotic change in levels and proportions

of prices, unpredictable floating of interest rates and exchange rates) and the related loss of reference points for the actual economy sector. The probability of such a development had both micro- and macroeconomic prerequisites.

The former was related to the powerful structural shock that the economy was to survive due to forced dismantling of the centralized control system. The decisive industrial structure formation factor became market demand (both private and public), rather than the assignment planned. Waves from prices to costs and from costs to prices affecting the entire reproduction chain lead to dramatic changes in relative prices and profitability (loss) levels of various industrial activity types. The situation was complicated by the active parallel forces aimed at enterprise restructuring in accordance with the criterion of maximizing the return on capital. Finally, the market shock was considerably amplified by the enforced measures on liberalization of foreign economic relations: reduction of the Russian economy customs protection level and introduction of the internal RUR convertibility.

The economic system cannot adapt to new demand patterns instantly. In particular, due to the tangibility of economic resources used in various industrial processes, their possible reallocation is limited. Therefore, changes in the system of individual and social preferences associated with the transition to market economy lead to the fact that not all economic resources (including human capital assets) can be used, at least in the short term. This fact entails macroeconomic consequences. Aggregate supply curve "shifts to the left", inevitably resulting in the so-called transformational stagflation, a simultaneous production decrease and price level increase.

Moreover, a great danger for the economy experiencing a structural shock lies in the adaptation process delay leading to an irretrievable loss of a significant part of the tangible equity and human capital assets. Thus, in the conditions of systemic transformation, we are talking about the possibility of a special effect called hysteresis in the macroeconomic theory, i.e. an unfavourable situation where short-term changes have long-term economic consequences.

Along with the "supply shock", the economy taking the market transformation path carried out in the shock mode, experiences the "demand shock". This occurs due to the fact that commodity-money tools receive functions of normal market regulators. Money "dormant" in the accounts of socialist enterprises due to the lack of "funds" for purchasing products and, in part, in the deposits of individuals unsecured in terms of commodity coverage are transformed into genuine means of payment in an instant and start participating in the formation of an equitable price level, interest rate, exchange rate. These means of circulation "reviving" during market transformation are called in the literature "monetary overhang", the presence of which should somehow be considered in carrying out any reforms.

The reform architects were aware of all these circumstances, although not always in full. At the same time they believed that the implementation of a stringent monetary and fiscal policy in the spirit of the "Washington consensus" would lead to the macroeconomic environment normalization and then to the regular market functioning of the entire economy rather quickly. As for the running costs, they, in their view, were the inevitable price to pay for the "socialist sins".

Experience has shown that the transformation shock strength and duration and, therefore, the ability of society to survive it, were clearly underestimated. However, it could be considered otherwise. Simple economy decentralization was not able to transfer the economy to a market operation mode. Behaviour of the "liberated socialist enterprises" was fundamentally different from the behaviour of the companies aimed at maximizing the return on capital. These enterprises lacked hard budget constraints, which led to their inadequate response to market signals resulting in a rapid build-up of mutual non-payments. Barbarically conducted privatization of 1992-1994 worsened the situation, rather than improving it: a significant part of economic agents was targeted at the pursuit of enrichment at the expense of stripping state assets.

It turned out that all attempts to ensure macroeconomic stability in the formed "mutant economy" by conducting stringent monetary and fiscal policy were doomed to failure. Monetary supply restrictions led not only to a decrease in inflation, but also to an increase in non-payments. Reduction of budgetary expenditures, in turn, led to an increase in the budget deficit instead of a decrease: the budget funding shortage was to some extent compensated by "supplies in exchange for the non-payments" and the consequent deterioration of the financial situation of enterprises resulted in a progressive reduction of tax revenues to the state treasury. Therefore, in 1993-1996, the state had to constantly increase the volume of debt obligations in the market. A kind of a pyramid scheme formed: with each new release of government bonds, an increasingly large part of the proceeds went to servicing the obligations on these securities and a decreasingly large part was destined to budget incomes.

The very logic of events demanded from the authorities to open the government securities market for non-residents in 1996: it was the only way to provide funding for public expenditures in terms of the economic policy conducted. At first, it seemed that this policy gave positive results. In 1997, the portfolio investment in Russia increased by \$ 46.4 billion (compared with the \$ 9.9 billion addition in 1996 and with the \$ 0.8 billion addition in 1995); nominal yields on state treasury bills dropped to 26%. However, the Russian economy became a hostage of foreign speculative capital, which has played a crucial role in the deployment of the dramatic events of 1998.

Despite taking draconian measures to reduce the state budget deficit, the latter continued to grow making foreign investors doubt more about the ability of the Russian authorities to service their debt obligations. As a result, a panicky flight from the rouble and the assets denominated therein began in autumn 1997. The stock market collapsed: over the next year, its capitalization decreased a lot (on October 17, 1997, the RTS index stood at 532.9, and on October 16, 1998, – at only 55.32 roubles). In order to save the rouble, the central bank opted for a dramatic reduction in foreign exchange reserves (from \$ 20.4 billion at the end of the II quarter of 1997 to \$ 10.9 billion a year later) and for a sharp increase in the refinancing rate (from 21% as of November 11, 1997, to 150% at the end of May 1998). These actions were connected with the desire to prevent the collapse of major Russian banks, which attracted foreign currency actively in the previous period in the form of loans and deposits of foreign banks, converted them to roubles

and invested in higher-yielding assets denominated in roubles (state treasury bills and federal loan bonds).

However, the interest rate rise led to the fact that the public debt crisis became catastrophic. The situation was aggravated by a significant decrease in the world prices for the major Russian export commodities, primarily oil. The assistance provided by international financial institutions and Japan under the obligation to implement a set of measures contained in a specially developed Programme for Stabilizing the Economy and Finance, did not even give a respite: the market "did not believe" in the authorities' ability to save the situation. Outflow of the capital belonging to non-residents and residents fleeing "from the rouble to the dollar" continued unabated.

After it became clear that the assistance received was actually a tool of painless withdrawal of foreign speculative capital from the country, the executive branch and the Bank of Russia decided to take extreme measures. It was recognized that the government failed to fulfil its obligations under the state treasury bills; the trading band widened sharply; a three-month moratorium on payments on external debts of commercial banks was declared. This unusual combination of the actual sharp rouble devaluation and the announcement of obligation performance termination by both the state and the country's banking system was forced: the only rouble depreciation would have led to a rapid collapse of the banking and, consequently, the country's payment system.

These steps of the Russian government lead to serious external consequences. Yet, they could not prevent the transition of the Russian economy to chaotic development fraught with many risks. Complete loss of trust in the authorities and the national financial system led to immense panic. All the major commercial banks were in default; the settlement and payment system was disorganized; tax collection rate fell. The situation of uncertainty experienced by the major economic agents was intensified by the fact that the rouble exchange rate could not find a new equilibrium position over some time. Following the rouble collapse, prices increased dramatically causing panic in the consumer market.

This was the sad end to the shock therapy policy in Russia. In general, the entire period from 1992 to 1998 provided disappointing results. There was almost a twofold drop in the gross domestic product; the standard of living of the population fell; the country lost a significant part of the high-tech industries; a macroeconomic environment hostile to economic growth characterized by persistently high inflation transitioning into hyperinflation time after time formed.

A reasonable alternative to the pursued course aimed at the maximum decline in socio-economic, production and technological costs of systemic transformations was as follows. On the one hand, it was important to ensure rapid implementation of the key institutional reforms aimed at creating an adequate reaction of the major economic agents to market signals, but this institutional part of the reforms had failed at the stage of radical reforms. On the other hand, it was necessary to dose the power of these signals carefully by means of a gradual, not shock, business liberalization and active social and industrial policy conducted by the state. With this approach, there was every possibility of maintaining a stable macroeconomic situation in the Russian economy. In particular, in order to remove the mone-

tary overhang, bank deposits of the citizens could be frozen for a while introducing their indexing mode. Similar measures were applicable in respect of the funds of enterprises.

#### **GDP Doubling Period (1999-2008)**

The government of E.M. Primakov and the Bank of Russia led by V.V.Geraschenko managed to prevent catastrophic scenarios for the economy development after the default. Skilfully manoeuvring in monetary, budget and fiscal spheres, the authorities managed to keep the domestic banking (and hence the billing) system and to control inflation processes and the dynamics of the national currency rate. At the same time, tighter exchange control measures were introduced; the fight against corruption started.

Only as a result of these preliminary operations, we were able to seize the opportunities associated with the sharp rouble depreciation: to reduce imports dramatically and to give impetus to the development of import-substituting industries. In October 1998, the production began increasing monthly. In April 1999, the economy reached the level of April 1998, and the first half of 1999 showed an increase of 3.1% compared with the corresponding period of the previous year.

Since 2000, rapid improvement in the international trade terms became an important factor of economic growth in Russia due to the rise in world prices for its basic goods exported. In 1999 – 2007, the world oil prices denominated in US dollars increased by almost 4 times. Substantial inflow in Russia of foreign exchange earnings from the export of energy carriers pushed the development of domestic demand: first the consumer demand and then the investment demand after 2003.

The rouble rate lowered by the criterion of the purchasing power against the US dollar led to the formation of a sustainable asset for the current account balance operations. Massive foreign currency inflow in Russia was fraught with a sharp jump up of the rouble, which, in turn, could undermine the economic growth started recently. In these circumstances, the government and the Bank of Russia decided to jointly implement a policy aimed at gradual real rouble appreciation spread over time. The functions were as follows. Through the interventions in the foreign exchange market (mainly the purchase of foreign currency), the Central Bank maintained the desired dynamics of the nominal rouble exchange rate. The government, in turn, carried out sterilization of excess money supply, directing it to the Stabilization Fund.

In general, this mechanism proved to be very effective. The economy continued growing stably; the Bank of Russia accumulated foreign exchange reserves rapidly; the Stabilization Fund scale increased; the federal budget was balanced consistently with the large surplus. Heated discussions on the country level concerned the directions of use of the Stabilization Fund, rather than this mechanism.

Many experts criticized the government for the fact that the funds held were not used for the development of domestic production and its upgrade. The government behaved defensively referring to the fact that major rouble investments in the economy could undermine macroeconomic balance and cause inflation. Meanwhile, some experts advocated to using the Stabilization Fund to import knowledge, machinery and equipment needed to accelerate the Russian economy modernization process. I have repeatedly suggested the

government to set up a specific financial structure at the expense of the Stabilization Fund which would open foreign currency credit lines for the Russian companies to import goods and services required for the implementation of major investment projects on a purely market basis.

Favourable economic processes pushed the government and the Bank of Russia to the rapid removal of all restrictions on the movement of both long-term and short-term capital in and out of the country. Arguments of the opponents warning that this solution would increase the risks for the Russian economy greatly were not heard. I was among the opponents. Until 2008, there was a large-scale inflow of short-term speculative capital in Russia dramatically increasing the load on the mechanism for maintaining the desired exchange rate trajectory and the excess rouble liquidity sterilization. At the same time, external borrowing of the private sector (both banks and large corporations) started accumulating rapidly. Business clearly did not share the views of the authorities on the absence of suitable investment projects in the country.

### Crisis

The “first bell” rang out in July, when the capital withdrawal from the Russian stock market started. According to some experts, this development was due to its overheating. I think the reason is different: foreign investors playing a key role in the Russian securities market urgently needed funds to cover huge losses from investments in derivatives having their roots in the American mortgage. Not by accident, the speculative capital outflow occurred in this period in almost all countries attributable to the category of emerging market economies.

Firstly, the processes taking place in the stock market did not provoke any particular concern of the authorities. However, it became clear in August that they were far from harmless. The capital outflow caused a decline in stock indices and strong pressure on the rouble exchange rate towards its decline. As a result, the state of the private sector external debt became critical constituting \$ 436 billion (including the banking sector of \$ 171 billion) at the end of Q1 2008. The rouble exchange rate decline dramatically increased the cost of servicing the debt and impairment of shares required the borrowers to mobilize significant resources to replenish the collateral for the loans raised by them.

The rouble support and the statement of willingness to help Russian banks and corporations to refinance foreign debts became the government’s response to these threats. However, the measures to support the rouble exchange rate (international reserves amounting to \$ 36 billion were spent by September 19) led to a decrease in money supply, an aggravation of the liquidity deficit in the banking sector and a significant deterioration in credit conditions for the real economy sector. Moreover, they actually subsidized further withdrawal of capital from the country.

The government and the Central Bank made efforts to increase the number of means of payment providing additional rouble liquidity to the banking sector. However, this policy was successful only in August, at the end of which M2 money supply reached its maximum value for the whole year (by 9.5% more than on January 1, 2008). In connection with the entrenched expectations of constant external rouble devaluation, a mechanism of automatic rouble issue

sterilization formed in the Russian economy: the roubles entering the economy were immediately exchanged for the currency ultimately provided by the Bank of Russia. As a result, by January 1, 2009, the M2 monetary aggregate declined markedly being only 1.7% higher than a year ago, despite the fact that the authorities were working hard to prevent the dollarization process by means of an increased interest rate.

Collapse in the world oil prices of October – November 2008 caused a new powerful blow to the Russian economy. Reduction in foreign exchange inflow into the country resulting thereof sharply increased the pressure on the rouble exchange rate towards its decline. Moreover, the economy faced a powerful demand shock, as the oil companies began to terminate the investment projects planned when adapting to the radically new environment. In November, industrial production fell by 8.7%, in December – by 10.3%, in January 2009 – by 16% and, finally, in February – by 13.2% compared with the same months of the previous year. Non-payments started growing: the total amount of overdue payables amounted to RUR 1.048 billion in November exceeding the level of October by 7.2%.

The government (in a broad definition that includes monetary authorities) continued spending foreign exchange reserves to ensure “soft rouble devaluation”. As a result, international reserves decreased to \$ 387 billion by February 1, 2009, i.e. by more than \$ 200 billion compared with the maximum level of \$ 597 billion reached by August 1 of the previous year. The high percent policy was maintained: the Central Bank refinancing rate was raised to 13% on December 1, 2008. Pinpoint measures to support the real economy sector were developed and began to become implemented; decisions aimed at helping vulnerable social groups were made.

The authorities, including at the highest level, repeatedly expressed satisfaction with how Russia managed to pass the crisis. Herewith, they always stressed that the experience had confirmed the correctness of the policy of accumulation of large gold and foreign currency reserves in the pre-crisis period. In my opinion, the conclusions should be absolutely different.

Firstly, the vulnerability of the Russian economy in relation to external financial disturbances connected with the premature capital flow liberalization became evident. Characteristically, the capital flight from the country resulted from purely external causes unrelated to the development of the Russian economy. The foreign portfolio investors just needed money to eliminate holes in their own balance sheets, which had arisen due to their broad involvement in operations in the markets of derivatives based on American mortgages.

Secondly, the government made a big mistake by not opting for the introduction of restrictions on the capital flow in and out of the country at the beginning of autumn 2008.

Thirdly, focusing on the adoption of pinpoint measures, the authorities did not use the opportunity to start the “waves of demand” throughout the reproductive chain despite of its availability.

The external demand fall in Q4 2008 was a little less than \$ 40 billion as per data on the Russian export reduction. Could the state compensate for this fall? Indeed, upon reduction of withdrawals from the exporting branches saving the opportunity of entire implementation of their pro-

duction and investment programs and the budget hole would be funded by its available monetary resources. Ideally, the economy could just “not notice” the fallen external demand. There would be no decline in production; non-payments would not grow; taxes would flow into the budget; there would be no need to spend huge amounts of money on unemployment benefits. \$ 200 billion spent on the rouble exchange rate correction would be enough, all other things being equal, for 5 quarters, i.e. until the end of 2009.

### Post-Crisis Situation

Getting out of the global financial and economic crisis started rather encouragingly for Russia. The gross domestic product grew by 4.3%; inflation fell to 6.1% in 2011. In 2012, economic performance began to decline, but this was not of a serious concern. In 2013 and 2014, doubts about the possibility of returning the economy to pre-crisis economic growth trajectory increased. GDP growth continued to decline sequentially reaching, respectively, 1.3 and 0.7%. Still, there was hope that, once survived a period called “investment pause” by the Academician V. Ivantser, the executive authorities would initiate new large-scale projects and, thus, give the necessary impetus to economic development.

However, in 2014, the country faced with economic sanctions and the collapse of oil prices in the world market. Under normal circumstances, the deterioration of the trade terms would lead to a decrease in net exports (excess of goods and services’ exports over imports). In fact, in 2015, the assets in terms of current account balance operations increased significantly (from \$ 58.4 billion in 2014 to \$ 65.8 billion in 2015) due to the fact that imports decreased considerably more than exports.

Demand for foreign currency to pay off the private sector debts increased sharply: in fact, the Russian companies were unable to attract foreign loans to refinance foreign debt. As a result of the transition to the free rouble floating in autumn 2014, its volatility increased dramatically. Demand for the currency as a financial asset allowing economic agents to preserve their wealth efficiently increased. According to the Central Bank, the share of foreign currency deposits made by individuals in their totality has increased since the beginning 2015 from 26.1 to 30.1% and by legal entities – from 43.8 to 50.9%. A significant part (31.5%) of loans to individuals and businesses became available in foreign currency. The rouble fall associated with these factors could have been even more dramatic, unless the authorities opted for a substantial reduction in international reserves: by \$ 124 billion in 2014 and by \$ 17 billion in 2015.

There was a large domestic demand deployment. The final consumption fell by 7.1% in 2015 (including the consumption of households by 10.1%); the gross accumulation fell by 18.3% (including fixed capital accumulation falling by 7.6%). As a result, GDP fell by 3.7% in 2015 with a significant increase in inflation (by 11.4% in 2014 and by 12.9% in 2015). The economy fell into stagflation zone, an extremely unfavourable condition characterized by a simultaneous production decrease and price level increase.

Sharp imports decline impacted not only the family consumption, but also the production as the real economy sector had fewer resources at the disposal than before. This factor could not be at least partially compensated for by the commissioning of the previously spare capacities; on the

contrary, their volume started growing. Extremely complex financial terms for business, in particular, the key interest rate raised to a very high level and the serious public sector issues, showed up. The drop of the rouble exchange rate by two and a half times provoked a sharp rise in prices for imported goods and imports supply reduction pushed the rest of the prices up.

The authorities took measures aimed at encouraging exporters to return foreign currency earnings to the country timely and to sell them at the foreign exchange market. The Central Bank started using its tools of pressure on the commercial banks very actively in order to prevent intensive transformation of resources received by them into foreign assets. Pinpoint support of manufacturers, in particular, through subsidizing interest rates on granted loans, became widespread.

However, it is hard to overcome the negative trends. High interest rate is blocking the access of enterprises to short-term loans necessary for the normal conduct of business, as well as to long-term borrowings. Reduction in loans coupled with sharply increased risks of loan default produce a banking sector crisis. Extended foreign exchange market fever encourages economic agents to seek a “currency refuge” and complicates the adoption of production solutions intended both for exports and for import substitution.

Can we actually rely on the best results with such an unfavourable confluence of internal and external business conditions? Is it better to be patient sticking to solving the most acute problems manually and wait until the natural course of events leads to normalization of the economic situation? The problem is that no one knows how long it will take for the economy to adapt to the new conditions and, therefore, the scale of the costs that the Russian economy will suffer on the way.

It is clear that there is no alternative to the maximum mobilization of internal resources. It is also clear that, in the short term, the path to success lies through the normalization of financial, economic and business conditions and the provision of the maximum load of available capacities based thereon. It is impossible to solve this issue without a radical interest rate reduction.

An opinion that the economy monetization level shall be increased by monetary emission in order to reduce the interest rate is very widespread. In order to prevent money from being spent at the foreign exchange market or leading to increased inflation, it shall be directed to funding the projects selected and supervised by the state.

Direction of the issue planned to fund large-scale projects is attractive indeed. However, in my opinion, the idea of using this channel for the so-called “economy monetization” is wrong.

Firstly, there is little reason to worry about the monetization level. The ratio of M2 to GDP value has been increasing steadily in recent years: by 32.8% in pre-crisis 2007 and by 45.1% in 2015. Secondly, the reckless issue build-up under the already high double-digit inflation is associated with a serious risk of further financial situation deterioration. Hopes that the issue for projects is capable of the dramatic change in this development are unfounded: the money allocated will reach the hands of the suppliers of materials, equipment, workers, and then the monitoring of their use becomes impossible. Small initial effect associated with the emergence of new orders will come to naught

very quickly due to the rise in inflation and capital outflows from the country.

The only way to change the situation quickly is the introduction of restrictions on capital items of the account balance for legal entities. I am talking about adopting certain rules obliging exporters to return currency earnings to the country and to sell a part thereof at the foreign exchange market prohibiting to buy foreign currency “for the future” and enabling the Central Bank to officially limit the amount of the commercial banks’ open currency position. In order to limit the scale of speculative cross-border capital flows having a destabilizing effect on the currency and on the stock markets, it is necessary to introduce a kind of “Tobin tax” (alternatively, a tax on financial transactions). In no case shall these restrictions affect the population as, judging by experience, people cease running to the exchange offices as soon as the situation on the currency market stabilizes.

The measures proposed do not eliminate the currency market only limiting its scope (exports and imports of goods, external debt service). Indeed, changes in the world market of oil, gas and our other export products will affect the exchange rate value under the new conditions. However, its volatility will be dramatically reduced, as these changes will not be magnified by speculative capital cross-border flows changing their direction quickly and by the movement of residents “in and out of the foreign currency”. Most importantly, it will be possible to lower the key interest rate to a normal level quickly. This decrease will be accompanied by an increase in the money supply, but it will be more or less in line with the increase in the money demand by economic agents. The terms of activity and the real and financial economy sectors should return to normal very quickly which is very well demonstrated by our own experience of leading the economy out of a deep crisis after the default in 1998.

**Manuela Palluat<sup>1</sup>**

## CONTEMPORARY GLOBAL CHALLENGES AND NATIONAL INTERESTS. SWITZERLAND: THE EXCEPTION

In order to discuss the contemporary challenges that threaten Switzerland, we need to understand the complexity of its politics, which are often not understood by those that are not Swiss, and require us to look at history. I am not diverting from our topic, but, I would like to bring to your attention that from the outset modern Switzerland owes part of its political structure to Russia. You must be wondering what concepts and ideas can Switzerland have that would be of interest to Russia.

Why would this little country of only 40,000 km. sq. interest vast Russia? Is it like comparing Gulliver and the Lilliputians?

With a little humour let us recall that Switzerland had established in Russia (at the invitation of Czar Alexander I), the only colony that has counted in its history!<sup>2</sup>

Indeed, in 1822, a caravan of 12 families set out to form a colony in Chabag, near Odessa, near a lake named Russian Dniester Estuary! The Swiss colony grew and existed until 1941, when the last mayor of Chabag was still a Swiss, David Besson<sup>3</sup>.

Only a few years earlier, Alexander I had previously offered to a Swiss who would become famous in the history of peace, Charles Pictet de Rochemont, 12,000 hectares of land in the same region of Odessa to raise the breed of merino sheep. A breed that was in great demand. A herd of 900 animals travelled from Geneva to arrive in Novoi Lancy, on the shores of the Black Sea. The company grew to 28,000 hectares and as many sheep!

Why did Tsar Alexander I offer to help the Swiss?

One must remember that until the nineteenth century Switzerland was a poor country. It was even said in geography books, it was a country “rich in useless mines”. (Meaning it did not possess mines of any real benefit). The main resource of the Swiss, since the late Middle Ages to the

eighteenth century was the strength of man power. Switzerland loaned mercenaries throughout its history to neighboring countries, especially France. During the French Revolution for example, it is the Swiss Guards who, in 1792, defended the Tuileries. They were also present at Berezhina. We find, moreover, even today, a legacy to the Vatican that still retains the Swiss guards to watch over the person of the Pope. The Swiss cantons had no other way to survive than to rent themselves to their neighbors and thus be paid in order to live in a country where life was difficult and agricultural activities were practically impossible on mountainous terrain.

As Alexander I was Catherine the Great’s favorite grandson she had arranged for him to be raised by a Swiss tutor, Caesar Frederick de La Harpe. Alexander was open to learn about his tutor’s small country and appreciated the liberal ideas that his tutor taught him. In fact all his life he admitted that he was greatly grateful for those ideas.

The key role that Alexander played for Switzerland is at the Congress of Vienna (1815) where the “Swiss case” was discussed and decided. Alexander used his power to maintain the survival of Switzerland, which at the time was torn by the Napoleonic wars and was on the edge of civil war. The Congress endowed the small country with a constitution and 19 cantons – including Geneva. But above all, with almost visionary power, Alexander I obtained from the other powers the recognition of Switzerland’s permanent neutrality. This Swiss neutrality, although repeatedly criticized, especially today, is still the key to the Swiss structure.

The real question is why would the Tsar of all the Russia’s want to seal the fate of Switzerland in such a way?

Although at first it is not obvious, it really was for his own interests that he was doing this for Switzerland: what he wanted was to secure the borders in Europe to avoid at all costs an alliance between Switzerland and France, or Austria which can lead to further European wars in which Russia might have to intervene.

<sup>1</sup> Secretary of the Geneva International Peace Research Institute.

<sup>2</sup> Grivat Olivier. *Swiss Winemakers of the Tsar* / Ed. Ketty & Alexander. Chappelle-sur-Moudon, 1993. P. 38.

<sup>3</sup> David Besson, last mayor of Chabag arrested, deported in 1942 to Siberia and died six months later.

Thus, Russia affected the entire foreign policy of the Swiss by directly interfering in their history, and this has lasted up to now, since neutrality is still part of our constitution. This has its advantages, however, it is also a reason why Switzerland is not a member of NATO<sup>1</sup> or the EU. Switzerland became the 190th country to join the UN only on September 11 2002.

As well as Alexander I, another Russian Tsar, Nicolas II, was the one who was responsible at the Conference of the 1907 Hague Convention, of establishing for the first time in writing the rights and duties of neutral countries in case of war. What is impressive when analyzing relations between Russia and Switzerland – which have not always been good, there had been rapture of diplomatic relations for over 25 years, from 1923 until 1946 – is that we have before us two fundamentally different conceptions of what is a state.

In Russia, these were the rights of the Prince; in Switzerland, those of citizens. In Russia, the power comes from above. In Switzerland, it is born in the community. Way in the past, the Russians asked the Vargues (RUS) to rule. Unthinkable in Switzerland: in 1291 we expelled foreign judges.

So, how does this small country function? It is in the heart of Europe, but refuses to join the European Union.

In the global context, Switzerland is a great surprise: eight million people speaking four different languages which belong to the two opposite cultural groups the Latin and Germanic, and having people of two religions, Catholic and Protestant. All this in the same Country. All living in harmony. Their sign of recognition: the red flag with a white cross. A flag that flies on the roofs of mountain huts as well as on the Federal Palace in Bern, seat of the government.

To answer the question posed by the symposium : What are the National interests and the contemporary challenges that effect Switzerland in the International world? It is appropriate to go back and recall some other facts.

Since the twelfth century there has been interest in traffic between the Northern and Southern European countries, especially between Germany and Italy. To transit from North to South – or vice versa – one had to pass through the Alps: the Gotthard. This was a key strategic axis to link the north and south of Europe. Free peasants owned the land round this route. Any kind of labor or maintenance of the route required the peasants to meet to discuss the work needed, therefore, they were at the center of the critical traffic for North–South trade (it is best not to use here the word “European”). These peasants paid substantial portion of taxes that were received by the most powerful family in Europe: the Habsburg family, which were also called the Austrian family, for the use of the route. The first achievement of these three small mountain communities (the future “cantons”) – was to create a break from the tutelage of the Habsburgs and judges that were sent by the Habsburgs to impose the law and collect taxes.

Uri, Schwytz and Unterwald concluded a pact in 1291 that allowed them to be independent of the Habsburgs. In the pact they stipulated: “We swear that we will not welcome and recognize any judge who has purchased office

<sup>1</sup> Although Switzerland is not part of NATO, it is heavily involved in the partnership with NATO; especially in humanitarian missions, humanitarian law, human rights, civil-military cooperation and the transparency and democratic control of armed forces. Switzerland joined the Partnership for Peace (PfP) in 1996.

and who does not come from our valleys or is not a member of our communities”. This is and remains fundamentally and inherently in the minds of every Swiss citizen.

Switzerland thus became an association of three, then eight more and then thirteen more small cantons, motivated by collective interests therefore it was more of a social character rather than that of creating a state. In the XVIIth century when France was continuing its expansionist ambitions – at the time of conquests and maritime discoveries – Switzerland chooses to refuse its expansion. The Confederates listened to the advice of a hermit monk, Nicolas de Flue: “Fear God and be strong. Do not get involved in the business of the powers that surround you. Do not enlarge too much the fields that you occupy”.

This resulted to each canton concentrating on its internal affairs, without worrying about an overall external view.

Now under these circumstances, how does Switzerland view and react to the problems in Europe?

Once again we must look at the past and the creation of “Pax Helvetica” that was achieved after various struggles, like the wars of religion that practically destroyed the very existence of the country.

After all these events the Swiss citizen exercise their rights by votes that take place on three levels: the town, canton and the Confederation.

The town is the smallest form of local government. The country has more than 2000. Each town has a municipal council, very much like a mini Parliament with a legislative branch, and an administrative council, creating an executive body.

The cantons, are 26 and they each have their own constitution; they have a parliament, government and courts, therefore they have their own legislature, an executive and a judiciary.

The Confederation, the central organ of the country, which consists of a Federal Council (7 federal councilors who take turns in the role of President for a year are each responsible for a Department (Economy, AE, Finance, etc.)), and two Chambers:

- 1) Council of States with two representatives per canton, and
- 2) National Council representing the people (200 deputies allocated proportionately to the population of the cantons).

There also, of course, federal courts that represent the judiciary power. One turns to the Federal Courts when there is opposition to the decisions of the local courts of the canton.

The Swiss citizen votes in principle on three levels because he has basic political rights. He is consulted by referendum by the Federal State for any changes that effect the Constitution. He also has the right to express himself by proposing amendments or additions to the Constitution or the creation of new laws. He just needs to collect 100,000 signatures for it. This is called “the right of initiative”. Thus the Federal Council develops its politics, with Swiss citizen consulted four to three (rarely) times a year to vote.

So with the above outline let us once again investigate the central issue of this conference: “How can Switzerland deal with contemporary challenges while still maintaining national interests”? Or rather: Can Switzerland be untouched by international challenges? What possibilities does Switzerland have? How far can it accept “losing its

soul” soul that exists in it’s structures of seven centuries and where groups of people speaking four languages (this means also different cultures)and where two religions co-exist ? The challenges are large because they affect – as we have observed – the fundamentals of the Swiss State.

Note, however, the ambivalences.

#### **A world economic power**

This small, poor country until XIXth century, became, against all odds, a world economic power. GDP, currently slowing, is still to be envied; Switzerland is ranked in the top places in the global competitiveness as published by the World Economic Forum. Its unemployment rate, which is unfortunately increasing, is still only around 3.8 %, affecting 163,644 people<sup>1</sup>. The country is small but its multinational companies are many and internationally known e.g. Nestlé, Novartis, Givaudan, and the Swatch Group employ more than one million employees across the globe. Swiss watches, another jewel of the economy, resist competition. Despite the crisis, the strong franc and some disastrous votes for Switzerland<sup>2</sup> (one of the setbacks to direct democracy!), the Swiss giant grows. The Confederation benefits from globalization: nearly 3 million people work in Swiss companies abroad against 5 million in its territory<sup>3</sup>.

#### **The Swiss franc**

It is a very powerful currency, which is not, justified for this little country. The disadvantage of a too strong franc is that it is causing relocation. The death of the famous banking secrecy is a perfect way for the US to get international clients from Swiss banks. New tax havens are being created in the USA, and surprisingly this is not causing any reaction of disagreement by anyone. Despite the 5 billion dollars fine the US has imposed for tax evasion on the two banking giants UBS and CS. These two banks although, still under investigation, are still extremely actively looking for clients.

#### **The legal and political status**

Switzerland considers herself independent and neutral. However is this really the case? Its largest trading partner is the EU with Germany in the lead. In 1992 the Swiss citizens voted against joining the European Economic Area. This obliges Switzerland to negotiate bilateral agreements with each country in order to obtain with each country mutual market access.

Yet no European Union country meets the Schengen requirements as well as Switzerland. The country, with the public deficit of only 1.4 %, makes many of its neighbors green with envy. The Swiss continuously monitor and adapt to the Brussels requirements. How long can they do this for? Can they sacrifice their citizen rights in order to be in Europe. How will the legendary neutrality enshrined in the Constitution be affected? Even more important what will happen to Switzerland without Europe? Switzerland does not allow others to impose policies but can she avoid the European laws for long?

The citizens, who always have the last word, and who will decide on its joining Europe, will they ever vote in this direction? In this case what will happen to the direct democracy? What will happen to the ability of being able to have the ultimate veto of citizens in opposing the political elite? Can Europe meet these fundamental values?

On the other hand would the joining of Switzerland to the EU cause the EU into a Europe of Regions, respecting regional characteristics that are increasingly claimed (e.g. Catalonia – Scotland.)

If by chance after a ballot on whether to join Europe a No is the result, this would cause Switzerland to erect virtual barriers to its borders, even more formidable perhaps than those we see going up around certain European Union Member countries. This could cause Switzerland to sink into dramatic isolation.

The future may require drastic political changes.

These formidable challenges, facing Switzerland are imminent.

#### **Comments**

*Comment 1.* Between the XVII century and 1917, 20,000 Swiss emigrated to Russia, a very impressive immigration because many held high offices and made fortunes (Hans-Ulrich Jost).

*Comment 2.* No money, no Swiss!

*Comment 3.* “The victorious revolution need not be recognized by professional representatives of capitalist diplomacy” (Carr E. H. *The Bolshevik Revolution*. P. : Minuit, 1974. Chapter III. P. 29).

“Post some revolutionary proclamations and close shop”, – says Trotsky, taking the head of the People’s Commissariat to the (Trotsky L. D. *My Life*. Gallimard, 1953. P. 405

*Comment 4.* In spring 1946, 11,000 Russian soldiers and civilians are returned – often against their will to the USSR. Their fate: execution or Siberia...

*Comment 5.* The smallest of them is Bister with 23 inhabitants.

<sup>1</sup> According to SECO, the State Secretariat for the Economy published by Swiss.

<sup>2</sup> February 9, 2015: Initiative of a nationalist party, the UDC, to reintroduce the annual ceilings in immigration and the return to the quota system.

<sup>3</sup> According to the SNB.



V. V. Popov<sup>1</sup>

## WEST USING VARIOUS METHODS TO FIGHT OTHER CIVILIZATIONS

For more than five hundred years the world remained Eurocentric, when the fates of all nations were determined by the Concert of Great Powers including Russia as well. In the XX century, the USA also joined the club of those selected.

Fast economic growth of and wealth accumulation by the countries of Western Europe, which resulted in the development of the western civilization, was made possible through the robbery of countries in Asia, Africa and Latin America, many of which were turned into colonies or vassal states. The West reached its might mainly due to its technical and technological superiority over other civilizations. The West's being so much flushed with its success brought the theory of the end of history (In 1992, F. Fukuyama, as a messenger of the Gospel, declared that the victory of the liberal democracy will result in the end of history, which, in his point of view, may signal the endpoint of historical conflicts between states).

At the same time, globalization and expansion of information technologies caused the growth of modernization of other civilizations as well; emerging countries were developing rapidly: with the break of colonial ghetto system they took the path of political and economic transformation. Today we face the change of the driver of global development. The world sees the reconfiguration of geopolitical space, the creation of polycentric world system being in line with the realities and capable of meeting the needs of the XXI century.

Modern globalization is characterized by the unprecedented scale and speed of changes. New states and groups of countries, capable of exerting global influence, changing the global balance of power and engaging millions of people in the art of history making, come to the forefront.

China, India, Southeast Asia, as well as the entire Asia, coming to the epicenter of global development, undergo a historic Renaissance. It is most evidently illustrated through the example of China, with modernization going at a rapid pace and, which is especially important, following not the western model but its own unique path, based on traditions and Confucian heritage enabling mobilization of the entire population and a breakthrough towards building the economic capacity. Islamic world, Latin America and Africa are also in the process of modernization. It should be noted that in those countries no western influence is evidenced as well, instead they follow their own path.

The state of things, when the West, represented by Europe and then by the USA, has been directing any moves made by the humanity, is coming to an end. The last pages of West dominance are being written today, and the new era of the world is launching as millions of people, whose passionarity is being released, join, according to K.N. Brutents, the art of making history<sup>2</sup>.

Globalization resulted in a rapid urbanization leap: metropolitan cities tripled in size from 1979 to 1990-s. Radical technological development results in man power replacement with machines, unemployment growth even in developed countries, and intensification of social problems with the drop in the living standards. The devastating growth of disparity between the poor and the rich population of certain countries and the entire world is, probably, most dangerous. Statistics are eloquent of the fact. So, the "The Global Unity of Poverty-Fighting Organizations" report (OXFAM) published on January 18th 2016, indicates that from 2010 the wealth of those richest of the world increased by 0.5 USD trillions to 1.76 USD trillions. During the same time, the poorest population lost 1 USD trillion, or 41% of its wealth. 62 richest persons of the planet own the same assets as 3.6 bln. poorest people. The expansion of off-shore areas, enabling those super-rich to avoid taxation is believed to be one of the reasons to cause the imbalance. From 2000 till 2014, investments in the off-shore areas increased fourfold, and 9 of 10 global consortiums are present in at least one "tax heaven". This results in loss of money by African countries in the amount that would be sufficient to solve the child starvation problem on the continent. Unsurprisingly, the last Davos Forum (January 2016) highlighted the issue like never before, as the dangers of such a phenomena existing globally are at last widely recognized.

The said events take place in the new historical environment, when the dominance of the West is left behind. The western powers, striving to maintain their dominant position, resort to all kind of methods – from pressure and blackmail, threats and bribery to direct armed intervention. However, the resort to the universal evil, the terrorism, in attempt to satisfy their self-serving interests, is a fundamentally new approach. Unfortunately, the launch of the XXI century gives plenty of examples of the kind.

The entire history of the mankind shows that terror was resorted to in the situations which offered no simple solution or where terrorism would promise a faster solution. In the XX century, especially in its second half, the phenomena started to expand radically and gain new forms, having by now turned into a huge monster threatening lives of individuals and entire nations. Its name is Terrorism. They often call in "international terrorism" thus underlying its global nature and far-flung network of contacts restricted by no state boundaries. At the launch of the XXI century, fighting terrorism (alongside with economic, financial, energy and environmental challenges) became a top-priority task, as the terrorism endangers the mankind.

It is universally acknowledged that no terrorism-free areas exist, and that terrorism, no longer being a peripheral danger, may now be found on any continent. Using a medicine term, it is a kind of pandemic (i.e. an epidemic spreading through mass human population and across large regions). Its symptoms are violence, wanton murders, explosions, hostage taking, bringing hundreds casualties – killed or wounded, mainly among civilians, and horrible devastation. As of today, the forecast is disappointing – predicting time and place, as well as consequences of future exposure or violence is next to impossible. And here, just as

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<sup>2</sup> K.N. Brutents. Great Geopolitical Revolution: Interim Results // *Mezhdunarodnaya Zhizn*. 2015. No. 12.

in any disease treatment, we need to find out the causes of the phenomena.

According to some scientists, the terrorism of late XX century – early XXI century is different from that one existing before – in its objectives, methods and approaches, and executor types. This difference requires new methods of fighting terrorism. The terrorism as it is today has been influenced by two processes: modern globalization and population “explosion”. In addition to the global economic recession, deepening after 2008, demography is the factor that seriously impacts the situation. The planet population increased to 7 bln. people mostly through the population growth in Asian and African countries. This factor, alongside with economic issues, in many respects explains the reasons for the major resettlement of peoples (the first major global resettlement took place more than 40 thousand years ago).

Developed areas of the globe now face the trend for depopulation, which is expected to reach its maximum by 2030. While in some Asian, Latin American or African countries, the Islamic world reveals the opposite trend as for birth-rate growth. This is especially true for Africa whose population now exceeds 1 billion people and is expected to show annual growth of 4% to double the population of the continent by 2050 (with Nigeria’s expected max of up to 290 mln., and up to 174 mln. in Ethiopia, up to 128 mln. in Congo, and up to 130 mln. in Egypt). The population growth in China (1.4 bln.) and India (1.6 bln.) is expected to slow down as compared to today.

Total population growth in the developing economies turns the governments unable to provide their population with social services, food and job. It should be taken in consideration that people aged 15 to 25 years, representing one half of the population in such countries, get more and more dissatisfied with their material status – poor food, living conditions, transportation and health care services, environment, lack of job in one’s field and low salaries. Many of those who managed to get education and professional skills are jobless and, consequently, have no means of living. Moreover, no future improvement of the situation is expected for such people.

The dissatisfaction gets more profound as those people can easily see and compare the images of western living with their own situation. The huge army of unemployed youth from the Third World countries is on an ongoing basis recruited into terrorist groups and gets easily manipulated by weapon monopolists gaining huge profits. In addition to material promises, religious factor is widely used to attract and recruit the youth into terrorist groups, as handling minds of ignorant young people presents no difficulty. Their minds are implanted with the ideas of easy prey; their personalities degrade while they turn into an obedient tool following somebody else’s orders.

This world, given the communications revolution, suffers most from the lack of justice. Population of developing countries feels it more than others. Polarization has affected any community, and people trust to the establishment less and less.

Polarization keeps turning more and more people into marginal and, consequently, radicals. Desperate and helpless against injustice, those losing hope go to extremes to declare protest and attract the world public’s attention to their grieves and sufferings. Dissatisfaction grows with the

tough actions taken by the West in order to dictate its perception of world, values, traditions and ways of thinking and conduct, and with the moralization, forcible implantation of western model of democracy, neoliberal model of development, all of the above being rejected and, in many cases, causing conflicts. So, terrorism is just a response, declaration of dissatisfaction with power grab by incompetent governments, corruption, desperation and frustration. However, the major cause is the obvious disdain for unacceptable political and economic models, alien philosophy, mode of conduct and way of thinking as being imposed upon peoples and states from the outside.

The ideological, cultural and religious crisis suffered by the civilization of West, is accompanied by expansion and growth of Islam, politically charged and radical, and not only in traditional Islamic countries but across the world.

The terrorism as it is today, is expanding following its own, hardly predictable, logic and generally has the form of intended horrifying barbaric executions. Nevertheless, the terrorists’ use of simple and cheap methods of fighting, such as biological or bacteriological weapons, or “dirty” nuclear bomb, presents a real danger.

These days are characterized by the attempts taken by the West, in any way, to use terrorism for its own self-serving interests by way of conflict kindling, and knocking together various ethnic, national or religious groups. It is such actions of the western power, and the USA in the first place, that have brought to life this horrible organization – the Islamic State. Never before had the terrorist possessed such large financial resources or gained control over such vast territories<sup>1</sup>.

The fundamental difference between the West and other civilizations is more and more evident. Many political experts remind of the “clash of civilizations” concept as proposed by the American historian S. Huntington. According to his vision, such western ideas as individualism, liberalism and others, do not resonate with the Islamic, Confucian, Japan, Hindu, Buddhist or Orthodox cultures.

The two past decades showed that S. Huntington’s concept has in fact described the painful end of unchallenged supremacy of the West and arrival of the new era when the West is opposed not only by the Soviet Union, as its main rival, and the Eastern bloc, but by many new centers of power which appeared as new civilizations, earlier subordinate, if not secondary players, come to forefront. S. Huntington put it like this: “West versus the Rest”, and predicted that Islam, the youngest monotheistic religion, whose adepts grow in number continuously and rapidly, will be on the edge of confrontation. It is telling that two decades ago, Professor Kishore Mahbubani proposed the same forecast and noticed that the conflict between “the West and the Rest” will form the center of the global politics<sup>2</sup>. S. Huntington’s concept has been lately highlighted by the political quarters through the mass media pushing the idea of Islam

<sup>1</sup> One cannot but agree with the authors of the book, recently published by the Russian Institute for Strategic Studies, “Islamic State as a Threat to Global Security”. The major threat presented by the IS is not only in the number of militants or their access to modern weapons, but in their idea of creation of a caliphate, attractive for many Muslims, which they perceive as a realization of their dream of a “just” state, built in opposition to the totalitarian and corrupted governments of the East and ideals and values of the West, as alien to the Islamic World. This explains why the Islamic State and radical Islamism cannot be beaten by only military power. Ref. to: Islamic State as a Threat to Global Security. M. : RISS, 2015. p. 6.

<sup>2</sup> Mahbubani K. The West and the Rest // National Interest. 1992. Summer. P. 3–13.

destructiveness, growth of popularity, Islamic revival and inevitable clash between the Islamism and the Christianity.

The authors of the modernization theory declared that the scientific and technical revolution will result in loss of trust to traditional values. The peoples of the East were invited to adhere to the paradigms of a different, “authentic” civilization and sweep away their own historic experience. However, in practice, people, following the instinct for self-preservation, stronger and stronger resist to unification and protect their identity – national, religious, lingual, and tend to preserve their traditional values. Each culture and each environment are built around their own coordinate systems, have their own vision of human nature, rights and freedoms. West and non-West may have different visions and understanding of good and evil, conflict and cooperation. This contradicting unity forms the integrity of the world, ensures the sustainability of the world as a complex dynamic system. Now, as never before it is evident that the world is rich through its diversity.

Growing demographic, economic and political influence of the arising geopolitical powers meets strong opposition from the USA and Europe trying to maintain their global dominance. (Henry Kissinger in his “World Order” book admits the decrease of the role of Europe and underlines that such a decrease depresses the West opportunities in the world in general: “The USA, having no contacts with Europe in the spheres of politics, economics and defense, will turn into an island off the coast of Eurasia, while Europe itself may turn into an appendage of Asia and the Middle East”<sup>1</sup>.)

The global economic recession acquires civilizational features as it does not only reflect contradictions between the planetary nature of capital and the sovereignty of any national state, but also signals of a new round of interethnic and geopolitical clashes that is based on the civilizations’, which are new on the forefront, intolerance to the western way of living.

The XX century was marked by the confrontation between capitalism and socialism, which, to a certain extent, has paled into insignificance the cultural and civilizational differences which have been setting the world history agenda. After the breakup of the Soviet Union, the western states were getting more and more assured that the dominance of West, and, in the first place, of the United States as the then only superpower, would be absolute and continued. The western states, given their historical experience, used to maintain their unchallenged supremacy following the proved “divide and rule” principle in accordance with which they weakened certain civilizational communities and created controlled conflict situations. 1990-s were marked by a significant success of the West in this respect.

In the last decade of the XX century, new elites in Russia, who have grasped control of numerous state institutions, did not conceal their hopes to belong to the western world and acquire new cultural identity. According to S. Huntington, in order to move to a different civilizational community, a country needs to satisfy to the following three conditions: first of all, the plan shall be supported by the country’s political and economic elites; secondly, the nation shall agree, may be non-willingly, to accept a new identity; and thirdly, governing circles of the target civili-

zation shall agree to admit the “newly convert”<sup>2</sup>. Mexico, where all three conditions have been satisfied, is the bright example thereof. As for Russia, or, say, Turkey, no acceptance of a unified cultural code may be reasonable achieved due to the evident opposition of the counter-elite.

After their believed win in the cold war, the western states, however, chose to preserve their military potential, and NATO, in particular, and to support the idea a new enemy was to be identified. The Islamic world, simmering, full of conflicts, and giving rise to anti-west tendencies, was selected. In 1994, then acting NATO Secretary-General Willy Claes put it straight that “Islam is the main threat to the West”. Such his sincerity cost him his position. A croaking of a disaster, as the phrase has it.

On September 11th 2001, a modern history’s largest terrorist attack took place in the USA, as a writing on the wall for the new XXI century. The disaster prompted to the reasonable politicians around the world the need to start looking for ways of collaboration to ensure stability and security. In this respect, one can only feel annoyance and sorrow with the fact that the United States, being convinced of their exclusiveness and invulnerability, have actually wrecked all initiatives aimed at the establishment of real partnership of civilizations. It was under their direct or hidden pressure that the “dialogue of civilizations” concept, proposed by the Iran’s President Mohammad Khatami in 1999, was torpedoed, just as the Spanish-Turkish Alliance of Civilizations initiative proposed in 2004. The motivation of such approach was accidentally revealed by then acting Prime Minister of Italy S. Berlusconi: having not noticed that the microphones were still on, he asserted that the West is the highest civilization, while the rest are the lower one, and thus, no equal dialogue can be held between them.

Given the above, the US politics aimed at the suppression of any new competitor, equal to the USA in economic, financial and military power, has taken a violent turn towards conflict encouragement inside major civilizations, pressure, blackmail and threatening. To preserve its unchallenged dominance, Washington uses all and any facilities, including its military power. It should be noted that the military budget of the United States is higher than the total defense expenses of all other states of the world. Professor E. Vasevich, a prominent US military expert, acknowledges that “during the last decade, the United States are not satisfied with defense only, striving instead for force in order to expand its influence and power”<sup>3</sup>.

Professor A. Bump made a list, however not a complete one, of US “heroic deeds” – military interventions of the latest time. For 21 years, starting from the US invasion of Panama in 1989, the United States were flying missions to or invading at least one country per year. From 1991 till 2003, the Americans were regularly bombing Iraq, calling the same as “no-fly zone patrolling”. During Clinton’s presidency, missiles attacks on Iraq were regularly carried out, and in 1998 – on Sudan and Afghanistan. The USA undertook the unfortunate state-building efforts in Somali, with 18 Americans killed; invaded Haiti to once again push the ousted president; were bombing Serbs during interventions to Bosnia and Kosovo. This said, the main objective of the USA and other western states was to reduce the power of China and Russia, whose strengthening they consider to be

<sup>1</sup> Kissinger H. World Order. M. : AST Publishers, 2015. p. 130.

<sup>2</sup> Полис. 1994. № 1. С. 39.

<sup>3</sup> Los Angeles Times. 2014. January 14.

the main threat to the US global dominance. Supporting separatist efforts in Taiwan, trying to create problems in Honk Kong and kindling of conflicts between the People's Republic of China and its neighbors are well in line with the described policy.

As for Russia, the main direction is to provoke its confrontation with the ex-republics of the USSR. It includes encouragement of Russophobia in the Baltic countries, keeping the tensions between Tbilisi and Moscow, whipping up the Nagorno-Karabakh conflict and pulling Ukraine to the "European family" – not for the sake of the Ukrainian people, but as a means to create more challenges to Russia. Noteworthy is the opinion of Labour Party leader Jeremy Corbyn he expressed in his article of March 2014 prepared for the Stop the War coalition. He was straightforward in criticizing the "West's hypocrisy" and said the Ukraine crisis was caused by the "NATO's attempt to surround Russia"<sup>1</sup>.

Perhaps, most prominently and at a grand scale, this current US focus on creation of new conflicts, and incitement of religious, national and ethnic hatred is obvious in the Middle East. It is the USA who bears the responsibility for the increased confrontation between the Shia and Sunni Muslims. It should be noted that during the last decades, any differences between the Shia and Sunni Muslims have been settled, fast and amicably, and the adepts of both religious groups used to be good neighbors and effectively solve even such complicated economic issues as oil prices and restrictions applicable to the western oil monopolies.

(On January 19th 2016, a political analyst with Al Jazeera TV channel Marwan Bishara said that "Nearly everyone in the Middle East is confident that the Arabs' problems result from the West's intervention and manipulation of the Arab youth, causing finally the growth of destructive ideas. While the West repeats the clichés: the Arabs are hopeless, and the Islam is incompatible with the democracy").

The western states, and the USA in the first place, avail themselves of shady and sometimes, unlawful means to maintain its control over global processes, strengthen their dominance, firmly tie other economies to their chariot, dictate their rules of morality and conduct. The West manipulates military and financial potentials of international organizations. Moreover, the USA and their allies unashamedly use terrorist Islamic organizations for their own purposes, having no concern for such actions consequences, which may result in intensification and continuation of conflicts, provoking hatred and suspicions between separate nations and groups of population, and appearance of new hotbeds of extremism. The opposition against such approach keeps growing, with the reaction taking various forms, such as the intention of the Democratic People's Republic of Korea to develop its own nuclear weapons to protect the country from penetration of the West. Islamic radicals' effort to create its powerful anti-west community – caliphate existing under the rules of the VII century – is also a kind of response to the US claim for the USA-run world order.

It goes without saying that there are countries ready to join the West and accept its values and institutions. But at the same time, new tendency is on the rise – countries' move to counterbalance the West while strengthening their own economic and military power, consolidating internal forces and developing cooperation with the non-west countries. We refer here to the modernization which is based on the preservation of traditional values and institutes, ensuring one's own interests instead of adjusting oneself to the western model. The newly established organizations, such as Eurasian Economic Union, BRICS and the SCO, demonstrate good perspective. The financial and economic recession has accelerated the reallocation of influence and contributed to the growth of potential of the non-western centers of force (China, India, Brazil and Russia), each now having its own strengths and demonstrating its growing influence – regional and global. However, it is most important that the crisis has clearly showed the inability of the narrow circle of western states to perform effective global management and cope up with the challenges of this historical period.

Today, the western states, and the USA in the first place, clearly demonstrate lack of influence, and economic slowdown. This was announced by Zbigniew Brzezinski, a person very much "beloved" by the Russian academic elite, in his recent book "Strategic Vision: America and the Crisis of Global Power". He came to the opinion that "today few people consider Europe as a serious political player of the nearest future"<sup>2</sup>.

The mankind faces plenty of global challenges, of which international terrorism shall be mentioned first as it represents the major threat expanding more and more globally. That's why the main actions shall be taken in the direction of fighting terrorists of all stripes. We need to offset the danger together, and to concentrate the forces and facilities of leading powers on a global scale, in close coordination with the regional states whose role is continuously growing. It would be reasonable to cite V.V. Putin's words published in the *Rénmín Ribào* newspaper early June 2014: "No global agenda can be formed or implemented today behind the backs of Russia or China, without due account of their interests. This is the geopolitical reality of the XXI century".

One can no longer stick to the once popular saying that violence is the midwife of history. The mankind encounters so many global problems that, unless we join our efforts in search of response to such new challenges, our planet would once face a disaster. So, the only reasonable approach to conflict settlement is through dialogue and consultations. The sooner we understand the need to stop saying and doing things that may result in escalation and confrontation, and to focus on the prevention of negative developments and global crises, the more chances there will be to preserve peace, security and stability on our planet.

<sup>1</sup> Times. 2016. January 19.

<sup>2</sup> Zbigniew Brzezinski, "Strategic Vision: America and the Crisis of Global Power. M. : ACT, 2015.

Vasil Prodanov<sup>1</sup>

## FROM MONOPOLAR TO MULTIPOLAR WORLD: RETURN OF NATIONAL INTERESTS

### 1. National interests and national states

The idea of national interest protection is preceded by the idea of state interest protection, which appears for the first time in works of Niccolo Machiavelli in the beginning of the 16th century. Further it took shape in the real policy of France during the ruling of Richelieu and the Thirty Years' (religious) War in Europe. The initial version is understanding of the state's sense (*Raison d'État*), or the interest of the state. Mercantilism as the economic policy becomes typical protection of state interests. This idea gains its legitimacy in the international law in the Treaty of Westphalia, execution of which in 1648 brought to the end the Thirty Years' War. It specifically mentions that any state has supreme and absolute sovereignty in the appropriate territory, and the objective of the state is to protect this sovereignty, which advocates the interests of all citizens living in it. The idea of political realism in international relations is also being brought into effect, being related to clear definition of appropriate state interests and ensuring state force for their realisation.

Later on, when the national state appeared (last decades of the 18th century), the state interest becomes a national one as a result of homogenisation of the population and formation of nations as a subject that legitimatises the state.

Several main elements of national interests may be identified: a) economic, related to increasing national wealth; b) political, correlated with complete integral sovereignty in the appropriate territory; c) cultural, related to the need of population homogenisation via common language, religion, culture, history, identity, for this purpose national systems of upbringing, education, soft power are created, as well as the ideological framework (that country is on the winning side, which develops strong identity, accordingly, cultural and social capital, and capable of impacting other countries); d) military or force, which depends on definition of the contemporary state as an institution having legitimate monopoly over the means of violence in the appropriate territory, for which purpose it needs a strong army, police, intelligence, counter-intelligence, effective punitive system. When all of this starts to collapse, the state loses its ability to protect common interests. In this meaning the state at its highest level of development (with predominance of national interests) existed after the Second World War before 1970s.

National interests are not something given in a finished form, they are related to their interpretation, which may be opposite in different political forces and ideologies in the same country. When political forces are related to any large state, they interpret the national interest in close connection with the interests of this state. Therefore, such global hegemon as the USA together with the Islamic world has

been the main structure during the last decades, which have created globalised ideological apparatus in the world interpreting interests of various states in the appropriate ideological context, in order to influence and attract their supporters all over the world.

Depending on the place taken by the states in the global system, they have different resources for protection and formation of national interests. Some are included into the states of the capitalistic centre, where the policy of such protection starts implementing earlier, others are in the semi-periphery and periphery. Comprador elites are formed in the states in the periphery and in a large part of semi-peripheral states, and such elites do not follow the interests of their states and nations, but rather the interests of the external force usually connected to the capitalistic centre.

The situation with the states that are not only in the semi-periphery as, for example, the Balkan states, but in the geopolitical periphery (where large forces exist) is even more difficult, as those states periodically enter the alternative zones of dependencies. Therefore, "philes" and "phobes" originate in them, who relate the national interests to various geopolitical forces. This entails destructive consequences for formation of homogeneous national identities and results in the phenomenon "Balkans is the powder keg of Europe".

Even in Russia we have separation into "westernizers" (liberals) and slavophiles (nationalists) that was overcome in the Lenin version of building socialism in an individual country, which combined the westerner universalist ideology of Marxism with the specific nature of Russia. However, at a certain stage it lost battle to the ideological apparatus of the neoliberal American capitalism, which resulted in new dominance of westerners (liberals), ending in collapse processes in 1990s. Today, with the decline of the global hegemon, one may observe return to civilizational concept of national interests and marginalization of the westernizers.

### 2. National interests in bipolar, monopolar and multipolar world

Formulation and realisation of national interests are carried out differently under conditions of bipolar, monopolar and multipolar world.

Under the conditions of the bipolar world after 1945 the ideological and political opposition of two global systems in former socialistic countries is promoted through the idea of unity of internationalism and patriotism, which combine the national interests and the interests of the entire community. The USSR focuses on internationalism, but starting from 1960s there are manifestations of nationalism in various socialistic states, national interests are highlighted, which results in conflict situations (first of all, with China, then to a certain extent with Czechoslovakia, Romania, etc.). Perestroika, being in act related to Gorbachev's rejection of internationalism in relations with other states and perception of the economic policy on a purely market basis (having put political and military interests aside), resulted not only in collapse of the USSR, but in collapse of the Council for Mutual Economic Assistance and the Warsaw

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Treaty of Friendship, Cooperation and Mutual Assistance. Yeltsin focused a lot on the national interests, as he believed that Russia had to protect its interests without poorer republics of the Central Asia, which in combination with the aspiration of local elites for autonomy resulted in collapse of the Soviet state. Basically, the problem both during perestroika and during collapse of the USSR was inadequate understanding of national interests as purely economic ones, without taking into account military, political, geopolitical, geocultural, geoenergy dimensions.

Thus, in the end of 1980s the world comes to monopolarity being headed by the USA that set the rules of the game and decide what is right or wrong in behaviour of different states. The three “ends” were announced – the end of history, the end of geography and the end of the state.

“The end of history” meant that there was only one legitimate model of development – the American one, which had to be enforced everywhere. In this context the concepts of “humanitarian intervention” were announced, under the auspice of which, for example, Yugoslavia was bombed.

“The end of geography” meant that national borders had no past (of the times of sovereign national states) meaning, and we were going towards the globalised world without borders and free migration of people, goods and capitals. Now the rules are defined with the help of so called Washington consensus by the International Monetary Fund and the World Bank.

“The end of the state” announced by ultraliberals, such as Kenichi Ohmae, suggests that approximately by 2025 the state will gradually turn into a formal shell of something that is already irrelevant, through transnational corporations and global market.

In this context the concept of “national interests” related to borders has lost its meaning. The trends of state dismantlement have developed, especially in former socialistic countries. The idea of the national interest was replaced with universal neoliberal values – so called European or Euroatlantic values. Instead of taking into account the interests, they started talking about values, which, however, represented a globalised universalist hegemon ideology of the USA that others had to look to. Thus, in the international relations the political realism that depends on the ratio of national interests was replaced with political idealism that puts state values at the heart – as coverage of interests of one state taking the hegemon position. In those areas where the ideological power of the USA was especially strong, the processes of collapse of the national loyalty, identity, single understanding of the history started, monuments and common symbols were destroyed, the common system of values, cultural and social capital were disrupted.

The USA performed interventions and “coloured” revolutions under mottos of Euroatlantic and democratic values. However the obtained results were opposite to the intents of the USA. Everywhere intervention of the USA caused collapse and heavy crisis of communities, regardless of the fact whether it is in the Northern Africa or in the post-Soviet territory. Military interventions into Iraq, Yugoslavia, Afghanistan, Libya and dozens of other states, where the USA acted unofficially, via unmanned aircrafts and special detachments, also resulted in consequences that were destructive for the states and appropriate national interests.

Liberal multiculturalism is accompanied by the trend of ethnic-national fragmentation as a result of rising inequali-

ty. The collapse of states accelerated exactly under the conditions of globalised neoliberal capitalism headed by the USA. Only in the last quarter of the century more than 30 new states appeared, each pursuing its interests, and there is a trend of their increase. Currently the European free market causes social and economic differences and discrepancies between separate regions, inequality between them, besides, wealthier ones or those thinking they can win from the economic perspective strive for separation (starting from Scotland and Catalonia and ending with problems of separation between Flanders and Wallonia).

Ultimately since the beginning of the 21st century in connection with prosperity of China and BRICS countries, drastic increase of US debts, recovery of Russia, they started discussing the trend towards the multipolar world. It turned out that countries that were able to preserve their states and identity (here China is the typical example), had the advantage. In this situation former Americanised ideologemes about the “end of history”, “end of geography” and “end of state” started collapsing. Even the father of the idea about the “end of history” Francis Fukuyama agreed that Chinese leaders took more rational economic decisions compared to American ones<sup>1</sup>. The idea of the “end of geography” was replaced with the idea of geopolitics return, which suggested return of the state as well, which tried to execute legitimate control in its territory.

The concepts of post-globalisation and de-globalisation appeared in the context of sharply rising instability and various threats. This makes the issue of state sovereignty strengthening in the appropriate territory especially important in the context of instability prevention. New walls started rising fast in the place of previously destroyed walls between states. From 1945 to 1989 they created 19 walls between different states; in the end of the cold war, in 1991, their number dropped down to 12. With origination of the multipolar world the number of walls drastically increased, and in 2014 it was already 64, i.e. six times more<sup>2</sup>. Only in 2015 fifteen states made the decision to start erection of fences<sup>3</sup>. The Berlin Wall, collapse of which was announced as the triumph of the liberal democracy and the symbol of disappearance of communism limitations is a dwarf compared to the wall between the USA and Mexico (3,200 km). Return of borders means return of national states that preserve sovereignty and follow their interests within these borders.

Under these conditions the USA fights desperately for preserving their global hegemony with the help of several main mechanisms: a) promotion of the Trans-Pacific and Trans-Atlantic free trade agreements, with the help of which the impact of Americanised global market will be provided, and the process of states “weakening” within the borders of the Trans-Atlantic and Trans-Pacific territories will be realised (obstacles for Russia, China, Iran within Eurasia); b) actions to create controlled chaos in the territory of the Middle East, Central Asia, which must result in “weakening” of Russia; c) new cold war rich in new components starting from cyber, proxy wars (with the help of private commands and agencies that engage into intelligence) and ending with a combination of multiple actions that characterise so called hybrid war.

<sup>1</sup> See: Fukuyama F. *The Future of History* // Foreign Affairs. 2015. Jan./Febr.

<sup>2</sup> *Borders, Fences and Walls. State of Insecurity?* / ed. by E. Vallet. Ashgate, 2014. P. 2.

<sup>3</sup> See: *More neighbours make more fences* // The Economist. 2015. 15 Sept.

### 3. Trends of national interests return and rising conflicts in EU

Americanised neoliberal globalisation resulted within the EU in crisis of the Westphalia system of state sovereignty and provided for return of the medieval situation of restricted sovereignty, when relations between states, regions and the European Union remind of the period before the Thirty Years' religious War in Europe. The EU, similarly to the Holy Roman Empire of the German Emperor, has limited powers in certain territories, where multiple various sovereignties intertwine. This results in chaotic crisis processes and fragmentarity currently observed in the European Union, the trends that were observed also in the end of existence of the Holy Roman Empire. We have here the privatisation of security and war, which was specific for the period before the Treaty of Westphalia, besides, the main system of security was transferred into the hands of the private subjects. There are more than 700 private armies (5 M people) that fight in 110 states, their annual income exceeds 240 billion USD. This returns the world to the era of international relations that existed before the Westphalia system. In Bulgaria the number of people employed in private business is many times higher than the number of employees of state institutions, but despite its instability is much higher than during socialism.

Let us consider Bulgaria within the EU as an example. For the first time in its New History its sovereignty is officially drastically restricted, which complicates formulation and realisation of any national interests, as a result of impact of three main factors: a) political: most part of its legislation depends on the EU; in case of independent policy attempt in respect to the USA, there is a threat of "coloured" revolution; the political elite depends on foreign embassies and intelligence agencies, at the same time Bulgarian security agencies have almost been liquidated; b) geopolitical: there are foreign military bases located in the territory of Bulgaria, its army is almost liquidated, which creates prerequisites for involvement of Bulgaria as a passive participant of a new cold war; c) economic: Bulgaria exists under free market conditions, which results in its peripheralization and increase of the social and economic distance in respect to West European countries.

The number of states in the world in the period after the Second World War until 2015 tripled, i.e. we observe the accelerated fragmentation of the world and development of new states that should achieve homogeneity of population in their territory and form national loyalty and identity. The number of states in Europe increases, for the last quarter of the century only in the Balkans it doubled. In the beginning of 1990s, when I was visiting the Centre of Strategic and International Research of Zbigniew Brzezinski in Washington, I saw a map (scenario) of Europe separation into two hundred small states. This trend, in my opinion, is becoming more and more realistic not only for Europe. Radical change of the borders and the number of states is taking place in the Middle East.

Apart from the state crisis, the crisis of the national identity is in progress, which was formed in the past under conditions of strong national states, plus the crisis of socializing and upbringing systems (based on patriotism), replaced with liberal individualism, atomization and motifs on human rights and multiculturalism, which replaces the national identity. Weakening of the states severely com-

plicated formulation of both national strategies and national interests, which would be supported by most public, as well as national interests they identify themselves with and are willing to protect. In the EU (to a large extent) there is loss of national loyalty and no willingness to protect national interests observed. According to the global research "WIN/Gallup International", executed in the end of 2015, 61 % of the surveyed from 64 countries in the entire world are ready to fight for their country, while 27 % wouldn't do so. The lowest indices are specific for European states. In Netherlands 15 % of citizens are ready to fight for their country, in Germany – 18 %, in Belgium – 19 %, in Italy – 20 %, in Great Britain – 27 %, in France – 29 %. Indices of Bulgarians are close to the indices of the West Europe: 25 % of Bulgarians are ready to fight for their motherland, while 47 % are not. In the Russian Federation 59 % are ready to fight for their motherland, and in China – 71 %<sup>1</sup>.

However, the reality in Europe is such that conflicts and risks that require strengthening of the state, national loyalty, identity, willingness to protect national interests, are growing fast. A series of conflicts and differences is developing (due to all-European solidarity and free market of goods, services and people), which strengthens the trend towards return of the national sovereignty and national interests. These include the conflict in Ukraine and the new cold war with Russia, war in the Middle East, a new specific Migration Period of nations from Asia, Middle East and Africa into the European Union, failure of the multiculturalism policy and unification of social-economic and ethnic-religious inequalities, rising threats related to terrorism. Inequality is added to them as a result of the common European market, which pushes to the periphery the South, South East, Central Europe, as well as rising inequality inside the separate states. There are substantial differences manifesting between the free market and minimum opportunities for regulation from the side of Brussels institutions, as political integration is lagging behind drastically. Destructive consequences provide for differences between the common European monetary policy and the national fiscal policy, separation between Schengen and non-Schengen states, between those entering the European zone and those outside its borders. In general, weakening of national states is especially strong in the EU, being dependent on supranational corporations and leak of capitals, restricted taxation capabilities due to tax competition. Under these conditions there is crisis of liberal democracy and rising strengthening of anti-systemic movements and parties, which stand for return of the national state and national interests.

The neoliberal market comes across the idea of European solidarity, and if the Trans-Atlantic agreement is made, it will reinforce differences and probability of conflicts and collapse of the European Union. Under conditions of growing imbalance such processes as exit of the Great Britain from the EU after the referendum, new manifestations of separatism in Scotland, Catalonia or in the Balkans, where Turkey and the Islamic world draw new civilizational lines, may serve as a trigger for collapse processes.

<sup>1</sup> See: Three of five in the world are ready to fight for their country as shown by the global research of WIN / "Gallup International". URL: <http://www.gallup-international.bg/bg/%D0%9F%D1%83%D0%B1%D0-%B8%D0%B8%D0%BA%D0%B0%D1%86%D0%B8%D0%B8/2015/220-WIN-Gallup-International%E2%80%99s-global-survey-shows-three-in-five-willing-to-fight-for-their-country> (date of referral: December 18, 2015).

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## EUROPEAN COURT AND NATIONAL LAW: ORDEALS OF SUBSIDIARITY

Creators of the European Convention for the Protection of Human Rights and Fundamental Freedoms realized complexity of the task they had to solve with its help – to reconcile law and freedom. The obligation of the Contracting States to comply with the Convention norms in relations with persons under their jurisdiction did not mean the requirement of absolute unity – a common thread in the decisions of the European Court of Human Rights is the idea of the additional nature of the protection mechanism established by the Convention in respect to national guarantees of the human rights. Subsidiarity as one of the main principles of the European Court of Human Rights has two aspects – procedural and material. The first requires exhaustion of domestic means of protection, the second consists in recognition of the certain limits of discretion in the state. Periodically acute contradictions arise between Governments of certain countries and the European Court of Human Rights in respect to regulations, which, in opinion of these states, interfere into the sphere of maintenance of the national authorities to an impermissible extent.

Such collisions arise in two categories of cases. The first includes a dispute relative to so called relative rights and freedoms that were reflected in the Convention. In contrast with absolute rights – such as ban on tortures, enthrallment, use of the death penalty, repeated adjudication for one and the same crime, deviation from which is not permissible even during war or emergency situation – relative rights are formulated milder, as they permit certain limitations for the purposes of protection of other important public and private interests. The Convention lists those in different articles: national security; territorial integrity; public peace; country's economic welfare; prevention of riots or crimes; ensuring authority and impartiality of justice; health or morality protection; protection of rights, freedoms or reputation of other persons; prevention of confidential information disclosure.

Protection of such interests is usually specified in the national laws, and the European Court of Human Rights provides “the right of discretion” to domestic authorities in its activities: “it is the national authorities, in particular, courts, who should first interpret and apply the domestic law: in their nature the local authorities are much better adapted to solve related issues” (Campbell vs Great Britain).

Supervising over compliance with the Convention, the European Court of Human Rights requires compliance with two conditions – legal certainty of national laws, which makes it possible for stakeholders to foresee the conse-

quences of their actions, and existence of the urgent need for state's interference into exercise of the fundamental rights and freedoms by an individual.

The second category of cases touches upon age-old sociocultural traditions mostly in such especially sensitive spheres as religion and morality.

The practice of the European Court of Human Rights shows that the optimum ratio between the principle of subsidiarity and development of the conventional law is achieved, when rights and freedoms are initially protected at the national level. The example may be the addition of the Protocol No.6 on abolition of the death penalty to the Convention in 1983. By that time the death penalty had already been abolished in quite a few West European countries, in other countries the death sentences were not executed.

Approximately in the same format, but with huge obstacles, the position of the European Court of Human Rights in respect to the LGBT community. Initially the relations between partners of the same gender were not recognized by the European Court of Human Rights as included into the sphere of marital relations protected by the article 8 of the Convention, and the complaints were claimed to be unacceptable. Thus, in the first such case “X and Y vs Great Britain” (1983) it was mentioned that “despite contemporary evolution of homosexuality perception”, the relations in the same-gender couple were in the sphere of the right for privacy, but were not recognized as the family life. However, the practice of the European Court of Human Rights on this issue slowly evolved – first in respect to civil rights for inheritance, for residence respect, for protection of the lender's rights, then on the substance of relations: in cases “Karner vs Austria” (2003), “Kozak vs Poland” (2010) the European Court of Human Rights came to the conclusion that “the states, maintaining the balance between protection of family and rights of sexual minorities, should take into account the changes taking place in the society, including the fact that private life may vary”. And finally, in the regulation “P.B. and J.S. vs Austria” (2010) the European Court of Human Rights, having referred to the amendments in the laws of many European states, announced most definitely the following: “Taking into account this evolution, the Court finds it artificial to believe that in contrast to the couples of different genders, couples of the same gender may not have a family life in the meaning of the article 8. Therefore, the relations of applicants, a couple of the same gender living together in stable actual partnership, are included into the concept of family life, as the relations of the couple of different genders would be included into it in a similar situation”. Finally, in the ruling “Oliari et al. vs Italy” (2015) the European Court of Human Rights could state that 24 of 47 member states of the Council of Europe had already passed the laws to legally recognize the couples of the same gender, and “Italy is the only Western democracy, which has not taken any measures still”. At the same time it was noted that due to lack of consensus in the European Council on the issue of legalization of same-gender marriages each state decides on it independently: makes it fully equal to a regular marriage or registers a civil partnership,

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making it possible for same-gender couples enjoy the same rights as heterosexual spouses do. In Russia there is no official recognition of any forms of marriages for same-gender couples. Taking into account the fact that the attitude to LGBT rights is used today in the state propaganda to oppose the “corrupt” West and “spiritual” Russia, one may not rely upon legal registration of same-gender marriages in the nearest future. But it seems that sooner or later the politically loaded fever will vanish, and legalization of the civil partnership will become possible.

The interference of the European Court of Human Rights into the field of electoral law was less successful. Having recognized the violation of the article 3 of the Protocol No.1 to the Convention (free elections) in cases against Great Britain, Italy and Russia as the prohibition for the convicted to vote at the elections, the European Court of Human Rights as it seems interfered into the freedom of discretion of the national legal systems groundlessly. The recognized authority in the field of legal science, Lord Hoffman, made a good point that the European Court of Human Rights “could not resist the temptation to expand its jurisdiction and establish uniform norms for the member states. It sets itself equal to the US Supreme Court that establishes the federal law for European countries”. This issue is disputable and is solved in different ways in national laws – some allow all convicts to vote, others prohibit all of them to vote, some perform selection depending on severity of committed crimes or length of punishment. But there’s no denying that prohibition of voting is based not only on traditions, but has meaningful rational arguments: conditions of unfreedom distort declaration of will by a convict, besides, the administration in prisons is able to manipulate voting by inmates. Therefore, it would make sense to provide the right to solve this problem to national parliaments.

If one looks at domestic law of recent years, it would not be difficult to predict where it would “flash” in case of collision with the European Court of Human Rights standards. Thus, the norm about foreign agents was destined to be recognized as violating the Convention, since it contains a totally oversized, elastic concept of “political activities”. Lack of legal certainty of this concept has already been recognized by everyone, including the President of

the country V. Putin, the Chairman of the Presidential Human Rights Council N. Fedotov, the Commissioner for Human Rights E. Pamfilova, the Minister of Justice Kononov, but no amendments are made to the law, the abuse of power by officials and judges continues, solving the order of authorities – to exclude unwanted human rights organizations from the public life.

A surprising norm is included into the Law “On Countering Extremist Activity”. Such activity includes public defamation in respect to a person occupying a government job in the Russian Federation or a government job in the constituent entity of the Russian Federation, combined with accusation of the specified person in commitment of actions qualified as extremism. But not only in precedents of the European Court of Human Rights, but in the rulings of the Constitution Court of the Russian Federation and the Supreme Court of the Russian Federation the need for higher tolerance of public figures – first of all, prominent public officials and politicians – to criticism, even unfair media attacks. It’s good that this article of the law has yet been “sleeping” – not used even once for 15 years.

A block of social, economic, environmental laws requires a separate consideration. The report at the conference of the European International Law Society (October 2015) on behalf of the European Court of Human Rights by the judge of the European Court L. – A. Sicilianos analyzed impact at the convention rights from at least four major problems: economic crisis; crisis of migrants and refugees; combating terrorism; armed conflicts. The speaker emphasized the need to “follow the principle of subsidiarity to avoid intervention into solutions that reflect main political interests in the economic sphere, which finally depend on sovereign power of the state”.

On May 16, 2013 the Committee of Ministers of the Council of Europe approved the Protocol No.15: It includes into the preamble to the Convention a reference to the principle of subsidiarity, according to which the states bear the main responsibility for provision of rights and freedoms guaranteed by the Conventions and Protocols thereto, and use freedom of discretion under supervision of the European Court of Human Rights. The Protocol No.15 is open for signature by member states. Russia should ratify it.

**Tom Rockmore<sup>1</sup>**

## **ON THE CONFLICT OF MODERN INDUSTRIAL SOCIETY, CULTURE AND INTERNATIONAL TERRORISM**

This paper concerns the increasingly widespread emergence of international terrorism. The conflict is not between international terrorism and culture, since the latter is not autonomous. It is rather between different national entities, which naturally reflect national and international interests, and international terrorism.

If we limit discussion to events since 9/11, recent terrorist events include the Turkish conflict with its indigenous Kurdish population, the continuing conflicts in Afghanistan,

Iraq, and Pakistan, the present situation in Libya and elsewhere in North Africa, including Tunisia, the Islamic caliphate known as Daech or Isis, Mali and the Ivory Coast, and a series of terrorist attacks in Western Europe, especially Belgium and France.

This paper will be limited in two ways. On the one hand, it will consider instances of international terrorism only. Thus it will not consider recent instances of terrorism associated, or mainly associated with a particular geographic space, e. g. with Daech, Boko Haram and so on. On the other hand, it will presuppose that, since history does not consist of a series of isolated events, we must under-

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stand the present historical moment as belonging to an ongoing, continuous historical process. In what follows I will make some remarks about the relation between international terrorist events and historical explanation. I turn initially to the series of events known as 9/11 to suggest an intentional and constructivist explanatory model of human action that I next apply to more recent instances of international terrorism.

### On comprehending 9/11

Discussion about 9/11 tends to coalesce around three conceptual models: the view associated with President George W. Bush that our enemies are evil (and we are good); the cultural (or civilizational) model worked out by Samuel Huntington; and the religious model identified with Bernard Lewis.

Bush, who is a so-called born again Christian, features a strong, but uncritical identification with scriptural sources. According to Bush, as citizens of the country that is supposedly the only legitimate representative of God on earth so to speak, Americans have a manifest destiny, which is expressed in its policies, which are designed to thwart evil perpetrated by its enemies.

In the 1990s, Huntington worked out a vision of future wars as due, not to economics or political considerations, but rather to what he called differences between cultures or "civilizations." He later applied this explanatory model to understand 9/11 as a new phase of world politics. His basic claim is that "The great divisions among humankind and the dominating source of conflict will be cultural. Nation states will remain the most powerful actors in world affairs, but the principal conflicts of global politics will occur between nations and groups of different civilizations. The clash of civilizations will be the battle lines of the future."<sup>1</sup>

It is but a short step from Huntington's "official" view that 9/11 is explicable through a clash of civilizations to the further view that it is explicable through a clash of religions. This claim is an ad hoc thesis, specifically invented by Lewis for the purpose of explaining 9/11. According to this thesis, 9/11 can be understood as a clash between two religions: Islam, which is ill adapted to the modern world, and Christianity.

Lewis applies his theory – a theory about the inability of Islamic countries other than Turkey to modernize--to 9/11. This leads in turn to a rejection of modernity in favor of what Lewis calls a return to the sacred past. This return is fueled by the poverty and tyranny of the Islamic world, made increasingly visible by the mass media.

All three views overlap through a recognizably pro-Western bias. Ever since 9/11, there has been a well-established tendency to assess this series of events from a dualistic, Western perspective based on prior adoption of Western standards as well as a further tendency to reject even the semblance of adopting, taking seriously or even considering Islamic standards of evaluation.

This pro-Western bias results in two obvious flaws. On the one hand, it judges the struggle between fundamentalist Islam and the capitalist West in moral terms only. It is simply premature to render a moral judgment prior to identifying the problem. On the other hand, identification with one

of the parties to the conflict impedes or even prevents the formulation of a general theory encompassing all the parties within the wider framework of a single analysis.

### Human actions and historical intelligibility

It remains to formulate an acceptable or even widely shared view of this series of events. The events of history can be understood if and only if we treat them as rational, hence cognizable. If history is just one thing after another, then it cannot be understood. But if, as Hegel would say, there is reason in history, then it is rational and can be understood. Human history is rational, hence cognizable, since it is composed of human actions, which, as the manifestations of human intentions, are themselves rational, hence cognizable.

Three thinkers help us to understand 9/11 as rational, not irrational. Aristotle, an a-historical thinker, points out that all human actions are goal-directed, in short aimed toward the good for human being. Even the actions of someone allegedly mad aim at what that individual understands as the good. Hegel, who was a profoundly historical thinker, points out the frequent difference between what we aim at and the result in virtue of what he calls the cunning of history. Marx, whose thought is equally historical, notes that the main motor of the modern phase of the historical process is economic since basic reproductive needs, which can only be met through economic activity, are more basic, hence more important, than any others.

### Social contradiction and 9/11

The events of 9/11 do not constitute either a break within history, in which case they would be *sui generis* and could not be understood, or even a radically new phase of the historical process. On the contrary, they are lodged within an ongoing historical process, which precedes and succeeds them. They represent the interaction, in this case the violent interaction, between two very different views of the good for human beings, which we can simply identify as capitalism and Islamic fundamentalism.

On the one hand, there is the constant expansion of capitalism, which has already attained what is currently called economic globalization. "Economic globalization," which has no precise meaning, is understood in very different ways. By this term I will have in mind the integration of national economies into international economy in different ways.<sup>2</sup> I will further have in mind two related phenomena: On the other hand, there is the tendency in capitalism, which needs constantly expanding markets, either to develop existing markets or to enter new markets in extending itself throughout the world.

This process has already culminated, or will one day culminate, in a point in which nothing is left untouched by it. When that point is reached, the process of economic expansion characteristic of capitalism will come up against its natural limit, its *terminus ad quem*, beyond which there will be no further possibility for development.

On the other hand, there is the effect of globalization, the way in which capitalism encroaches upon, adheres to, and transforms everything with which it comes into contact in attempting to maximize profit. This aspect of globalization, which is by no means benign, is extremely menac-

<sup>1</sup> Huntington S. *The Clash of Civilizations // The Globalization Reader*, edited by Frank Lechner and John Boli, Malden: Blackwells, 2000, p. 36.

<sup>2</sup> See: Jagdish Bhagwati, *In Defense of Globalization*, New York: Oxford University Press, 2004, p. 3.

ing, even a deadly threat for all (indigenous) forms of social “organization,” including, but not limited to, local customs, traditions, and economic structures, which it tends to displace in substituting a version of itself.

Economic globalization takes many forms, such as the creation of an interlocking, exceedingly complex series of relations among the major banks. This situation, which was brought to public attention during the great recession in early 2008, has been known at least since the middle of the nineteenth century, if not earlier. A number of observers, including Adam Smith, Hegel, Marx, and others emphasize the social consequences arising through the constant extension of capitalism. To put the point briefly but not inaccurately, the price to pay for incessant economic expansion is a permanent, enduring threat to anything, including all local forms of economic, social and/or cultural practices of the most varied kind that even appears to stand in the way of further economic development. In its most extreme form, cheerleaders for economic globalization like to claim it is good in itself, and at any rate, and despite apparent difficulties, in any case always better than all its alternatives. Skeptics about economic globalization, such as Dany Rodrik,<sup>1</sup> who think economic globalization risks going or has in fact already gone too far are countered by its enthusiasts, such as Jagdish Bhagwati, who think that, if anything, it has not gone far enough.<sup>2</sup>

The unrestricted commitment to economic globalization as the good life is not without its drawbacks. One obvious cost is that this vision sometimes conflicts with a very different vision of the good life. In place of the synergy between economics and religion that, according to Max Weber, supposedly exists in capitalism, one finds a direct opposition, not between Islam and economics, but with respect to Islam and capitalism.

The opposition between capitalism, including economic globalization, and Islam, plays out in various ways as a function of the kind of Islam in question. For present purposes, we can distinguish between moderate Islam, in which it is often plausible to seek a compromise with various aspects of modern Western life, including capitalism in all its many forms, and conservative views of Islam, which are less prone to compromise, more resistant to the idea of abandoning any of the practices of Islam as traditionally prescribed.

In its most conservative incarnation, Islam takes the form, in borrowing the Protestant term “fundamentalism,” of Islamic fundamentalism directed in two directions: On the one hand, Islamic fundamentalism is directed toward recovering the supposedly authentic form of Islam created by Mohammad during his lifetime that may or may not, depending on the interpretation, later have been corrupted. On the other hand, Islamic fundamentalism refuses opposition of any kind to social life organized wholly and solely along fundamentalist Islamic lines. In short, fundamentalist Islam, like other forms of religious fundamentalism, is directed toward the ceaseless reproduction without change of any kind of a form of life based on the original view of Islam.

Opposition to any change in the original view of Islam resists effort of any kind whatsoever to update, modify,

or otherwise alter the perceived view of the original form of Islam. Thus Sayyid Qutb, the central intellectual figure in the Muslim Brotherhood, rejected any compromise in claiming that either there would be Islam or there would be something else, which must be rejected in principle.<sup>3</sup> This attitude leads in practice, on the part of Islamic fundamentalists, to intra-Islamic conflict between the immoderate Islamic fundamentalists and all other, more moderate followers of Islam. There is conflict between Islamic fundamentalists, the defenders of an Islamic life without compromise in the traditional Islamic space, especially in the Middle East, including the Muslim actors of 9/11 who defend their highly traditional view of religion in opposing, if necessary by violent means, the perceived threat to the continuity of an entirely traditional Islamic way of life. Islamic fundamentalists understand the obvious point that the continued expansion of capitalism can only be carried out at the expense of the effective demise of the Islamic dream of the recreation of Mohammad’s view of the good life according to Islamic principles.

According to Hegel, contradiction moves the world.<sup>4</sup> If not in general, it is clear that at least in the specific case Western and Islamic views of the “good” for human beings are basically different. The Western view of the good life is linked to modern industrial society, which features ceaseless economic expansion requiring constant change. The Islamic view of the good life, at least as originally described by the Prophet, requires simple reproduction without change of any kind of the type of human existence prescribed in the Qu’ran.

#### The economic model and recent instances of international terrorism

I have suggested we can understand a major terrorist event, such as 9/11, through a constructivist model of human action based on a social contradiction between economic globalization that takes place in restricting traditional Islam and Islamic religious identification. Now I want to test my model against recent instances of terrorism in France and Belgium.

On November 13, 2015, a coordinated series of suicide attacks were carried out in Paris and then several months later in Brussels by up to a dozen young men of ethnic Arab background born in either France or Belgium. During the suicide attacks they indiscriminately assassinated those they encountered before igniting explosives carried in so-called suicide vests to blow themselves up.

Explanations of these actions tend to focus on such factors as anomie, low rates of employment, aggressive recruiting by radical Islamists, especially Salifists, who could supposedly be countered by watching over French mosques to produce a French form of Islam, and so on. I believe, on

<sup>3</sup> According to Qutb: “Islam cannot accept any compromise with jahiliyya, either in its concept or in its modes of living derived from this concept. Either Islam will remain, or jahiliyya; Islam cannot accept or agree to a situation which is half-Islam and half-jahiliyya. In this respect Islam’s stand is very clear. It says that truth is one and cannot be divided; if it is not the truth, than it must be falsehood. The mixing and coexistence of the truth and falsehood is impossible.” Sayyid Qutb, *Milestones (Ma’alim fil Tariq)* English Translation, Indianapolis: American Trust Publications, 1990, p. 101-102, 112, cited in David Zeidan, “The Islamic Fundamentalist View of Life as a Perennial Battle,” in *Middle East Review of International Affairs*, vol. 5, No 4, p. 5.

<sup>4</sup> See: *Hegel G. W. F. The Encyclopedia Logic*, part one of the *Encyclopedia of the Philosophical Sciences with the Zusätze*, trans. T. F. Geraets, W. A. Suchting, and H. S. Harris, Indianapolis: Hackett, 1991, § 119, addition 2, p. 187.

<sup>1</sup> See: *Rodrik D. Has Globalization Gone Too Far?* Washington, DC: Institute for International Economics, 1997.

<sup>2</sup> See: *Jagdish Bhagwati*, *In Defense of Globalization*, New York: Oxford University Press, 2004.

the contrary, that the difficulty does not lie in adherence to Islam, nor in the Islamic religion that is supposedly outmoded, nor again in the recruitment carried out by those associated with Daech, and so on.

I have argued that the main “cause” of 9/11 lies in the perceived opposition due to continued expansion of modern industrial capitalism into the traditional Islamic space. A similar, basically economic cause leads to a similar result starting from a different situation among young men born to North African parents in Western Europe. In the most conservative Arab countries, there is a tendency, which culminated in 9/11, for young Arab men to identify with conservative forms of Islam leading to violent action directed against the capitalist West, especially the United States. Among first generation Europeans of Arab descent, the problem of identification is posed differently with respect to a form of alienation.

Above it was pointed out that in traditional Arab societies those who cling to its most conservative forms often understand Islam as under attack by the so-called Western way of life, above all the ever-expanding nexus of international capitalism. In the capitalist West, the usual identification of young West Europeans with the hopes and dreams of modern industrial society often fails to occur for first generation Europeans of Arab descent, that is among those who for whatever reason do not accept the single over-riding economic project running through the contemporary world. At stake is a basic failure to identify with, say, traditional French values, the famous trio of liberty, equality and fraternity, which are routinely cited if not observed, so often evoked but just as often honored in the breach, but above all with modern industrial capitalism as currently practiced in either France or Belgium. Since such an individual does not share the indigenous values in the country of one’s birth, that person is open to identifying with other values, values

that lead to terrorism that is specifically recommended by those who recruit for the terrorist cause.

### **Conclusion: The non-economic alienation of modern industrial society and terrorism**

I come now to my conclusion. I have described a constructivist approach to understand history, including such recent terrorist events as 9/11. I have further applied this model to understand contemporary West European terrorism.

The two forms of international terrorism share a common origin in global capitalism. In 9/11, Islamic terrorism reacted against international targets. In more recent instances of European terrorism first-generation Europeans have attacked the countries of their birth on behalf of Islamic organizations. The final cause is in both cases a defense of Islam, a form of religion that correctly or incorrectly is or at least is perceived by its adherents as under economic pressure exerted on Islam through the incessant expansion of global capitalism.

I will bring this paper to a close with a remark about alienation. In the 1840s, Marx described an economic form of alienation resulting from the normal functioning of the productive process in modern industrial society. There is a second, non-economic form of alienation, which does not occur within, but rather outside the productive process. The latter form of alienation results from the fact that in modern industrial society some first-generation Europeans born of North African parents act as if they were confronted with a choice among two opposing possibilities: identifying or failing to identify with the country of their birth. Those who fail to identify with the country in which they are born and raised unfortunately sometimes see the main alternative as a “return” to a perhaps mythical view of a form of Islam to give meaning through international terrorism to lives that otherwise seem not be meaningful.

**Vadim Rossman<sup>1</sup>**

## **NATIONS, NATIONALISM AND SYMBOLISM OF CAPITALS**

The prominent theorists who developed a general theory of nations and nationalism pointed out the role played by the vernacular forms, newspapers, novels and map-making in the genesis of the concept of a nation as an imagined community (Benedict Anderson). However, none of the known nation theorists paid attention to the role of capitals or national capitals in the nation-building. Meanwhile, the appearance of the capitals in the 17th century was not only an important milestone in the process of European nation-building, but also an important catalyst for the corresponding nation-building process. Moreover, the nature of a capital was largely determined by the nature of a nation, its de-

velopment and transformation ways, as well as the forms of its constitutional structure (unitary and federal nations). Although the choice of capitals is a fundamental nation-building element in several different ways influencing both the formation of a nation and the various stages of its building, this report will concentrate on just one aspect of this matter which is the symbolism of national capitals.

The capitals’ symbolic function largely determines the political success or failure of a city as a national capital. The nature of the symbols chosen indicates the capital’s representativeness level and its integration potential.

It is possible to distinguish three efficiency aspects of the capital’s symbolic function: inclusion or representativeness of symbols in relation to all the national project participants, integration of the capital’s symbolic and performative functions, as well as integratedness of actual national and universal – global and modernized – symbols on the city scale.

Inclusion of symbols implies participation of micro-narratives of various national constituent elements in the city

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visual range and in the meta-narratives embodied therein. Thus, the visual space of a capital incorporates different identities of its component members, regions, lands, states, republics, ethnic and social groups. In Washington, avenues are named after different states and, in some cases, their size and location reflect the place and the role of the state in the formation of the American nation and the American Revolution. Massachusetts and Pennsylvania Avenues, not by coincidence, are central in the communication system and the symbolic order of the city. In Canberra, the central avenues symbolically connect previously separate Australian colonies: Brisbane Avenue, Adelaide Avenue, Union Avenue.

Even building materials have their symbolic significance, for instance, those used in the Australian Parliament building construction were brought from the different parts of the federation. The monuments and sculptures present in the Capitol building in Washington, DC, are made of materials specific to certain American states. The frescoes on the Canadian Parliament building represent plants and animals from all Canadian provinces. The capitals' toponymy often represents different country regions.

Capitals represent not only the identity of all states or territories, but also the small identities and small peoples which, in some cases, played a special role in the construction of a new capital. For example, there is a sculpture in Brasilia on the square Praça dos Três Poderes dedicated to Candangos, a small Indian tribe which lived in the area dedicated for the construction of the new capital and participated actively in the construction thereof. The names of the Australian and Canadian capitals (Canberra and Ottawa) originate from the Aboriginal languages spoken there. The multiplicity of narratives embodied in the spatial city plan reference points provides inclusion and integration potential of a new city.

Therefore, it is interesting to pay attention to a kind of succession between the modern planned capitals and the capitals of the ancient imperial and despotic states.

Thus, for example, the capital religious cult centres of ancient Egypt incorporated religious shrines and pantheons of local gods. In China, during unification of ancient principalities under the Qin power (221 BC), the Xianyang capital, which was specifically placed not far from the ancient sacred capital of Chou, integrated the cults of the principalities attached. The Emperor Qin Shi Huang built copies of the palaces of all the local princes (zhuhou) around his new capital, thereby transferring there a part of the sacred status of local centres and altars of the earth and celestial. He also brought ceremonial bronze bells and drums, which formed a part of the local religious cults and were taken from the capitals of old principalities, to his palaces. All this served to strengthen the Xianyang status as the only Chinese sacred centre attaining all political and sacred powers. In ancient Assyria, plants and animals from all over the state were gathered in the palace gardens. In the Grand Duchy of Moscow, princes tried to bring to the capital the most important all-Russian shrines from the other cities: the icons of Christ Pantocrator (Novgorod), Annunciation to the Blessed Virgin Mary (Veliky Ustyug), Hodegetria (Smolensk), Theotokos of Vladimir, the icon of Pskov-Pechery, Holy Mandylion of Edessa from Khlynov, St. Nicholas of Velikoretskoye from Vyatka, etc. were placed in the Assumption Cathedral.

However, this form of symbol integration has the opposite meaning. If the Ancient despotic states were rather determined to attain the sacredness and level private identities, the modern states highlight inclusion.

The most successful states manage to create public spaces in the capitals allowing representing, localizing and integrating of social protest movements, which also contributes to inclusion.

Performativity. The symbols' efficiency is also expressed in their performative nature, their relation with national rituals and ceremonies. As a result, symbols obtain a specific meaning of actions and dictate certain behaviour standards. Such conjugation of performativity with symbols is achieved at its brightest in planned capitals, the forms of which have been specially designed to perform ceremonial activities. Here, the spatial organization itself invites to hold celebrations of national feasts and festivals, and space symbols are related to the time symbols and to the national events taking place in a certain capital.

According to the Canadian urban planners, a capital is a place where "the past is emphasized, the present is visualized and the future is imagined" (NCC, 2000). The performative function provides this kind of space-time relation. The symbolism of some of the new capitals, their accentuation of connecting space with certain actions and rituals, is not inferior to the complex, sophisticated and multi-layered nature of sacred ancient capitals.

Mikhail Vilkovsky, the architecture sociologist, describes one of such successful performative and symbolic capital systems using Washington as an example. In this city, the past, the present, the future and the eternal are spaced by cardinal directions in relation to the symbolic cross in the centre, where there is a monument to George Washington with the viewing platform on the top. Therefore, the White House building symbolizes the present, the Jefferson Memorial – the past, the Capitol – the future, the Lincoln Memorial and the Arlington Cemetery – the eternal.

Thus, the symbols and the performative potential of the capital and its architecture provide to a greater or lesser degree of success the effect of participation of the nation in the most important national ceremonies.

One indicator of the performative effectiveness is the availability of public spaces, which is especially important for capitals. In this regard, urban specialists distinguish three guises of such availability: visual, symbolic and physical. Herewith, the opportunity to participate in the nation rituals in its public spaces enhances the effect of symbolic availability. Greater availability of public spaces, their greater democratic nature and performative openness make them more suitable for the performance by the capitals of their integrative function and give a sense of belonging to the capital as the national capital. In this sense, the opportunity for participation of the greatest possible number of people is an important advantage of these public spaces.

Connection with global meta-narratives. Success of the capital symbols and the symbolic city capital are also largely determined by the extent of including vertical or global dimension. Therefore, many capitals underline their universal claims and involvement in the general narratives of the world history. Contemporary modern capitals essentially present themselves as nodes of involvement into Enlightenment or modernization projects. The architecture of new

capitals (Brasilia, St. Petersburg, Putrajaya, Delhi) envisages this universal vertical and vision of their special mission in the general processes.

Such a connection with global meta-narratives is carried out not only by the signs and symbols of technological progress and global economy, but also by accentuation of world relations, architectural allusions and alliterations referring to the most important historical centres of ancient times with which the world civilization values and achievements are associated successively (often to Rome, Jerusa-

lem or Memphis). Such plans created a multilayer semiotics of urban space.

The presence of Masonic symbols in the urban development plans of St. Petersburg, Washington, Brasilia and Canberra may be interpreted in line with the said symbolism; such symbols are mentioned not only in the works of pop historians, but also by many serious historians (D. Ovason, C. Pinto, L. Matsikh, P. Proudfoot et al.). To a certain extent, new capitals reproduce the elements of ancient sacred capitals with their world order and space functions.

**Ashok Sajjanhar<sup>1</sup>**

## INDIA'S ACT EAST POLICY – CHALLENGES AND OPPORTUNITIES

1. The NDA government can be justly satisfied with the considerable progress registered under the rubric of the Act East Policy (AEP) launched by Prime Minister Modi in Nay Pyi Taw, Myanmar in Nov, 2014.

2. AEP is the natural successor to the Look East Policy (LEP) that was put in place by the then Prime Minister Narasimha Rao in 1992 under radically different geo-political and economic circumstances. LEP was primarily focused on strengthening ties between India and Asean countries. Economies of the 6 Asean countries (4 countries joined the grouping later in the '90s) were growing at a rapid pace, earning them the sobriquet of Asian Tigers. On the contrary, the licence permit raj put in place by India after independence and the oil shocks of the '70s and '80s had resulted in a situation which reduced the import cover of the country to a mere 10 days as against the normally acceptable healthy level of 3 months. End of the cold war and disintegration of the Soviet Union in 1991 provided a welcome opportunity to India to reach out to South-East Asia to capitalize upon its historical, cultural and civilisational linkages with this region.

3. The Look East Policy registered impressive gains for twenty years after its inception. Having become a sectoral partner of Asean in 1992, India became a dialogue partner and member of the Asean Regional Forum (ARF) in 1996. India and Asean entered into a summit partnership in 2002, the tenth anniversary of LEP, and launched negotiations for a Free Trade Agreement (FTA) in goods in 2003. These discussions culminated in a bilateral deal being concluded in 2009 and becoming effective in 2010. Bilateral trade and investment showed impressive gains in the first decade of this century. While bilateral trade had increased from USD 2 billion in 1992 to USD 12 billion in 2002, registering a growth of 12% annually, it zoomed to USD 72 billion in 2012 with a cumulative annual growth of around 22% over the preceding 10 years.

4. The last few years have however failed to realize the promise to advance the relationship to the next higher lev-

el. Even Hillary Clinton, the then US Secretary of State during her visit to India in 2011 remarked that India should not merely "Look" towards the East but more importantly "Act" and "Engage" with the East.

5. The NDA Government's Act East Policy enunciated in Nov, 2014 within six months of its assuming power in May, 2014, seeks not only to revive and reinvigorate India's relations with Asean but expand its engagement beyond this region to encompass a much wider expanse spanning from the Koreas in the North to Australia and New Zealand in the South, from Bangladesh in India's neighborhood to Fiji and Pacific Island countries in the far East. During the visit of Bangladesh President to India in Dec, 2014, the first after a gap of 40 years, PM Modi stated that India's Act East Policy commences from Bangladesh.

### India's Engagement with ASEAN – a Step in the Right Direction

6. Asean however continues to form the central pillar of India's Act East Policy. This is evident from the very active exchange of visits that has taken place between India and this Region over the last 20 months. PM Modi himself has travelled to Singapore twice, once to attend the State funeral of Singapore's first Prime Minister, the legendary Lee Kuan Yew in March, 2015, and again to mark the 50th anniversary of establishment of bilateral relations and establish a strategic partnership in Nov, 2015; to Myanmar to participate in the East Asia Summit (EAS) and the India-Asean Summit in Nov, 2014; and to Malaysia in Nov, 2015 for a bilateral visit as well as to attend EAS and the India Asean Summit. The External Affairs Minister Sushma Swaraj too has visited Indonesia, Vietnam, Singapore, Thailand and Myanmar during this period.

7. From Asean also several visits to India have taken place including that of the Prime Minister of Vietnam in Oct, 2014, President of Singapore for celebrations of 50th Anniversary of establishment of diplomatic relations etc. Visits of several senior Ministers in both directions have taken place to provide a strong impetus to engagement between the two.

8. Myanmar occupies a special position in our matrix of ties with ASEAN states. It is contiguous to our North-East region sharing a land boundary of 1,700 kms with 4 states including Manipur, Mizoram, Nagaland and Arunachal Pradesh. Projects such as the India-Myanmar-Thailand Trilateral highway can prove to be a game-changer to connect

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India's North-East with Asean countries. India is a party to the ambitious Trans-Asian railway project but progress has been less than satisfactory on account of inadequate political will of the stake-holders and differences on alignment of the rail network amongst participating countries. Without adequate cross border connectivity, it would be well nigh impossible for India's north-eastern states to reap the full advantages of our Act East policy.

9. In addition to North-Eastern States, West Bengal is ideally poised to play a significant role in and become a major beneficiary of India's Act East policy. The Kaladan Multimodal Transport Project (KMMTP) seeks to connect Kolkata with Sittwe port in Myanmar going further to Lashio via Kaladan river boat route and then on to Mizoram in India by road transport.

10. Thailand also occupies a unique place in promoting India's Act East Policy. In addition to the ancient and historical cultural, maritime, business, religious and linguistic ties between the two countries, the large Indian diaspora which has settled in Thailand since the end of the nineteenth century presents a unique opportunity to craft a rapidly expanding relationship between the two countries. After the highly successful visit of Vice President Ansari to Bangkok and Chiang Mai in early Feb, 2016, several high level visits to India including the maiden visit of Thai Prime Minister General Prayut Chan-o-cha, visit by Crown Prince Maha Vajiralongkorn, heir to the Thai throne, and by the highly talented, multi-faceted Princess Maha Chakri Sirindhorn to receive the first International Sanskrit prize, will take place during the coming months. These will provide a further filip to our bilateral engagement and strengthen ties providing greater substance to India's Act East Policy.

11. Indonesia, Singapore and Vietnam are other member States of Asean which have strong bilateral relations with India and which will prove to be significant partners in providing a quantum jump to our ties with this region. Singapore in addition to having strong and vibrant trade and economic relations with India and being the second largest source of foreign direct investment and the first Asean nation to establish a Comprehensive Economic Partnership Agreement (CEPA) with India has always been supportive of stronger and closer ties between India and Asean. In fact it was Goh Chok Thong, the then Prime Minister of Singapore who in 2004 equated Asean with the body of a large airliner with China as one of the wings and the need to provide a second wing in the form of strong relations with India.

12. Relations with Indonesia present significant possibilities with new dynamic and popular leaders in both the countries. PM Modi had a productive and fruitful meeting with Indonesian President Joko Widodo in Myanmar in Nov, 2014 on the side-lines of the East Asia Summit. Relations have been further advanced by the visits of VP Hamid Ansari in November, 2015 and by EAM Sushma Swaraj in April, 2015. Indonesia has emerged as the second largest trading partner of India amongst Asean nations. Although cultural and literary interaction between the two countries is advancing at a rapid pace, it is essential to actively engage Indonesian businessmen to look closely at India to further enhance bilateral commercial and economic ties.

13. Vietnam constitutes a significant trade, strategic and defense partner of India. Its significance in our outreach to the region has grown considerably on account of the grow-

ing assertiveness of China on the South China Sea issue with the latter having declared it as one of the core issues of its foreign policy.

14. The allocation of USD 1 billion to promote connectivity between India and Asean, announced by PM Modi during his visit to Malaysia in Nov, 2015 will go a long way in bringing India and Asean closer together.

India, ASEAN, and the Chinese Conundrum

15. Issue of ownership, control, usage and exploitation of oil, gas, mineral and fisheries resources in the South China Sea has emerged as a major dispute between China and several Asean countries like Vietnam, Philippines, Brunei and Malaysia. There is however no unanimity amongst Asean on how to deal with China on this issue. India is concerned because more than 40% of its trade passes through the South China Sea. It is also interested in harnessing fossil resources in the region for meeting its energy needs. ONGC Videsh Limited (OVL) entered into Agreement with Vietnam to prospect in oil blocks 127 and 128 off the Paracel islands which fall within the EEZ of Vietnam. In recent discussions including at the East Asia Summit in Kuala Lumpur in Nov, 2015, India along with several others supported freedom of navigation, ensuring maritime security, expeditious resolution of dispute according to provisions of international law viz UN Convention on the Law of the Seas 1982, developing a Code of Conduct, and settlement of the dispute through dialogue and peaceful means.

16. PM Modi has made determined efforts to reach out to other countries in East Asia to get greater maneuverability and strategic space and provide an impetus to the several initiatives launched by the government for speedy economic development of the country like Make in India, Skill India, Digital India, promote energy security, create infrastructure, build smart cities etc. Simultaneously, these endeavours are designed to generate greater flexibility and political space to contend with the increasing assertiveness and unilateralist approach being pursued by China.

17. China's peremptory attitude over last many years has added to the anxieties and concerns of countries in South East Asia and beyond. They would like India to play a more active countervailing role in the region. This interest and desire on the part of these countries meshes flawlessly with the efforts by India to reach out pro-actively to countries of the region for mutually beneficial engagements.

#### **Building a Trade Partnership – Moving Towards a Free Trade Agreement**

18. Negotiations on the Regional Comprehensive Economic Partnership (RCEP) Agreement which commenced in 2012 are due to be concluded this year. This grouping which in addition to the Asean 10 includes China, Japan, ROK, Australia, New Zealand and India represents 40% of the world population and 23% (USD 17 trillion) of the world GDP. With the signature of the Trans Pacific Partnership (TPP) Agreement in Auckland, New Zealand on 4th Feb, 2016, it has become imperative for RCEP members also to urgently conclude negotiations for an ambitious, far-reaching, balanced and equitable deal. India needs to ensure that the final text fully safeguards and promotes its interests unlike the India-Asean FTA in goods. However the India-Asean FTA in services and investment which was signed in 2014 and which is expected to

come into force this year is expected to significantly enhance India's exports to this market because of the inherent strength of India in the services sector.

#### **The India – Japan Partnership**

19. India's relations with Japan have seen a momentous upswing since the NDA government assumed power. Japan was the first bilateral visit undertaken by PM Modi outside the South Asia neighbourhood. Both Modi and Japanese PM Shinzo Abe were able to build on the close rapport developed by them during Modi's tenures as Chief Minister of Gujarat. The visit resulted in a commitment to invest USD 35 billion by Japan in India over the next five years including in some flagship initiatives like smart cities, Delhi-Mumbai Industrial corridor, shinkansen bullet train between Mumbai and Ahmadabad and several more. All these initiatives witnessed a pronounced push during the reciprocal visit by Abe to India in Dec, 2015. The crowning achievement of Abe's visit was the decision to enter into a civilian nuclear deal with India, discussions on which had been going on for several years. Japan has been the last country to come on board on this issue as this is an extremely sensitive issue for it domestically since Japan is the only country to have suffered the destruction of two of its major cities – Hiroshima and Nagasaki on account of dropping of atom bombs on them in 1945.

#### **Engaging the Middle Powers – Australia and South Korea**

20. The last twenty months have also seen a rapid evolution of ties between India and Australia. The then Australian Prime Minister Tony Abbott visited India in Sept, 2014, within a few months of coming to office of NDA government, and signed the civilian nuclear deal. Special significance of this deal emanates from the fact that Australia has the world's largest reserves of uranium. This Agreement is immensely beneficial as India seeks to enhance its energy generation from nuclear reactors from the current 5,000 MW to 62,000 MW by 2032. Modi paid a bilateral visit also to Australia, the first by an Indian Prime Minister in 28 years, following his participation in the G-20 Meeting in Brisbane in Nov, 2014.

21. Modi used the opportunity of his visit to Canberra and Melbourne in Nov, 2014 to travel to Fiji and interact with the 12 leaders and representatives of the Pacific Island nations. This was the first visit by an Indian PM to Fiji in 33 years. This was followed by a Conference in India with 14 Pacific Island countries in August, 2015. Going forward these ties will stand India in good stead in providing it with critical support on issues of global concern and interest like reform and expansion of the UN Security Council, progress on India's proposal for concluding a Comprehensive Convention on International Terrorism etc.

22. Modi also reached out to Mongolia, the first Indian PM ever to visit this friendly country situated in the North-West of China. India shares strong cultural, spiritual and historical ties with this nation. Presence of vast reserves of uranium and inking of a civilian nuclear deal adds further substance to this partnership.

23. Following his visit to China and Mongolia, Modi travelled to South Korea to further deepen bilateral commercial and economic partnership with this rapidly expanding economy. Discussions on upgrading the bilateral FTA in goods to a balanced and equitable Comprehensive Economic Partnership Agreement have been initiated.

#### **India – U.S. Partnership in the Region**

24. During President Obama's visit to India as the Chief Guest at India's Republic Day celebrations in Jan, 2015, PM Modi in his remarks at the US-India Business Summit stated, "For too long India and the US have looked at each other across Europe and the Atlantic. When I look towards the East, I see the Western shores of the United States." The Joint Statement "Shared Effort : Progress for All" issued during the US President's visit recalled "Noting that India's Act East Policy and US' Rebalance to Asia provide opportunities for India and the US and other Asia Pacific countries to work closely to strengthen ties, the Leaders announced a Joint Strategic Vision to guide their engagement in the Region."

#### **Conclusion**

25. India's Act East Policy seeks to further strengthen collaboration with Asean nations. Partnerships promote economic revival through implementation of India-Asean Free Trade Agreement in Services and Investment, and enhance strategic cooperation to fight terrorism, freedom of navigation, maritime security and defense cooperation. In addition, use of soft power such as Buddhism, tourism, people to people contacts, and cultural ties with the region are being harnessed.

26. The Act East Policy must look to improve Indian connectivity with Asean, particularly between North East India and Myanmar via the Trilateral Highway and Kaladan Multi-modal Trade Transit Project, BIMSTEC etc to promote peace and prosperity in the North-East region.

27. Beyond Asean, India must work to strengthen ties with East Asia particularly Japan as also with Republic of Korea and Australia, both in strategic and economic areas. Technology transfer, civilian nuclear cooperation, defence, innovation are important sectors which need to be exploited.

28. Lastly, on China, continuous engagement is necessary to expand cooperation, particularly on the economic front. With India the second largest shareholder of the AIIB and an equal partner in the NDB, the forthcoming decades must ensure that areas of conflict are minimized and economic integration for benefit of both nations fully leveraged.



## Vincent della Sala

### THE EUROPEAN UNION AND ITS MANY CRISES

In 2005, Mark Leonard who is the founder and director of the very influential think-tank, the European Council on Foreign Relations, wrote a book that had wide circulation in Europe. Its very provocative title, *Why Europe Will Run the 21st Century*, was music to the ears of political elites in Brussels and European capitals, who shared Leonard's fervent belief that the European Union represented the future. Just ten years later, few would credibly claim that the EU represented the future let alone that it would be the guiding force in a new global order. Far from dominating this century, Europe and, in particular the European Union, risk creating instability in the international system with its fragile currency union, inability to address the question of migration and the rise of populist movements.

What has happened to the European "dream" of creating an "ever closer union" of sovereign states that have often been bitter enemies? Was it all just a dream to imagine that states could forget their histories and create a new international order based on the erosion of sovereignty? What I would like to argue is that Europe, or more precisely the European Union, is at a cross-roads today with very few options that can guarantee stability and prosperity. And it is at this point not because the original idea of trying to create closer cooperation between European states was idealistic but because many began to believe that a new international order could be created without any reference to power, national interests or national identity.

The discussion will begin by looking at why some felt that the future did indeed belong to Europe and the European integration project. I will try to show in what ways they may have been right but mostly I will try to show how European elites in the Cold War period were driven by an almost ideological fervour that the European Union was forging a new international order; and this belief in what many have called Europeanism blinded them to real problems and to understanding the ways in which the international system is changing. The second part of my paper will look at some of these problems and the challenges that the EU faces; challenges that risk undermining the process of European integration and creating instability in Europe and beyond.

#### The European Dream?

There are many different ways in which the ideas and ideals of Europeanism has been expressed, from an appeal to a historic common bond going back to the ancient Greek and Roman empires to the invocation of European "values". However, the one narrative or myth that is central to the belief in Europe is the notion that the European Union represents a break with the principle that the international system is based on national interest, sovereignty and, most importantly, power; especially if it is understood in military or coercive terms. Leonard talks of the "weakness of power" and of how it is "outdated"; former President of the European Commission Jose Maria Barroso said that those international actors that still believed in power and sovereignty were "trapped in history". The EU is seen as both different but also on the vanguard of a future international order where it is common interests in addressing shared problems

that will drive behaviour more than national histories, identity and power.

An important part of this vision of the future belonging to the European Union is the notion in the "transformative power" of Europe. This is the belief that the "power" of the EU rests in its ability to change societies and, in doing so, too create a new international system. Leonard talks of how "once sucked into its [the EU's] sphere of influence, countries are changed forever" (Introduction). This transformative power is translated into official positions that seek to project the EU as a model for other societies in other parts of the world. There are large volumes of academic research that have tried to highlight the ways in which the EU is transforming societies and the international system. It is important to note that a great deal of this research is funded by the European Union itself through its various research programmes.

What is wrong with this prediction of the future? First, it is not an empirical claim. Yes, the 28 member states that are part of the European Union have been transformed in the post-war period but a great deal may be due to membership in the EU. Prosperity has come and is coming to many other parts of the global economy and it is not always due to the liberal principles upon which European integration has been built. There are alternative models of economic governance that are increasingly attractive and perhaps are not encumbered with the normative baggage that is part of the European project. Second, the claim that the future belongs to Europe can only be made by (erroneously) forgetting the past. The member states of the EU are still tied to their past in both their domestic and international politics. To expect that these ties that bind would simply evaporate just because there is close economic cooperation is an assumption made by liberalism that is not rooted in history or empirical evidence. Proof of this is Europe's difficulties in finding solutions to its multiple crises. Third, what is striking in these accounts is that there is rarely any consideration that the transformative power of Europe can be intrusive and driven by material interests. Much like 19th century missionaries, the assumption is that societies need to be transformed and adopt European values and institutions for their own good.

Leonard's prediction and the hopes of European elites for the EU to shape the international system have not been realised. It would be too easy to say that the European dream was interrupted crises that originated outside of Europe. However, as we will see below, the crises have only revealed Europe's problems, not caused them.

#### The Never-ending Euro Crisis

In July 2015, the Greek government of Alex Tsipras accepted the terms of a rescue package that essentially contained most of the same terms that had been rejected by voters in a referendum a few weeks earlier. Sounds of relief could be heard throughout Europe as it was felt that finally the survival of the single currency could be guaranteed. Growth was returning to most parts of the Eurozone, commodity prices were lowering costs and the European Central Bank's commitment to quantitative easing helped stabilise markets.

More importantly, important rules and new structures that were implemented over the crisis were strengthening transnational economic governance and moving towards the creation of a banking union. There was the sense that the year's events confirmed what many believed had been a central feature of the EU's history; that each crisis would lead to steps towards more integration.

Yet, there are few who would predict that stable growth will characterise the near and medium term future in the EU and the Eurozone. Unemployment remains at unacceptably high levels and youth unemployment in countries such as Spain, Greece and even Italy is at dangerous levels (over 40%). This is no longer just a cyclical problem but a structural and generational one; there is now a generation of workers, especially young workers, that has not been in a stable job for over five years. And the prospect that their situation in the next year will improve is not great. This is a social crisis that governments struggling to meet the strict public finance requirements of the fiscal compact (the rules that govern public finances for member of the Euro) have not even begun to address. While it seemed that the Greek crisis was resolved in 2015, the government still has to implement changes such as introducing cuts to pensions that total 1% of GDP. After six years in which austerity has not produced any significant economic growth, it remains the recipe that is supposed to bring back prosperity to the Eurozone's periphery.

More importantly, governments and political elites have not faced the fact that the single currency is based on an economic model that does not have and will probably never have a widespread consensus throughout the EU. It is clear that the EU needs some sort of fiscal union to ensure that it has the instruments to deal with the asymmetric shocks in the next crisis. States such as France and Italy have called for some form of fiscal transfers and collectivisation of public debt. However, those very same states will not accept that this fiscal union be governed by a centralised authority and based on economic rules that emphasise fiscal discipline and limited state intervention; rules that states such as Germany, the Netherlands and Finland see as the minimum conditions. How this lack of consensus will sustain an economic project that will mean that some states will be condemned to many more years of internal devaluation through lower wages, more cuts to public spending and high levels of unemployment is not entirely clear.

### **Borders and Security**

Polls consistently report that one of the most prized accomplishments and perceived benefits of European integration is border free travel. The ability to move freely for work or pleasure has become a fact of life for a generation of Europeans. More concretely, it is an essential element in the realization of the single market, the ability to have the freedom of movement for good, services, capital and people. Despite the widespread consensus that the dismantling of European internal borders was a significant achievement, it is facing collapse in 2016.

The human tragedy of migrants fleeing war and poverty to seek shelter in Europe has become the greatest challenge facing the European Union. It is not that the large number of refugees and migrants pose a challenge; one million arrivals in a Union of 550 million is not going to upset social equilibria. Nor can it be argued that cultural differences pre-

sent a problem. Cultural diversity is only an issue when societies do not have the means and structures to integrate differences. The real challenge raised by the migrants is that the issue has once again revealed how incomplete the integration project is and how little consensus there is on how to go forward.

Removing internal borders means either having blind faith that the external borders will be governed according to shared criteria by sovereign states who retain control over their territory; or having the external borders now governed and controlled at the EU level. This would mean that sovereign national states that have already ceded monetary policy would give up control over their territory. They would no longer decide who could enter and on what basis. Establishing these common borders means having a clear sense of who and what is Europe; and this is where the roots of the problem rest in dealing with the migrant crisis. Before the EU can deal with migrants as a community, it needs to feel that it is a community, not just of vague references to a community of shared values but to one of shared visions, ideas and identities.

It is likely that the EU will try to find its usual incremental solution to the migrant crisis. It has and will continue to put pressure on Greece to control its external borders and then will criticise Greece (and Italy) when this will result in tragic deaths at sea. Solutions will be sought that will choke off flows of migrants to northern Europe, creating large pockets of displaced people (mostly single young men along with many unaccompanied children) throughout the Balkans and parts of the Mediterranean. This will be seen as an EU solution but it will only create a time bomb waiting to set off a series of social and political conflicts.

The migrant question has also pointed out the challenges the EU faces with respect to thinking like a community about internal security. Combined with terrorist attacks in Paris and elsewhere, the flow of migrants has raised fears of loss of control of borders. Political movements have begun to play and stoke these fears at a time when large parts of European society are still feeling the effects of the economic crisis. What the migrant crisis has shown is that the "European values" that were so supposed to be so solid and the basis of a new international order may be more fragile within the EU's borders than supporters of the EU have wanted to admit in the past. As in the case of the economic crisis, the member states have shown little solidarity with each other (and even less towards the migrants) because they still have national interests that speak to national communities.

### **The Return of Geopolitics to Europe**

The argument that the 21st century would belong the European Union was premised on the assumption that strategic and geopolitical calculation, based on the use of power, was no longer part of the dynamics of relations between states in Europe and beyond. But a series of events, from the Arab Spring to the conflict in Syria to questions about energy security, have made apparent that national interests and power politics are still very much part of the international order. For supporters of the European Union, like Mark Leonard, this presents a dilemma. It means that the EU has to become a strategic actor, ready to identify objectives and developing the means, even military, to pursue them. We need to ask whether this is likely to happen.

There are three reasons why it might not be. First, the primary structure in Europe's security architecture remains NATO and that is not likely to change soon, not the least because the influence of the United States on European security is still quite great. There is little consensus amongst the 28 EU member states on any plan to replace NATO with some other form of architecture. This is especially the case with some of the member states from eastern and central Europe. Second, there is a strong economic incentive not to replace NATO with a more independent security policy in the EU. Most of the EU member states are simply not prepared and many not able to increase military spending that would be necessary for a more independent policy. Post-war prosperity and welfare states in Europe were possible, in part, because defence spending did not occupy a major part of government budgets because the NATO and the United States provided a security umbrella. In a period in which governments are cutting back on all forms of public spending, it is not likely that they will have political capital to increase it for defence in the name of having a strategic foreign policy at the European level. Third, being a strategic power means have the consensus to agree on long-term objectives and the political will to take measures to achieve them in the short and medium term. There is no evidence that this consensus exists or that governments have or willing to use political capital to achieve European objectives.

#### **The Referendum in Britain**

The Conservative government of David Cameron has promised that the United Kingdom will have a referendum in 2016 or 2017 in which the British will decide whether they will remain as a member of the European Union. With all of the attention drawn by the Greek, migrant and geopolitical crisis, the possibility of a British exit (Brexit) seems to have been pushed to the back pages of the newspapers. However, a British exit would fundamentally change the course of European integration. It would mean the end of the idea that integration was an unstoppable process in Europe, always deeper into policy areas and wider with new members. More importantly, it would change many of the dynamics in the EU. Germany would lose an important ally in its quest to make European economies more liberal, while some of the eastern and central European members would lose a more Atlanticist partner. The French-German access would no longer have a counter-weight across the English Channel.

The referendum campaign, and the British government's attempts to re-negotiate the terms of membership, comes at a time when the EU is facing existential crises on so many fronts. As a German diplomat was quoted as saying, "The house is on fire and the British want to discuss how to re-arrange the furniture." At a time when the EU needs unity and cohesiveness, it risks a difficult negotiation with Britain in order to arrive at a package that will convince voters to remain in the EU; and failing that, an even more difficult negotiation to settle on the terms of a divorce if the vote is to leave. If Britain were to leave the EU, it would create instability not only on the continent but also within the UK. Scotland, which narrowly voted to remain part of the UK in 2014, is strongly pro-EU and there is the very real possibility that it would hold a second referendum.

#### **The European Union at a Crossroads**

The European Union and Europe are not going to run the 21st century. Indeed, the culmination of these various crises have helped return some of the ugly sides of the politics of the last century. Not only are European states increasingly distrustful of each other, their internal politics are seeing increasingly intolerant forms of populism. Appeals to Europe's "values" are hollow as member states put up fences and look to all forms of outsiders as potential threats.

Europe's crises are real but what is preventing it from finding concrete solutions is that, at the European level, there is little recognition that the EU that was to run the 21st century does not exist nor is there an international system that will allow it to exist and solve concrete problems. Power still matters in politics and political communities are formed because they want to use power to achieve their objectives, primarily to guarantee their security and well-being. It is still national states that provide communities with this ontological security that gives them a sense of meaning and belonging. The EU has a future if political elites can regain a sense of proportion of what is possible and that interdependence is simply a way for national states and nations to feel safe in an increasingly dangerous world. It does not have a future if it sees itself as a normative and transformative power that wants to change other societies and the international system. The events of the last decade have given little evidence that the EU will be able to respond to the challenges described here. This will make Europe and the international system that much more unstable and that much more dangerous.

Jacques Sapir<sup>1</sup>

## GLOBAL FINANCE, NATIONAL INTERESTS, AND THE MODEL OF DEVELOPMENT

The rise of global finance is putting national interests at test. The huge flow of capitals is both a bonanza for some but also a major factor of economic destabilization be it at short term or in the longer run, for some countries. Actually, this flow has a very small impact on direct investment. Only 5% of the total flow is linked to real investment and financial globalization of the 1980's and 90's had no impact on the investment process<sup>2</sup>. Still, international finance could constrain to a dangerous proportion the agenda of any government. The current situation of Russia is one case of such a situation.

Russia has been facing Western sanctions since 2014 in the wake of the Ukrainian crisis. Financial sanctions have hurt to a considerable extent the Russian economy either directly or indirectly through the fear obvious in many Western banks to be targeted by specific US government sanctions in their operations with Russian enterprises and banks. But, the impact of these financial sanctions is to be understood in the light of the Russian development model, which, between 2002 and 2012, relied largely on external finance (and non-resident loans) to finance its growth. This model has been found vulnerable to decisions made by the US government, hence raising the issue on Russian national interest. But, in a broader sense, the reliance of Russian enterprises on globalized finance to fund their development is to be questioned<sup>3</sup>.

### The post-1998 development model and its contradictions

Russian growth has been impressive since 1998. But it was linked to different factors. In the immediate years following the 1998 crisis, the GDP "rebound" – as it was called by then – was mostly linked to direct and indirect effects of the sharp ruble depreciation. Imported good became overnight much too expensive, opening a window of opportunity for local producers. This raised their profits and they had to largely increase the production level to face the demand. By doing so they induced first a huge movement of inventories rebuilding and then, from 2001 on, a similar movement for investments. The large increase in labour productivity enabled production costs to be kept relatively low. Destruction of a large part of speculative markets (i.e. markets for GKO) implied that savings could not be used on these markets and were mostly used for investment.

By 2002, when commodity prices began to increase a new mechanism began to set in. The large financial

inflow coming from exports first began to benefit the population but also led to a creeping raise of the exchange rate (notably after early 2006). The increase of income level be it linked to a direct mechanism (the economy rebuilding) or to indirect ones (the real exchange rate appreciation), boosted internal demand. A significant number of foreign enterprises came then to Russia, not just through imports but also notably by developing their own production capacities, boosting economic efficiency. This became obvious with high prices for hydrocarbons. Economic growth became strongly linked to consumption and the huge consumption lag accumulated since the late 1980's gave birth to consumption frenzy. One can already see how global finance exerted its influence over Russia. The complete opening-up of the foreign exchange market made the ruble quite vulnerable to inflows or outflows generated by speculative anticipations<sup>4</sup>. If this move was seen as a necessity to attract more foreign funding to the Russian economy it also put the Central Bank into a hot spot and added water to it. The Central Bank of the Russian Federation began engaged in a fight to stabilize the ruble either against too strong appreciation (when oil prices went up) or against equally too strong depreciation (when oil prices went down).

In retrospect these years gave birth to a very specific development model where Russia was not just specializing into commodities export but became dependant too of the Western financial banking system to fund its development. This was one of the biggest challenges for Russian sovereignty. Capital exports, fuelled by the huge trade surplus, were used as a kind of guaranty for Western loans. Reasons behind this trend were complex. Certainly, the fact that interest rates were lower on international finance markets than in Russia, a fact made more obvious by the Real Exchange Rate appreciation, played an important role in these developments.

The Central Bank policy, with its preference for high interest rates and an out dated strategy whose roots are going deep into the monetarist paradigm<sup>5</sup> was a strong incentive for enterprises and banks alike to move to Western banks and financial markets to find funding. But the state of the Russian banking industry too, was a distinct factor for this preference for borrowing money abroad to finance industrial development. But they were not the only factor. Uneasiness of Russian industry owners or stakeholders with the current Russian government, uncertainty in the Russian institutional system, corruption, all these were important factors too in this preference for using foreign financial mechanism. This could explain why Russian banks and large enterprises have become so dependent in foreign money even if to a large extent internal financing capabilities existed and could have been used to fund economic development. But, in doing so they created a dis-

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<sup>2</sup> Rodrik D., and Arvind Subramanian, (2009), 'Why Did Financial Globalization Disappoint?' in IMF Staff Papers, Volume 56, Number 1, p. 112-138

<sup>3</sup> Durand C. (2007), Pourquoi les firmes métallurgiques russes s'internationalisent-elles? Une perspective institutionnelle et systémique, in Revue d'études comparatives est-ouest, vol. 38, No1, mars, p. 151-194.

<sup>4</sup> Kaminsky G. L., C. M. Reinhart et C. A. Végh, (2004), When it Rains, It Pours: Pro-cyclical Capital Flows and Macroeconomic Policies, Paper prepared for the NBER 19th Conference on Macroeconomics, August 13th, 2004, IMF, Washington DC.

<sup>5</sup> Galbraith J. K. (2008), The collapse of monetarism and the irrelevance of the new monetary consensus, Levy Economics Institute of Bard College, Policy note, downloadable at <http://www.levy.org>

tinct vulnerability of Russian economy to extern financial perturbations<sup>1</sup>, be they induced by a large world economic crisis or by political motivations. As a matter of fact finan-

cial globalization was creating all-over the world a nexus of vulnerabilities<sup>2</sup>, some of which could be triggered by any minor accident.

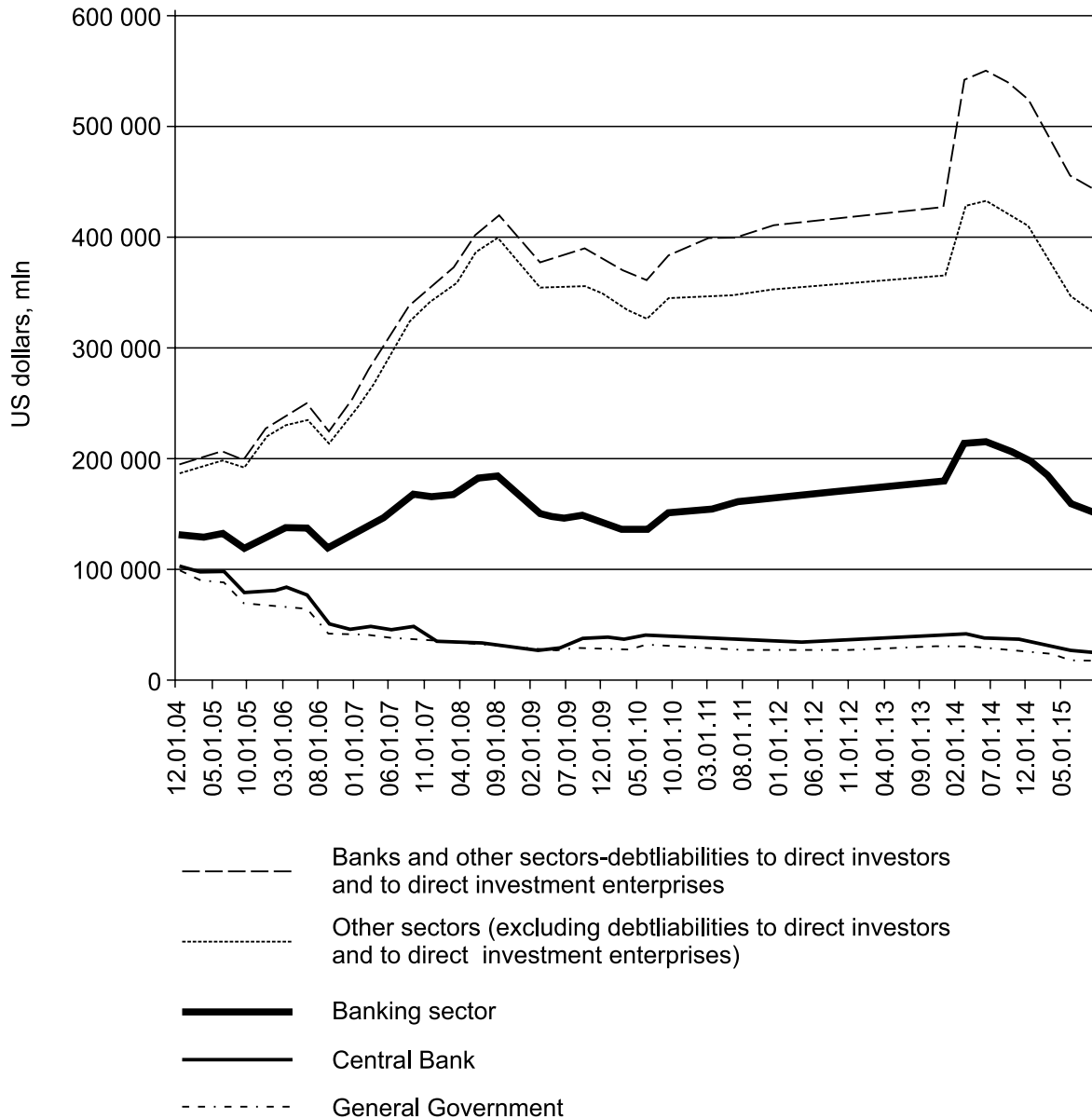


Figure 1. Russian debt to non-resident in foreign currency

Source: Central Bank of the Russian Federation

**How to change a development model?**

This development model was actually undermined by the world financial crisis of 2008-2010. But this model actually collapsed when the United-States and the European Union implemented the so-called “Sanctions” regime. It is to be understood that material sanctions have been mostly coun-

ter-productive<sup>3</sup>. But the picture is quite different when it came about financial sanctions.

This has been compounded with the huge drop in oil prices weakening the rubles. We know that if the share of hydrocarbons in the GDP is quite low, their relevance for internal finance is important. Actually, hydrocarbons (oil and gaz) are not playing major a role in the global production, with a cumulated share of only between 10% and 12%

<sup>1</sup> Sapir J. (2008), Global Finance in Crisis // Real-World Economic Review, No 46, May.

<sup>2</sup> Gallegati, Mauro, Bruce Greenwald, Matteo G. Richiardi, and Joseph E. Stiglitz, (2008), The Asymmetric Effect of Diffusion Processes: Risk Sharing and Contagion, in Global Economy Journal, 8, 3, 2008, available at <http://www.bepress.com/gej/vol8/iss3/2>

<sup>3</sup> Asford E. Not-so-Smart sanctions, in Foreign Affairs, January-February 2016, <https://www.foreignaffairs.com/articles/russian-federation/2015-12-14/not-so-smart-sanctions>

GDP. But they are playing major a role for the budget as they represent nearly 37% of all budget revenues. Such kind of disequilibrium between the production share and the financial share of hydrocarbons is a good picture not just of what has been called the plague of commodities but of long-term effect of a strategy itself induced by too high a reliance

on international finance. To some extent, and this had been aggravated by the complete opening-up of the foreign exchange market in 2006, Russia have relied on energy prices to boost its finances and help foreign borrowing. The impact of oil prices has then been obvious on Russia's economy. But the precise nature of links is frequently not understood

Table 1

#### Budget share (in %) of oil and gaz exports

|                          | For the consolidated budget |      |      |      |      |
|--------------------------|-----------------------------|------|------|------|------|
|                          | 2010                        | 2011 | 2012 | 2013 | 2014 |
| Oil and refined products | 28.5                        | 31.9 | 32.7 | 32.2 | 33.2 |
| Gaz                      | 2.3                         | 3.2  | 3.7  | 4.3  | 4.1  |
| Others                   | 69.2                        | 64.9 | 63.6 | 63.5 | 62.7 |

Source: FCS, Federal Treasury of Russia

One possible relation is a fiscal one. It could lead to a simple relation between oil (and gaz) prices and the rate of exchange. As taxes are paid in rubles, to cover expenditures so made in rubles, one obvious solution would be to let the ruble depreciates when prices are falling down, or to appreciate when they are coming up. But this view of the relations between hydrocarbons and the economy is simplistic to the extreme.

First, as part of Russian consumption is imported a depreciation (or appreciation) of the ruble has a direct impact on the consumption. Of course, high incomes households are proportionally consuming a higher proportion of imported good than incomes with lower incomes. This is why, to some extent, the appreciation or depreciation of the currency is much more felt by high incomes groups of the population. But, these groups are also ones who consume much. So any depreciation of the ruble following a drop in oil prices will generate a drop in global consumption and hit the non-hydrocarbon producing industry. This crunch in the global consumption is usually going with a bout of inflation. Not only prices of imported goods are going up with ruble depreciation but even locally produced goods are seeing their prices increasing as producers are taking the opportunity to increase their margins.

So, even if prices of locally produced goods are increasing *less* than those of imported goods, they will come up too and this will reduce internal consumption. But, this is only one side of the coin.

Oil prices are used as a benchmark in the finance sector to judge the solvency and liquidity of Russian actors. The second indirect link between oil prices and economy is then actually financial. When prices drop the ruble depreciates. When the ruble depreciates economic agents with foreign denominated currencies credits are having a tough time to pay principals and interest. As a direct result of this situation, a strong drop in oil prices is to put indebted agents in a hot spot. But, this is not the only problem. Because of *financial* sanctions Russian enterprises and banks have been cut short form their traditional sources of funding. They could not refund outstanding debts. The amount of debt repayments is growing as a result. The exit flow of foreign currencies for these repayments is also having a negative effect on the exchange rate.

Financial sanctions, cutting Russian banks and large enterprises from western financial markets, or at least severely constraining their ability to borrow money created serious difficulties. Russian debt to non-resident agents declined swiftly and the amount of repayment increased to heavily.

Table 2

#### Payment Schedule of External Debt of the Russian Federation (millions USD)

|                    | Q3<br>2015 | Q4<br>2015 | Q1<br>2016 | Q2<br>2016 | Q3<br>2016 | Q4<br>2016 | Q1<br>2017 | Q2<br>2017 | Total   |
|--------------------|------------|------------|------------|------------|------------|------------|------------|------------|---------|
| General Government | 686        | 200        | 397        | 212        | 495        | 596        | 201        | 1686       | 4473    |
| Central bank       | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0       |
| Banks              | 8766       | 7400       | 4951       | 7241       | 2963       | 4116       | 5960       | 7102       | 48 499  |
| Other sectors      | 27 299     | 25 012     | 10 992     | 17 876     | 8 939      | 17 806     | 11 434     | 12 182     | 131 540 |
| Total              | 36 752     | 32 610     | 16 340     | 25 328     | 12 397     | 22 518     | 17 595     | 20 970     | 184 512 |

Source: Central Bank of the Russian Federation

One important thing here is the fact that the main burden of these repayments has and is to be shouldered till the second quarter of 2017 by enterprises. Enterprises repayments

are making 71% of the total repayment. This is indicating how much Russian enterprises, and mostly large enterprises, have used external funding for their developments.

**The shaping of economic reactions by globalized finance**

The result of these different factors is well known. The ruble has taken quite a beating since late summer 2014. But, this has not been the direct driver for the recession Russia is experiencing. The real driver was the reaction of the Central Bank. And here we could argue well that the Central Bank policy was self-destructing. A large part of the current recession has been created by Central Bank actions and definitely not by Western sanctions or oil prices fall. We are then to precisely figure the Central Bank reaction to the inflationary bout induced by the fall of the rouble we discussed above. The Central

Bank of Russia is committed to an “inflation targeting” policy<sup>1</sup>. Wise or unwise<sup>2</sup>, and we don’t think it is wise as much is to be said about the so-called “inflation targeting” policy<sup>3</sup>, it’s a fact. The CBR will then increase its interest rates every time inflationary pressures are seen coming. But the story doesn’t end here. If the ruble depreciation is taking a fast dive, the Central Bank will increase much its rates to “crush” speculation, as it has been seen in December 2014 when the CBR raised its primary rates to 17%. Here again it was a blatant mistake, but here again it’s a fact. High interest rates have never prevented speculation on any currency in the world<sup>4</sup>. It was too true for the ruble.

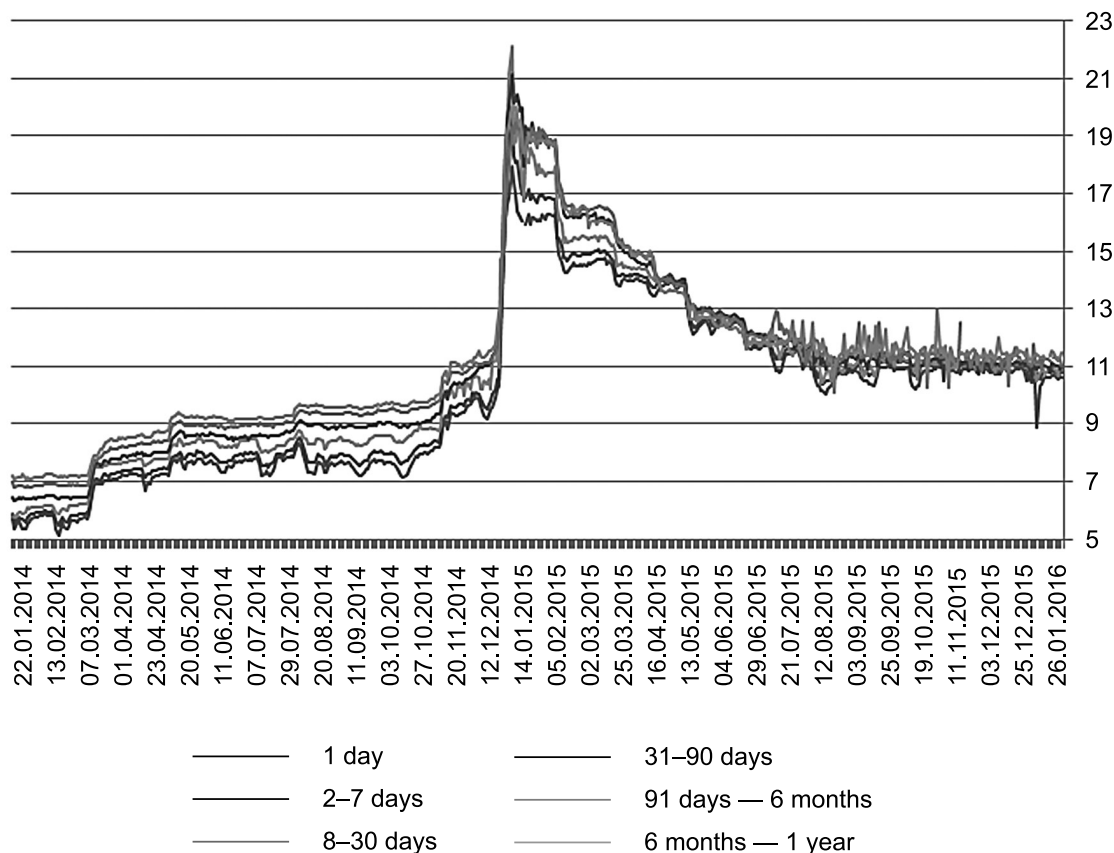


Figure 2. Average Moscow interbank rate for rubles denominated credit

Source: Central Bank of the Russian Federation

But the dramatic increase of interest rates had a very negative impact on the economy. To sum up a drop in oil prices is creating a very adverse financial environment for

households and enterprises alike. Household are reducing (or more precisely containing) their debts linked to consumption and enterprises are reducing investments. This parallel reduction in investment and consumption had and still is having a very negative influence on economic activity.

All this is well known to specialists. But how could we estimate the link between oil prices (usually in the BRENT index) and the exchange rate of the Ruble? The exchange market correlation with oil prices is an important point for all forecasts. Previously, the market was falling at RUB1/\$ per \$1/bbl decline in oil prices, with RUB85/\$ corresponding to \$30/bbl. But it is true that rumours could spread lead-

<sup>1</sup> Bernanke B. S. et Mishkin F. S. (1997), Inflation Targeting: A New framework for Monetary Policy in Journal of Economic Perspectives, vol. 11, No 1/1997, pp. 97-116. See also Bernanke B. S., Laubach T., Mishkin F. S. et Posen A. S. (1999), Inflation Targeting: Lessons from International experience, Princeton University Press, Princeton, N.J.

<sup>2</sup> Glaziev S. (С. Глазьев), 2015, О таргетировании инфляции in Voprosy Ekonomiki, No 9/2015, pp. 1-12

<sup>3</sup> Arestis P., et M. Sawyer (2008), A Critical Reconsideration of the Foundation of Monetary Policy in the New Consensus Macroeconomics Framework, Cambridge Journal of Economics, Vol. 32, No 5, pp. 761-779.

<sup>4</sup> Kim S., et S.-H. Kim (2007), Financial Panic and Exchange Rate Overshooting During Currency Crises, International Economic Journal, mars 2007, Vol. 21, No 5, pp. 71-90.

ing to a panic move on and already illiquid market. By the way financial sanctions have certainly destabilized the ruble exchange rate as it could be seen in December 2014 of during the first quarter 2015. However, some precise researches have been done on the precise link. They are showing that there is no linear relation and that the robustness of such a relation has been decreasing since 2012-2013. To some extent the exchange rate was much more related to oil prices by then than what it has been the last two years (2014-2015).

#### What the alternative is?

It's obvious than introducing some forms of capital controls could have done a better job. It is to be known that even the IMF now recommends capital controls in some specific situations<sup>1</sup> as it is now well acknowledged that strong exchange rates fluctuations could be extremely disruptive for the economy<sup>2</sup>. Some Russian authors have advocated such a move<sup>3</sup>, and the debate is still going on<sup>4</sup>.

The introduction of such a system could allow Russia to develop a strong industrial sector to provide both the internal market and the export market too without interference from the globalized finance. This was the strategy adopted by a number of East-Asian countries<sup>5</sup>, but also by France between 1945 and 1975<sup>6</sup>. Such a development doesn't imply to stop developing the commodity sector. Actually, the oil and gaz sector could become major consumer of Russian manufactured goods and help to develop a high-tech sector. The main issue here is more how to ensure the development of manufactured goods without compromising the produc-

tion of commodities. It is not just a problem of developing new productions but also one of changing the whole structure of Russian industry as a significant number of new enterprises are to be created to develop these new productions, and their development is challenging an industry used to rely on large integrated groups. It is true to say that the Russian government has put a priority on the development of a modern manufacturing sector for years. But, when the Ukrainian crisis began to shape international relations Russia has not broken with its traditional model. To some extent the crisis in international relations has the direct effect to make the change of model both an absolute necessity. But, in the same time, this crisis was making it a very hard undertaking. So far Russia is still caught in the middle of a kind of new "transition", but time is running short.

Some progresses have nevertheless been made. This is in part linked to the huge Ruble exchange rate depreciation that is boosting competitiveness of manufactured goods and to other part to the boom of weapons exports. But whatever factors behind it proves that Russia has a strong export potential for manufactured goods<sup>7</sup>. The share of internally produced consumption goods is also increasing fast on the internal market. But, the issue of defining a new integrated development model is still pending and this could be seen on to the fact that investment is still depressed and still mostly funded through borrowing on foreign financial markets. This is why some form of financial protectionism or isolationism could well be necessary if Russia wants to foster its national interest in face of the current challenge of globalized finance.

<sup>1</sup> Ostry J. et al. (2010), Capital Inflows: The Role of Controls, IMF Staff Position Note, Washington (D. C.), FMI.

<sup>2</sup> Hutchison M. N. et I. Noy (2002), Sudden Stops and the Mexican Wave: Currency Crises, Capital Flow reversals and Output Loss in Emerging markets, Economic Policy Research Unit, Institute of Economics, University of Copenhagen, 2002.

<sup>3</sup> Glaziev S. (2015), Эксперименты ценою в суверенитет [Les expériences du coût de la souveraineté] in *Ekspert*, No 28 (951).

<sup>4</sup> Shibanov A. (2015), Сергей Глазьев и политика ЦБ РФ [Sergey Glaziev et la politique de la BCR] in *TrV-Nauka*, No 190, p. 6-7.

<sup>5</sup> Amsden A. (1989), *Asia's Next Giant*, New York, Oxford University Press; Wade R. (1992), *Governing the Market*, Princeton University Press.

<sup>6</sup> Monnet E. (2013), Financing a Planned Economy: Institutions and Credit Allocation in the French Golden Age of Growth (1954-1974), BEHL WORKING PAPER SERIES, WP-2013-02, Berkeley CA. Idem, (2014), "Monetary policy without interest rates. Evidence from France's Golden Age (1948-1973) using a narrative approach", in *American Economic Journal: Macroeconomics*, October, Vol. 6, No (4), p. 137-169.

<sup>7</sup> Hansl B. With the ruble depreciation, 'Made in Russia' could once more become a worldwide trademark in Brookings Institution, November 3rd, 2015, <http://www.brookings.edu/blogs/future-development/posts/2015/11/03-ruble-depreciation-russia-hansl>



A. V. Smirnov<sup>1</sup>

## IS ISLAMIC CIVILIZATION PROJECT FEASIBLE TODAY?

This discourse is composed considering the following four issues:

- Why is the Islamic civilization project worth speaking about?
- Does Islam want to offer its civilization project today?
- Did the Islamic civilization project exist historically and was it attractive?
- What are contemporary Islamic theories lacking in order to become a civilization project?

*Issue one:* why is the Islamic civilization project worth speaking about?

*Answer:* globalization is the time of the full-court press of the Western civilization project threatening with cultural leveling. As languages are disappearing en masse, cultures are also starting to disappear en masse. This is obvious. It will be enough to remember Martin Heidegger and his “Black Notebooks” in order to confirm that philosophers have been speaking about that for a long time. Culture’s disappearance does not necessarily mean its extermination, as disappearance may also take place in the form of external preservation. It’s important that culture is being marginalized: it becomes to be understood exclusively as original everyday life, not as a core of the world outlook and philosophy of life determining a man’s self-understanding and his attitude to another man, society and the world. Culture turns into a museum of special forms of cooking, garments, playing music (such terms as “ethno-cuisine”, “ethno-music”, etc. are already in use; it’s interesting that the European culture phenomena are usually lacking the “ethno” prefix: it seems that the fate of the culture common to all mankind is in store for them and this is another way of marginalizing non-Western cultures), it stops being the phenomenon shaping an integral man.

Only a culture relying on its own civilization project can hold out in globalization times. However, the project should be attractive in order for the culture exactly to *hold out*, resist disappearance and marginalization. It is quite interesting to speak about Islam because in this case it is possible to raise an issue of its own civilization project.

*Issue two:* does Islam want to offer its civilization project today?

*Answer:* we can hardly doubt it. In several years, Iran will be celebrating the 40-year anniversary of the Islamic Revolution, which launched (now we can speak about it with a big degree of assurance) a new age in the history of contemporary Muslim states being the age of attempts to carry out the Islamic civilization project practically.

There are two main vectors of such attempts revealed in the Sunnite world. First, these are traditional Islamic regimes of the Arabian peninsula which are now implementing certain reforms and striving to show the world an attractive aspect of the Islamic civilization project. It is no secret that these states are striving to expand their influence far beyond the Arabian peninsula in order to put their vision of civilization arrangement into practice on other territories.

Second, there is the notorious Islamic State (IS). Crazy IS actions are known to everyone, and it is absolutely evident that they fail to fall into the pattern of not only civilization, but barbarism either. Those actions disseminated by mass media fall out of all classifications thought out by mankind to systemize good and evil (and even criminal) actions.

There is no doubt in that. The problem is that it is impossible to bring the IS phenomenon to such actions only. The IS would have not only lost its mass support long ago, but it would have hardly originated in such a form it exists now, unless it exploited the mass psychological condition, which, in my opinion, has been characterizing Muslim communities since the second half of the 20th century, most ruthlessly and shamelessly. I mean the phenomenon, for which the term “Islamic conscience” (*Al-Sahwa Al-Islamiyya*) is usually used in literature.

What is Islamic conscience? The translation does not fully give the idea of the Arab term and it would be better to convey it using the words “sensitivity”, “ability to feel acutely”, etc. This is a mass psychological phenomenon, a kind of “collective unconscious” typical for Muslim states. First of all, the Islamic conscience is expressed externally in the wish to wear the Muslim clothing, maintain the Muslim look, follow the Muslim standards in everyday life, communication, etc. However, the Islamic conscience presumes not only copying the external forms of life arrangement in a classical Muslim society, it is aimed at much more: at following the whole system of classical Muslim life arrangement.

Where does this mass psychological striving come from? The answer to this question is clear and it is not a secret: the whole system of Islamic religious doctrine and world outlook creates a firm conviction of a Muslim that Islam provides the best arrangement of both the earthly life and the afterlife being more successful than in case of neighboring adherents of different faiths. As for the afterlife, let its Islamic competitive advantages be discussed by those, who have to do it according to their status and profession. As for the successes of Islam in arranging the earthly life, that is, exactly the Islamic civilization project, it is not beyond our powers to judge whether it was historically offered by Islam, attractive for its followers and successful.

*Issue three:* did the Islamic civilization project exist historically and was it attractive?

*Answer:* there is no doubt that classical Islam offered an integrated civilization project based on the developed ideological system determining the global view and attitude of a Muslim in all significant details. This project included the worked out ethics emphasizing the necessity of a well thought-out and exclusively personal decision of a

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Muslim which serves as a driving force for practically any of his deeds. This understanding clearly opposed in the part of ethics the Islamic civilization project to the pre-Islamic (al-Jahiliyyah) collective project. Islamic ethics are worked out in detail as a classification of rules and prescriptions, regulating the relations of a man with another man and a man with God. The ethics system is directly fused with the Islamic law, though it is far from being identical to it. The Islamic law was an important life regulator in the classical Muslim society. Social relations, economics and special economic forms typical to Islam, finally, politics and forms of political systems were worked out in detail in classical Islamic sciences and found their embodiment in the life practice of a Muslim state and society.

Was the Islamic civilization project attractive? I'll quote Alvar Paul, a well-known Christian author of the 9th century, who lived in Cordoba: "Many of my fellow believers read poems and fairytales written by Arabs, study works of Muslim philosophers and theologians not to disprove them but to learn to express themselves in Arabic more correctly and gracefully. Where can we find at least one who can read Latin comments to the Holy Scripture? Who among them studies the Gospel, Prophets and Apostles? Alas! All Christian young men, who stand out thanks to their talents, know only the language and literature of the Arabs; they read and study Arab books zealously; they spend a lot of money in order to collect big libraries and they announce at the top of their voices that this literature is worthy and amazing. If you tell them about Christian books, they answer disdainfully that these books are unworthy of any attention. Woe is me! Christians even forgot their language, and hardly one in a thousand can be found, who can write a fairly good letter in Latin to his friend. On the contrary, there are uncountable numbers of those who can speak Arabic extraordinary well and write poems in this language more beautifully and artfully than Arabs themselves".

Islam further fulfilled its promises as to the success of the civilization project, when the Muslim states were evidently superior culturally and economically to Europe up until the European Renaissance. Even though the Muslims knew about those wonderful discoveries and achievements of European thought, which the European culture owes to the Renaissance and scientific and technical boom following it, on the whole, at the level of mass psychology, the former assuredness in the success of the Islamic civilization project generated a kind of calmness in Islamic intellectual circles and it was preserved under its own momentum for many more centuries. As Muslim authors often say, a distinctive and sudden change took place after Bonaparte's expedition to Egypt (1798–1801). When Europeans started throwing their weight about in Muslim lands, it actually became impossible to keep the former calm assuredness in the Arabs' successfulness. The 19th and the 20th centuries were a period of sobering, when the Islamic intellectual world started looking for answers to the questions "Who is guilty in our civilization backwardness?" and "What should be done to overcome this backwardness?".

Arab and Muslim countries, while liberating from colonial and semi-colonial dependence, tried various models of state systems and socioeconomic development in the 20th century. However, they were models brought from the outside anyway being different versions of the European civilization project, no matter if it was Westernization or socialist orientation. Abolition of the Caliphate as a result of Kemal

Ataturk's revolution in Turkey in the beginning of the 20th century became a great shock for the traditional Islamic conscience. Though in practice, if the Caliphate did exist as the only proper political system for Islamic world Ummah, then it could exist only during the rule of the first four pious Caliphs. However, it has always played the role of the ideal for Islamic conscience, without which the whole system of Islamic world attitude is unthinkable. Already during the classical times, the Caliphate turned into something more like a symbol; but symbols are sometimes more real and powerful for culture and mass conscience than the actually existing realities. Reaction to the Caliphate's abolition followed immediately. Abd ar-Raziq and a number of his followers presented a theory of Islam's secular character as an exclusively spiritual phenomenon, stating that political and social life should be arranged without looking back at Islam as the ideology system. However, there were not so many of them. A significant part of Muslim intellectuals answered Caliphate's abolition with a whole range of theories, which are nowadays traditionally defined using a general term "political Islam". Their essence can be brought down to Islam being a complex phenomenon, in which socioeconomic and political sides are inalienable from ideological and spiritual. One should admit that the authors of such theories are hardly mistaken stating that. I'd look at these structures on the whole as an attempt of Islamic intellectuals to oppose something to the vanishing Islamic life arrangement, an attempt to fix at least in theory what is already non-existent in practice.

Thus, the mass development of Islamic conscience, which can be followed at the level of public psychology, collective unconscious, supported by ideological provision in the form of the whole range of Islamic political theories, establishing the complex character of Islam as a system of civilization arrangement, is a reality of the second half of the 20th century and the early 21st century. It is exactly this mass phenomenon exploited by IS ideologists and rulers. However, if we want to assess the character of the processes, which led to IS appearance, correctly, then we have to take into account this colossal mass psychological process taking place during the 20th century in Muslim states and which was brought about by existentialist longing for their own Islamic civilization project.

*Issue four:* what are contemporary Islamic theories lacking in order to become a civilization project?

*Answer:* I think that they are lacking two fundamental things being an existentialist component and working out of the rationality issue.

It is not accidental that contemporary Islamic life arrangement theories are called political Islam. Their authors confine themselves to discussing the issue of the forms of Islamic political rule, which should be brought into life in modern states. In essence, this is just an attempt to reanimate the old forms of the political system, without paying attention to their real civilization contents. It is absolutely not accidental that advocates of those theories failed or at least brought about mass rejection of the most part of the Islamic world in Sunnite states, where they got an opportunity to try them in practice, no matter if it was a short Islamists' rule in Egypt after Husni Mubarak's removal from power or the Islamic State in a number of contemporary Arab countries. The ugliness of attempts to carry out the Islamic civilization project in the current forms, proceeds exactly from this aspect – insipidness of civilization contents.

What can be understood under the existentialist component of a hypothetical Islamic civilization project? Here is what Fadwa El Guindi says about it in one of her books<sup>1</sup>: “One can locate the rhythmicity of interweaving spatiality and temporality of Islam in scripture. When combined with Muslim life, as described in the various chapters, a Muslim web of life is revealed that has been developing out of a creative idea since the seventh century. Moving in and out of the five daily prayers (salat) establishes a particular quality to the pattern of the day. It creates a distinctive Muslim rhythm, which is established by this interweaving of daily prayers in daily life. More than any other daily practice or task, intermittently praying throughout the day weaves a rhythm of fluid, interwoven temporality and spatiality that makes daily life of and for a Muslim distinctive and unique” (p. 137).

“There is no doubt that a Muslim feels and lives Islam and experiences time and space in interweaving rhythm. This is what immigrants in an adopted homeland must miss – Islam’s rhythm. They might be missing it despite regular praying at home and in mosque, fasting, participating in Islamic community life” (p. 123).

What creates this temporal and spatial rhythm making the Muslim life existentialist pattern according to El Guindi? Let’s point to the fact that the matter lies not in performing the ritual obligations, as the Muslim immigrants follow all the ritual prescriptions in the states to which they moved. The essence is in a different matter difficult to be articulated, yet more powerful, felt by a Muslim as the authentic reality.

What can be understood under rationality, which should support the Islamic civilization project? This should be discussed separately. I will mention two examples only. A modern Moroccan philosopher Muhamad Abid Al-Jabiri develops the Arab mind theory comparing it with the Western (Greek) mind and opposing them to one another in his well-known work “Critique of the Arab Mind” (in 4 volumes, 1982–2001). I will also mention M. Arkun who develops the Islamic mind theory<sup>2</sup>.

If an Islamic civilization project can be successful today, it will be only attained in case of basing on existentialist and rational components. There is still no such Islamic project which would take this into account and could have a chance to be successfully brought into life in practice. Will it be done in future? We’ll see.

V. S. Styopin<sup>3</sup>

## TRANSMUTATION OF VALUES AND INTERESTS AT THE CURRENT STAGE OF CIVILIZATIONAL DEVELOPMENT

National interests vary depending on the historical development stage of a certain society type. Their transformation is most radical, if the fundamental values determining the civilizational development type are modified. The modern age of aggravated global issues caused by man-made civilization raises the question of selecting new development strategies more strongly. This, in turn, implies a critical analysis of the value base and the interests of specific societies which have taken the path of man-made development.

Interaction of countries and world regions during globalization is still being deployed in line with the already approved strategies: expanding market economy and accelerating technological progress.

In recent decades, the global market has started demonstrating the trends of the new division of labour. A frequently used metaphor has become their expression as follows: China is the world’s factory, the USA is the world’s scientific and technological laboratory and Russia is the supplier of raw materials and a depository of raw materials’ resources.

Indeed, this formula is generally simplifying and schematizing, like any metaphor. However, it captures some of the main trends of the last decades. Anyway, the said positions are included in the national interests of China and the USA. As for Russia, there was a time when its place in the world economy as a market actor engaged in extracting raw materials was perceived as an expression of its national interest.

There was a stage when the statement “Russia is a great energy superpower” expressed the understanding of the future of the Russian economy. This statement basically meant continuation of increasing oil and gas production and transportation thereof to the world market supplemented by high-tech nuclear energy production. It was believed, although not particularly articulated, that everything else necessary for the country development (including new technologies) was more profitable to buy using the income derived from exports.

The current situation of falling world energy prices and increased competition in the market of crude hydrocarbons has demonstrated the vulnerability of such strategies. It was also found that the acquisition of new technologies at the

<sup>1</sup> By Noon Prayer: the Rhythm of Islam. Oxford ; N. Y., 2008.

<sup>2</sup> For more details about Al-Jabiri and Arkun and their theoretical constructs see: Фролова Е. А. Дискурс арабской философии. М., 2016 (Frolova E. A. Discourse on Arabic Philosophy. M., 2016).

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world market faces serious obstacles being not just economic sanctions dictated by political interests, but also the simple striving to maintain a competitive edge in the global market limiting the possibilities of competitors.

It should be added that there are generally fewer benefits from the sale of raw materials (not just oil) than from the sale of products of its high-tech processing. Moreover, bearing in mind the long term prospect, environmental measures will have the increasing importance, while increasing the resource development costs. Since most industries engaged in extracting raw materials are associated with significant environmental pollution, increased costs in this area are inevitable.

It is clear that the solution to these issues will require development of new technologies and technical renovation of production. Accordingly, the priorities in the system of national economic interests change.

The need for technological modernization of the Russian economy was declared a long time ago. It is worth recalling that back in the 70s of the last century, when the West carried out a new technological revolution, the country (then Soviet Union) faced a historical challenge to overcome the emerging technology gap.

The solution to this issue was perceived as another catch-up modernization. Two development strategies were competing: 1) modernization while preserving the Soviet socialism foundations in the selective use of Western market economy experience, and 2) the liberal project of unlimited copying of the Western experience.

The Gorbachev's Perestroika was an attempt to respond to the historic challenge using the first strategy.

This strategy was not implemented for many internal and foreign policy-related reasons. After the Soviet Union collapse, reforms were carried out in line with the liberal program. Simultaneously, the value priorities shifted. Market reforms were considered not as a condition and means for the future of technological breakthrough, but as an inherent value and the main goal of social transformations. The results of this strategy have already been described multiple times: country de-industrialization, dominance of the oligarchic capital and its impact on policy, reduced education level, deepened technological gap with the developed countries.

The Russian ruling elite was late to realize the need to respond to the historic challenge and duly adjust the liberal strategy. The idea of a comprehensive technological production re-equipment has been discussed actively, perhaps, in the past decade only. An approach to copy the West, being typical of neoliberalism focusing on the values of the consumer society emerged, initially dominated in these discussions. The modern technological development strategy was understood as a version of catch-up modernization.

In the late 1990s – early 2000s, there was an illusion of the transition from the Soviet socialism to the second Russian capitalism opening new opportunities for partnerships with the USA and the European Union so that this, in turn, would contribute to the modernization, economy growth and the increase of economic and political influence of Russia in the globalized world.

The illusion was shattered as fast as the clash of national interests of the USA and Russia was identified more clearly in the real economic and political actions. Claims of the USA to a special and dominant role in the globalized

world included a policy of “containing” Russia and limiting its development.

This situation prompted the Russian government to clarify the unacceptability of the unipolar world concept as opposed to the idea of a multipolar globalized world focusing on cooperation between the countries based on their national interests (the Munich speech made by Vladimir Putin and his subsequent statements about the US unwillingness to form an equal partnership, “The US don't need partners, they need satellites”). The principles of safety, country integrity and sovereignty were identified as core values and main components of the Russian national interests.

In recent decades of the Russian history, the pressure on our country from the USA has been increasing steadily. A series of “colour revolutions” in the Middle East and then in the post-Soviet countries (Kyrgyzstan, Georgia and, finally, Ukraine) were directed against Russian interests and the sanctions policy resulted, as per the US President, in the following: “Russian economy is in tatters”.

The fact that the efforts to “roll Russia back” do not lead to the desired result is not perceived by the USA as a counterproductive strategy yet. The desire for total world domination masked and not articulated earlier is openly proclaimed today, and besides, in terms isomorphic to the sunken claims to world domination stated by Nazi Germany. According to the statement made by the US President Barack Obama, the USA is a special nation aimed at dominating the world and that any of the modern nations may disappear, except for the Americans. Such an understanding of national interests clearly shows that the US world domination policy is long-term and is defined as a basic national interest.

It follows that, during technological modernization of the Russian economy, one not only cannot count on support from the United States and its allies, but also, most likely, will have to overcome the obstacles erected by them. It is hardly possible to solve these issues without the concerted efforts of the state and society. However, there is the potential for such a solution. The recent successes of the domestic defence industry in the technological re-equipment of the Russian army are evidenced thereby.

It is important to emphasize again that the neoliberal modernization program is not consistent with the actual situation of interaction carried out between Russia and the West, when the ideas of equal cooperation constantly come across the US dominance strategy and the desire to limit the possibilities of competitors.

However, there are more profound reasons for the critical attitude towards neoliberal modernization strategy.

I have often expressed and justified the point of view that humanity has entered the era of changes in the type of civilizational development. This is where the strategies preserving the basic values of the former development type will be competing with the strategies focused on the search for new values promoting recovery from the global crises.

Liberal program of the Russian reforms based on copying the values and patterns of the modern consumer society should be considered from this point of view.

This program, despite the obvious failures, has been developing steadily since the beginning of the 90s. Perhaps, only in the last five years criticism thereof has gone beyond the discussions within the expert community becoming the subject of a broad public discourse. However, the

actual practice of failed education and science reforms carried out in this period shows that the neoliberal approach is still rooted in our reform activity.

Therefore, it is important to analyse the possible risks and repercussions of this approach, given that country development strategies for the upcoming decades are being drawn up in line therewith.

In this connection, two fundamental issues shall be resolved: 1. Does the consumer society create any conditions and prerequisites for overcoming the escalating global crises generated by modern civilization (ecological and anthropological crisis which all the others are narrowed down to); 2. Will the copying of ideals and activity patterns rooted in consumer societies address the issue of technological modernization of Russia and its movement to the forefront of scientific and technological development?

Let's start with the first issue. I have already said, including at the Likhachov Scientific Conference, that the consumer society dominant values do not contain any serious restrictions preventing the aggravation of the environmental crisis. I will concisely repeat the considerations expressed previously in order to keep logical integrity of the argumentation.

Social and economic policy of the consumer societies is focused on the ideal of continuous consumption growth based on the market expansion into new social life areas.

A particular man-nature understanding representing the value matrix of technological culture in its modern version typical of the global capitalism era is expressed as a part of this ideal. The man to nature and man to man relation in the modern consumer society is determined, above all, by the organization of universal market economy.

Understanding nature as a kind of inexhaustible depositary of resources for human activities emerged in the era of the formation of man-made civilization. Consumer attitude towards nature as the human habitat environment was increasing as fast as the expansion of the market and commodity-money relations to various human activity areas occurred. The consumer society emergence established the following as the human life principle ideal: the more we consume, the better we live.

Economy is developing as a complex system with forward and backward links between supply and demand. In the consumer society's economy, an increasingly important role is played by the artificial demand stimulation. It is appropriate to recall again the evidence discovered by E. Laszlo, the known futurologist, that in the middle of the last century, when the conditions and prerequisites for promotion to the consumer society were being created, the market ideologists proposed a (then) new strategy of consumption growth. It was expressed quite clearly by the US retail analyst Victor Lebow who wrote, "Our enormously productive economy demands that we make consumption our way of life, that we convert the buying and use of goods into rituals, that we seek our spiritual satisfactions, our ego satisfactions, in consumption. We need things consumed, burned up, worn out, replaced, and discarded at an ever increasing pace".<sup>1</sup>

It is not hard to see that the modern economy of consumer societies has implemented this program. Moreover, it extends to the global market.

This economic growth type is charged with an expanding scale of pollution, including climate change (the geological cycle of global warming due to increasing anthropological pressure on the biosphere accelerates far more than in previous cycles, i.e. those climatic changes which should have occurred, for example, over 300 years, now occur over 30).<sup>2</sup>

The result is that the principle of "the more we consume, the better we live" starts turning into its own opposite.

The current economic growth system taking place in the consumer society initiates not only the aggravation of the environmental crisis, but also gives rise to a deepening anthropological crisis. It is also associated with the expansion of consumption economy to all new areas of human activity and their submission to market relations.

Today, an approach to the man as a commodity unit, the cost of which can vary from the value of his labour to the value of its individual organs potentially suitable for transplantation, is no surprise.

The system of education, medicine, art, science, legal and moral regulators is considered mainly in the aspect of human capital formation. Indeed, it does not mean that there are no other relations in a consumer society and that people do not communicate or create professional and non-professional communities based on live communication. It is about dominating and strategic relations of social life.

The universals meaning "man", "activity", "personality", "rationality" correspond to them culture-wise. These meanings program people and ensure the reproduction of a particular sociality type.

In the early stages of man-made civilization great thinkers of the Renaissance, the Reformation and the Enlightenment developed the idea of humanity, inherent in Christian cultural tradition. The man is the highest creation of God endowed with reason and continuing the acts of divine creation in his deeds. He is a value in itself, a creative activity subject, a sovereign personality rationally regulating his social relations by social contract and a system of legal and moral norms.

This understanding of the man stipulated the development of the man-made civilization, including its main version associated with the formation of capitalism market economy. However, as fast as it was developing, a certain modification of the existing humanistic values occurred. They were transformed into the ideal of the man selling and consuming who sells any products demanded by the market, including his work ability, his results of labour, images and feelings expressed in the works of art, his organs, sexual ability, etc.

The monetary approach inherent in today's global market economy defines the man and his abilities as human capital. In this dimension, the man appears primarily as a tool and an object whose properties can be useful in a particular area of work and social relations.

At the time, Karl Marx characterized such an approach as a way to human degradation as a universal creative element. He emphasized that human relations are based on the fact that mind shall be payable with mind, friendship with friendship and love with love. However, when all human qualities are transformed into commodities with cash

<sup>1</sup> Cited: Laszlo E. *Macroshift: Navigating the Transformation to a Sustainable World*. M., 2004. P. 70.

<sup>2</sup> See: Danilov-Danilian V. I., Losev K. S. *Ecological Challenge and Sustainable Development*. M., 2000.

equivalent, then mind may be payable with money and so may friendship and love. Yet, by buying these qualities, a man does not acquire them, but loses instead.

In the middle of the last century, these ideas of Marx were highlighted by the Frankfurt School in the analysis of alienation processes in contemporary capitalism. H. Markuze applied the concept of “one-dimensional man” to characterize the human crisis in the emerging consumer society.

Today, all these changes in the structure of values are supplemented with new aspects of aggravated anthropological crisis. They are associated with the risks of possible human biological transformation at the present stage of scientific and technological development.

The development of convergent technologies offers the prospect of curing many previously incurable diseases, prolonging human life and enhancing its abilities, but there are also possibilities of radical changes of the biological human nature.

Today, the programs to create the perfect soldier who would gain the ability to see and hear in a much wider range than the average person, to have a greater rapidity of responses and a different (reduced) self-preservation instinct through genetic changes and the introduction of specific brain chips are marked. To this end, the idea of producing a new type of actors able to successfully carry out work in extremely dangerous conditions for ordinary people is put forward. There are projects of genetic changes allowing a man to build up muscular effort, to overcome the oxygen starvation during long-term body burden (raising future Olympic champions), etc.

In fact, such projects are quite implementable today. Some of them are being developed. This raises a number of issues such as the way a man turning into the perfect soldier perceives the world, if his visual and auditory images are radically different from the ordinary. In this case, the entire human psyche structure and behavioural reactions can change dramatically. How can ordinary people communicate with these artificially constructed individuals? How shall we treat them: as people of a different race or as cyborgs? What is the probable fate of, say, the perfect soldier, when he loses the necessary functions with ageing and with the invention of more sophisticated models? If he is a cyborg, a kind of a bio-robot, then disposal thereof as an unsuitable product is quite permissible. However, if he is a human, he must continue his life after demobilization as well. Yet, being narrowly specialized (sort of a military machine), he can make a living, for example, by becoming a killer or a terrorist. Will the consciousness of the perfect soldier be turned into the in the production of the perfect terrorist?

The trend of making a wide variety of ad-hoc individuals genetically adapted to carry out strictly determined activities can radically change the social life structure. Will there be a transformation of human society into something like insect populations, such as an ant hill with genetically programmed units: soldier ants, nursing ants, working ants, the queen ant, etc.

The man is a biosocial being. His vital functions are regulated by two types of inter-related programs being biogenetic programs and culture.

If the biogenetic component of human life transforms, it will inevitably lead to the transformation of culture. The

values produced by humanity for centuries of social evolution can be destroyed.

In his book “Our Posthuman Future”, a well-known American political scientist Francis Fukuyama notes that the values of legal equality and human rights lose their significance, if biotransformation creates radically different posthuman “quasi kinds”.<sup>1</sup>

In the early stages of historical development of man-made civilization, the humanism ideas and scientific and technological progress are consistent with each other. This approach is shared by an even alternative ideology of liberalism on the one hand and socialism and communism on the other.

In the second half of the XX century and especially in the beginning of the XXI, the situation changed dramatically. Nuclear technologies and their risks (nuclear weapons, nuclear power plant accidents in Chernobyl and Fukushima), as well as modern convergent technologies identified a range of scientific and technological development scenarios, including the scenarios threatening the very existence of mankind. This is where a confrontation between the liberal ideals of the market economy and ideas of control over technological progress developed in order to avoid the most dangerous scenarios. The implementation of such control is regarded today as the most important aspect of the risk management strategy. Ideas and technology of social and humanitarian examination of science and technology programs and projects were developed as a part of this strategy. We need to realize that today the contradictions between the monetary and market approach and the issue of humanization of scientific and technological progress are aggravating.

The ideals of traditional liberalism developing in line with Christian humanism have been modified to neoliberalism in the value system of the consumer society. They are focused primarily on consumption growth as the main value provided by market self-regulation.

Understanding of a man as the subject and the means of market relations opens the ways for the introduction of the most risky bio-cybernetic modernization technologies. The modern market is actually ready to accept these human development technologies as another know-how able to bring huge profits, just as their technological innovations in the field of mechanical engineering, manufacture of new materials, computer development, etc.

Investments in biological human perfection programs are seen as adding human capital, which opens up opportunities for super profits. Accordingly, the information support costs for these programs are stimulated by using all the possibilities of modern media, including the formation of the necessary consumer mentalities.

It is appropriate to note that the already established and dominant mentality of the consumer society includes a number of applicable fundamental principles. Ervin Laszlo identified them as mythologems subject to revision. He identifies the following principles: “If it can be made or performed, it can be sold, and if it is sold, it is good for us and the economy”, “The new majority is better than the old one”. “The value of everything, including human beings, can be calculated in terms of money”; “The future is not our concern. Each generation should take care of itself”<sup>2</sup>.

<sup>1</sup> See: Fukuyama F. *Our Posthuman Future: Consequences of the Biotechnology Revolution*. M., 2004. P. 159–163, 306–308.

<sup>2</sup> Laszlo E. *Macrosift*. M., 2004. P. 73.

This system of mythologems expresses the culture imperatives of consumer society. As long as they are operated and propagated as an ideal, the mankind will move along the path of growing crises leading to ecological and anthropological catastrophe.

Neoliberal development strategy involving copying the ideals of the consumer society does not have positive prospects in this regard. The strategy is not very promising more locally either, i.e. for solving the issue of a new technological development stage of Russia.

Technological progress of Western consumer societies can be copied at first glance only. It is a complex system developed in the second half of the XX century and modified at the beginning of the XXI century. This system included the market needs for know-how, investments of specific companies and corporations in their development, advertising and other forms of information support, forming the necessary public opinion; investments in major state controlled targeted projects (including defence-related); state budget funding of fundamental science and education, etc.

Engagement of the necessary experts (from basic research to technological development and projects implemented in production) is crucial to this system, as is the organization of their work, the cost of equipping workplaces (system of devices, experimental facilities, etc.). All this requires huge, multiple systematic investments.

In the first half of the XX century, when the consumer society formation started, the experts ensuring the generation of scientific and technological innovation were mostly formed under the national systems of education and science. The USA became an exception, as many prominent European scientists emigrated there after World War II.

During the consumer society formation, there have been changes in the national expert training systems. The inflow of immigrants as the labour force from the developing countries in Asia, Africa and Latin America was accompanied by a decrease in the education level. The Bologna system provided adaptation to the new conditions of labour inflow, but it was not sufficient for the preparation of highly skilled professionals in the scientific and technological field. Moreover, the whole lifestyle of the existing consumer societies directs a large mass of people not to the profession activity and succeeding in it, but to entertainment, personal leisure and search for light jobs. In the beginning of this century, the famous English sociologist and philosopher E. Gellner wrote that in the modern consumer society

rational thought and related activity forms are unattractive. American sociologists documented the same situation noting that the status of science has dropped significantly compared with the second half of the XX century.

These costs were compensated by the allocation of a network of prestigious universities, where education requires a lot of money, by the creation of a system of national research centres and engagement of foreign experts partly trained in the Western universities or in other countries. A lot of scientists from Russia are among them, as they could not productively continue their studies in the period of the collapse of the Soviet Union and the liberal reforms of the 90s.

It is unproductive for our country and impossible in a way to copy the Western technological development experience as suggested by the neoliberal strategy due to huge investments unavailable for this purpose today. We copied the worst aspects of the Western consumer society experience without being able to compensate for its shortcomings. We need to train highly qualified experts ourselves, especially, when there is the Soviet experience of such training.

It is clear that the strategy of scientific and technological development of the country should be changed. It is advisable to selectively borrow the best of the Western experience combining with the most productive elements of the Soviet experience. The market will not solve these issues itself, as a targeted state policy is needed. In particular, the components and the ways to borrow from the historical experience already accumulated over the past half-century should be the subject of a special analysis and discussion not by the narrow groups close to the power authorities, but by the academic councils of universities and research institutes, in the discussions at the special conferences of scientists, politicians and business representatives. Development of a new productive program for the Russian economy technological re-equipment and the elimination of technological underdevelopment is only one aspect of our national interests. In the future, Russia could aim at the systematic creation of competitive technologies meeting the requirements of environmental and anthropological protection and take a leading role in the global technology market with the consistent implementation of the new education strategy, as well as science and technology policies. If we want to be a great super power, then this kind of targets and the respective national interests must be identified.

V. A. Tishkov<sup>1</sup>

## ETHNO-CULTURAL COMPLEXITY WITHIN THE CURRENT GLOBAL DEVELOPMENT

In the 1990s, the Russian social science brought to life so-called ethno-centaurs being ethno-psychology, ethno-sociology, ethno-political science, etc., meanwhile, the *ethno-methodology* concept firmly established in the world science, especially in philosophy, being actually neglected by the Russian scholars. Collections on “ethno-cognitive science” and “ethno-methodology” edited by S.V. Sokolovskiy compiled in early 1990s contained not only innovative and explanatory texts, but also materials of protective nature, for example, that “ethnic groups are inviolable”, yet not demonstrating any special scientific progress. One of the authors (M.V. Kryukov) generally believed that ethnographers should develop more adequate and sensitive diagnostics in order to define the ethnic population range of Russia more accurately and grant the ethnic group status to a distinctive cultural community under strictly scientific criteria.<sup>2</sup> Everything concerning social constructivism was indiscriminately credited as postmodernism in a clearly pejorative connotation.

It is known that ethno-methodology is one of the areas gaining momentum which became a dominant philosophical, sociological and anthropological direction of social constructivism at the beginning of the XXI century using the experience of the ethnographic study of “primitive” cultures for understanding contemporary social reality, as well as cultural forms and manifestations caused by it. The central position is occupied by an ethnographic point of observation and “thorough description” of everyday symbolic interaction, the search for cultural meanings in various fields of human activity, including, for example, the “culture of violence” and the “anthropology of ethnic cleansing” which shall be deciphered using the example of ethno-political conflicts.

In recent years, this complex alliance of social and cultural anthropology scholars with philosophical anthropology has become more obvious manifested particularly in studies of different subcultures outside of the usual ethnic groups and the anthropology of time, space, motion, senses, memory, silence, identity, etc.<sup>3</sup> This is one of the versions of innovative interdisciplinarity, when more than one disci-

pline uses several methods of other disciplines, while several disciplines (or disciplinary arsenals in the head of one researcher) analyze one cultural phenomenon. Nevertheless, some scholars, including anthropologists, feel confusion toward contemporary cultural complexities and social fractures formed on the basis of ethno-socio-cultural and religious differences which are not easy to decipher by means of common approaches and monodisciplinary methods.

Considering open conflicts and external intervention in the Middle East, the famous orientalist V.V. Naumkin refers to the concept of “deeply divided societies” and makes an important remark: “No theory existing in the humanities can exhaustively explain the said phenomenon; it is only about the use of instruments of the greatest possible number of concepts and approaches in order to achieve an adequate knowledge of such a complex subject”<sup>4</sup>. Herewith, V.V. Naumkin finds it hard to distinguish deeply divided societies and simply diverse societies, as well as to establish criteria for such distinguishing. Too many factors can actualize differences and disunity of the country society bringing it to open conflict. There are also many factors bringing split devolution to the level of joint and co-operative existence. The phenomenon of post-conflict reconstruction in Chechnya is an example of such conflict transformation.

Many experts tend to attribute to the most divided societies not those demonstrating a high degree of ethnic or religious fragmentation, but those following the line of so-called binary opposition, when there are two or three basic culturally (including religion) distinct country population segments striving to get the main or an equal place in the central government. Two other ethnic structure types of state communities (the first is a dominant majority plus minorities, the second is a lot of minorities without a majority group or applicants for the central government) are less conflictogenic indeed, although not immune to the great collisions on the ground thereof. However, real complexity in the seemingly “binary” societies goes beyond the simple conflict couple.

As noted by V.V. Naumkin, “binary” Iraq is actually divided into three directions: Sunni Arabs, Shiite Arabs and Kurds. “Within this division, religious and ethnic identity markers cross (not to mention other, especially tribal), therefore, in our view, we can talk about the two lines of binary division: Arabs – Kurds and Shiite Muslims – Sunni Muslims (taking into account the fact that most Kurds are Sunnis)”<sup>5</sup>. The separation is aggravated when the ethnic and religious group boundaries coincide, but even in ethnically homogeneous Arab societies’ religious differences between the main Muslim communities and even within the Sunnis may not be less deep than in terms of ethnicity and language. Still, as it is considered by many, ethnic fragmentation as the most common and the most mosaic in nature is the most typical basis for significant social polarization.

Agreeing with the fact of actualization of ethnic and religious complexity of modern nations even in such habitat, as the Arab East dominated by one world religion

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<sup>2</sup> Ethno-Cognitive Science: Publ. 1. Approaches to Ethnic Identity Studies / ed. by S.V. Sokolovskiy. M., 1994.

<sup>3</sup> See, for example: Bogdanov K. A. Homo Tacens: Essays on the Anthropology of Silence. SPb: RHGI, 1998; Anthropology of Violence / ed. by V. A. Tishkov, V.V. Bocharov. SPb: Nauka, 2001; Golovnev A. V. Anthropology of Motion (antiquities of Northern Eurasia). Ekaterinburg: Volot, 2009.

<sup>4</sup> Naumkin V. V. Deeply Divided Middle East Societies: Propensity Towards Conflict, Violence, External Intervention // MSU Vestnik. Series 25: International Relations and World Politics. 2015. No. 1. P. 66–96.

<sup>5</sup> Ibid.



and one language with country versions, we would like to speak about the ethnic fragmentation phenomenon in terms of country communities which attracts the attention of researchers. Here are the findings of a research project on this issue. On May 16, 2013, Washington Post, the American newspaper, published an article titled "A Revealing Map of the World's Most and Least Ethnically Diverse Countries". This map was created by a group of social scientists of the Harvard Institute of Economic Research. The authors calculated 650 ethnic groups in 190 countries. The ethnic fragmentation degree was measured by difference in the responses to the question on ethnicity. As a result, many correlation tables were drawn-up, but the American colleagues have come, in our opinion, to both obvious and controversial findings on their basis.

In their opinion, conflicts occur often in ethnically diverse countries, but it may be due to poverty as ethnic diversity correlates with a low development level. Rich countries are less ethnically diverse and a strong democracy correlates more with mono-ethnicity, but the latter is not its prerequisite (examples of India and Switzerland). Indeed, the existence of ethnic communities in the fragmented societies imposes restrictions on political freedom due to the desire of some groups to control the other groups. The existence of culturally distinctive groups requires leaders, manipulation and lobbying; herewith, the politicians, in turn, use fragmentation to mobilize the insiders or to exclude the outsiders. It is easier to operate in a democratic way in less ethnically diverse societies also because of the smaller number of conflicts. Since the project was carried out mainly by economists, the most important finding for the authors was that the ethnic and language (but not religious) fragmentations correlate with indicators of economic development, social conditions and the quality of governance institutions, but the authors could not detect any solid and convincing trends.<sup>1</sup>

Our observations are consistent with these findings in a way, but we disagree in the main respect: *diversity is more a resource, not a source of risk, and stability and development do not correlate directly with the degree of ethno-linguistic population fragmentation*, just as in the case of the democracy level. It is sufficient to say that mono-ethnicity in some countries may be the result of severe discrimination and even violence in order to ensure ethnic "purity" of some communities. Finally, the fate of 15 former Soviet Union states when ranging them by the degree of ethnic composition complexity, from mono-ethnic Armenia to the multi-ethnic Russian Federation, does not coincide neither with the economic development indicators (per capita income, GDP) and democratic governance mode, nor with the presence or absence of conflicts. Mono-ethnic Armenia and Turkmenistan are at the extreme poles in terms of the democratization degree. The average fragmentation degree did not protect Georgia and Moldova from open conflicts, yet allowing maintaining stability and peace in the numerically similar ethnic groups in Lithuania, Uzbekistan and

Kazakhstan. Apparently, there are other factors and circumstances determining stability and harmony of different societies without strict correlation with the number and appearance of the culturally distinct groups of this society. However, *the very ethnic and linguistic diversity in many cases is a historical reality for many states. This reality often has its own dynamics sometimes evolving and something not changing for decades and even centuries.*

This finding seems to make a step toward the recognition of the primordial roots of the existing ethnic communities and trends, which I call neoprimalism. The ethnic factor has been acting significantly and increasingly manifest on the world scene in the last quarter of the century, moreover, not only in the area of the former Soviet Union and the zone of its influence. It is definitely a global trend. But what does it mean and where shall we look for the answer? The most persistent critics of constructivism and the new approaches to ethnicity think that the issue is that the ethnic group phenomenon has not yet been explored to the end; therefore, the scientists cannot assign it an appropriate definition. There are not so many stubborn researchers inside the discipline itself and such views are expressed either by the ethnology researchers or by the ethnicity neophytes from other disciplines. Thus, for example, B.E. Viner thinks that "no acceptable definition of ethnos and ethnicity will appear in our science anytime soon", but it is necessary to proceed from the fact that the ethnic communities "in their current form are formed due to the human activities in the past"<sup>2</sup>. The circle of seekers for a true ethnic group definition today is limited in ethnology itself, but as we see, there is a new tribe of ethnic group supporters emerging in related humanities.

In order to solve some kind of a methodological dead end, it is necessary to reconsider the wider context of changes happening in the world not only in economics and politics, but also in culture. Russian and foreign scientists interested in the new reality complain about the lack of an adequate theory explaining global collisions of the modern world: deepening global and regional fractures, migration and ethnic-religious conflicts, new roles and behaviour of nation-states. "It is obvious that the current conceptual apparatus that solves the problem by using, in particular, complex terms (such as ethno-nationalism, ethno-federalism or multiculturalism) is not enough. Such a method of interpretation of the nature of modern conflicts means the limited possibilities of modern scientific knowledge in understanding their nature. In the context of the analysis of imbalances and contradictions of modern development, *an understanding of ethnic identity and ethnicity as a factor of social dynamics in the modern world* needs to be particularly clarified"<sup>3</sup>.

When criticizing ethno-centaurs, in this case, we can accept the proposed term "ethno-socio-cultural conflict as a result of interaction of a variety of ethnic, inter-confessional global, social, cultural and civilization conflicts"<sup>4</sup>. This kind of conflict can really be long-term, which is difficult to overcome by conventional arrangements and devolution. As our colleagues, experts in foreign affairs,

<sup>1</sup> Fractionalization. By Alberto F. Alesina, William Easterly, At al. Harvard Institute Research Working Paper No. 1959. 2002. P. 17-18. Also on this issue: Alesina A., Baqir R. and Easterly W. (1999), Public Goods and Ethnic Divisions // Quarterly Journal of Economics, vol. 114, no. 4, November, pp. 1243-1284; Alesina A. and La Ferrara E. (2000), Participation in Heterogeneous Communities // Quarterly Journal of Economics, vol. 115, no. 3, August, pp. 847-904; Easterly W. and Levine R. (1997), Africa's Growth Tragedy: Policies and Ethnic Divisions // Quarterly Journal of Economics, vol. 111, no. 4, November, pp. 1203-1250.

<sup>2</sup> Viner B. E. Post-Modern Constructivism in the Russian Ethnology // Journal of Sociology and Social Anthropology. 2005. Vol. 8. No. 3. P. 128.

<sup>3</sup> Ethno-Socio-Cultural Conflict: New Reality of the Modern World. Coll. Monograph. / ed. by E. Sh. Gontmakher, N. V. Zagladin, I. S. Semenenko. M.: Russkoye Slovo, 2014. P. 24.

<sup>4</sup> Ibid. P. 19.

believe, “social and cultural conflict is in many respects caused by fundamental demographic, migration and socio-cultural shifts that are irreversible and will have diverse effects on different life aspects in both developed and developing countries over the next decades”.<sup>1</sup> The irreversibility and the number of decades can become the issues for debate, as we have already written about the openness and the stochastic nature of the modern historical process, about the so-called “fluid modernity” (term introduced by Z. Bauman)<sup>2</sup>.

Our overall intellectual resource is hardly able to foresee the deep shifts in cultural evolution, not to mention the changes in science and politics that will occur in a decade. However, some constants can be highlighted. One of them was expressed by Lessing, the pioneer of the German Enlightenment, stating that “the differences between people will stay until the end of time”. Cultural differences are not a temporary phenomenon and the diversity of the mankind will last for as long as there is mankind. Lessing believed that we will always live in controversy

preferring different things, different ways of life, and that the development of culture and creativity arise out of controversy. Z. Bauman, our older contemporary mentioned previously, agrees that “everything new and really exciting is born out of the dispute, debate, dialogue, disagreement”. A complication of man-made cultural forms lies at the heart of this truly timeless dynamics. In Russia, one of the fundamental and earliest forms of the organization of human groups was something denoted by the prefix “ethno”, but this position has been substantially revised by modern science (including even the physical anthropology and archaeology experts) showing that co-communality, clan system, religion, obedience were even earlier and more powerful foundations of social groups of people than their cultural and linguistic similarity. The latter is the result of a later time, a product of the era of public formations. If so, there is no guarantee that this “ethno” will stay with us forever and not give priority to other coalitions of people, unless it is already happening and only waiting to be explained.

**P. P. Tolochko<sup>3</sup>**

### UKRAINE: WEST EUROPEAN FUTURE WITHOUT EAST SLAVIC PAST?

While observing this drama of the Ukrainian process of European integration, which unfortunately resulted in territorial losses and multiple human victims, it is hard to turn away from the idea that the “marriage” between Europe and Ukraine is not a love match, but a match of convenience. Moreover, from the Ukrainian side it’s a matter of pennyworth convenience based on the opportunity for poor people to obtain European living standards without any efforts, and for the rich – to legalise their European accounts and real estate. American and NATO strategists have higher bets of rather geostrategic nature. With strong belief in the Brzezinski’s doctrine that Russia may not be a great power without Ukraine, they strive for its final separation from Russia.

“What’s wrong with the opportunity of closer economic cooperation with the European Union for Ukraine through association?” – the European integrators keep asking. They have cutting edge technologies there that we do not have, as well as a giant market with more than half a billion population. And this argument does seem to be convincing. But it is only partially true. The whole truth is that the Europe-

an Union and the USA have little interest in Ukraine as an economic partner. The only thing that matters for them is to gain a political and a military ally, to obtain this anti-Russian “ram” in the name of Ukraine right next to its borders.

Addressing this problem is objectively coupled with fundamental changes in Ukraine itself. As envisioned by NATO strategists, in this new status it may not remain a kind and friendly neighbour of Russia. Otherwise the NATO foothold in its territory is simply impossible. Therefore, different actions are taken to reformat the traditional life of Ukraine in all areas: political, economic, military and even cultural.

Many believe that is started with Kiev Maidan movements, but in reality it happened much earlier. Basically – immediately after collapse of the Soviet Union and Ukraine gaining independence. Maidan movements were the result of systematic work of Western intelligence agencies for development of a powerful pro-European and pro-American lobby in Ukraine among its new political elite. Its first rise to power in 2004 did not quite live up to the expectations of the American-European political circles, the second one – in 2014 – seems to be totally satisfactory for them. The new Ukrainian regime already at Maidan made up its mind on its European-American choice and anti-Russian position. Besides, it turned out to be quite manageable from the USA and EU.

Today one can hear regrets from Ukrainian and European politicians about the decision of Russia to stop duty-free trade with Ukraine. But this is pure pretence. The reality is actually what the West was striving for. It does not want Ukraine being closely connected to Russia in economic fashion. And this has not started on January 1, 2016. Ukraine has already ambitiously restricted cooperation with Russia in industrial sphere, besides it supported economic sanctions undertaken by the USA and EU.

<sup>1</sup> Ibid. P. 20.

<sup>2</sup> See: Tishkov V. A. Requiem for Ethnos. Research on Socio-Cultural Anthropology. M.: Nauka, 2003. P. 491-530.

<sup>3</sup> Director of the Institute of Archaeology of the National Academy of Sciences of Ukraine, academician of the NAS of Ukraine, a foreign member of the Russian Academy of Sciences, Dr. Sc. (History), Professor. Author of over 500 scientific publications, among them are 25 books: ‘Ancient Kiev’, ‘Ancient Russia’, ‘Ancient Feudal City’, ‘Istorichni Portrait’ (‘Historical Portraits’), ‘Russian Chronicles and Chroniclers of the 10th-13th centuries’, ‘St. Volodymyr – Yaroslav the Wise’ (‘St. Vladimir – Yaroslav the Wise’), ‘Rusi vid to Ukraine’ (‘From Russia with Ukraine’), ‘Old Russian Nationality, Imaginary or Real’, ‘Power in the Ancient Rus of the 10th-13th centuries’, ‘The Ukrainians in Russia’ and others. Chairman of the Ukrainian Society for Protection of Historic and Cultural Monuments, a member of the Academia Europaea (London), a corresponding member of the Central German Institute for Archaeology. Winner of the State Prize of the Ukrainian SSR in science and technology, the State Prize of Ukraine, the Grushvsky Prize of the NAS of Ukraine, Makarii award and Alexander Nevsky award (Russia). He is awarded with the Prince Yaroslav the Wise order degree 5, 4, 3, the order ‘Badge of Honour’, the order of Friendship (Russia).

The West offered its mite in destruction of the economic cooperation kinks between Ukraine and Russia, having supported construction of gas transport systems bypassing Ukraine. As it turned out, it had its far reaching intention. Today Ukraine is buying Russian gas from European countries. And as some Ukraine economists say, in general it is more expensive. Already before actual entrance into the zone of free trade with the EU, Ukraine refused from aviation connection with Russia. It resulted in the fact that passenger traffic between two countries, which has not reduced substantially, happens via Belarus, and it's Belarus that benefits.

The following data proves that loss of the Russian market is very sensitive for Ukraine. Before the Maidan movement the trade turnover of Russia with Ukraine almost equalled the trade turnover of Ukraine with all EU countries. By the end of 2015 it reduced five times, and after Ukraine entered the duty-free trade zone of the European Union it started to tend towards zero. As a result, entire Ukrainian industries were destroyed – space, aviation, shipbuilding, to a large extent chemical, etc. After Russia rejects duty-free trade with Ukraine and introduces responsible mirror Ukrainian measures, the economic situation will deteriorate even further. Especially if one takes into account the fact that Russian share in the market of Ukraine in 2015 made 16.37 %, and the share of Ukraine in the market of Russia – only 2.70 %.

Indeed, the European Union has a much larger market than the Eurasian market, and could probably become more attractive for Ukraine. But it may be possible with one essential condition that the EU provides to Ukraine the status of most favoured nation, plus invests into upgrade projects in Ukraine. But this is not happening. So far European and American officials that visit Ukraine on a massive scale confine themselves with advice and recommendations in respect to implementation of reforms, but not with actual investments into the economy of Ukraine.

On the eve of the New Year the Prime Minister A. Yatsenyuk enthusiastically told the Ukrainians that “2016 will be the year of true European integration”, which will be supported by entrance of Ukraine into the “largest European market”. Basically, he was saying the same from the Maidan rostrum. But if then this could be somehow understood, now after almost year and a half in such a responsible position of the country and having made it bankrupt, new optimistic promises are perceived today by many as the proof of his underqualification. It may also be possible that the Prime Minister is simply cheating on his fellow citizens. He cannot be unaware of the fact that “true European integration” in the economic sphere is designed not for one year, but for ten. That quotes and non-tariff limitations for supplies of Ukrainian goods into the EU will still remain in force after this. That after execution of the Association Agreement the export from Ukraine into the EU dropped by 30%, and the quote of the Ukrainian grain in the European market is defined as only 0.9 million tons. According to mass protests of Ukrainian farmers in December 2015 that also led to blockage of highways, nobody believes in fairy tales of the Prime Minister.

Therefore, the political leaders of Ukraine with the help of Western counsellors have still managed to separate it from Russia. Probably, they were hoping as at the proper time the regime of the President V. Yanukovich that such

effort would be rewarded by the West through billion investments into Ukraine. But nothing of the kind happened. Where are the national interests of Ukraine here?

Another area of Ukrainian fundamental changes is the ideology. The same objective is pursued here – complete separation from Russia and adaptation to European democratic standards. An express demonstration of this is the law enacted by the Verkhovna Rada “Concerning condemnation of communistic and national-socialistic (Nazi) totalitarian regimes in Ukraine and prohibition of their insignia propaganda”.

One can say they pushed the communist ideology hard, prohibited not only its symbols (five-point star, hammer and sickle), but the current communist party of Ukraine. It's hard to say whether this is an independent action of Maidan young revolutionists, who put every effort to be liked by their foreign masters, or the latter wised them up, but it is absolutely evident that such non-motivated ideological radicalism will not bring anything good to Ukraine – not for public understanding inside the country, not for its international authority. Did the President and the Verkhovna Rada think about how after such ban and curse of the communist ideology they would communicate with communist countries – China, Vietnam, Cuba? Or with non-communist countries that use a red flag, a five-point star and a hammer with a sickle as their state symbols? It would be logical to break normal relations with the countries of the European Union, where communist parties operate quite legally (in some countries there are even two of them).

Taking all of this into account, it is hard to turn away from the thought that current authorities of Ukraine, which strive to separate from Russia and their past as far as possible, live in the world of complete absurd, which is definitely self-destructive. A convincing confirmation to this is the second part of the above law as well, which relates to banning national-socialistic (fascist) symbols. It is several times smaller than the first one and is formal to a considerable extent. Some Nazi symbols were not included into the register of prohibited ones at all, whether due to illiteracy of lawmakers or with a certain intent.

But here the absurd consists in the fact that formal “condemnation” of Nazi symbols happened when they actually became a sign of the new Ukrainian power, began to appear frequently on helmets and sleeve chevrons of voluntary detachments fighting Donetsk “separatists”, when the nationalistic ideology of UNO–URA (Ukrainian Nationalist Organisation – Ukrainian Rebel Army) became official in Ukraine. Its flag bears the portrait of S. Bandera, who closely cooperated with national socialists of the Third Reich. Today it's him who became the symbol of new Ukraine. Monuments are erected to him in Galichina, streets and schools are named after him, his birthdays are celebrated with night torch-light processions in Kiev, Lviv, Dnepropetrovsk, Odessa and other cities, which reminds of processions of national socialists in 1930s, young generation is brought up on the basis of his biography.

It wouldn't be probably so dramatic, if S. Bandera was the hero of the entire Ukraine, and its nationalistic ideology was shared by all Ukrainians. But it was never like this in the past and is not like this now. For most Ukrainians Bandera's nationalist is absolutely unacceptable. Ethnic Ukrainians living in the centre, east and south of the country vigorously reject it, joined by the citizens of Ukraine

from other ethnic groups – Russians, Poles, Jews, who suffered during the Great Patriotic War all horrors of radical nationalism. It's not worth proving that forced introduction of such ideology breaks the Ukrainian society, provokes hidden and open resistance.

I don't know how correct it is to define the military riot in Donbass as the "ethnic civil war", which is mentioned by nationally aware patriots on an impulse of open-heartedness, but it is doubtless that one of its main reasons, as well as the reason for exit of Crimea from Ukraine, was the factor of their ethnic-cultural incompatibility with Galician nationalism.

Authorities of the USA and the European Union demonstrated vigorous support to Ukraine in connection with territorial losses it suffered, having blamed Russian in everything, punished it with economic sanctions – and not mentioned once their own guilt. But if they didn't show such frank impatience in the end of 2013 in connection with a delay in signature of the Association Agreement by Ukraine, if they didn't push the so called European Maidan to the armed takeover on February 22, 2014 – there would have been no annexation of Crimea and rebellion in Donbass. It's doubtful that such separatist ideas came on their mind under conditions of political stability in the country.

One of the dramatic consequences of Ukraine integration into Europe, as it becomes clear now, should be the change of its civilisation identity. Everyone remembers who the Yanukovich's regime in full unity with political opponents used to always say that the European choice for Ukraine was not only a zero option, but also a civilization-al one. At first it seemed, also for the author of these lines, that it was all due to simple misunderstanding of the "civilization" concept. It was even weird to hear that knowing about our civilizational choice made towards the Orthodox Christianity back in the Xth century by the Saint Vladimir. But gradually it was becoming clear that it was not due to illiteracy, but due to the aspiration to integrate with Catholic and Protestant Europe not only politically and economically, but also culturally.

Basically, this trend was secretly growing in Ukraine during all years of independence. One proof of it was transformation of the Ukrainian Catholic Church from the regional institution into the All-Ukrainian one. Its sacral centre was moved from Lviv into Kiev, besides, to the left bank of Dnieper, which had to symbolise spread of this church further to the east. The Roman Catholic and Protestant Churches have become more agile in Ukraine as well.

At the same time the systematic work was in progress to separate the Ukrainian Christianity. The first persons of the state have had their hand in it, as they are obsessed with the idea to create a single local Orthodox church in Ukraine, which is independent from the Moscow patriarchy. Nothing good came out of this idea. No unity was reached, but the Ukrainian Orthodox Christianity grew even more separated. Now there are three Orthodox churches in Ukraine, each disputing the right of the others for being All-Ukrainian, as well as the right for the property heritage, which is accompanied with fierce resistance, sometimes with tragic consequences.

It is amazing that this quarrel is heated up by people who often have no relation to Orthodox Christianity whatsoever. Their motto – "Independent Ukraine needs independent Orthodox Church" – has nothing in common with their

vigour for Ukraine. This is cynical politicking aimed at erosion of the Orthodox unity. It is remarkable that such claim is laid only to the Ukrainian Orthodox Church, which is only united with the Russian one through prayers. Nothing similar is heard in respect to those Ukrainian churches and confessions that are connected to foreign centres not only canonically, but also administratively.

Another claim to Orthodox Christianity is its alleged archaic nature, inability to adapt to the current quickly changing world. Sometimes they even regret that Vladimir the Prince made a wrong "bet". If he accepted Christianity from Rome, we would be at the same level now with the Catholic West.

One of evident proofs of Ukraine having lost its Orthodox essence is active introduction of catholic traditions into the festive ritualism of the church. The Grandfather Frost, who was the must-have symbol of New Year celebrations in Ukraine, was replaced with Santa Claus. His permanent partner Snegurochka was totally abolished. The Catholic Christmas is now celebrated at the All-Ukrainian level. Even though they still call it "European" for some reason. Probably not to hurt the feelings of the Orthodox believers another time or to highlight that Christmas celebrated on the 7th is no European. There are calls heard from top governmental leaders as well to totally reject celebration of Christmas in January and only hold it in December. It is amazing but the primates of the Ukrainian Orthodox Church (Kiev Patriarchy) and the Ukrainian Greek-Catholic Church demonstrated their readiness for this, even though both of them mentioned that consent of believers should have been received first.

The separation between Ukraine and Russia was almost complete in the cultural and scientific spheres. Black lists of Russian artists, musicians, writers were made to prohibit their entrance into Ukraine, as well as ban lists of Russian films, literary works. They even call to clean the Ukrainian libraries and to free them from "Russian waste paper". Scientific contacts have been gradually breaking, including academic and university ones, centralised exchange of literature was lost, bilateral scientific commissions no longer function, conferences do not take place. It's bad for everyone, but to a larger extent it impacts the level of Ukrainian science and culture, which visibly become provincial. Most probably, in the field of exact and natural science the losses due to separation from Russia may be compensated by new connections with the West after some time (long time). But in the field of humanitarian sciences, in particular, historical, where we have the common subject of research, such compensation is not possible in principle. However, taking into account that fact that financing of Ukrainian science is becoming smaller every year, it is easy to see that this sphere is not of priority for new Ukraine.

The systematic work aimed at separation of Ukraine from Russia a lot of efforts are spent to re-evaluate their historical past. New ethnic historians and ethnic politologists have basically excluded Ukraine from the common East Slavic and All-Russian historic context. The textbooks for schools and universities now asset that Ukrainians have nothing in common with Russia from the genetics point of view, that integration with Russia in 1654 was forced to our ancestors by wicked moskals, that Soviet power was brought to Ukraine on the bayonets of Russian Bolsheviks, that there was no Great Patriotic War for Ukrainians, that

the Molotov-Ribbentrop Pact, as a result of which western regions of Ukraine could be joined was nothing else but a criminal agreement of two aggressors, and liberation of the European nations from the fascist plague was their enslavement by the Soviet Union...

One can say that the Ukrainian history was fully revamped. Ukrainians were turned into the object by thoughtlessness of national patriots from being the competent subject of the history. But, first, this is totally different from the objective reality that unarguably confirms Ukrainians being the same co-creators of the common history as Russians. Second, it is a disservice to the current Ukrainian society, since it forms negative historical self-consciousness in it, cultivates the complex of inferiority. If a nation had only misfortunes and disasters in the past, then where is the guarantee that it will change in the future? It is certainly a very expensive price for a remote possibility to become Europeans.

Brutal European integration determination of Maidan political elites that became a new power provoked the trends of destruction of Ukrainian nationhood. The clear proof of that are regular fistfights in the Verkhovna Rada, scandals in the government and the environs of the President, chieftain behaviour of commanders of voluntary detachments, which are not controlled by law enforcement agencies, lustration in waste bins, broken power transmission lines, etc. It seems that this management chaos is handy for the western guardians of Ukraine, as it creates a fertile soil for their demand in this area as well. While observing how top governmental officials welcome the Vice President of the USA J. Biden, it is hard to turn away from the thought that it's him who is the top sovereign ruler of Ukraine. It is characteristic that before his last visit in November 2015 the media intensely promoted rumours about near resignation of the Prime Minister A. Yatsenyuk. A mini-Maidan was even organized near the walls of the Cabinet of Ministers. However, as soon as he left, everyone immediately forgot about it. And probably it is no mere chance that the wise people made up a proverb: "We'll wait to see the boss – he'll tell us what to do, of course".

Destruction of the Ukrainian nationhood is also evident from wide employment of foreigners, not necessarily Americans, but necessarily their proteges, for responsible management positions – ministers, governors, prosecutors, etc. The President immediately provides them with citizen passports, but they will not become Ukrainians because of that. Most of them are unable to mutter even a few words in the Ukrainian language. During critical moments, as during the scandal between the Minister A. Avakov and the Governor M. Saakashvili, they use the Russian language "hated" in Ukraine. Unfortunately, some of them manage departments without specialised education. And judging by the fact that economy and finance (under the foreign ministers) have turned out to be almost totally destroyed, their management efficiency is not higher than that of Ukrainians.

The President Poroshenko, explaining appointment of foreign "gentlemen of fortune" for high positions in the government, noted that those people were not related to Ukraine anyhow, therefore, would not be subject to corruption. The argument is doubtful, but if one applies it, it is logical to spread this condition on the Prime Minister, the

President as well, and may be the people's deputies. Here the relations and corruption are also common. Even though from the disclosed video record of the conflict between Saakashvili and Avakov it became clear that corrupt practices were common not only among Ukrainians. Judging by their mutual accusations of theft, Georgians and Armenians were not free of that vice as well.

From the above it follows that Ukraine after the Maidan movement has only relative nationhood in general and Ukrainian nationhood, in particular. European and American mentors do not care about such sentiments as self-esteem and dignity of Ukrainians, therefore, do not spare them. But our national patriots who proclaim the millenary Ukrainian nationhood, whenever convenient, should be insulted. In fact it doesn't. If it is about going in Europe, national dignity may be neglected.

It's hard to say whether Ukraine will ever become a full member of the European Union, but as for its integration into the North-Atlantic Alliance, here Ukrainian leaders are more optimistic. One can say that de-facto Ukraine is already there. NATO, in contrast to the EU, provides financial support to Ukraine in military reforms, supplies arms and munition, electronic equipment, continuously trains Ukrainian soldiers, allocates funds for development and arrangement of the border infrastructure. Before the Ukrainian Army complies with all NATO standards, in September 2014 the agreement was signed on establishment of the Lithuanian-Polish-Ukrainian brigade. Ukraine made agreements on cooperation with Baltic countries and Poland, which legalises military assistance from NATO. In 2015 in the territory of Ukraine (Lviv region) the large-scale international maneuvers of the military forces from the USA, Canada, Germany, Belgium, Great Britain, Turkey, Poland and other countries took part. The General Secretary of the Alliance, Jens Stoltenberg, held negotiations in Kiev regarding compliance of the defence sector of Ukraine with the large-scale standards of NATO.

This probably is the main objective of the military budget of Ukraine for 2016, which, as the Minister of Defence S. Poltorak mentioned, was "very good". There is no doubt at all that it may be repeated by other leaders of ministries and departments. There is no money for education, science, healthcare, social sphere, culture, and the military budget is "very good". It will even be better when military bases of NATO will appear in the territory of Ukraine. It is inevitable, judging by experience of countries adjacent to Ukraine. In fact, this is not denied by the Minister of Defence of Ukraine, who stated that so far that was not the question. The State Secretary J. Kerry also "reassures", having noted that the USA "hope to obtain additional opportunities in Ukraine", which were required by their national interests.

Summarising all the above, one may not expect that bright future is awaiting Ukraine in Europe. First, it will arrive there being changed beyond recognition and second, pretending for the risky role of anti-Russian "ram". Is it indeed in the interest of the Ukrainian nation?

P. S. Sociological surveys show that even today after such drastic deterioration of relations with Russia about a half of the population in Ukraine do not support its entrance into NATO.

Taşansu Türker<sup>1</sup>

## QUESTIONS ON CRISIS OF MODERNITY, SEARCH FOR IDENTITY AND DEMOCRACY ON THE SHORES OF THE WEST

For the last four decades different areas of social sciences (esp. political philosophy) have been invaded by issues of modernity, its validity and related topics. It can be assumed that the content and prevalence of those issues have increased even day by day. I here do not want to enter to the depth of debates at the area of political philosophy. However, shortly mentioning Zygmunt Bauman and Carlo Bordoni's 2014 book "State of Crisis" can be in the limits of this report. In this book Bauman and Bordoni are taking the readers on an excursion between sociology, political science and political philosophy. The concept of "liquid modernity" was adopted as an analytical tool to reach to the point "modernity in crisis", but by the assistance of political philosophical references, debates of political science and sociological observation based theorisations.

Shortly, it is argued 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. Just like Umberto Eco was explaining that situation as, post-modernity was a trespassing for tomorrow's unsettled contingency yet. For Eco, the crisis of modernity and current fluidity are, too, a trespassing where he put the future of the modern world in formation with *obscurity* and *questions*. Modernity is searching for its future again just like in the 19th century, which I assume was the founder century for the next one and beyond indeed. The definitions of universality, state, sovereignty, identity, representation, economic transformation and social structure to be redefined in this part of time in which we are living through.

Here, I should mention that this report is based on questions more than answers, too. Questions on universal values, international system, collective consciousness(es), governance, political systems, social movements, economic models, etc. However I want to ask those questions not for the West, but for the neighbouring lands like Russia and Turkey which can be described as the perfect examples of modernization for the last three centuries and can form categories not of modernity, but modernizations with their univities. (I do not here refer to the debates on *eurocentrism*, since I accept the critical views in the aspect of eurocentrism are useful, but at the same time a safe haven for any conservative argument by underlining the locality as an emergency exit from any necessary reform initiative. I also do not want to use the classical modernization framework and *multiple modernities* debates, since my aim is not describing those, but to contribute to above debates by searching for the reflections of crisis of modernity in different places of the World by different historical backgrounds.) I have chosen to compare Russian and Turkish experiences with the West not because I am from Turkey and Likhachov Square is in Russia, but I strongly believe that comparison of those three in historical perspectives gives a fertile ground for all social sciences areas and I have used that fertile area in my academic career often. Since history can be accepted as laboratory of sociology, and modernization itself is a process more than a situation, I want to use historical references, so as to reach further political questions related to above mentioned topics of modernity crisis. I should underline that the processes both countries have experienced in their modernization experiences give opportunity to compare them not only with each other, but also with themselves in the timeline. That opportunity can open the way of categorizing and conceptualizing those experiences with different pendulums which is the sole solution for getting one step further to any answers than questions in that report.

Although the identities nowadays are more complex with their multi layers and collective consciousness does not refer to only a state identity, but also political systems; comparing the two experiences about their identity processes with each other in chronological aspect can be a good point to understand the reflections of modernity crisis in those countries and even they may give important clues for forecasting the future of those countries. (While doing that I will avoid including the Western model in the report due to the volume limitation of this text and its characteristics

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of to be better-known.) I assume that the identity processes in those two modernization experiences are the core issues for describing a wider range area with their own characteristics and with their relations with the perception and reflection of West to those countries. Also that area has the clues about political systems in those countries with their past and future.

When we talk about identity and political legitimacy for both examples at their premodern or in another saying classical periods, the first reference should be to the “*Roman universalism*” claim of both states. Mehmed II the Conqueror enjoyed calling himself Caesar more than any Islamic or Turkic titles. And sure everyone remembers that “*Moscow is the third Rome and the fourth will not exist*”. Actually this should not surprise anyone since Rome was the only legitimacy source for any state until 17th century on that part of the world, i.e all large Europe. Voltaire was arguing that it was neither Holly, nor Roman but a bunch of Germans for another imperial model in central Europe. This legitimacy depended on the admittance of “*eucumene*” (in Greek, universe) is a whole and the state on *eucumene* have to be a whole, too. So any state should have claimed that she was the state, so Rome. Even that premodern way of “international system”, which actually did not exist, had that common code or value for the world. Also that was the source of political systems in these states: *Loyalty to the Caesar*. This means searching for any identity as a tool of politics in the premodern era is not realistic. With all the process, but in 17th century Europe, identity as a matter of politics was actual as an important component of modernity. A collective consciousness replacing the Caesar or Prince as a superior ideal and representation of that collectivity have been the founders of modernity hand by hand afterwards. We have to wait until 18th century for those to be entering to Russia and Turkey with the beginning of modernization. In that aspect, it will not be wrong to assume that modernity, modernization and reflection of related topics in Russia and Turkey have always been in relations with not only the ideals referring to the *concept* of the West, but also *real political relations* with the West. It can easily be claimed that, ideal and political relations with the West have always been determinant in those modernization cases. Here I will not avoid to insert long passages from my previous year’s report to Likhachov Conference which concentrated on the processes of identity and the West at those cases.

From the beginning of the 19th century, the Ottoman Empire had gone into a collapse period, and intellectuals, along with the elite governing the state, were aware of the situation. This awareness of the labefaction process motivated the basic dynamic of the primary reform attempts, remarkable in that these reforms had nothing to do with modernization or westernization, but on the contrary, were carried out as a struggle with the West with a view to protect the state and *status quo*. In fact, this state of affairs lasted almost until the end of the 19th century, with the only difference the acknowledgement of not only the technical, but also the holistic superiority of the West and thus leading to broader reforms from the beginning of the 19th century. Regardless of what their extent however, the original purpose of the reforms was protection of the state. The process of reforms began in accordance with this situation, but as stated above, those reforms at first emerged with the goal of satisfying requirements, not related to extensive Westernization,

but for combatting the deficiencies of the empire. As late as the periods of Selim III and Mahmud II, the reforms began to be put into practice extensively, and the process which is now defined as Westernization began only afterward, albeit somewhat timidly. Despite the fact that Westernization began to change the whole aspect of the empire and society, the main impacts were actualized by the emergence of intellectuals acquainted with western culture.

At that time while western culture was becoming prominent, nationalist awakening was primarily a movement instigated by Christian constituents, and later taken up by non-Turkish Muslim constituents. The Turkish constituent was mainly focused on the idea of “*saving the Empire*”. The concept of nationalism did not exist in the traditional structure of this empire which was based on the *millet* system, with religious groups that spoke many different languages and consisted of different ethnic groups with their own local administrations under the umbrella of the central imperial power. This state of consciousness grew at a fast pace during the 19th century and eventually subverted the Ottoman Empire. In all this, the main concern of the Ottoman intellectuals concordantly became opposed to nationalism, since the latter had to be abolished to save the Empire. Within this framework, Ottoman intellectuals were not only restricted to creating the ideology of Turkism, they also became the agents of the imperial structure against the nationalist process.

Examining the ideas of West and anti-West, it seems remarkable that for the Ottoman intellectuals, the development of a systematic anti-Western ideal was ultimately late and weak. Because the idea of Westernization fell into a decline and the skeptical concept of Westernism, which was the essential feature of the reforms, hindered or at least lowered an anti-consciousness. However, in general, there was an effort to reconcile western values with the traditional structure, and thus preserve the Empire. The ideology of *Ottomanism* should be evaluated in that sense. The western notions of *homeland* and *patriotism* with the traditional *loyalty* and *justice* were brought together, in the attempt to form an “*Ottoman nation*”. The failure of this attempt cannot be explained solely by its lack of sophistication. It is clear that the power of the state is an extreme requirement with such a policy, but the Ottoman Empire no longer had that power in the 19th century. The most important stage of Ottomanism was the era of the *Tanzimat* reform pashas, with loyalty to the Sultan--the traditional focus of loyalty – eliminated by a bureaucratic elite, and the concept of *loyalty* replaced by the concept of *homeland*. The new Ottoman philosophy also added the concept of *homeland* to the concept of “equal and liberal citizenship”. Although the belief that participation in all elements of governance would also be attached to the state may appear as a simple-minded belief, this belief obviously provided a significant cohesion.

Another attribution of the new Ottoman philosophy regarded the anti-Westernism mentioned above. The new Ottoman idea which regarded *Islahat Fermanı* (edict of reform, 1856), declared during Paris Conference, as a western intervention also put forward the first systematized anti-Western idea. But this antinomy should be interpreted as a demand for independence or anti-intervention in the framework of “patriotism” rather than being a so-called antinomy. This antinomy also formed a crack in Ottomanism. Within this scope, non-Muslim elements were perceived as a tool

for Western intervention and the ideology of Ottomanism, again with an external intervention, experienced a serious break-down during its first internal conflict. As a result of the fact that the number of non-Muslim elements in the empire was decreasing, the imperial consciousness adopted Islam as a new identity for itself. This ideology, which is depicted as pan-Islamism, should be considered as an ultimately western ideology, because the process in which Islam began to depart from being a religion to constituting an identity reference of a modern ideology sprang from western values. What is remarkable even while defending pan-Islamism is that the ideology of Ottomanism is still argumentative and even defensible. Yet the idea of saving the state had been transformed into keeping what was left behind, with -on the one hand- the prominence of an Islamic identity and on the other hand, efforts made not to ostracize non-Muslim elements. This Islamic identity was anti-nationalist to an almost utopian degree. The internationalism of Islamic elements was brought to the fore along with the assertion that emphasis of differences was against Islam. At the same time, Arab, and especially Albanian national awareness processes developed and ultimately increased the power of the ideology of Turkism.

The use of the word *Turkism* occurred long after the national awareness of each constituent in the Ottoman Empire. The term seems to have emerged for the first time in the beginning of the 20th century, though it wasn't until the Balkan Wars and even World War I that this ideology began to receive general support, having to hide itself in Islamic thought. Despite the fact that *Turkism*, like *pan-Islamism* has a "pan" feature, it had never been an effective idea. The internal reflection occurred as late as the era of the Republic of Turkey as a result of systematically attaching it to Westernization. Turkism and Westernism emerged altogether as modern forms of nationalism. The "pan" attribute of Turkism was eliminated at that point, and the idea of an equal and independent Turkish nation among the modern nations emerged, the ideology, as with former variants, claiming its imperial heritage and continuing the idea of "comprehensiveness" instead of "exclusionism" (the latter a basic feature of nationalism). In this sense, the modern Republic of Turkey and the project of Kemalism emerged as a mixture of concepts of "homeland" and "nation", a model that is western-oriented but also uneasy about the West, that wants to become westernized but also wants to carry on the integrity of the state; that is related to Turkism but based on "citizenship".

Concerning Russia, the first important fact was that, contrary to the situation with the Ottoman Empire, Russia was a country that had become increasingly powerful. In Russia, the systematic westernization progress beginning with the reforms of Peter I resulted in the increasing power of the Empire. During the 19th century, it is impossible to find a European concern in which Russia was not involved. Once again-- contrary to the situation in the Ottoman Empire-- in Russia central authority was established, and the opponents of autocracy annihilated. Besides economic growth, striking developments in the fields of education and culture occurred. Development of the aristocratic elite via the western educational establishment almost surpassed that of the West, not limited only to technical development, but an ultimately sophisticated level of improvement in social sciences and arts was also achieved. The pri-

mary significant point regarding the subject of this study is the self-confidence of intellectuals in this "glorious" Russia. While Ottoman intellectuals were deeply occupied with "saving the state", Russian intellectuals had the opportunity to deal with far more sophisticated issues. Another point is the aristocratic origin of Russian intellectuals. While Ottoman intellectuals were typical examples of petit bourgeois, Russian intellectuals were overwhelmingly of aristocratic origin. When examining the reforms of Peter I, and in particular the period of Catherine II when those reforms were institutionalized, an important fact emerges: In Russia, reforms had arisen and been carried out in a very strict, systematic and decisive manner from the beginning as opposed to the *hesitant modernization* seen in the Ottoman Empire. As a result, in Russia the systematic and extensive Western antilogy, from the beginning of the 19th century, was held to as harshly as the reforms themselves, something never to occur in the Ottoman Empire. This anti-West attitude in Russia primarily formed the question of who are "we" against Europe, and naturally formed the content of "we". The process which can be regarded as "early conservatism" should actually be evaluated as an intellectual environment where the first modern attempts in forming the "Russian" identity are dominant.

On the other hand, the Westernist attitude seen in the same period and which can be defined as "early liberalism" is crystalized at the Decembrist soul of 1825 is clearly the sphere of dominance of the ideas that support the westernization process of Russia and desire for construction of a new social structure with western values. Taking these ideas into consideration, collaboration via political struggle of the concepts "homeland" and "patriotism" rising in the West stands out. When analyzed, the participative political claims in terms of our subject--a political claim which is organized in the framework of a modern "homeland" concept-- emerges. One can assert correctly that to state that the concept is similar to that of Ottomanism, since a western model of organization and participative politics is constructed upon the concept of "homeland" in both countries. This liberal essence went into quite a conflict with anti-Western sentiment in Russia. The major signs of this conflict can be observed in the debates of the 1840s'. This debate, which is formulated as the *Zapadnik-Slavofil* antilogy, reveals the fact that the *Zapadniks* maintained their early liberal claims, but in spite of this, the early conservatism took a step forward in definition of Russian identity and this idea had become more systematic. What stands out here is that Russian identity is formulated as an identity of civilization rather than a national identity. Besides being an ultimately systematic formulation, this is a national state of consciousness which is a stranger to the concept of boundary and includes imperial constituents. Another (and a debilitating) feature of this definition which includes a kind of liberation is that it is unable to adopt an attitude against autocracy and elevates political apathy.

The changing in this attitude occurred due to the fact that aristocrat Russian intellectuals lost faith in Europe. That disappointment which especially A. I. Herzen embodies after the *Crimean War* resulted in the idea that Russian identity must be politicized. It's clear that Herzen, a *zapadnik* who announces the bankruptcy of the West, ultimately increased the faith and awareness in Russian identity against the Western world. The politicization of this faith



and awareness of Russia occurred thanks to Danilevsky, the reunciator of panslavism – which was achieved by combining German philosophy with French revolutionism. Danilevsky, in *Rossiya i Evropa (Russia and Europe)* created concepts of civilization at a sufficient level to become a pioneer for Spengler and Toynbee, and formulated the civilization concept of Slav-Russian civilization rising against Western civilization. Although this formulation mainly focuses on the theme of the unity of Slavs, the framework of Russian identity, which is the most advanced power in this civilization, would be the center of this union. Hence, what is mentioned here is the assertion that Russia, as the elder brother, or maybe even the father (rather than equal siblings), needs to establish this union and politicize as the new and superior civilization of the world. Western antilogy is again the main factor here, and again the boundary concept is nowhere to be found in those debates. Yet, according to this idea, Russia was an empire for a large population beyond its boundaries, too, and was in the position of demonstrating that.

This policy stopped and turned inwards with the internal disturbances as late as the Aleksandr III period. Although the “*autocracy- orthodox church- people*” trilogy, defined as the official ideology in the beginning of the century, is preserved just as it was, the inner reflection of the above mentioned policy occurred in such a way that a quick *Russification* policy coexisted. Yet, this trilogy as the formal ideology of a traditional empire, was slogging to hold the empire together during the era of nationalism. Although policies and ideas in the framework of “homeland” continued its existence in this era, it was then acknowledged that Russia was different from the West and that difference was sublimed by all. That is to say, the power of those who defended the concept of even “homeland” in a western tone was broken. Against them, different ideas that generally emphasized the Russian identity grew stronger. Despite all those debates, the tendency of converting Russian empire to a “Rus” empire (territorial imperial-ethnical national/*Rossisky-Rusky*) was ended by Leninism, which prefers politics to the concept of “homeland” that is organized in the framework of proletarian internationalism as a far superior identity, and that promotes the union of nations. With this ideology that acknowledges the right to self-determination by nations, “homeland” is asserted instead of “nation”. The dream of Decembrist movement, which is defined as early liberalism in the beginning of 19th century as it stood, came true a century later--an era in which all the elements were connected to each other by the ideology of socialism and the bonds of citizenship, and were patronized by the Communist Party beginning with the Soviet Revolution.

As it is seen above the process of identity in two cases are not only related to collective consciousness, but also about two countries’ relations with the West and their political processes as well. And it is inevitable that those two spheres are not related to social issues. Communities, citizenship, state identity, legitimacy for governance and reforms in political and economic areas parallel to those are the integrity of modernization. However it is possible to assume that that integrity was not a necessity until above mentioned fluidity of modernity. The perfect two cases about reforming in government and economics, but not in political area can be the periods of Adülhamid II and Alexander III. Both conservative, but reformist autocrats can be

titled as the examples of conservative reformism at the end of 19th century. Their common belief for the necessity of reforms, but not political ones has brought them to an undeclared peace policy against each other, but a defense policy against the West; both to be remembered for their conservative followers even today in Russia and Turkey. Their comprehension for reforms was like the early Turkish reformism of 18th century: to reform not to change the existing social and political contingency of the empires. The pendulum of holistic and particular reformism of the empires ended with the particular one at the end of the century. If to mention shortly the next century, while Turkish Republic after the WWI again chose the way of holistic reforms, Soviet Union was choosing the continuity of reforms in its own sovereignty and particularization of its modernization.

Another aspect which should be mentioned here is the democratic choices of the two. While Ottoman Empire chose a path of representative reforms since the third decade of 19th century, Russia has chosen a more authoritarian way since the failure of the Decembrist Revolt. Especially after the Crimean War two reverse directions for two cases were more significant. Even many historians could argue that the main reason of the 1877-78 Turco-Russian war was more related to the Ottoman Constitution and Parliament of 1876 than the others like Pan-Slavism or the independence of Bulgaria. Again after WWI those reverse directions have determined the paths of two modernization cases about modern democratic values. Another aspect should be the economic tendencies and success or failure stories of both to be mentioned here, but I avoid to do that with only inviting you to remember the general characteristics of current Turkey and Russia about production capacities and development levels of two regarding the capabilities of integration to world economy.

Following those historic main lines, the questions about the reflections of crisis of modernity can be asked finally. First of all, the unequal paths of modernity between the West and between the two cases of modernization resembles an advantage or disadvantage for the current political developments.

For instance about identity and civilization issues, is it possible to remember Bakunin arguing that the future of the world can be established at the non-Western part of the world, i.e. Russian and Ottoman lands due to the “*non-degenerated*” characteristics of the two cases by the Western civilization, or the three hundred years of modernization is only following and trying to get adapted to the West and the new status quo will appear in the West again and modernization by its original meaning will go on? Sovereignty of the state undestroyed in the modernization process’ defending instinct is an advantage or where state-people relations are weakening is it a disadvantage having no infrastructure and preparations for supranational hybrid political organizations? Unsettled and cross border identities between civilizations or confusions about homeland and nation are advantages or already antiquities which will prevent following new identities going beyond those? Unsettled democratic institutions and culture are advantages for a new authoritarianism which will be the new reality of tomorrow, or it is again the state of being underdeveloped while tomorrow’s new reality will be a much more advanced democracy with its complex characteristics? Or the state of having an unsettled democracy

means an advantage to get adopted to an advanced one, or not? Citizenship which could not reach the level of modernity is an advantage for transforming to communities system, or the underdeveloped version of citizenship will lead those two cases to federations of ghettos? If political citizen will lose its place to non-political subject whose *telos* is consumption only, is this an advantage for governance for modernization cases or it will cause a perfect atomization of those? Will consumption be only *telos* mean that this will be only about goods and services? Political and social weak societies can provide goods for people's consumption? How related the economic success to political reliability? Economic development has alternative ways to the one in the West and if there are, are they compatible? Is economic success possible in political confrontation with the West? Is economic success without universal law and effective political system possible? Will economic consumption be the guarantee of political stability, or the people's demands will be about consuming dreams? If not dreams but false perceptions of nightmares will be deter-

mining the social demands, how will a new period of illusions be governed?

Anyone can add many questions to those above. However the main issue is, with their different historical backgrounds, modernization cases will be feeling the crisis of modernity, too. And maybe in deeper and stronger ways. I assume that the pendulum of those cases are between the ideas of progress and conservatism, universality and particularity of reforms, flexibility and confrontation against the West, a new reliable patriotism with an efficient state or a classical patriotism with a strong state, democratization and authoritarianism, more complex representation or externalization of new identities, success or failure of economic success, integration or isolation, etc.

In the last words, I want to repeat that this report is formed of more questions than answers. I think all those questions should be searched and argued further after this report has asked shortly if all that is solid melts into air or fluidity of non-solidified yet will prevent it from melting into air?

**Csaba Varga<sup>1</sup>**

## **GLOBAL CHALLENGE, RULE OF LAW, AND THE NATIONAL INTEREST (Debating Universalism/Particularism in the Euro-Atlantic Civilisation)**

All people of broad, strong sense have an instinctive repugnance to the men of maxims; because such people early discern that the mysterious complexity of our life is not to be embraced by maxims, and that to lace ourselves up in formulas of that sort is to repress all the divine promptings and inspirations that spring from growing insight and sympathy. And the man of maxims is the popular representative of the minds that are guided in their moral judgment solely by general rules, thinking that these will lead them to justice by a ready-made patent method, without the trouble of exerting patience, discrimination, impartiality – without any care to assure themselves whether they have the insight that comes from a hardly-earned estimate of temptation, or from a life vivid and intense enough to have created a wide fellow-feeling with all that is human.

*George Eliot<sup>2</sup>*

There is no need at all for different people, religions and cultures to adapt or conform to one another. [...] I think we help one another best if we make no pretenses, remain ourselves, and simply respect and honor one another, just as we are.

*Vaclav Havel<sup>3</sup>*

Since more than a quarter of a century, the almost mechanical and unreflected reception of Western mainstream trends in the entire Central and Eastern European region has made the chance of any new fresh start the function of a soullessly estranged doctrinarianism, declaring its newest inventions the law of the day, self-defeating to the depth for all the

countries concerned.<sup>4</sup> For whatever its present state – even if apparently obsolete, strange or crude – it is only tradition, the accumulation of generations' lived-through experience – i.e., the historically evolving culture of each and every community – that can offer integrative force to any given society and dignity to persons belonging to it.<sup>5</sup>

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<sup>2</sup> Elliot G. *The Mill on the Floss* (1860), book 6, ch. 2.

<sup>3</sup> Quoted in Philip K. Howard 'Vaclav Havel's Critique of the West' <<http://www.theatlantic.com/international/archive/2011/12/vaclav-havels-critique-of-the-west/250277/>>.

<sup>4</sup> Cf., as to the once Soviet Union destiny, Csaba Varga 'Failed Crusade: American Self-confidence, Russian Catastrophe' in his *Transition? To Rule of Law? Constitutionalism and Transitional Justice Challenged in Central & Eastern Europe* (Pomáz: Kráter 2008), pp. 199–219 [PoLiSz Series Books 7] & in <<http://mek.oszk.hu/14800/14851>>.

<sup>5</sup> Hardly are we longing for reviving the nomadic life in the Steppe again, but the political and social wisdom in its ordering may have been adequate and thoroughly balanced in its time. Abdumalik Nysanbayev *Kazakhstan Cultural Inheritance and Social Transformation* (Washington, D.C.: Council for Research in Values and Philosophy 2004) viii + 236 o. [Kazakh Philosophical Studies I / Cultural Heritage and Contemporary Change, Series IIC, Central Asia, Volume 2], chapter II: Common Law Philosophy of the Kazaks: Potentials for Democracy, in <<http://www.crvp.org/book/Se>>.

Just to start with our central concept here, it is degrading a paradox to realise how much the English–American legal heritage strives to become the Number One teacher of Europe in making it to understand what the overemphasised and overused notion »Rule of Law« means.. For it is surprising to notice that – as to the English past – an ideal is extended to get accepted worldwide as a universal model that has from the beginning targeted the preservation of the autonomy (or independence from the royal power) of the judiciary. And ironically, the most essential feature that common law has never been embodied by clear rules and that the incessantly growing mass of precedents cannot be but based on *ex post facto* declaration of what the kingdom’s law has ever been, that is, retroactive for the contended case,<sup>1</sup> is not disputed by its either classic or contemporary jurisprudence.<sup>2</sup> And as to the United States of America’s presence, their understanding of what the rule of law means is founded on the political and hierarchical supremacy of judicial power, in a way that amounts to the breaking down of what has been left from their founding fathers’ idea on democracy. As to the motives, all it is rooted in the short-run strive for winning in American politics. And in its main orientation of not to lose, the state power’s democratic (representative) machinery, legislation-cum-government, is oriented to attract voters’ favour, and passes on, obstinately, all issues hazarding unanimous popular consent to available judicial fora. For this reason, divisive issues – that is, those ones that would indeed need disputation on a *demos* level – are, instead of reaching the people’s representatives’ democratic consent, all decided *in camera* by a judicial forum, throughout homogenised and formalised in law, that is, made insensitive to popular values.<sup>3</sup> As a self-multiplying effect, there is constitutional adjudication built upon legislation: the law enacted by the sovereign representative is dependent on reaffirmation by a professional body which is not representative but free-of-control, and acts in a legally homogenised and formalised way. On its turn again, this offered an invitation for the recently died Ronald Dworkin to propose judicial review in order to assess political party programs as well, before a party may launch its agenda before the public. Moreover, American rule-based law itself

ries03/IIIC-2/chap-2.htm>. Albeit the Albanian Highland’s Blood Feud [gjakmarrja] may hardly have a positive acclamation today, all that notwithstanding “Albanians have a reverence for honesty and good faith that plays an almost sacred role in their customary law. These same values can bring justice to modernity, and control the atomism and the positivism that have defaced the rule of law in other, more modern, European societies.” Gene Trnavej ‘The Interaction of Customary Law with the Modern Rule of Law in Albania and Kosovo’ in *The Rule of Law in Comparative Perspective* ed. Mortimer Sellers & Tadeusz Tomaszewski (Dordrecht, etc.: Springer Science+Business Media B.V. 2010), p. 215 [Ius Gentium: Comparative Perspectives on Law and Justice 3].

<sup>1</sup> Ekins R., *Rights, Interpretation and the Rule of Law* // in *Modern Challenges to the Rule of Law* / ed. by R. Ekins (Wellington: LexisNexis NY 2011), pp. 166–167 and 174–178.

<sup>2</sup> E.g., John Philip Reid *The Rule of Law The Jurisprudence of Liberty in Seventeenth and Eighteenth Centuries* (De Kalb: Northern Illinois University Press 2004) 150 pp. and *The Legal Doctrines of the Rule of Law and the Legal State* (Rechtsstaat) ed. James R. Silkenat, James E. Hickey Jr. & Peter D. Barenboim (Heidelberg, etc.: Springer 2004) xiii + 367 pp. [Ius Gentium: Comparative Perspectives on Law and Justice 38].

<sup>3</sup> Cf. Csaba Varga ‘Transfers of Law: A Conceptual Analysis’ in his *Comparative Legal Cultures On Traditions Classified, their Rapprochement & Transfer, and the Anarchy of Hyper-rationalism* (Budapest: Szent István Társulat 2012) [Philosophiae Iuris] & <<http://drcsabavarga.wordpress.com/2012/03/12/varga-comparative-legal-cultures-2012/>>, pp. 181–207, as well as Thomas M. Franck ‘The New Development: Can American Law and Legal Institutions Help Developing Countries?’ *Wisconsin Law Review* 12 (1972) 3, pp. 767–801 and Ran Hirschl *Towards Juristocracy The Origins and Consequences of the New Constitutionalism* (Cambridge, Mass. & London: Harvard University Press 2004) 286 pp.

gets increasingly deformed for that it can easily serve juristic interests: it gets drafted in a manner to ease decisional options for the future judge in case the regulated issue will be contested.<sup>4</sup>

In reaction, there is a widely developing scholarly literature addressing the destructive effects of such a new “political religion”,<sup>5</sup> criticising, among others, the intellectual climate, too, in the womb of which the liberality of licentious law professors, rivalling each other up to arriving at unrestrained extremities, alongside of profit-hunger advocates, skilled in filling all available gaps in the law, constructs their own rule of law – no need to add that to the detriment of one-time ideals of the founding fathers.

What have they produced and what may have produced them? As a sign of social trust dissolved and once erected social network of integration fallen to pieces, during the last fifty years divorce multiplied by four, unmarried birth by twelve, violent crime by ten, at a time when the hypertrophically increasing curve of regulatory intervention and litigation already corroded security in law.<sup>6</sup> Instead of curing aid, law has become the problem itself, a major pathogen factor sickening America.<sup>7</sup> Accordingly, at a stage when representative democracy is forced back by the triumphing judicial power<sup>8</sup> and the mainstream ideology (upheld by a tiny minority partisan background) is estranged from basic human needs, the cry for “Government by real people, not theorie” has had to surface as a new revindication.<sup>9</sup> Or, proud and arrogant “American exceptionalism” (recognizing, in the mirror of America, the universal ideal of human existence) is already seen as proof for impotence-cum-chauvinism, characterised by over-expensive legal order, artfully legalised wangling, and influential lawyerly cast parasitizing on corruption.<sup>10</sup> It is attributed more and more to proliferating brainchildren, easy and irresponsible, by elite universities as “short-sighted, self-interested groups”<sup>11</sup> that social solidarity has moulded. Or, as stated, “the legal foundation of the road to serfdom was devised by law professors”, in a course when also “social policy litigation has corroded democracy and contributed to public polarization and the fiscal crisis.”<sup>12</sup> All in all, thanks to the army of laws and law-

<sup>4</sup> Eric Helland & Jonathan Kick ‘Regulation and Litigation: Complements or Substitutes?’ in *The American Illness Essays on the Rule of Law*, ed. F. H. Buckley (New Haven, Conn. & London: Yale University Press 2013), pp. 118–136.

<sup>5</sup> Hirschl R. *Constitutional Theocracy* (Cambridge, Mass.: Harvard University Press, 2011) 306 pp.

<sup>6</sup> Fukuyama F. *The Great Disruption Nature and the Reconstitution of the Social Order* (New York: Free Press 1999) xii + 354 pp. Cf. also Csaba Varga ‘Humanity Elevating Themselves? Dilemmas of Rationalism in our Age’ in his *Theory of Law Norm, Logic, System, Doctrine & Technique in Legal Processes, with Appendix on European Law* (Budapest: Szent István Társulat 2012) [Philosophiae Iuris] & <<http://drcsabavarga.wordpress.com/2013/12/18/csaba-varga-theory-of-law-2012/>>, pp. 131–164.

<sup>7</sup> *The American Illness Essays on the Rule of Law*, ed. F. H. Buckley (New Haven & London: Yale University Press 2013) xii + 834 pp. Cf. also Csaba Varga ‘Legal Mentality as a Component of Law: Rationality Driven into Anarchy in America’ *Curentul Juridic XVI* (2013) 1, No. 52, pp. 63–77 & <[http://revuecurrentjur.ro/arhiva/attachments\\_201301/recjurid131\\_7F.pdf](http://revuecurrentjur.ro/arhiva/attachments_201301/recjurid131_7F.pdf)>.

<sup>8</sup> Hirschl R. *Towards Juristocracy* [note 7].

<sup>9</sup> Howard Ph. K. *The Rule of Nobody Saving America from Dead Law and Broken Government* (New York: W. W. Norton & Company [2014]) x + 244 pp. as well as Philip K. Howard *The Death of Common Sense How Law is Suffocating America* (New York: Random House 1994), 202 pp.

<sup>10</sup> Buckley F. H. *The Rule of Law in America* in *The American Illness Essays on the Rule of Law* / ed. F. H. Buckley (New Haven & London: Yale University Press 2013), pp. 3–39.

<sup>11</sup> Philip K. Howard *The Collapse of the Common Good How America’s Lawsuit Culture Undermines our Freedom* (New York: Ballantine Books 2002), 253 pp.

<sup>12</sup> Barnett R. E. and Howard Ph. K., quoted by Walter Olson *Schools for Misrule Legal Academia and an Overlawyered America* (New York: Encounter Books 2011) vi + 284 pp.

yers wedging themselves in all available ongoing processes, medical expense is hypertrophically higher and litigation cost multiplied into four to nine times as compared to other places. The end-result is an “overlawyered, overregulated country with multiple access points for bureaucrats and special interests to interfere with business decisions”.<sup>1</sup> Not by chance, some months before his assassination, Robert F. Kennedy could have told, too, on the mainstream understanding of Rule of Law ideal what he opined on “the gross national product [...] that [...] measures everything, in short, except that which makes life worthwhile. And it tells us everything about America except why we are proud to be Americans.”<sup>2</sup>

Well, now it seems as if all such new developments were at the same time to anticipate European Union reality. For – as recently stated – “The European Union is not driven by the Rule of Law as an institutional ideal. Instead, the Union deploys the ‘Rule of Law’, viewed to a large extent through the lens of the autonomy of the EU legal order, to shield its law from potential internal and external contestation. This is precisely the opposite of what the classical understanding of the Rule of Law would imply.”<sup>3</sup>

And what is the outcome, what about the aftermath? By now, on its widened scene, both domestic and international agencies engage in doing jobs by referring to – by use, overuse and abuse – catchwords like ‘rule of law’, ‘democracy’ and ‘human rights’, as if such sphinxian expressions could stand for legal authorities themselves. Almost as political slogans, they are appealed as if they were to imply normatively well-defined operative contents. For that matter, they do that fully aware of the fact that, indeed, both their meaning and the consequences of them are ambiguously open. Otherwise speaking, all this performance stands for a hardly disguised, ill-concealed political ruling, practiced by manipulation and the exclusivity of absolutism. This is that makes such claims over-generalised, emptied from their historical setting and original meaning. And what is left cannot be more or else than lost conceptuality, or mere referential idol, qualified as “meaningless thanks to ideological abuse and general over-use.”<sup>4</sup>

A quarter of a century ago, those now in government, then my own university students in the metropolitan law faculty in Budapest, organised an international conference on the understanding of the Rule of Law. John Finnis of Oxford defined the tone, serving as an upbeat with a most surprising but adequate instruction. There is an immense number of books dedicated to the topic – he told – , with all them addressing you in your endeavour rebuilding your country after communism. But don’t bother with them, please – he added. It would be meaningless for you. It is only one single sentence from all that may have a mes-

sage to you. One, from my own book. And it reads: “Rule of law is not and cannot be a pact of collective suicide.”<sup>5</sup> Well, what is meant by such a cryptic formulation? As he explained, the Rule of Law stands for the culture of the exercise of state power. This has developed differently in differing countries, responding to local timely challenges. And challenges being *hic et nunc*, i.e. particular with varied emphases and cultural contextures, there is no exclusive response available. And whatever response laboured eventually there and then, it solely responded to the urgently felt need with no specific concern with abstract posterity. Or, the Rule of Law is a civilising idea of how state power can pacify: a tool to reach it, but not an excuse why not to reach it. All in all, in principle, it is a function of the given state what culture it cultivates and how it will implement it.

This amounts to stating that Rule of Law cannot become a fetishized idol. Moreover, it cannot even be treated like an artificially dichotomised duality, in the style of all-or-nothing, without counting with graduality<sup>6</sup> and – of course, ethically also thoroughly balanced – practicality.<sup>7</sup> After all, the Rule of Law idea is not an operational concept; it has no commonly accepted notion in law.<sup>8</sup> This is also to say that it belongs to those concepts which are from beginning essentially contested. Such is the typical feature of conceptualisations in case of which neither narrowing (or reductional dogmatism) nor widening (or open-ending eclecticism) can afford a solution. Expressive of value-contents and most various considerations by definition, their unending disputation, controversy, polemics and argumentation are – instead of making it sharp and unambiguous – only to select from the variety of its equally defensible understandings, in themselves all conceivable and viable.<sup>9</sup> For what is at stake with the Rule of Law is not an accomplished and positivized system but a living culture, built step to step by each and every relevant occasional action. Developing through the unending chain and accumulation of challenges and responses, it draws from the *hic et nunc* historical experience of the given people. Moreover, taking into consideration the most intimate connection and overall embeddedness of its any given stage with/in the cultural patterns prevailing there and then, it cannot be – roughly speaking – more than a syn-

<sup>5</sup> Finnis J. *Natural Law and Natural Rights* (Oxford: Clarendon Press 1980), pp. 274–275 [Clarendon Law Series] holds indeed that security of law being part of public good and rule of law being out of the potential to secure all the aspects or even the essence thereof, by choosing in the dilemma of unconditional legality and a statesman’s act one may be forced to renounce its full implementation.

<sup>6</sup> Cf., e.g., Charles Sampford *Retrospectivity and the Rule of Law* (Oxford: Oxford University Press 2006) xvii + 308 pp. on that retroactivity, to a given measure, is characteristic of practically all well-arranged society, independently whether it is perceived or not.

<sup>7</sup> Hayek F. A. *The Road to Serfdom* (Chicago: University of Chicago Press 1944), p. 22 emphasises, for instance, that “retrospective legislation can be beneficial when it corrects some legislative slip or permits the overcoming of some hardship to some persons without injury to the rights of others.” and Andrei Marmor ‘The Rule of Law and its Limits’ *Law and Philosophy* 23 (2004), p. 20 adds, referring to efforts at coming to terms with the past after a dictatorial regime, that “If the legal system is profoundly corrupt, citizens are not morally entitled to assume that whatever is legal at the time is something that they are permitted to do.”

<sup>8</sup> “Firm adherents are locked in great disagreement about what the rule of law really is.” – introduced Ronald Dworkin in his ‘Keynote Speech’ *The Rule of Law as a Practical Concept* Venice Commission Conference in 2012 in <<http://www.venice.coe.int/webforms/documents/default.aspx?pdffile=CDL%282013%29016-e>>. Cf. also as an already classical overview, Richard Fallon H. Jr. *The Rule of Law as a Concept in Constitutional Discourse* *Columbia Law Review* 97 (January 1997) 1, pp. 1–56.

<sup>9</sup> W[alter] B[ryce] Gallie ‘Essentially Contested Concepts’ *Proceedings of the Aristotelian Society New Series* 56 (1955–1956), pp. 167–198; cf. also <[http://en.wikipedia.org/wiki/Essentially\\_contested\\_concept](http://en.wikipedia.org/wiki/Essentially_contested_concept)>.

<sup>1</sup> Reinsch R. *America Rule of Law’s Sickness* in <<http://www.libertylawsite.org/2013/07/24/americas-rule-of-law-sickness/>>. As a background, cf. Csaba Varga ‘Law, Ethics, Economy: Independent Paths or Shared Ways?’ in his *Theory of Law* [note 10], pp. 202–215.

<sup>2</sup> Robert F. Kennedy [University of Kansas, March 18, 1968] in <<https://www.flickr.com/photos/vm1757/280433501>>.

<sup>3</sup> Kochenov D. *EU Law without the Rule of Law: Is the Veneration of Autonomy Worth It?* *Yearbook of European Law* (2015), p. 1.

<sup>4</sup> Shklar J. *Political Theory and the Rule of Law // The Rule of Law: Ideal or Ideology* ed. Allan C. Hutchinson & Patrick Monahan (Toronto: Carswell 1987), p. 1. Cf., as recently monographed, by a constitutional justice, ex deputy procureur générale of Hungary, Varga Zs. András *Eszményből bálvány? A joguralom dogmatikája [Idol, out of an ideal? The dogmatism of the rule of law]* (Budapest: Századvég 2015), 227 pp. [Szabadság].

thetic average of what is ordered from above and what its popular assistance dictates on a changing – daily – basis.<sup>1</sup>

No need to add that as cultural aspiration, it can spread over peoples with whom there has evolved some demand for mutual learning process. Thereby, on the one hand, kinds of assimilation can eventuate (in order to form types characteristic of given historical periods) and, on the other, common development can ensue (in order to form types characteristic of, e.g., the Common Law). However, all it does not make it a universal pattern; it remains a living culture of peoples concerned, responding own challenges according to own ways as part of their solely own heritage – independently of the fact of whether or not, in the persistent whirling of imperialisms and globalisms on our globe, there are always power centres endeavouring to impose their routine, as if it were a universal pattern, on others. And now, what is the consequence? Well, that what was in the past the myth of civilising »white man«, Spanish/English and French/Dutch colonising »European superiority« and »German cultural supremacy«, has in meantime transubstantiated into »American exceptionalism«.<sup>2</sup> Sublating their big power and sole global power ethno-centrism, they excel now unmasking even modest local assertion of any others' national interests as fearful »nationalism«.

By its nature, the Rule of Law withstands encapsulation into dogmas. Its guiding spirit is far from any clear-cut commanding how to proceed in a concrete case or take an individual decision. It is on weighing and balancing in situations where equally legitimate, relevant considerations, values and interests are in conflict and competition to prevail, in situations the optimum fulfilment of which can only be something of a middle course, a compromise solution.

After all, the most acute and vigorous idea of the 'rule of law', 'democracy', 'human rights' and so on – reminds the Polish Pope of yesterday as well<sup>3</sup> – embodies an instrumental value, nothing more. For law is a category of social mediation, like language is: they are neutral themselves. What they mediate is taken over from other social complexes.<sup>4</sup> So they are to mediate fundamental values, among others, too, and the ultimate value of the instrumental value of 'rule of law', 'democracy', 'human rights', and so on is dependent on what *are* those values they actually mediate.<sup>5</sup>

I guess an excellent recapitulation has been given by the president of the Supreme Court of Justice in Hungary, mes-

saging that "values laying the foundations of legal order and substantiating why society is legally organised – like dignity, liberty, and peace of persons and communities – have to be asserted and condensed in the very notion of the rule of law. But the implementation of such values is from the beginning impaired if other rule of law notional components – like legal security – are granted absolute priority. For legal security and rule by law embody values themselves, on the one hand. But values can conflict and therefore need balancing, on the other. Once instrumental value protecting the law's consistency conflicts a fundamental value, this latter has priority."<sup>6</sup>

In such a perspective, it is not only the hyperactivity, doctrinarianism and excessive formalism of some constitutional courts in the region that are to blame as representing genuine and long-term danger. Albeit their activism's supreme illegality may have questioned why rule of law is worthwhile at all, and hindered (if not simply blocked) the chance of a true transition,<sup>7</sup> nowadays what is even more troubling is the European Union manipulation, manoeuvring with unfounded criticism on a daily basis as a quasi-legal intervention, in order for it, again, to marshal domestic issues as well. This is perhaps a post-modern imperialism, springing to the attack with the saint passion of a new ideocrator, incarnate of the final truth.

Ideocracies today act as judgeocracy, working with soft – softening or softened – law. Due to them, the benefit of representative power, parliamentary sovereignty, and the underlying meaning of democracy can be neutralised and minimised.<sup>8</sup> Once *law in action* is freed from the *law in books* by the judiciary, widening or narrowing of the law's regulation turns to be discretionary, menacing by *sabotage judiciaire ou révolte* as well. As is known, balances and proportions that come to be in institutions and ideologies at any time are accompanyingly confused by pressurised new claims. This is necessary, because all kinds of inorganic, random and ordained development are to enforce new homogenisation that disfeatures the original setting. The assertion of one single consideration, mostly alien to what strictly the matter is about, may distort the whole process.<sup>9</sup> For instance, human rights centred approach as it is pressed by the western mainstream nowadays can corrupt and spoil any other consideration, reducing the complexity of adjudication to one single point of view, extraneous to the matter.<sup>10</sup> Similarly, introducing judicial control

<sup>1</sup> "The Rule of Law probably cannot exist in a society unless people engage in constant argument what the Rule of Law amounts to" – holds Jeremy Waldron 'Is the Rule of Law an Essentially Contested Concept (In Florida)?' *Law and Philosophy* 21 (2002) 2, p. 164 – , therefore – as stated in the classic F. A. Hayek *The Constitution of Liberty* (Chicago: University of Chicago Press 1960), p. 206 – "many of the applications of the rule of law are also ideals which we can hope to approach very closely but can never fully realise. If the ideal of the rule of law is a firm element of public opinion, legislation and jurisdiction will tend to approach it more and more closely. But if it is represented as an impracticable and even undesirable ideal and people cease to strive for its realisation, it will rapidly disappear. Such a society will quickly relapse into a state of arbitrary tyranny."

<sup>2</sup> Cf. <[https://en.wikipedia.org/wiki/American\\_exceptionalism](https://en.wikipedia.org/wiki/American_exceptionalism)> ill. <<http://nationalinterest.org/about-the-national-interest/>>

<sup>3</sup> Cf. Varga Cs. *Buts et moyens en droit in Giovanni Paolo II Le vie della giustizia: Itinerari per il terzo millennio (Omaggio dei giuristi a Sua Santità nel XXV anno di pontificato) a cura di Aldo Loiodice & Massimo Vari (Roma: Bardi Editore & Libreria Editrice Vaticana 2003)*, pp. 71–75.

<sup>4</sup> Cf. Cs. Varga *The Place of Law in Lukács' World Concept [1981/1985] 3rd {reprint} ed. with Postface (Budapest: Szent István Társulat 2012) 218 pp.* & <<http://mek.oszk.hu/14200/14249/>>

<sup>5</sup> Varga Cs. *Goals and Means in Law Revista da Faculdade de Direito da Universidade de Lisboa LI (2010) 1–2*, pp. 263–274 & <<http://www.thomasinternational.org/projects/step/conferences/20050712budapest/varga1.htm>>

<sup>6</sup> Darák P. *Társadalmi problémák – jogi megoldások [Social problems – legal solutions]* in (L)ex cathedra et praxis Ünnepe kötet Lábady Tamás 70. születésnapja alkalmából, szerk. Csehi Zoltán, Koltay András, Lándi Balázs & Pogácsás Anett (Budapest: Pázmány Press 2014) [Xenia], p. 591, note 6.

<sup>7</sup> Cf., by Varga Cs. *Transition to Rule of Law On the Democratic Transformation in Hungary (Budapest: ELTE "Comparative Legal Cultures" Project 1995) 190 pp.* [*Philosophiae Iuris*] & <<http://mek.oszk.hu/14700/14760/>>

<sup>8</sup> Hirschl R. *Towards Juristocracy* [note 7]; cf. also *The Global Expansion of Judicial Power* ed. C. Neal Tate & Torbjörn Vallinder (New York: New York University Press 1995) xii + 556 pp., Walter K. Olson *The Rule of Lawyers How the New Litigation Elit Threatens America's Rule of Law* (New York: St. Martin's Press 2003) 358 pp., Leslie Friedman Goldstein 'From Democracy to Juristocracy?' *Law & Society Review* 38 (2004) 3, pp. 611–629, Alec Stone Sweet *Governing with Judges Constitutional Politics in Europe* (Oxford: Oxford University Press 2010) xii + 232 pp., as well as Bernd Rüthers *Die heimliche Revolution vom Rechtsstaat zum Richterstaat* *Verfassung und Methoden: Ein Essay* (Tübingen: Mohr Siebeck 2014) ix + 175 pp.

<sup>9</sup> Howard Ph. K. *The Collapse of the Common Good How America's Law-suit Culture Undermines our Freedom* (New York: Ballantine Books 2002) 253 pp.

<sup>10</sup> Varga Cs. *Az emberi jogok problematikája [Problematics of human rights]* *Társadalomkutatás* 32 (2013) 2, 1–15.

over government actions necessarily leads to ignore what the proper gist may have truly been. For, then, social acceptance, economic gain, political rationality, even national survival itself get confronted with mere legality, which may prove to be irrelevant socially in the moment.<sup>1</sup> Reductionism equals to simplification, homogenisation, and, after all, falsification. Like a whitewash, when a Pentagon four-star general was told by the supreme commander as an excuse: “we don’t know what to do [...], but we’ve got a good military, and we can take down governments. I guess if the only tool you have is a hammer, every problem has to look like a nail.”<sup>2</sup>

The more it is characteristic in our epoch to learn from everyone and everything, from the past and present alike, and to recognize that continuous learning grows into supranational softening of the law in the manner of *All the world’s a courtroom*,<sup>3</sup> the more it is an abuse on behalf of international agencies to use political slogans as operative terms in law, for that big and forceful entities’ daily routine can be imposed upon the rest as a universal panacea. For any imposition impoverishes the subject, deprives it from what

should have been a potential part of it. Thereby benevolence can easily turn into its opposite. Any external dictate follows circus trainer mentality, while those taking pains for assisting and nothing else are of the type of a gardener, ambitioning nothing but his/her plant’s well-being.<sup>4</sup>

Law is shaped by human needs and serves human interests. It has to withstand fetishization and also reification ending in alienation. For law is a human adventure transforming historical experience into ordering and planning tools. But “life is nonstandard”, the fact notwithstanding that “The modern era has been dominated by the culminating belief that the world [...] is a wholly knowable system governed by finite number of universal laws that man can grasp and rationally direct [...] objectively describing, explaining, and controlling everything.” This is why “[t]he more systematically and impatiently the world is crammed into rational categories, the more explosions of irrationality there will be to astonish us”.<sup>5</sup>

Accordingly, commensurability of the laws’ regimes is definitely limited. In order to assess them, experienced wisdom has to accompany knowledge.<sup>6</sup>

**Jerzy J. Wiatr<sup>7</sup>**

## INTERNATIONAL CONFLICTS IN THE 21st CENTURY AND THE CULTURE OF PEACE

The end of the cold war profoundly changed the nature of international relations in two main ways: it marked the end of the ideological confrontation on the global scale and it has created conditions for the global hegemony of the United States of America. At the end of the twentieth century, American theoreticians of international relations considered these changes as more or less lasting phenomena of the new world political structure for at least a genera-

tion (Brzezinski 1997, Kissinger 1994). International relations were seen as returning to the old historical model of the interplay of national interests, basically free of ideological connotations. The twentieth century with its ideological wars was seen as a tragic but already closed chapter of modern history. The world hegemony of the United States was seen – and praised (not only by Americans) – as the cornerstone of a new world order: *Pax Americana* – the American peace.

A quarter of century later this perception of the world order has been abandoned and international relations specialists are in search of a new paradigm. Four processes played particularly great role in changing the character of international relations in the first decades of the 21st century.

The first was a rapid decline of the global hegemony of the United States caused mostly by the mistaken strategy adopted by the American ruling elite in response to the terrorist attacks of September 11, 2001. The invasions of Afghanistan (2001) and even more of Iraq (2003) caused a lasting damage to the American world hegemony, because they antagonized a large part of the world population (mostly, but not exclusively in the Islamic nations), isolated the United States from some of its main allies and contributed to the world economic crisis of 2008. Several American scholars lamented the tragic consequences of the mistaken policy of the G.W. Bush administration in Iraq for the world position of their country (Herspring 2008, Holmes 2007, Mearsheimer 2003, Wax 2008). Acting in flagrant violation of the international law, the United States weakened the legal base on which future international conflicts could be resolved peacefully, by means provided by the UN Charter. In 2007, Zbigniew Brzezinski condemned the Bush administration as “catastrophic”

<sup>1</sup> E.g., Carol Harlow ‘European Governance and Accountability’ in *Public Law in a Multi-layered Constitution* ed. Nicholas Bamforth & Peter Leyland (Oxford: Hart Publishing 2003), p. 79–102.

<sup>2</sup> Wesley Clark in <[http://www.democracynow.org/2007/3/2/gen\\_wesley\\_clark\\_weights\\_presidential\\_bid](http://www.democracynow.org/2007/3/2/gen_wesley_clark_weights_presidential_bid)> and <<http://genius.com/General-wesley-clark-seven-countries-in-five-years-annotated>>

<sup>3</sup> Shirley S. Abrahamson & Michael J. Fischer ‘All the World’s a Courtroom: Judging in the New Millennium’ *Hofstra Law Review* 26 (1997) 2, p. 273–291.

<sup>4</sup> Варга Ч. Верховенство права или дилемма идеала: садоводство против механизации : пер. Л. Г. Гоцко // Проблемы модернизации правовой системы современного российского общества / ред. В. М. Шафаров. (Красноярск: Центр информации 2011), p. 14–26 & in <<https://ppke.academia.edu/CVARGA/Papers>>

<sup>5</sup> Cf. note 2.

<sup>6</sup> Varga Cs. *Visszavont emberi teljesség? Eszmeuralom és tetszőlegesség* [Fullness of being withdrawn? Ideocracy & randomness] *PoLiSz* (March 2005), No 82 & <<http://krater.hu/wp-content/uploads/2015/09/pol82-m%C3%A1rc.pdf>>, p. 14–21. For further underlying issues here, cf. Варга Ч. Загадка права и правового мышления // Варга Ч. Избранные произведения / ред. М. В. Антонова. СПб. : Издательский дом «Алеф-Пресс», 2015. 408 p.

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and called for a reversal of its foreign policy (Brzeziński 2007). There were great expectations resulting from the election of Barack Obama in 2008 but in the last year of his presidency it has been clear that he was unable or unwilling to fundamentally change the direction of American policy. The consequence of the weakening of the American position in world politics is the increasing role of other powers.

The second change, however, results not only from the crisis of American hegemony but also – or mostly – from the stronger position of two regional powers whose position in world politics has not been fully appreciated by the American and West European strategists at the end of the last century. China has been growing much faster than it had been predicted. At the end of the last century Brzezinski (1997) predicted that the Chinese GNP would match the American one by the middle of the 21st century. After the crisis of 2008 it became clear that such scenario would materialize thirty years earlier.

Even more profound consequences for the world order came from the reemergence of Russia as one of the leading regional powers. Twenty year ago, during the prolonged political, social and economic crisis of Russia it was common among Western specialists to write off her as no longer a world power. “Russia – wrote Martin Malia – ... is now back at geopolitical square one: a poor power trying to modernize in the real world after the failure of its caricature modernization in the surreal world of Soviet socialism” (Malia 1999: 417). The belief that Russia no longer counted as a great power had its political consequences. When the United States and her allies intervened in the ethnic wars in former Yugoslavia (first in Bosnia and then in Kosovo), they deliberately ignored Russia’s protests as unimportant. After September 11, President Vladimir Putin offered his American partner Russia’s support in the fight against terrorism, but President Bush decided to conduct his “war on terrorism” on his own terms – without obtaining the authorization of the UN Security Council for the use of force against Iraq. Russia’s rapid recovery after Vladimir Putin’s election as president (March 2000) showed once more the importance of political leadership, a factor well known from Russia’s history. In the following years Russia demonstrated her regained political power in a series of international conflicts (Georgia in 2008, Ukraine in 2014 and Syria 2015). With the growth of the international position of China and Russia, and also because of the closer co-operation between these two powers, the American world hegemony came to its end.

The third factor changing the world situation in the 21st century is the confrontation between radical Islamic forces and the West. It was Samuel P. Huntington (1927-2008) who predicted that the main conflicts of the coming age would have their source in cultural divisions between civilizations rather than in traditional national interests or conflicting political ideologies (Huntington 1997). What Huntington failed to predict, however, was the intensity of religious conflicts within the Islamic world. The Islamic revolution in Iran (1971), the collapse of Iraq (caused by the American invasion in 2003) and the “Arab Spring” of 2011 created conditions for open (even armed) struggle between two main currents in Islam: Shiites and Sunnites. This internal conflict within the Islamic civilization intermixed with the political conflict over the control of the Middle East,

where Russia has been supporting Syria’s president Bashar al-Asad confronted by the armed opposition supported by the United States.

Separatist tendencies in various parts of the world constitute the fourth element of the new geopolitical reality. They were present also during the cold war but in most cases the dominant superpowers were able to tame them within their respective spheres of influence. The most important exception was the secession of Bangladesh from Pakistan in 1971, supported militarily by India and recognized by the UN Security Council. After the end of the cold war secessionist conflicts swamped the territory of former Yugoslavia as well as Caucasian parts of the former Soviet Union (Georgia, Armenia and Azerbaijan). The war in Iraq and the Arab Spring resulted in armed revolts launched by the secessionist forces in Libya, Iraq, Syria and Yemen. Such revolts contribute to the destabilization of political situation in the Middle East and in Northern Africa, one consequence of them being the massive influx of Arab and refugees to Europe with its destabilizing effect on some countries of the European Union.

In consequence of these changes, the present world faces four main types of international conflicts:

- 1) traditional conflicts between nation-states over their respective national interests (including conflicts over borders);
- 2) conflicts resulting from attempt to establish great powers’ hegemony over other states;
- 3) cultural clashes between civilizations;
- 4) ethnic and religious clashes within states, where the intervention of one or several outside powers internationalize the conflict.

The peaceful resolution of such conflicts calls for different strategies depending on the character of the conflict. Relatively easiest to reconcile are conflict between national interests. Usually there exists a possibility of compromise, particularly when the conflict is about territory. If a peaceful solution cannot be found, the conflict becomes frozen as is the case of Northern Cyprus (since 1974) or of Crimea (since 2014).

Conflicts over great powers’ hegemony carry a particularly great risk as all the great powers are now armed with weapons of mass destruction. From the past we have learned that such conflicts can peacefully be solved only by mutual restraint and by recognition of the legitimate objectives of great powers to have their spheres of regional domination.

Cultural clashes – both between civilizations and within them – are the most difficult to resolve peacefully. Religious fanaticism, characteristic for contemporary Islam as it had been for Christianity four hundred years ago, rarely gives way to rational reasoning and to compromise. It may be true that to tame the wave of such fanaticism and to stop the massive use of terrorist tactics in its service, necessary will be a co-operation of the great powers including the United States, European Union, Russian Federation and China. The alternative is the deepening of the “clash of civilization” and its highly negative impact on world politics as well as on internal life of many nations.

Peaceful resolution of international conflicts requires more than competent diplomacy. It requires also the creation of a new cultural climate, based on mutual understanding and respect. This new climate, which I should like

to call *the culture of peace*, can emerge only from the conscious efforts of those who are the main creators of cultural traits – the intellectuals. This is their most important moral obligation for the present and future generations.

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## GLOBAL CHALLENGES OF THE DAY AND INTERNATIONAL RELATIONS

In 2015 the humankind celebrated anniversaries of significant events, which in their time had predetermined international development for several decades to come. Seventy years ago the anti-Hitler coalition powers made some important decisions in the interests of creating international security architecture after WWII, including creation of the United Nations Organization. The seventieth anniversary of the Victory in the Second World War, which was widely celebrated around the world, reminded all of us that the policy of exceptionalism, the attempts to secure global dominance, and the archaic logic of “zero-sum” geopolitical games led to catastrophic consequences. The numerous challenges and threats of the day, which include an unprecedented number of terrorist and extremist activities require joint efforts of world nations based on principles of international law and the coordinating role of the UN in world affairs. Russia will continue working in this direction.

To lower the confrontation in the context of bipolar opposition, the Helsinki Act of the Conference on Security and Cooperation in Europe (CSCE) was signed in 1975. This act has laid down the foundations for relations in the Euro-Atlantic region. The end of the Cold War marked the end of ideological confrontation, but the reasons for disputes and geopolitical contradictions did not disappear altogether. Attempts to promote by any means the model of unilateral dominance has led to disbalance in the system of international law and global governance. It is much concerned with systematic violations of the key principles of the UN and the Organization for Security and Cooperation in Europe (OSCE), which have, as of late, led to an increasing number of conflicts and worsening chaos on the interna-

tional arena. The anti-war immunity after two world wars has become weaker.

Year 2015 has seen further development of alarming trends that characterized international relations in recent years. Amid regional crises, growing instability in the global financial and economic systems, and increasing religious tensions, some countries have continued competing strongly in opposition to the objective reality of the polycentric world order trying to ascertain their dominance in world affairs.

In these circumstances persistent diplomatic efforts and true partnerships are needed for major world powers to find optimal solutions to global challenges and threats. The experience of the past shows that working together we can achieve real progress in solving most complicated problems. One such example is the solution of the Iranian nuclear problem. Next to come are political solutions to the crisis in Syria and the defeat of ISIS (the Islamic State).

In order to succeed, this work must be based on the UN Charter, which has proven over 70 years of its history that it can serve as an effective mechanism for maintaining peace and security, settling regional conflicts, and solving global social, economic and humanitarian problems. The global challenges we see in the world today requires that all states double their efforts to create reliable multi-polar architecture of world governance.

An avalanche of unprecedented acts of terror in many countries worldwide in the early twenty-first century, and ISIS-inspired conflicts in recent years have prompted a need for coordinated action in response to new challenges so that we could once again manage global processes effectively. Our top priority task would be to create such a world order that would guarantee stability and security at all levels so that we could deal with the challenges and threats of today and prevent any new such threats from appearing. We have everything we need to build a democratic world order, in which each state would bear its share of responsibility for the future of the humankind, and in which the international community would protect international law and legitimate interests of each of its members. We work from the assumption that security and prosperity can be achieved through broad international cooperation with preservation of each country's national identity.

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This principle underlies Russia's understanding of international multipolarity, which is shared by many of our partners. A multipolar world will not allow for rivalry between the opposing poles of power. In this world collective choices will be made, and leading countries of the world will cooperate closely on equal terms. Russia's approach to this problem does not allow for confrontation or rivalry. An anti-terrorist coalition cannot be created if some countries of the world will work to protect their own and their allies' interests in the ways that interfere with legitimate interests of other countries. The zero-sum game and double standards cannot be used in this process.

As important as the anti-terrorist cooperation is, it must not be the only aspect of international cooperation. A broad analysis of reasons for emergence of international terrorism is necessary. Among such reasons are brewing regional or intrastate ethnic and religious conflicts. One obvious proof is seen in the conflicts that were started in the Middle East and North Africa. Russian diplomacy focuses on mobilizing the international community in the effort to combat international terrorism and extremism, which has gotten out of hand with ISIS and other terrorist groups' activities in Syria and Iraq.

In his speech at the 70th anniversary session of the UN General Assembly in New York, Russian President Vladimir Putin initiated creation of a broad international anti-terrorist coalition, which would base its activities on the solid legal foundation (with the UN Security Council playing a central role). Upon the request of official authorities of Syria, Russian Aerospace Force began its operation in that country as a testimony of Russia's decisive action against present-day barbarians. Russia is working toward combating terrorism in relatively close proximity to Russia's borders.

An important part of the efforts in this area is the work being done to counter terrorism financing and curtail the activities of foreign terrorist militants. The UN Security Council, with active participation of Russia, prepared and adopted a number of important documents, including resolutions No. 2199 dd. February 12, 2015 and No. 2253 dd. December 17, 2015, which were aimed at stopping financial flows to ISIS and other terrorist groups in Syria and Iraq. In this process, special attention was paid to cutting ISIS financing through illegal sale of oil stolen from oil fields of Syria and Iraq and transported across the border of these countries with Turkey.

Russia has been paying attention to the humanitarian aspect of the Syrian conflict. The Russian army in Syria has started their own humanitarian effort. Assistance is being directed to the city of Deir ez-Zor, which has been besieged by terrorists for four years. Syrian Air Force has used Russian parachute platforms to deliver the first batch of cargoes to that city. Work in this direction will continue.

We must also mention our efforts to start up the political process in Syria in accordance with the Geneva Communiqué of June 30, 2012 and the agreements reached by the International Syrian Support Group on October 30 and November 14, 2015 and the UN Security Council Resolution No. 2254 dd. December 18, 2015.

Rebuilding North-South relations is no less important. Work must be done to eliminate everything that gave rise to or contributed to emergence and development of terrorism worldwide: life standards of a large percentage of the population beyond the "golden billion" will need to be raised, although naturally it would be too simplistic to say that international terrorism is growing simply because the south is too poor. It requires eradication of disparities in the broadest sense. One of the current challenges, which is at the same time a consequence of these imbalances, is the unprecedented flow of refugees to Europe.

East-West relations must also be reconsidered. In the 20th century the borders between these blocks were defined not by geography but by political reasons. This division must be overcome if we want to create bipolarity in the sphere of strategic stability. We must also reach an agreement on three interrelated international security problems: prevent militarization of open space, creation of anti-missile systems and non-proliferation of weapons of mass destruction.

Russia remains one of the most active players on the world arena, and it depends on Russia's efforts when it comes to which world order will prevail. Our goal is to guarantee conditions for safety and prosperity of all countries. These conditions can be reached only if the international community will follow the basic principles of international relations which do not need to be reinvented; and this work can start today. In conditions of global turbulence and growing interdependence of nations and peoples the prospects of building separate "oases of calm and security" are quite remote. The only reliable measure against possible shocks is to comply with universal principles of equal and indivisible security, the Euro-Atlantic region included.

A. S. Zapesotsky<sup>1</sup>

## THE USA STRUGGLING FOR CONTROL OVER THE EUROPEAN UNION

### I. The European Union in the Context of US Strategic Interests

The US policy toward Western Europe is determined by the desire to keep it under complete control in connection with the growing confrontation with the rapidly developing China.

The modern US elite is losing the competition in the selection of national development strategies to the Chinese elite. The USA are concerned about group or clan interests and China is guided by an all-national development sense understood as balancing and harmonizing of the claims of all social groups. This clearly affects the economic growth rates. While the annual fall in GDP growth from 9-10% to 6-7% is considered a crisis in China, the USA could not have even dreamt of such a "crisis".

In recent decades, the best results in the global competition of social and economic systems are obtained by following the convergence theory by taking the best from the socialism and the capitalism in terms of specific national and cultural conditions of a country. This is evidenced by the post-war experience of Japan, South Korea, etc. The European Union is moving in the same direction by creating a welfare state. However, the USA, while steadily increasing the state-monopoly economy regulation, yet not showing the necessary flexibility and dynamism, fall far behind the advanced Asian countries.

This gap is partially compensated by the previously accumulated economic power, the monopoly of the financial regulator and the money manufacturer, the weight of the armed forces, the dominance in the production of information and the availability of its distribution means, the possibility of collecting secret information, the control mechanisms for the political life of a substantial part of the world community, including the formation of national elites, etc.

The US interests in their understanding significantly contradict the interests of almost the entire international community, but the threat to their global domination comes primarily from China, which is effectively developing and skilfully building relationships with other states. The impossibility of a direct confrontation with China is forcing the USA to focus on other scenarios of retaining their posi-

tions. In terms of the EU, their main task is to derail a Big European project "from Gibraltar to the Bering Strait" and to impose on the European Union a transatlantic common market project. The American plan does not feature Russia neither as an independent subject of international policy, not as a partner in particular.

A complex configuration of the so-called West was formed after the World War II, Supported by Britain, the USA covered the "Old World" with the NATO umbrella and took control of many of its key activity areas. Until now, the UK may block any decision of the European Union not accepted by the United States. It is noteworthy that none of the NATO countries can appoint ministers of defence without the US approval of the candidates.

In 1990s, one of the paradoxical outcomes of the USSR collapse was the weakening of the US control over the EU. Economic ties between the EU and Russia began to strengthen gradually. First of all, the German business benefited from it followed by Italy, France etc. The assembly of a Big Europe from Gibraltar to the Bering Strait was being increasingly discussed in the European Union. Such integration could have resulted in a free EU access to a huge market and raw material resources, while Russia could have got the access to Western technologies and EU markets. The Trans-Siberian railway would have come to replace the fleet between China and Western Europe. A new world economic entity with a population of over 600 million, independent and competitive in relation to the USA and China, would have appeared. Obviously, this was not consistent with the interests of the USA seeking to control not just the EU, but to completely turn it into their trade and economic zone.

When Germany, France and Russia spoke against the introduction of US troops in Iraq, the USA immediately began restoring their political control over the countries who dared to disagree succeeding in Germany and France, but not in Russia. Wiretapping of Angela Merkel and prosecution of Dominique Strauss-Kahn were just the tip of the iceberg in terms of the European political elite manipulation.

From the perspective of the United States, both Western and Eastern Europe may be allowed to follow their own interests only to the extent corresponding to the American interests.

In order to ensure its domination, the USA artificially weaken Europe by dividing it into warring camps.

### II. Mechanisms of the US control over the European Union: "Circle of Fire".

In terms of a strategy, the task to strengthen control over the European Union may be implemented by the United States in several ways. We can distinguish three impact zones: creation of an instability belt around the EU, weakening of the leading countries of Western Europe and manipulation of the EU periphery.

Naturally, the EU elite either does not see any real threats that have arisen during the implementation of the US plans, or pretends not seeing them. In this regard, the analytical report "Boundless Crises, Reckless Spoilers, Help-

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Decorated with the Order of Friendship, medals 'For rescuing a drowning man' and 'In memory of the tercentenary of Saint Petersburg'. Holder of 'K.D. Ushinsky medal', the Gold medal of the Russian Academy of Education. Decorated with a Diploma of the Ministry of Culture of the Republic of Bulgaria, medals 'SIMURG' of the Association of culture of Azerbaijan and 'Academician Sapargaliev' (Kazakhstan).

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less Guardians”<sup>1</sup> issued in 2016 on the eve of the International Security Conference in Munich by its organizers is rather eloquent.

The leading EU experts have just noted a “circle of fire” forming around Europe: “The war continues in Ukraine. In Syria, the war has plunged the whole region into crisis and questioned the state borders of the Middle East resulting in the most large-scale refugee wave since the World War II. In Europe, 15 new *walls* appeared in 2015 questioning the existence of the Schengen zone. The states from Libya to Iraq, from Mali to Afghanistan are destroyed”. All this is contrary to the objective set out in the EU Security Strategy (2003): to achieve the creation of a stable and well-manageable belt of countries around the European Union.

The report authors do not see any threat to the European Union imposed by the United States. Though they criticize Russia, “Russia’s foreign policy on the world stage is unpredictable and dangerous. Assertive actions of Russia have caused Finland and Sweden to discuss the need for entry into NATO”. Speakers also predict that “Russia is unlikely to weaken the grip in relation to Ukraine”. At the same time, they state that the EU “is not ready to offer Kiev a significant economic and political support”.

In other words, Western Europe remains in the most dangerous position being surrounded by a chain of conflicts. However, contrary to the report authors, Russia did not cause them.

A few years ago, a global plan of formation of the “circle of fire” was not clear. The greatest experts in geopolitics could not explain, for example, the reason guiding the USA in terms of Tunisia destabilization. Over a few years, they invested about \$ 200 million in the programmes for the development of the country’s “civil society”. Delegations of US Congressmen regularly arrived there demanding “democracy” and “freedom of speech”. Using the Internet, they prepared, consolidated and brought masses to the streets to overthrow the president who was loyal to them. Next, it was the turn of Libya, Egypt and Syria. At the same time, the US pushed Western Europeans to the forefront of the conflicts inflated by them.

M. Gaddafi dedicated the last decades of his life to becoming a friend of the West. B. Assad has always been it, not to mention Mubarak. The USA attacked their own protégés. Now, Europe is choking on refugees, and ISIS has appeared in its immediate vicinity.

It all happens at a time when France cannot assimilate the areas with the Arab population in the major cities, Germany does not know what to do with Turkish enclaves in its territory and the EU is generally unable to cope with the cultural adaptation of Romania.

In this situation, it is the turn of Ukraine. The USA officially spent \$ 5 billion on the country destabilization and the preparation of the coup with the initial target to tear it from Russia. Why? It is impossible to add it to the EU territory anyway. The mere conversion of technical standards of a large-scale country in terms of the European Union will need huge amounts of money, which the EU does not have. Shall the country be used as a source of cheap labour and a market for their products? The accountability could have been enough for that.

<sup>1</sup> Munich Security Conference (12 to 14 February 2016). E-data. URL: <http://www.securityconference.de/en/activities/munich-security-report>

The peace and state unity in Ukraine could have been provided by a few documents on the state status of the Russian language, national and cultural rights of millions of people in Eastern and South-Eastern Ukraine released by the Rada on time. However, there would be no “sanctions”, no NATO strengthening and no conflict with Russia detrimental to the EU.

A new threat to the EU is associated with the disconcerting effect of the migration wave and the rising popularity of nationalist ideologies and parties. Here, Germany and France primarily take the blow as locomotives of the EU development. The European elite ignores the US part in the ongoing situation.

The Munich report identifies the cause of the rapid immigrant influx in “Old Europe” not in the US system efforts to destabilize the situation on the EU periphery, but in “the unpredictable Russian President Vladimir Putin”, despite the fact that the US action logic can be traced quite clearly<sup>2</sup>.

Each EU destabilization operation was (and is) accompanied by the intense public opinion manipulation. In the case of the destruction of Yugoslavia, according to our estimates, the relevant *customers* paid 1.5 billion euros for information support. All migration flows to Germany were accompanied by millions of telephone messages to the refugees with the information that they were being waited for and welcome. However, there was an information leak that over 70% of these messages were sent from the UK and the US<sup>3</sup>.

### III. Weakening of Germany and Impact on the EU Periphery

Vigorous external control of the public opinion is carried out in Germany. When the formation of refugee flows only started, the country held protests against the admission of migrants. Afterwards, the media instantly spread a photo of a drowned three-year-old Syrian boy whose family tried to move to Europe from Turkey. This photo impressed the European public allowing more than one million refugees (as of 2015) to penetrate eventually into Germany unhindered. At the same time, the authorities have been suppressing the accumulating problems for several months.

Upon escalation of the criminogenic situation with migrants in Germany, the information blockade was broken by the British media who showed the atrocities committed by newcomers on the New Year’s Eve, like harassment in Cologne<sup>4</sup>. Then, an average German inhabitant was overwhelmed by new reports of the mass public order violations by migrants discrediting the government and destabilizing the country’s civil society. Meanwhile, over 90% of the news reaching the consumers in the countries of the Euro-Atlantic Military Alliance is produced and distributed by three American corporations and the European media controlled by them. As a result of their manipulations, Germany got into a very complex situation. The German identity crisis is unfolding against the background of a general West-

<sup>2</sup> Munich Security Conference (12 to 14 February 2016). – E-data. URL: <http://www.securityconference.de/en/activities/munich-security-report>

<sup>3</sup> Evgeniy Chernykh: Refugee Invasion in Europe Organized via Twitter by the USA and England // Komsomolskaya Pravda. – 2015. – 17 September. – E-data. URL: <http://www.spb.kp.ru/daily/26434.4/3305391/>

<sup>4</sup> British media: Why the German Newspapers Were Silent after the Attacks in Cologne // Postimees. 2016. 6 January. E-data. URL: <http://rus.postimees.ee/3458079/britanskie-smi-pochemu-nemeckie-gazety-molchali-posle-napadenij-v-kelne>

ern culture decline, but it is felt particularly acutely due to the German history and national character.

The USA use other methods at the EU periphery, primarily in the Baltic States and the former Warsaw Pact states. There, a significant part of the electorate was removed from participation in the political process; linguistic, educational and general cultural repressions take place, the Russian media are being disabled, monuments are destroyed and the history is rewritten.

A special tactics applies to EU countries not being NATO members. Finland is a typical case. For decades, Helsinki was able to pursue a policy of non-joining, while balancing between Russia and the West and getting obvious economic and political benefits. It was promoted by the pragmatism of Finnish leadership who learned the lesson of the war with the USSR.

Entry into the European Union in 1995 originally provided the impressive Finnish economic growth. In addition, cooperation with Russia continued to develop. Now, Finland is becoming more and more dependent on the foreign resolutions. Firstly, a significant part of the Finnish young people was provided with the opportunity to study in the USA forming thereafter the Finnish political and business elite. Secondly, no major media in Finland may now exist without advertising budgets of transnational companies. Thirdly, the government was “under the hood” of the US intelligence services. This provided opportunities for Washington to recruit and accompany “their” employees pushing them up the career ladder. As a result, a management layer with a very peculiar conception of the national interest has formed in Finland. A typical figure in this leadership is Alexander Stubb who graduated school and university in the United States, i.e. an American in fact.

Today, the change of generation of state leaders is being completed in Finland. Graduates from the US universities replace the national politicians of Kekkonen’s level. The crown of the life’s journey for these persons is not the country prosperity, but a cosy study in the office of a multinational giant corporation.

It would seem that Finland cannot have any special value for the USA. All its wealth is formed by forests, lakes and rocks. However, the world’s news agencies quote Mr. Stubb regularly with tough criticism of Russia in regard of Ukraine or South Ossetia, his reflections on Finland’s membership in NATO. The US interpretation of the Crimea fate increased the share of Finns supporting the country’s entry into NATO by 5%. Finland takes part in the military manoeuvres of the North Atlantic Alliance, thus violating the provisions of the Paris Peace Treaty in 1947 and Carl Haglund, Minister of Defence of Finland, said recently that in the case of NATO’s conflict with Russia, his country will not remain aside<sup>1</sup>.

Thus, the US artificially create a series of crises in and around the EU, creating in the minds of the population a false picture of reality.

#### IV. Prospects for EU-US Alliance

The American globalization model is faulty. Westernization recently perceived as inevitable is almost universally replaced by the rise of regionalism and traditionalism. Here-

with, the influence of non-Western countries has been increasing steadily. The international community stops living under American patterns.

Economists state that the US budget expenses in terms of “interest payment” are currently about \$ 230 billion per year exceeding the amount of federal subsidies to the country’s agriculture by 10 times. US Congressional Budget Office expects that in 5 years payments on debentures will amount to \$ 500 billion<sup>2</sup>.

In the European Union, there is a disintegration of the economic order which was being created from the beginning of the 1970s. Experts are talking about “insurmountable limitations” of institutions and mechanisms providing the EU functioning. The highest growth rates are shown by the countries not seeking to form a liberal political system. Singapore, Thailand, Malaysia, Laos, Burma and Vietnam, not to mention such giants as China and India, integrate into global markets without changing ideology and socio-political foundations of their structure. Anti-Western sentiments are intensified almost everywhere, there is an aspiration to be based on their own culture, traditions and values, while building models of living corresponding to the national interests not using the recipes elaborated by others.

Different countries develop and promote more actively their vision of the future of the world and the rules of its construction. In the context of this vision, the good is not what looks like the West, but what is efficient. Only the useful is taken from the Western experience.

Most non-Western countries are now moving toward traditionalism. Experts note that the social groups that have adopted Western values, culture and the way of life remain small in these countries. Society as a whole is focused on national and cultural settings. Even the Western education system ceases to play the role of the “world civilization melting pot”. Young people increasingly adopt modern Western technology, while maintaining commitment to traditional values of their countries. No wonder that the national elites demonstrate pure pragmatism in this situation.

It becomes obvious that the influence of transnational corporations on the national development is exaggerated greatly. The role of the state in the economies of China, Vietnam, Turkey, South Korea, Japan and other countries is very significant, and the economic development has less to do with private corporations, than with public-private enterprises.

Successful economic growth is increasingly caused not by liberalism, but by the successfully implemented convergence theory and by the skilful combination of features of capitalism and socialism in the context of a particular national culture. In this regard, the public sector is perceived as the national economy core and the foundation of a strong state and national independence.

A powerful contemporary trend is the changing balance of powers between the various economic centres, the increasing role of regional alliances and the growth of tension between old and new world leaders. Particular attention is hence drawn to the phenomenon of Iran which has been disconnected from the Western markets for many years. A set of Western sanctions and restrictions with disconnec-

<sup>1</sup> Finland Declared Its Readiness to Support the Baltic States in the event of Russian “Aggression” //Vzglyad: business newspaper. 2015. March 31. E-data. URL: <http://vz.ru/news/2015/3/31/737410.html>.

<sup>2</sup> Lebedeva L. F. Priorities of Socioeconomic State Policy in Terms of Global Challenges (American Approach) //Contemporary Global Challenges and National Interests: XV International Likhachov Scientific Conference, May 14–15, 2015. SPb., 2015. P. 449.

tion from the SWIFT payment system has not prevented the country from becoming a powerful authority in the East.

Globalization, of course, is not “cancelled”. It only changes its character. We are witnessing a fundamental turn in the development of world integration processes, changes in their nature. If the “Arab globalization” remains a big question, then the Asian one is quite definite.

In this situation, the blind adherence of the European Union in the wake of the US policy means further aggravation of their problems.

#### V. Russia-EU Interaction

The need for a strategic review of the general development direction toward the West is intensified for Russia, regardless of the political situation, conflicts with the EU and the USA and sanctions. It is crucial that in the last decade our country delivered another development project being articulated clearly and not fitting into the Anglo-Saxon vision of the future, the Eurasian project. In the opinion of V. Putin, this union is aimed, ultimately, not against the EU, but for the integration therewith<sup>1</sup>.

For all Eurasian Economic Union countries, individual integration with the EU is possible only on the enslaving terms as the difference in the levels of technological, social and mental development is way too significant. However,

Russia, Kazakhstan, Belarus and others are not about to repeat the fate of Eastern Europe losing in the EU their legal sovereignty followed by control over their own economy.

The Eurasian idea involves the union of a number of countries of the former Soviet Union for the purpose of joint economic rise to a level acceptable for further integration with the EU on an equal footing. Since Russia considers itself a fully functional branch of the European culture, the creation of the Eurasian Union is considered as one of the steps of cooperation with the West – the very cooperation for which Russia was aiding the destruction of Berlin Wall. The thought behind the Eurasian Union can be expressed as “If we couldn’t build the pan-European home immediately, we’ll do it one step at a time”.

The realization of this thought will be met with increasing hostility from the US. Their influence on the politics of the EU is vast. The United States will also try to negatively influence the countries of the Eurasian Union. However, in the fate of Europe, nothing is decided. The future of Ukraine, the EU and the Big European project from Gibraltar to the Bering Strait depends on the ability of the European elites to consolidate around their national interests and the interests of their continent.

Apparently, we are standing on the verge of dramatic events.

Junyong Zhang<sup>2</sup>

### CURRENT CHALLENGES FOR RUSSIA AND CHINA UNDER GLOBALIZED CONTEXT

for global and regional stability under the globalized context. Chinese President Xi Jinping held the view that “China-Russia strategic cooperation plays a key role in safeguarding peace and stability in the regions and the world at large.” Xi visited Russia five times and met with Russian President Putin 14 times since 2013. The two leaders decided to expand and deepen their practical cooperation with a strategic and broad vision in mind, which will not only contribute to their own prosperity but also Eurasia’s development and stability.

The economic and trade tie between Russia and China have become increasingly important. Trade volume between Russia and China in the first half of 1990s stagnated at more or less \$ 5 billion, while the figure in 2014 reached \$ 95 billion, an increase of more than 18 times in the past two decades. In 2014 alone, China’s investment in Russia grew by 80% and the trend toward more investment remains robust. Even a goal of \$ 100 billion of bilateral trade was off the target expected by the two sides; a drop in 2015 can be attributed to more uncontrollable factors, such as recession of world economy, uncertainty and fluctuations of global commodities, and threat from terrorism. One obvious reason for the plunge in trade is the downturn in natural resource prices, particularly oil. In fact, China’s foreign trade decreased 8% compared with the previous year, a rare phenomena since its opening-up policy was adopted. Data released by OECD is indicating that world trade had contracted in the past several consecutive quarters. A decrease of bilateral trade reflected a general decline in both coun-

#### Fruits Progress of Cooperation between Russia and China

In the past nearly three decades, the relationship between Russia and China has been moving into a right direction and bearing good fruits. In 1992, the two countries declared that they were pursuing a “constructive partnership”, calling on China and Russia to regard each other as “friendly countries.”; In 1994, China and Russia signed the second joint statement, announcing the two countries are resolved to establish a constructive partnership with a perspective toward the 21st century. In 1996, they progressed toward a “strategic partnership” based on equality and trust and oriented toward the 21st century; and in 2001, a treaty of “Good-Neighborliness and Friendly Cooperation” was signed, which has laid a strong legal foundation for the two countries to develop a strategic partnership. China has maintained a close relationship with Russia thanks to the common pursuit of multiple polar world system, one that should not be dominated by the hegemony. The borderline between the countries, more than 4000 kilometers, once a hot spot for disputes, has been settled peacefully. The relationship between the two nations shed light on the method how big powers could interact with each other, while the U.S. has been extending its unipolar system. Now Sino-Russia relationship has been elevated as comprehensive strategic partnership of coordination, which will be a key

<sup>1</sup> Eurasian Integration: compilation of scientific publications: yearbook. SPb., 2014. Issue 1. 156 p.

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tries' external trade in the context of an economic slowdown. Russia's trade with China fell less than it did with other major trading partners thanks to efforts put forward by the two heads of states. China remained Russia's largest trading partner in 2015 and bilateral trade accounted for 12 percent of Russia's foreign trade in 2015, up from 11.3 percent in 2014. Under the illegitimate restrictions imposed by certain Western countries against Russia, both China and Russia can find more opportunities to establish stable business ties.

China and Russia trust each other and often keep in-depth exchange of views. Year 2015 marked the 70th anniversary of Victory in WWII. There are some commons for the two countries. President Xi Jinping attended Celebrations marking 70th Anniversary of Russia's Victory in Great War in last May. September 3rd was first staged as Victory Day in the War of Resistance Against Japan and the end of World War II. With the grand ceremony, President Putin was honored to attend it. Both states are dissatisfied with Western-dominated international economic institutions. Russia and China have the potential to become close economic as well as diplomatic partners given the existing agreements in many fields, cooperation in many industrial sectors, similar visions of Eurasian regional integration and development partnership in Asia-Pacific regions. Russia was the first batch to join the China-led Asian Infrastructure Investment Bank (AIIB), which has been the driving force to push the reform of international system.

Better economic, financial, cultural and political cooperation will deepen the all-round development of the countries. Both Russia and China attaches great importance to Central Asia, progress in either mechanism or proposal will be conducive to strengthening the relationship between the Central Asian countries and two neighbouring countries. The strategic partnerships relationship between former Soviet Union states and China has also been established and enhanced. Stability and development are in the interests of all concerned countries. China is willing to work with Russia to join China's Silk Road Economic Belt initiative with the Russian development strategy as well as the Russia-initiated Eurasian Economic Union.

#### **Common Challenges Faced by Russia and China**

Although China is the second-largest economy in the world, China's development level is still significantly below that of the world frontier. Based on per capita GDP, the development level of China is only about 14 percent that of the United States, even less that of Russia. It is no doubt that Russia has been facing an economic downturn due to a variety of factors, mostly from external shocks, such as sanctions imposed by the West and a slump in oil prices. Russia's economy continues to contract due to the prolonged slump in global oil prices and more than one year's sanctions imposed by the West on which Russia previously depended for energy for sales and food imports. The measures have cut off Russia from international lender, compounding a capital crisis resulting from the oil revenue that provides more than half of Russia's budget.

Both countries are a facing a key period of economic mode transformation and structural adjustment. After enjoying rapid development for nearly 40 years, China is at a turning point in terms of both economic growth and social development. China's economy is restructuring to tackle a

number of issues, such as environmental pollution, overcapacity of production, financial risks as well local government debts. Environmental pollution is the great challenge that China must face during its next stage of development. China will not pursue economic growth at the expense of the environment despite the slowing economy. Overcapacity has grown significantly since the government implemented a stimulus package following the 2009 financial crisis. China has publicly recognized there is the zombies problem in its firms. It is not only a pressing issue for China but also might be the excuse that other partners are requiring to negotiate new terms as trade frictions are escalating. China's government is stepping up efforts to fend off a potential financial crisis as well as local government debts burst.

It is not expected that China will continue its high growth rate as in the past. China calls itself that a new normal is the current development stage with rebalancing and sustainability as the focus. It is stupid to think that China's economy will come into a cliff. China's economy should be evolving rather than declining.

China and Russia can be complementary in many aspects. One fact is that both countries have a long history with splendid cultures. Their peoples have the wish and capability to overcome many challenges ahead of them. Even Russia entered a very difficult period, Russian will have the capability and wisdom to overcome the existing hardship in the current economic situation. Lower levels of internal as well as external government debts will make its economy more resilient if measures were carried out rightly.

Both China and Russia are facing the pressures from the West. This is mainly attributed to the fact that the West is unwilling to accept its decline of dominance. With NATO eastward expansion, a tension arises between Russia and Europe. With Pivot to Asia adopted by U.S. president Obama, China's relations with Asia countries turn into sour. With more unrest and chaos around the world, the United States can maneuver them to gain its own advantages. It seems that there is no reconciliation between China, Russia and the West led by the United States. Professor Yan Xuetong in Qinghua University held the view that neither China nor Russia has the possibility to form an alliance with the United States. If the U.S. accepts Russia, it will lose the trust of European countries. There will be no reason for the existence of NATO. If the United States accepts China, it will not gain trust from East Asian countries. The United States has indeed made some efforts to resist the bank and has been manipulating to keep its hegemony around the world. One of the most serious concerns for the United States is that the revival of the Silk Road will likely lead to a closer China-Russia Partnership. When China launched its AIIB bank initiative, the United States put overt pressure on both South Korea and Australia not to join, instead claimed that the AIIB would not meet international transparency criteria. When Britain announced its plans to become the first Europe country to join the development bank, it drew a cautious response from the United States. It took China and Russia a lot of efforts to be accepted as WTO members. New trade pacts, such as TPP as well as TTIP will override WTO rules, are to function as substituting organization which might make WTO paralyzed. U.S. president Obama said overtly that "WE can't let countries like China write the rules of the global economy." The U.S. is manipulating this pact to

offset China's influence with trading partners. Likewise an unveiling of TTIP is possible to divert Russia's trade with its EU partners.

The western policy show little regard to the global context, inadvertently insisting that liberal capitalist model would override over any other systems. The slogan "there is no alternative" (shortened as TINA) advocated by former British Prime Minister Thatcher had been the doctrine that economic liberalism will prevail over any others. The spreading movement of privatization, deregulation and laissez-faire from 1980s to 1990s make the flow of capital more unbridled, crippling the governance in many countries. Washington Consensus is the apex that the West ideology would penetrate into all corners of the world. It was widely argued that China's economy was doomed to fail, as it did not be guided by the key principles of Western economics, for instance, privatization and the free market. With numerous dire predications, China's economy did not collapse. Just recently, US ratings agency Moody's report still states that China is doomed to fail in a trinity of policy objectives. Why China can achieve its success in such short of time is that it did not follow the prescription laid out by think-tanks of the Conservatives in the West. Russia is a painful lesson of a major power that tried to follow the West, but only woke up after gaining nothing. No matter how conciliatory Russian people have acted in dealing with relationship with the West, assertiveness and aggressiveness from the West still ramp up. With the failure of Washington Consensus in many parts of the world, some are choosing Beijing Consensus as an alternative to that. In fact neither Washington Consensus nor Beijing Consensus can serve as a recipe that can fit all. The positive meaning is that every country can choose its own unique development path, with the interconnectedness in mind under globalized context.

#### **Favorable Factors for Russia and China**

Russia and China has neither conflicts in their core national interests, nor ambition to battle each other both geopolitically or ideologically. According to the whitepaper "China's peaceful Development 2011", China's core interests include: 1) state sovereignty; 2) national security; 3) territorial integrity; 4) national reunification; 5) China's political system established by Constitution and overall social stability; 6) basic safeguards for ensuring sustainable economic and social development. In my view, what challenge Russia most is eastward expansion of NATO. This is also the root cause of Ukraine Crisis. Even the Berlin Wall fall and the Cold War came to and end, while the mentality dividing the world on its previous ideology still exist. Just as President Putin once said: "We have failed to assert our national interests, while we should have done that from the outset. Then the whole world could have been more balanced." Both China and Russia have their core national interests, trust and support each other for mutual benefits. While a close relationship between China and Russia doesn't forebode an alliance against the U.S. It can leave more space for the two nations to have influence on the world arena.

An expert on Sino-Russia relationship pointed out that the relationship between the two nations has sound foundations. The first is that the two have drawn lessons from the past in dividing the line based on rift of ideology. The five principles of peaceful coexistence, namely mutual re-

spect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence, are the norms for handling state-to-state relations. The second is that the two sides reiterate that every state should be respected for its choice of development path, will never resort to military force to resolve conflicts. The third is that neither alliance nor confrontation instead of mutual respect and benefits will prevail.

Chinese Foreign Minister Wang Yi has noted that the Chinese-Russian relationship offers a new approach for conducting external relations and represents a possible model for other states to follow. Both sides should join hands to deepen cooperation. They have enhanced communication and coordination on a number of international affairs from macroeconomic policies to trade and investment, from antiterrorism to world peace, from regional development to the wellbeing of world peoples.

Besides the comprehensive strategic cooperative partners of coordination, there are many other mechanisms that can bolster the good relations between Russia and China, such as SCO, BRICS, APEC, etc., These different levels of mechanisms can instill more aspiration and energy to make cooperation more extensive. In my opinion, the channel and platform for both countries are becoming more mature than ever before. SCO, an organization originally aimed to settle border disputes between members, is having many substantial functions, from development to anti-terrorism, from economy to finance, after its initial mission retired. BRICS, the group of emerging economies that comprises Brazil, Russia, India, China and South Africa, accounting for one-fifth of global economic output, has been pursuing the same goal. In fact, downward pressure on the global economy and fluctuating capital flows are negatively affecting the bloc of BRICS members. The five nations agreed in 2015 to increase mutual trade in local currencies, and also to create a BRICS Development Bank with investment equivalent to \$100 billion as an alternative to the Western-controlled World Bank.

The Chinese side is full of confidence in Russia's development. Even the prospect of world economy is not optimistic in the near future, major economies including China, Russia, India, etc., have met with some challenges of varying degrees. The Russian people completely have the capacity and conditions to overcome temporary difficulties and realize the objective of national development and rejuvenation.

There is a strong complementary nature between Chinese and Russia economies. There has been huge demand in cooperation, such as in science and technology. Not only in China but also in Russia, a transformation of economy and reconstructing is becoming more pressing. Just as the late leader Deng Xiaoping said: "Science is the first productive force". To compete around the world, any nation should attach much importance to the improved productivity. In this regard, there will have huge endogenous driving force and development space. The two sides are making their best to have the potential realizable. The road of practical cooperation between China and Russia will be broader and the outcomes of cooperation will be more fruitful.

A new platform for economic development among Russia, Mongolia and China is put on the agenda. Setting up a trilateral economic corridor is one of the key points in the

Chinese Silk Economic Belt initiative. In 2015, both Chinese and Russian leaders put up the idea of linking Beijing's "Belt and Road" initiative to Moscow's Eurasian Economic Union. The ongoing China-Pakistan Economic Corridor will serve as a model for connectivity and mutual prosperity under Belt and Road initiatives. China has embarked on an ambitious program to expand its rail connections, with plans to lay thousands of miles of new track in the coming years. It is reported that China would invest a total of \$ 5.2 billion in Moscow-Beijing project, which after its operation will reduce the length of the trip between the two capitals to 48 hours from seven days. The development of high-speed railway transport is one of the most promising areas, as China accounts for 60% of high-speed track in the world. China and Russia is stepping up efforts to have the new route running by 2020. It might become a model project transport and infrastructure cooperation. It surely will improve communication and trade along the route. EU is the biggest trading partner for Russia, while China ranked the second. In fact Sino-EU trading has been in big volume. Russia is located at the place where Sino-EU trading goods can be transported by land as China is trying to lessen its risks in marine transport in view of the uncertain situation. Facilitating trade along the Silk Road will bring benefits to Central Asian countries as well.

The world should be one with multiple poles with equality and justice. Even an old cold war has ended, confrontational post war world order seemed to provide with the West more elation as the gravity of the world is still in favor of the West at the expense of the other system.

China and Russia should cement the existing security cooperation mechanism, accelerate an agreement on border defense cooperation, move toward an-extremism pact, and provide a more reliable safe environment for regional development. Combining Russia science and technology with Chinese money and industry capacity would create a formidable partnership, which is sure to counterbalance the unipolar system operated by the West. Even there are advocates from the academic circle that China should form an alliance with Russia. Some support it while some are reticent In fact a strategic partnership rather than an alliance is more pragmatic in that a multiple-polar world system can be stabilized. Now the fields of cooperation are still far from being extensive, both countries should work together to explore news ways and areas for cooperation, not only in trade and investment, an expansion of cooperation in such areas in culture and education should lead the way. The two neighbors should strength people-to-people exchanges and cooperation, so as to boost mutual understanding and friendly cooperation.



## Plenary Session

# CONTEMPORARY GLOBAL CHALLENGES AND NATIONAL INTERESTS

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May 19, 2016

Petrov Theatre and Concert Hall, SPbUHSS

### CHAIRPERSONS:

- V. A. CHERESHNEV *Chairman of the Committee on Science and Hi-Tech (the State Duma of the Federal Assembly of Russia), Director of the Institute for Immunology and Physiology (the Urals Branch of the Russian Academy of Sciences), Academician of the Russian Academy of Sciences, member of the Presidium of the Russian Academy of Sciences, Dr. Med., Professor, Honorary Doctor of SPbUHSS*
- Piotr DUTKIEWICZ *Director of the Centre for Governance and Public Management at Carleton University (Canada), Ph.D., Professor*
- G. M. GATILOV *Deputy Minister of Foreign Affairs of the Russian Federation, Ambassador Extraordinary and Plenipotentiary*
- A. S. ZAPESOTSKY *President of St. Petersburg University of the Humanities and Social Sciences, corresponding member of the Russian Academy of Sciences, Dr. Sc. (Cultural Studies), Professor, Scientist Emeritus of the Russian Federation*

### SPEAKERS:

- A. A. AKAYEV *President of the Kyrgyz Republic (1990–2005), academician of the Academy of Sciences of the Kyrgyz Republic, foreign member of the Russian Academy of Sciences, Senior Research Fellow at the Lomonosov Moscow State University, Dr. Sc. (Engineering), Professor*
- Saeid Reza AMELI *Vice president of the University of Tehran (Iran), Ph.D., Professor*
- Shaukat AZIZ *Prime Minister of Pakistan (2004–2007)*
- Polad BÜLBÜLOĞLU *Ambassador of Azerbaijan to the Russian Federation, Azerbaijan SSR National Artist*
- James K. GALBRAITH *Professor at the Lyndon B. Johnson School of Public Affairs at the University of Texas (Austin, USA), Visiting Professor at the General Economic Theory Chair of the Moscow School of Economics at the Lomonosov Moscow State University*
- S. Yu. GLAZYEV *Academician of the Russian Academy of Sciences, Dr. Sc. (Economics), Professor, Advisor to the President of the Russian Federation Vladimir Putin*
- D. A. GRANIN *Writer, Hero of Socialist Labour, Honorary Doctor of SPbUHSS*
- A. A. GUSEYNOV *Principal Adviser for Academic Affairs of the Institute of Philosophy of the Russian Academy of Sciences, full member of the RAS, Doctor of Philosophy, Professor, Honorary 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*
- Grzegorz W. KOLODKO *Deputy Prime Minister and Minister of Finance of Poland (1994–1997, 2002–2003), Director of the Research Institute “TIGER” (Kozminski University, Warsaw), Dr. Sc. (Economics), Professor*
- A. B. KUDELIN *Research Advisor of A.M. Gorky World Literature Institute of the RAS, academician of the RAS, Dr. Sc. (Philology), Professor*
- V. L. KVINT *Head of the Financial Strategy Department at the Lomonosov Moscow State University, foreign member of the Russian Academy of Sciences, Dr. Sc. (Economics), Professor, Honorary Figure of Russian Higher Education*

- V. A. LEKTORSKY *Head of the Theory of Knowledge Sector at the Institute of Philosophy of the RAS, academician of the RAS, Ph.D., Professor*
- V. L. MAKAROV *Director of the Central Economics and Mathematics Institute (the Russian Academy of Sciences), academician of the RAS, Dr. Sc. (Physics and Mathematics), Professor*
- Juan Antonio MARCH *Ambassador Extraordinary and Plenipotentiary of the Kingdom of Spain in the Russian Federation (2008–2011)*
- Miguel Angel MORATINOS *Minister of Foreign Affairs of the Kingdom of Spain (2004–2010), Honorary Doctor of SPbUHSS*
- Amr MOUSSA *Secretary General of the League of Arab States (2001–2011), Minister of Foreign Affairs of Egypt (1991–2001)*
- Colin B. MOYNIHAN *Statesman, public person of Great Britain, Member of the House of Lords in the British Parliament*
- 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*
- R. I. NIGMATULIN *Director of P. P. Shirshov Institute of Oceanology of the RAS, member of the RAS Presidium, academician of the RAS, Dr. Sc. (Physical and Mathematical Sciences)*
- H. M. REZNIK *Vice president of the Federal Chamber of lawyers, candidate of sciences (Law), Honoured Lawyer of Russia, Honorary Doctor of SPbUHSS*
- Tom ROCKMORE *Professor of the Foreign Philosophy Research Institute at the Beijing University (China), Ph.D.*
- Ashok SAJJANHAR *Secretary of the National Foundation for Communal Harmony (India)*
- Vincent della SALA *Professor at the University of Trento (Italy)*
- Mehdi SANAYEE *Ambassador Extraordinary and Plenipotentiary of the Islamic Republic of Iran to the Russian Federation*
- M. V. SHMAKOV *Chairman of the Federation of Independent Trade Unions of Russia, Chairman of the Trustee Council of the SPbUHSS, Honorary Professor of SPbUHSS*
- V. S. STYOPIN *Head Section of Philosophy, Sociology, Psychology and Law of the Department for Social Sciences (the Russian Academy of Sciences), academician of the RAS, Dr. Sc. (Philosophy), Professor, Honorary Doctor of SPbUHSS*
- V. A. TISHKOV *Head of History and Philology Division, Russian Academy of Sciences, Scientific director of the RAS Institute of ethnology and anthropology, full member of the RAS, professor of history and anthropology*
- P. P. TOLOCHKO *Director of the Institute of Archaeology of the National Academy of Sciences of Ukraine, academician of the NAS of Ukraine, foreign member of the RAS, Dr. Sc. (History), Professor*
- V. T. TRETYAKOV *Dean of the Higher School (Department) of Television at the Lomonosov Moscow State University*
- Taşansu TÜRKER *Director of the Research Centre for Eurasian, Russian and East European Studies, Associate Professor, Doctor of the Political Sciences Faculty at the Ankara University (Turkey)*

**A. S. ZAPESOTSKY:** — Dear friends, we are starting the XVI International Likhachov Scientific Conference. Let me say a few words on behalf of the Organizing Committee. The first Likhachov Scientific Conference dates back to 1993. It was initiated by Dmitry Likhachov, Academician, Honorary Doctor of SPbUHSS and an outstanding scientist and humanitarian, who became a symbol of Russian culture. When Mr. Likhachov passed away, it was decided to name the Days of Science at the St. Petersburg University of the Humanities and Social Sciences after him. Together with the writer Daniil Granin, we addressed a request to perpetuate the memory of the Academician D. Likhachov to the Russian President Vladimir Putin. Mr. Putin responded to our request immediately, and the decree was released three days upon the receipt of our letter at the President's Office. This is an unprecedented case in the modern history and perhaps even in the Russian history, when an issue was considered by the President in such a short time. Since then, our conference has been called the International Likhachov Scientific Conference.

The annual Conference taking place every May since 1993 is confined to the Day of Slavic Writing and Culture, the Day of Saints Cyril and Methodius, the creators of the Slavic alphabet, just as Dmitry Likhachov wanted and the way we thought it out. Over the past 8–10 years, the Likhachov Conference has become the largest forum for the scientific humanities knowledge in the world. In addition to the adult audience, the youth often performs at the Conference, including the best 750 Russian students who have written scientific papers dedicated to the works of Academician Likhachov. We see this as a continuation of Mr. Likhachov's work. Thus, every year the Likhachov Conference welcomes about one and a half thousand people representing different generations, branches of science, etc.

The International Likhachov Scientific Conference is an interdisciplinary humanitarian forum attended by not only the most prominent humanities' scientists of the planet, but also by outstanding public and government officials, representatives of science, culture and art. In 2016, the Conference is attended by more than 20 members of the Russian Academy of Sciences and of foreign academies of science, more than 50 professors from the world's leading universities and about 60 foreign public and government officials from 28 countries.

The feature of the Likhachov Conference format is that the reports are not read out completely. All participants present their reports in writing in advance, which are then published on the University's website; after the forum they are compiled in the collections and sent to the world's leading libraries. This year, in addition to the traditional forms of holding the Conference (plenary and section sessions), we used a new format of panel discussions.

The Board of Trustees of SPbUHSS is headed by Mikhail V. Shmakov, a long-term participant of the International Likhachov Scientific Conference, one of the prominent public figures not only in Russian, but also in the world community, who held several important positions in the largest (both by numbers and by value) international companies.

**M. V. SHMAKOV<sup>1</sup>:** — Dear participants of the XVI Likhachov Conference, I am glad to welcome you to our

<sup>1</sup> Chairman of the Federation of Independent Trade Unions of Russia (FITUR), President of the European Regional Council of Trade Unions of the

University and wish the Conference to become as interesting and efficient as in previous years.

I would like to read out the salutatory telegram sent by the Russian President, "Dear friends, I send my greetings to all those present at the International Likhachov Scientific Conference held in our Northern Capital for many years.

Your authoritative forum that gathers the elite of the Russian and world intellectuals, prominent scientists and cultural figures has become a truly great event and a great tradition in the social and spiritual life of the country. It is important that the agenda of the meetings always includes the most urgent humanitarian and civilizational issues of vital importance to the present and the future of Russia.

Today, you will discuss such fundamental topic as "Contemporary Global Challenges and National Interests", share your experience and sum up the joint projects. I am sure, that the suggestions and recommendations made during the Conference will serve the careful preservation of the national cultural heritage and the promotion of humanistic ideas of Dmitry S. Likhachov.

I wish you fruitful and mutually beneficial discussions, success and all the best".

**A. S. ZAPESOTSKY:** — I see Gennady M. Gatilov, Deputy Minister of Foreign Affairs of the Russian Federation.

**G. M. GATILOV:** — Dear participants of the Likhachov Conference, organizers and guests, let me read out the greeting sent by Sergey V. Lavrov, Minister of Foreign Affairs of the Russian Federation, "The relevance of the topic of this Conference can hardly be overestimated. Today, when the world is facing numerous global challenges, including an unprecedented outburst of terrorism, it is particularly important to find a reasonable balance between ensuring national interests and collective diplomatic work based on the international law and the UN Charter.

Russia will go on working on the establishment of collective efforts for the formation of a polycentric global governance architecture corresponding to the realities of the XXI century and will contribute to the alignment of mutually respectful inter-civilization partnership".

Starting out from this opinion, I would like to welcome all the participants and say that this authoritative forum traditionally brings together representative specialists, experts in the scientific community, public figures, politicians and economists from around the world. It evidences the growing interest in understanding the current key cultural and civilizational issues. While arising daily, these issues require a

International Confederation of Free Trade Unions, President of the Universal Confederation of Trade Unions. Chairman of the Trustee Council of the Saint Petersburg University of the Humanities and Social Sciences. Honoured Professor of the SPbUHSS. Author of academic papers and books on social and labour relations, social policy, theory and practice of labour and trade union movements, including books "For Honourable Labour" — selected speeches and publications; articles for collections of academic papers, among them — "Perfection of Trade Unions' Activities in the Globalization Environment", "Twenty Years of Protection of Labour Rights and Vital Interests of Employees"; manuals for trade union workers and active members of organizations: "FITUR in the Changing Society" and others; leader of groups of authors of "Comments to the Labour Code of the Russian Federation", book "History of Trade Unions of Russia". Coordinator of the Russian trilateral commission for regulation of social and labour relations between all-Russian associations of trade unions, all-Russian associations of employers and the Government of the Russian Federation. Member of the Administrative Council of the International Labour Organization. He was awarded the Order "The Badge of Honour", Order for Service to the Motherland, III, IV Degrees.

global understanding and a holistic approach. Competition in scientific and technological fields is growing getting civilizational dimensions. We are increasingly observing the rivalry, the struggle for people's minds. In this connection the question arises about the rethinking of approaches and the ways to implement national interests and to ensure security of the State in order not to cause harm to others, but at the same time to defend our own positions.

Today, we are facing terrorism being the major threat requiring the development of common joint approaches, the ways to confront this evil that has spread almost all over the world (we all know about the situation in the Middle East and the birth of terrorism in Iraq and Syria). Unfortunately, it has to be noted that a few years ago, when there was a real danger of the terrorism issue, our Western partners tried to turn a blind eye to it for one reason: they used terrorism and radical groups to overthrow the regime of Bashar al-Assad.

Now that terrorism has acquired an alarming scale and monstrous forms, everybody talks about the need for joint efforts in the fight against this evil. Russia is ready for this and the Russian diplomacy keeps close contacts with our partners, including the US ones. I hope that our joint efforts will ultimately result in positive effects.

Last year brought a new issue being the migration. This is the result of the policy pursued by our Western partners in the Middle East. It gave birth to migration flows which have already captured Europe in its entirety. Today, Europe is trying to dissociate itself building fences in order to prevent migration flows instead of solving the problem in the bud. In fact, the EU is trying to buy off, so that the migrants would not come to the European countries. This is another example of inter-civilizational relations and the ways this conflict is developing. We are observing disengagement and lack of recognition of the cultural values of others or the challenges faced by other nations. All this calls for serious reflection and perhaps we will have to solve this problem together in the future.

The same thing happens in culture. Terrorists destroyed the historical monuments of Palmyra that stood for thousands of years by shooting them down with heavy-gun armaments. There is no culture for terrorists, just an attempt to destroy it. The Concert of the Mariinsky Theatre Symphony Orchestra under the baton of Valery Gergiev caused a huge impact, especially on the local Syrian population. They perceived this event with much attention and appreciation! It is important that the Palmyra situation brings together all those who favour the establishment of intercultural dialogue, the preservation of history and architectural monuments. In this respect, Russia holds the leading position by offering international cooperation to restore Palmyra. Our country has great opportunities. In particular, Palmyra was visited by Mikhail Piotrovsky, Director of the State Hermitage Museum, and a number of representatives of the Russian museums. Now, it is being discussed to set up an action plan on the basis of UNESCO to restore this historical and cultural monument. It is a good platform for the international community to join efforts.

The next matter is also related to intercultural and interstate relations: the processes taking place in the field of information. Currently, an information warfare is being conducted using the global media, involving falsification, manipulation of facts, etc. That unprecedented information

pressure exerted on Russia requires an objective and adequate response.

Recently, our country celebrated the 71-year anniversary of the Great Victory. It should be noted that many countries remember and honour the heroic deeds of Soviet soldiers and the Allies, thus, the attempts to belittle the role of our country in the Great Victory and the liberation of the peoples of Europe from the Nazis look unacceptable against this background. We do not feel guilt and we should not. We will firmly defend our truth about World War II and be proud of the gains resulting from it; in particular, the UN was founded. The UN Charter is an inviolable document, on which international cooperation and international relations should be based.

I hope that our international friends and partners will make their own conclusions and give their assessments during the discussions to take place at the Likhachov Conference and, after returning to their home countries, reflect the thoughts to be performed here. I wish the participants and guests of the Conference fruitful and deep discussions!

**A. S. ZAPESOTSKY:** — I shall make way for Valery A. Chereshnev, Chairman of the State Duma Committee of the Russian Federation on Science and High Technology, Academician of the RAS and Honorary Doctor of SPbUHSS.

**V. A. CHERESHNEV:** — Dear Mr Zapesotsky, dear colleagues, students and the audience of the XVI Likhachov Conference, I would like to welcome you on behalf of the State Duma and the Presidium of the Russian Academy of Sciences.

It has been 10 days since the celebration of the Victory Day and less than 10 days remain until the next anniversary of St. Petersburg. Recently, I have read the memories of a 90-year-old German soldier, who wrote that the Germans were very naive then and did not realize that the ideology and policy determined a lot: "Back in 1942, we did not understand why we went to Leningrad and Stalingrad. If only we knew that the cities with such names would not surrender... We could not understand it and we lost it all". This idea resonates with the topic of the XVI Likhachov Conference "Contemporary Global Challenges and National Interests".

Policy is largely determined by science. In 1939, World War II was called the War of Engines. In 1942, there was a turning point marked by the rise of the Soviet industry, which produced twice as many weapons as Germany and Europe combined. Intellectual miracle happened when we created better machines than those of the advanced US army. Since then, the war became known as the War of Brains. Back then, the Soviet science won at the cost of enormous efforts and there is no doubt about it: 27 million people died. In 1941, according to the census, 95 million people lived in the Soviet Union with 68.5 million in 1946. From 1939 to 1940, the population growth in the Soviet Union amounted to 3 million. From 1941 to 1946, 15 million people were not born in 5 years. This is a real loss.

Let us talk a little about the great migration of peoples. Today, 1 million 200 thousand people emigrated from Africa to Europe. In the Soviet Union, 20.5 million moved to the East of the country in four months during the war (2 million from Moscow, more than 800 thousand from

Leningrad, etc.). However, there were no riots on a national basis. The population of the Urals before the war totalled 11 million and increased to 22 million during the war.

There was a professional overturn too: 60–70% of those working at enterprises during the war were children, old people and women. The synergistic effect of spirit, morality and human efforts resulted in victory. When on April 24, 1944, a 12.5-million Soviet army entered Europe, there was none equal, as that army was the most technically equipped, battle-tested and, most importantly, it had clear moral foundations aimed at defending its homeland.

Three months after the highly anticipated Victory dated May 9, the world was in danger once again. The Americans dropped two atomic bombs on Hiroshima and Nagasaki. It turned out that the Allies had such weapons of mass destruction, which the Soviet Union did not. What would we do now, unless, in 1943, Stalin, at the suggestion of two academicians Vernardsky and Fersman, opened the laboratory No. 2 in the Pyzhikov lane, which in February 1943 was headed by 40-year-old Dr. Sc. Igor V. Kurchatov. In September 1943, he was elected an academician at the general meeting of the Academy of Sciences in Moscow. In 1947, our intelligence agencies and foreign intelligence reported that USA drafted the Trojan plan, according to which the Soviet Union had to be bombed on January 1, 1950, with 300 nuclear warheads and 20 thousand ordinary bombs. What would we do, unless there was the laboratory dedicated to the creation of the atomic bomb operating for five years by that time? Kurchatov passed away at 57, Korolev – at 59. Only the third one, Keldysh, beat the 60-year milestone. They worked day and night and could finally breathe easy on August 29, 1949, when the first Soviet atomic bomb was tested at the Semipalatinsk test site. Parity was restored. This is what politics and science mean.

The current situation looks pretty much the same. Russia is a leading power supplying country, one of the power pillars. Over the past five years, tremendous changes have occurred in this industry by means of science and high technology. The “shale” revolution broke out in the USA. Shale gas production results in changes in the deep soil layers and environmental disorder. Over the past five years, the USA turned from the No. 1 consumer of hydrocarbon into one of its main suppliers. Europe is now filled with shale oil and shale gas. This is why China became the first consumer of natural gas, and Russia – one of its leading manufacturers. The oil and gas energy dialogue between Europe and Russia ceased, moreover, it served as the basis for geopolitics in order to run the confrontational mechanism in all directions, up to sanctions.

Today, our country needs a powerful high technology breakthrough and cutting-edge technology: not just crude oil sales, but processing to nanoproducts, which are hundreds of times more expensive. We have this kind of technology. On June 17, the Russian President awards the annual “Global Energy” prize being the Russian version of the Nobel Prize for Energy to Mr Paramonov, the Russian academician, at the St. Petersburg Economic Forum.

We need a breakthrough similar to that in 1941-1945. We need to carry out the same economic policy with the same result as in 1941-1945, to implement a social policy with a human face in order to enter TOP-20 developed economies both in terms of the level and the quality of life (so that Russians would live more than 80 years, as today

the life expectancy is 71 years ranked 122th in the world). This is an ordinary miracle that the Russian people have already made and will make more than once over their thousand-year history.

**A. S. ZAPESOTSKY:** — Please welcome Mr Moussa, one of the outstanding representatives of the Arab world, Minister of Foreign Affairs of Egypt (1991–2001) and Secretary General of the Arab League (2001–2011), who participates in the Likhachov Conference for the first time.

**Amr MOUSSA<sup>1</sup>:** — Thank you for the invitation to take part in the Likhachov Conference. I was highly impressed by the speeches I heard. The international situation is quite worrisome. We need a new format of relations, especially in connection with the events occurring in the world, the wave of terrorism and irregular international politics carried out now. Today, the world is experiencing a period of dramatic changes. This is not the world that existed before. New serious challenges arise constantly, such as the policy that led to destruction in some regions: in the Middle East, in the Arab world. We need changes, thus, revolutions took place in a few countries. We cannot live as we used to in the XX century. We should be open towards other countries; we need interrelation in the new XXI century.

Thus, the world has changed. These changes characterize the Middle East today. We respect Russia, because it seeks to establish friendly relations with all countries and peoples. I agree with the words said by Mr. Gatilov, Deputy Minister of Foreign Affairs of Russia, about Palmyra, the destruction of cultural sites and the restoration of this important city. I would also like to add that the destruction of Palmyra is the destruction of history, which can be compared with the destruction of life. Today, the destruction processes in the Middle East are replaced by the restoration ones on the basis of friendship. It is important to understand that we need a new regional order in the Middle East associated with security issues.

Today, the youth of the Arab world (the majority of the Arab population in the Middle East are young people up to 35 years old, which is more than 70%) needs not only jobs and workplaces, but also recognition and respect. The Middle East and the Mediterranean region will change and move towards a different world order.

Today, the UN policy loses its positions. The UN Security Council is not efficient enough and does not support the Charter thereof. We meet young people at the international conferences dedicated to the situation in Syria and Libya, as well as at other conferences. Why do we need this UN Security Council then? We want the UN to work consistently, but when it comes to the issues of war and peace, the position of this organization ceases to be relevant. There is an abyss between the interests of regional and international politics. The world’s global challenges observed today and national interests are incompatible. We must ensure their compatibility. I think that we are moving in the right direction. Science and technology will also contribute to achieving results. This is what for a lot of sacrifice was made during the World Wars I and II, as well as other wars.

<sup>1</sup> Secretary General of the League of Arab States (2001–2011), Minister of Foreign Affairs of Egypt (1991–2001), presidential candidate of Egypt (2012). Awarded with Jerusalem order.

The Middle East particularly needs a regional order. How should the relations with the great powers look like? We respect Russia and, at the same time, we see that many Western countries have a negative impact on us, while pursuing their policy. The relations between the great powers correspond to the written agreements. Do they consider hopes and aspirations of people in the Middle East? I do not see the sincerity, like most of those residing in the Middle East. We need a different world order, other relationships. People are full of hatred because of destruction. Regional policy is now in a sad state with chaos reigning in the Middle East.

We can see that Russia makes a huge contribution to the fight for people's rights and how strongly it opposes the destruction of countries, cities and killing of people. The Syrians are now moving from their country to the different corners of the world. The forces that caused this process still impede the normalization. Russia is not adhering to the opinion being common among certain Western countries who believe that they only need to manage problems (organizing one conference after another) rather than solving them.

**A. S. ZAPESOTSKY:** — Over many years, the Likhachov Conference has developed as a philosophical and cultural forum, this is why I want to give the floor to Vyacheslav S. Styopin, outstanding philosopher, Honorary Doctor of SPbUHSS and Academician of the Russian Academy of Sciences.

**V. S. STYOPIN:** — Nowadays, we are experiencing an unprecedented growth in the various crises ranging from local to global. The global crisis can be reduced to three challenges: the growth of terrorism, the approaching ecological disaster and the anthropological crisis. That type of civilization in which we currently live recorded the following development strategy: market growth and development (global market penetration into new spheres of social life and subordination of these spheres to the market, etc.) and scientific technology (which overturns our understanding of life and life itself). The globalization strategy is developing in this direction.

How shall we assess the issues that have arisen today? We need a radically new vision scale as the modern processes should be considered in terms of the changes in civilizational development types. In the history of humanity, there were two types of development after overcoming the stage of barbarism and entering the stage of civilization: a traditionalist society and a special man-made type of civilization originating in the European region since the Renaissance. The Reformation and the Enlightenment created the spiritual matrix of this civilization. This was followed by the industrialization in many European countries when the countries entered upon the path of technological development. I call this civilization man-made because it is based on a rapid change in the human activity associated with the introduction of technology, changes in the objective world where a man lives and changes in everything related to the social relations within this world.

If we consider the current situation, then the man-made civilization has reached such a state of development where the issue of basic values lying in the basis of this civilization and a new transition to a qualitatively different civilizational development type has become relevant.

It is either going to happen, or the crises will continue to grow, which may result in the loss of civilizational gains or the destruction of humanity.

Modern strategies led by large and economically developed countries of the West, primarily the USA, are based on the all-pervading wealth-creating global market; they form a consumer society and a scientific and technological progress as if these were the fundamental civilization development lines. However, the question arises: is it really so? How does the development relate to these two crises, environmental and anthropological? In this case, we need to take as critical to the neo-liberal development strategy, in line of which the positive achievements of this civilization lie. It gave the mankind a lot: improved the quality of life, created a consumer society, extended the life expectancy, created medicine, technology, but the progress comes at a price and the price is quite high.

There are systemic foundations of this strategy, which do not allow overcoming the global crises based on neo-liberal tactics. The first point is the organization of economy. The modern economy (described greatly by Ervin Laszlo in his book "Macrosht") is based on the principle proclaimed back in the mid-XX century by Victor Lebow, the American economist and the herald of the free market: it is necessary to train people to quickly use the things made, wear them out, break, throw away, replace by more stylish ones, to agitate people to the fact that old and long-term items are not stylish anymore and do not allow a person showing their dignity and assert themselves and, at the same time, to make the purchases on the market a measure of human dignity. Then, the economy will develop and everything will be fine. The modern economy is developing exactly this way.

The second point is that a person in these market relations is understood primarily as the one that produces and consumes, as an object of consumption and production. Such an attitude to the person leads to the fact that all human qualities and products of its activity are monetary in nature and subject to monetary measurement. It is appropriate to recall the words of Marx, who criticized capitalism and saw its flaw in the following: "In a normal human society, mind shall be paid with mind, friendship – with friendship, love – with love; in an abnormal society, the society where all these qualities become a commodity, it is possible to have money and pay for the mind, love and friendship with money. Then the person who has the money and pays for these qualities loses them, he does not have these human qualities, he cannot share them, they are replaced only by money. He becomes one-dimensional". This is a manifestation of the anthropological crisis.

Now, the humanity faces a major challenge to overcome the crises. New technology offers unprecedented opportunities to change a person, his biology, to improve human qualities, but here there are threats that can neutralize and destroy the person. I shall recall the words of the great Soviet and Russian poet Andrei Voznesensky: "I am Andrei, not so-and-so. All advances are reactionary, if a person is being destroyed".

**A. S. ZAPESOTSKY:** — Andrei Voznesensky is an Honorary Doctor of SPbUHSS. We received a lot of greetings and telegrams addressed to the Likhachov Conference. I would like to read a few excerpts of congratulations. The

Russian Prime Minister Dmitry Medvedev says, “There is an understanding that the policy of multiculturalism actively promoted in the West has come to a standstill. Globalization, while considered a natural process of interaction of peoples and nations, highlighted the contradictions between different cultures and civilizations. Today, the idea of interculturalism declares itself loudly and the emphasis is put not only on culture, but also on other areas, such as labour market, education and civic responsibility of people of different nationalities and religions for their country, the planet and the future of their children. You are going to discuss this matter and many other things included in the notion of the “dialogue of cultures” at this meeting”.

An extract of the greeting sent by the Academician V.E. Fortov, President of the Russian Academy of Sciences: “... it is difficult to overestimate the importance of your scientific forum dedicated to the most relevant issue of contemporary global challenges and protection of national interests. I wish all participants of the XVI Likhachov Conference fruitful scientific discussions, personal and professional achievements and new scientific discoveries for the benefit of Russia”.

I will allow myself making one small remark. The periods of successful development of the world events alternate with the periods of extraordinary exacerbations in the international life. In times of such complications, the persons who bravely defend the principles of dialogue and cooperation become of particular importance for the world politics and the dialogue of cultures.

In 1980, on the eve of the Olympics, when our University was preparing to host envoys from around the world at our student hotel, the Moscow Olympics was declared a boycott. Margaret Thatcher advised the British athletes not to participate in the Olympics. However, there was one young man, the captain of the rowing team, who decided to disobey and his entire team of eight arrived and won the silver medal.

The man who encouraged his comrades to come to Moscow back in 1980 is here today. Please welcome Lord Colin Moynihan, a member of the House of Lords. By the way, Mrs. Thatcher invited Mr. Moynihan to take the position of minister in her government afterwards.

**Colin B. MOYNIHAN:** — The 1980 Olympic Games in Moscow were a spectacular event, given the changes occurring in the society at the time. When I resigned as a UK government minister (first with Margaret Thatcher and then with John Major), a very interesting time came. In 1991, the Soviet era ended (Fukuyama once predicted this geostrategically). President Bush proposed the concept of a new world order. In my opinion, this global environment could be called not the new world order, but the new world disorder, because we are now back to the times of instability, as evidenced by the events in Ukraine, the Middle East and Africa. More than 55 years have passed since World War II and we see that the world is becoming ungovernable; there are constant acts of violence, escalation of conflicts. The reasons for this are the globalization, the participation of the world’s media and the use of digital technology. Even if the global situation would not be this way and would not give rise to so many challenges, the time has come (and this conference emphasizes the need) to solve the existing problems associated with jihadism, terrorism,

cyber-attacks, mass immigration, climate change, global epidemics, pandemics, corruption, spread of nuclear weapons (the list goes on).

The speeches we have heard today characterize the situation in the Middle East. The world is experiencing changes. Global threats require global solutions and we cannot find them quite often. Despite its mandate, the UN cannot help the world see the real problems way too often. As a result, the world is becoming increasingly fragile.

There are different needs that must be met. National self-determination has an extremely important role. Conflicts in Iran, Syria, North Korea and Ukraine cannot be solved without Russia’s participation. The role of Russia is extremely high in the world diplomacy. The new Western pragmatism is based on the neutralization of the fundamental positions of Russia. However, the UN does not believe in this approach. We are seeing the first signs of that in Syria. Achieving the peace there is connected with great difficulties. If we reach a compromise together, we can achieve the goal set by the UN in its time, which was determined in 1945 to help the humanity to solve all the problems arising from World War II.

In conclusion, I would like to highlight the point associated with the work that we are doing at the conference dedicated to the contemporary challenges and national interests. If we talk about the challenges associated with international terrorism, we will have a much better chance to succeed, if we solve the problems associated with ISIS and threats of terrorism together (with Russia). The ideological defenders of this international movement seek to generate unrest around the world. Ungovernable world is often formed because of the policy pursued by the Western countries; in particular, we can recall the air bombardments of Libya when Gaddafi was killed. This policy makes it possible for the global jihad to spread in the decades to come.

It is also important that the young population is increasing now. Thus, 50% of the Saudi Arabia population (the same as in Egypt, etc.) are young people. Discussion of these issues with young people (including at the Likhachov Conference) is important to address the above issues.

**A. S. ZAPESOTSKY:** — I invite to the podium Mr A.D. Nekipelov, Academician, Honorary Doctor of SPbUHSS, an outstanding economist and a man who defended the interests and the high mission of the Russian science for a long time as Vice President of the Russian Academy of Sciences.

**A. D. NEKIPELOV:** — I am always pleased to take part in the Likhachov Conference, because I believe that this is an amazing platform, which brings together representatives of all the social sciences, people who are active in politics, economy and culture. It is important for me as an economist, because it allows overcoming those dividing lines that occur naturally when we are directly engaged in the business, i.e. we examine the economy, analyse the cultural values, study the history, international relations, etc.

It seems to me that a comfortable position in the division of the society into such separate directions as political, economic and cultural fields has become an oversimplification in the operational sense in recent years. There is no denying of the relations existing between these areas in such

a division, but in reality, we should talk about views on a single society, but from different angles.

The idea that the economy is the market is quite common, especially now that the market system has become universal and covered the whole globe. At the same time, the politics intervenes in the economy and we often have to deal with the arguments that it is economically clear what we had to do, but the political considerations being not quite clear, especially for economists, lead to decisions that are far from the economic perfection. This is a big mistake. The market is an extremely powerful tool. One can only wonder how this tool coordinates the activities of a huge number of people and why in a situation where individuals and companies decide on their own the result is not chaos, but more or less co-ordinated development of the huge modern economy.

However, the market is not an almighty tool, because it considers only part of the human interests and preferences. That is, the part that reflects a part of our essence, each of us, as the homo economicus (economic man), if we use the definition of Adam Smith. The market solves this issue quite successfully.

Each of us is interested, to a greater or lesser extent, in other issues as well: the society we live in, we are not indifferent to social issues, differentiation of income, state of the environment and the value preferences prevailing in the society. The market cannot reveal this part of our preferences and this issue should be solved in other ways. However, as it relates to the distribution of resources, that is, with the subject matter of economics, then, in my view, removal of this issue beyond economics is an oversimplification.

There is a mysterious problem in the economic theory (at least, three Nobel Prizes were awarded for its development, but it remains unresolved so far) regarding social choice. In order to determine the socially best solutions, we have to agree on the procedures applicable in this case. We are getting into a tautological trap in a sense when we must first agree on the procedure in order to negotiate, to find a form of coordination of interests. The issue, on the one hand, creates great logic discomfort, but, on the other hand, it can explain many things that happen, when some societies first form and then fall apart, etc.

This issue is relevant to today's global environment. We are in a situation in which we again have to negotiate about our understanding of the essence of the matter. Rules of the game are called into question and there is a mutual accusation of failure to comply with these rules by all parties. Each has its own truth, but the problem remains unsolved, unless we agree upon it not postponing consideration of other issues.

**A. S. ZAPESOTSKY:** — I see the Academician Mr Valeriy A. Tishkov.

**V. A. TISHKOV:** — First, in addition to the congratulations and greetings sent by V.E. Fortov, President of the RAS, I would like to welcome you on behalf of the Branch of the Russian Academy of Sciences, a member of which the Academician Dmitry S. Likhachov was his entire life. It is the former Department of Literature and Language, which turned into the Department of Historical and Philological Sciences 13 years ago, where I am the Academician-

Secretary. This department existed in the St. Petersburg Imperial Academy of Sciences as well.

Currently, there is a complication of the society phenomenon at the level of both individuals and groups, social coalitions of people. Sometimes, the lack of understanding of this complexity (hence the poor quality of managing such communities, especially the state, politics) leads to various catastrophic reactions or isolationism. There are searches to overcome this situation, what today said the Academician Mr Styopin.

For all our reasoning about what awaits us in the future, there is nothing better on the horizon of human evolution than what humanity has come up with in terms of creating human communities, i.e. the state. First, we think of the National State, which is the Russian Federation. States own our known world in its entirety, except for, perhaps, Antarctica and a part of the Arctic.

We have to think about how to improve the governance. There may be different options. We can form the basis in accordance with an ethnic or religious principle: each ethnic community gets a state. Yet, there is an understanding that every country, region and the world in general accumulated experience of living, existing and developing as a great state, Russia too is the one. Different government systems are possible, especially federalism and culturally sensitive policy, for example, official bilingualism or multilingualism. Those societies that do not recognize this, do not want to arrange life in a more complex way sensitive to the taxpayers. Authorities still insist that they must speak the same language, while the taxpayers speak a different one, although it should be the other way around and the government should speak the language of taxpayers. Such societies will have serious conflicts.

Therefore, national states are not monocultural, but complex multi-ethnic communities. The current nations are not just a rigid, culturally outlined type, but also a cultural complexity of all modern nations. Today, there are no nations that would speak only one language and whose members would pray to the same God.

In addition to the preservation and improvement of governance in the states, there is an issue of quality of the administrative elite. For our country, this issue is very relevant. Due to the different generational change processes in the country and the changes covering all aspects from economics to ideology, not very high-quality education system, which has already spawned illiterate students, even professors, we are witnessing the degradation of the quality of the administrative elite (from the scientific clerics to the political elite, managers). This very complex issue needs to be developed.

Another issue relates to the impact of different mechanisms or systems of subjective regulations, to what I call indoctrination. We have never experienced such a situation, when the attitude of people or the whole country would have changed dramatically in just a couple of weeks. Today, the relations between Russia and Ukraine show that it is not so hard to change such attitude from a fairly friendly and positive among the majority of the population to hostile, thereby causing a serious conflict. Different mechanisms are used to do this starting with television talk shows broadcasting from morning until night and ending with network information communities, et al.



Indoctrination and recruitment in favour of such ideologies simplistic at times are a serious challenge in need to be considered and opposed to. By the way, the latest observation associated with the Eurovision song contest showed that manipulation by elites did not always affect the mass attitude. The voting results show clearly that the attitude still retains something fundamental.

The indoctrination issue should be investigated, because it results in the third issue: extremism, including terrorism. The extremist radical ideology and practice are hard to understand today. We have long been associating them with social degradation or violence, with the historical traumas experienced. This is indeed the case and sometimes it is used as a justificatory argument of why people become live bombs. We do not consider the process of how a boy from the village, sometimes a student of the Moscow State University, makes this road to the category of live bombs, of the people willing to give their lives. The problem of relations or communication in terms of a supposedly sacred and large affair is an important point, which is not justified by any social, historical, biological and even religious arguments.

We need to explore the matter of origin of the big projects that attract people, especially young people, who have little experience. This danger of simplified projects, I sometimes call them big or liberation projects (whether it is a holy war, or a war for the liberation of people, their own state, sovereignty), is new for us. We, the Russian Academy of Sciences and National Academies of Sciences, have jointly created a new project to study the phenomenon, the roots and the nature of modern terrorism.

**A. S. ZAPESOTSKY:** — Please welcome Mr. Sanayee, Iranian Ambassador to Russia.

**Mehdi SANAYEE<sup>1</sup>:** — Let me say a few words about the topic of the conference, global challenges and national interests. Currently, serious challenges have arisen on an international scale, because the boundaries between national and global interests are blurred, because the international and the international law have been violated. The problem of defining the boundaries between the national interests, the international law and the international rules has always existed. Probably, the international law played a crucial role and helped complying with the world order for decades.

Yet, globalization has not developed quite well and showed itself not as a process, but as a project, which has affected the national interests of other countries and violated the international rules and international law. Perhaps, the most serious stage of globalization as a project is the standards proclaimed by the West in recent years. When the countries realized that the boundaries of international global and national interests were not defined, they began to fortify their positions giving rise to serious new challenges on an international and global scale.

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One of the important tasks is to determine the boundaries of national and global interests. The only solution to the current situation is a multipolar world and a dialogue. The principles based on which the world order was established, no longer exist. We need a multipolar world, as mentioned by Professor Amr Moussa, the changes in the international arena, both globally and in the region. If we cannot provide these changes, they will dictate threats and various challenges.

I represent the Islamic Republic of Iran. Our country has an ancient history and civilization and favours the dialogue and the multipolar world. Iran has recently initiated the theory of dialogue of civilizations. We have good cooperation with Russia in this direction. In recent years, our relations have been developing in a variety of formats: bilaterally, internationally and on regional issues. In this context, our scientific and educational contacts are developing. Last year, the Association of Universities between Iran and Russia was established and cooperation in this direction is actively developed. SPbUHSS and one of the largest universities in Iran signed a contract, within the framework of which we held a joint conference. This dialogue is evolving and contributes to the progress of international and global dialogue and solution of various issues

**A. S. ZAPESOTSKY:** — Please welcome Mr Gadis A. Hajiyevev, member of the Constitutional Court of the Russian Federation and Honorary Doctor of SPbUHSS

**G. A. HAJIYEV:** — The Likhachov Conference is the only way to overcome the adverse effects of specialization of knowledge. Communication with colleagues from the Academy of Sciences, no doubt, has great benefits. Today, the Academician V.S. Styopin has talked about the crisis. The Academician A.D. Nekipelov has said that there is a complex structural cognitive crisis in the world. When we need to reconsider the basic social life rules, to develop the basic constitutional rules (as mentioned by the Nobel Laureate James Buchanan), this is a crisis. Undoubtedly, the crisis has also affected the international law. We can argue about how hard or mild this crisis is, we can search for different definitions, but it is obvious that there is a crisis.

The Latin term “Res” has made huge “career”. Originally, it meant a material thing. Then, Seneca used the expression “Res sacra”, a sacred thing (it was already related to a man). Thomas Aquinas mentioned the word “Res” when referring to a common thing (the law). Then an expression “Res publica” arose also being a common thing. Rzeczpospolita in Poland since the XIV century – is also a “Res publica” in Polish.

I recalled the change in the meaning of the Latin word “Res” to say that modern humanity has a common heritage, a kind of a legal thing: the human rights. It is all about how to treat this concept. We can say that there is a theology of human rights. I do not share this approach of the desire to deify and sacralise something that should not be deified at all. Human rights shall be treated very efficiently. US scientists say that it is necessary to withdraw human rights from the field of evaluation, optimization and weighing, referring to the fact that these are some Platonic forms (as in Plato) unable to be evaluated. This approach is irrational.

In terms of public policy, the scientific idea, in fact, theology of human rights, turns out as unnecessary and harm-

ful messianism. The US legal elite, the constitutional law professor Mr. Barack Obama are typical representatives of such legal messianism.

I think that human rights must be treated quite differently, more efficiently. This means that human rights belong to all the people organized into nations (here lies a certain bi-unity). We must understand that human rights preserve traditions too (it is one guise) and this traditional principle must be respected. We must not subject the idea of human rights to ultimate universalization, as this is where danger and a major threat to the world hide. Therefore, we must fight for a completely different model.

**A. S. ZAPESOTSKY:** — I see Mr Aziz.

**Shaukat AZIZ:** — We need to respond to emerging challenges by forcing the dialogue and discussion between all the parties concerned. Today, the UN is not working as it should work according to its provisions. We have to find a new paradigm to solve this issue.

Today, the unity, dialogue and discussion are needed most globally and should be valued above all. We see how people and countries get out of the various alliances and unions: nearly half of the UK population advocates for withdrawal from the European Union. We need to create greater linkages between the countries in order to solve these problems. Thus, we can guarantee the peace. People will cooperate with each other otherwise rather than when they live in isolation. People shall constantly participate in solving various issues.

The next issue is the current security situation. The modern stage of our existence is associated with terrorism. The wars of tomorrow will be associated with the participants, who are not necessarily countries. The world paradigms are changing and non-governmental war actors are using other methods. Therefore, the traditional methods of struggle do not work. Cross-border cooperation is very important. Even when it comes to terrorists and extremists, we need to find our way out.

Migration is the next issue, a humanitarian one, but in some cases, migration is only a cover to penetrate to a certain country and provoke problems there. We shall not only develop the human aspect of migration, but also consider the problem of terrorism, which resulted from human deprivation (low income, lack of protection of human rights, freedom of speech, et.al.). We must act in line with the realistic approach. It is not just about the struggle for security, as we need to fight this battle for the hearts and minds of people. In this case, it is even more difficult to win than in the fight against terrorists. We must be aware of the factors that are behind the terrorism and find the necessary means.

The next point is the geopolitical changes taking place in the world. The world is changing, but many refuse to admit it now. There are new forces, new powers. Now, China has become such a power and we must consider it. China initiates the establishment of economic relations with its neighbours. In particular, China has turned to Iran with an offer to provide assistance of \$65 million to build railways, ports, which will undoubtedly lead to greater cooperation.

Another issue is Internet technology used today, such as Alibaba, Amazon commerce system, etc. New technologies change the dynamics of the modern world, improve the efficiency of the state work, income of individuals and compa-

nies. We have to consider these options and new technology not as a threat but as a factor of growth and development.

The next issue relates to the lack of leaders in the world. Today, the world is suffering from various deficiencies, such as the trust deficiency, etc., with the leadership one being the most serious. In line with the approaches used in treating various challenges, we need powerful innovative solutions. Thus, the leadership should be formed. We have to admit that, today, the constants of the past change. We need people who will lead the nation in the right direction and all is well where such leaders are present.

Another challenge is the climate change. At the Paris Climate Conference, an agreement was reached, which now needs to be implemented. There are global issues that we must address jointly.

Another challenge relates to demographics: in many parts of the world, there is a strong growth of young people. We need to integrate young people into society.

The poverty issue is also crucial. 800 million people in the world still suffer from poverty, hunger, disease, etc. We must find ways to deal with these disasters. It is necessary to give these people an opportunity to develop.

The last but not the least challenge is cyber-attacks. For some, it is a way of life. We become victims of cyber-attacks that are able to paralyze the world and our lives. We do not want to be in this situation, so we need to investigate this issue and find a way out.

Mr. Rector, your deeds are very important. I am grateful for the opportunity to share my thoughts.

**A. S. ZAPESOTSKY:** — I see Mr Galbraith. Please.

**James K. GALBRAITH:** —25 years have passed since the end of the Cold War. The two systems, which used to be great in the past, today oppose each other again, and we have to think about how a crisis in one of them can affect the other. Have we learned something over the past 25 years? Looks like no. The US public debt has now reached unprecedented proportions, and there is no indication that the problem is being solved. For almost three decades, we have heard various promises with no real action. China has recently experienced an economic boom immediately followed by a decline. The resource prices are volatile; the climate change threatens a catastrophe. It is necessary to seek radical solutions, because the problems are becoming more acute and urgent.

The dream of peace and prosperity for all has not come true. Why? If a strategy is not successful, then it is wrong. However, if we “separate theology from the dogma”, the economy is not something complicated and incomprehensible. If you understand everything well, then you will calculate correctly. The energy resources on which we all depend, perhaps, are not depleted, but they are more difficult to produce and we have to spend more and more power and capital thereon. In order to reduce the emission of carbon dioxide into the atmosphere, it is also necessary to invest more in new technology. We must find new ways to reduce emissions; otherwise, the cost of the fight against it will become unacceptably high. Thus, if we calculate our capabilities, we have fewer and fewer resources and channels for investment and consumption. Taking into account the production costs, very large amounts of resources are wasted.

When we forecast the future resource use rates, we shall be aware that the population is growing in many countries. That is, we need a better use of what we have or we need to deprive some population groups of access to resources. If we do not consider this, it would cost us a fortune. Today, we see the first results of the resource management strategy implementation. Ultimately, this will improve the lives of all people on the planet. The quality of life also depends on the development of social protection systems, regulation and control, on the success in the fight against various abuses. We must reduce the costs of the banking sector, but we cannot afford to cut funding for culture, art, education, etc. It is a matter of understanding the idea. As part of a pragmatic and philosophical tradition in my country based on institutional economics, the ideas cannot be economic concepts. Ideas cannot be traded; they are not property, but the subject of dialogue and discussion. As mentioned here, it is “*res publica*”, public domain. This is what the Likhachov Conference is about and I am glad to be invited to this conference for the second time.

**A. S. ZAPESOTSKY:** — Dear colleagues, we received a greeting from Mrs. Bokova, UNESCO Director-General. I am pleased to quote it: “St. Petersburg University of the Humanities and Social Sciences is one of Europe’s leading educational institutions training and educating its students in the best Russian cultural traditions and actively using and developing the legacy of Academician Dmitry S. Likhachov. The main objective of UNESCO is protection of the cultural heritage of humanity. I want to thank the organizers of the International Likhachov Scientific Conference for commitment to these goals and ideals. Irina Bokova, UNESCO Director-General”.

Let me also read a fragment from the greeting the Minister of Culture of the Russian Federation Mr. Medinsky, “I wish all participants of the Conference fruitful and efficient work, substantive discussions and new achievements in preservation of Russian culture”.

Dear colleagues, please welcome the Academician Mr Guseynov.

**A. A. GUSEYNOV:** — Dear colleagues, I would like to draw your attention to the fact that the Likhachov Conference has shifted its focus reflected, *inter alia*, in the formulation of the Conference topic. Until last year, we talked about globalization mostly in terms of the dialogue of cultures and now (for the second year in a row) we are talking about globalization in its correlation with the nations and national interests. It is useful to think about. On the one hand, this change is dictated by the internal logic of the Conference and, on the other hand, by the fact that globalization has gone beyond those limits, where it was a matter of debate, and has become a reality. We have more or less clear idea of today’s *de facto* globalization content, what should it look like to meet the criteria of morality and law. In connection with this, the matter of the subject of globalization comes into the force, who should ensure its implementation. Currently, the main issue is not about what is globalization, but about those who decide what globalization is, its essence. In this sense, changing the topic of our Conference is symptomatic. Nations and national interests are nominated as such a subject.

The wording of the topic “Global Challenges and National Interests” is self-contradictory. It is clear that global challenges affect all the people, and this is their global nature. They affect the foundation of the very human existence. Finally, globalization itself is a challenge, a new stage of social development, which we have to deal with. As for a nation (any) and its interests, it is a local and private phenomenon. Even if we take the national states, there are about two hundred of them. We can say that global challenges face national interests and national interests stand in the way of global challenges. In my opinion, the issue should be reviewed in this perspective.

It is necessary to consider whether the nations can come together in a certain unit in the course of further development of the historical forms of community and, thus, “rise” to the level of the globalization subject. I think it is impossible by definition. A nation is structured in such a way that by combining and uniting a certain group of people, it separates the latter from the other groups at the same time. “Us” and “them” (or, at least, the others) is the basic structure, without which a nation cannot exist. Even when it comes to obvious global challenges, a nation comes up to them in terms of its own interests.

One of the obvious examples is the nuclear threat. Everyone knows that this is one of the global threats. In Chicago, a special watch was made to display the time remaining for humanity until a potential nuclear war and destruction of not only humanity, but the life on Earth. How do the nations react? Some have acquired nuclear weapons, others dream about it hoping to ensure their safety thereby. Anyway, it is not going about ensuring to get rid of this threat jointly. If the global warming is dependent on many uncertain factors, including the scientific basis, the accuracy of forecasts and others, nuclear weapons are a completely man-made evil, obviously. Yet, it is impossible to overcome.

When we talk about a possible globalization subject, we debate about whether the humanity can become a controlled single unit in the form of a state or of any new supranational community, then, this issue can be considered from another point of view. Probably, globalization will find an adequate subject not by the organization of humanity in a kind of a quasi-state structure, but by the behaviour of individuals, some absolute imperatives that can control human behaviour. That is, we should think about a new level of personal development adequate to the globalization era. In this regard, an analogy with biological evolution may be fruitful. Preservation of species in nature, including the human, is provided by the fact that certain features are inherent in each individual species. They do not exist separately, by themselves, and are an integral part of the individual. I believe that it is necessary to consider this option given the real-world experience of development and our theoretical reflections.

**A. S. ZAPESOTSKY:** — Please welcome Mr Shmakov.

**M. V. SHMAKOV:** — I would like to formulate a few thoughts from the perspective of the labour movement. If we approach the concept of this Likhachov Conference formally, its aim is to evaluate the level of various challenges faced by the modern civilization and to compare them with the national interests. That is, in the terminology of Arnold Toynbee, the British historian and expert in cultural studies

of the XX century, to try to formulate national responses to international issues. The social challenge faced by the modern civilization is relatively simple. In the 1960s, a community focused on the growth of incomes of the majority of workers, on the formation of the middle class and the development of social support formed in Western Europe and the USA supported by the state and a substantial part of the business entities. The reason for its appearance was primarily a competition between two global projects. However, after the Soviet Union collapse, in the mid-1990s, it became suddenly clear that it was not mandatory to maintain the living standards and income of the majority of workers at a high level. I think this is when the two processes started. The first one is the accelerating globalization, in particular the unrestricted movement of capital and the support of the speculative economy, as well as reduction in production costs in the developed countries at the expense of moving production to the countries with low wages. Today, we are witnessing, the financial capital taking precedence over the production one. Karl Marx described the basic contradiction of capitalism as a contradiction between labour and capital. Today, there is a new and acute contradiction between financial and production capital.

The second one is the process of dismantling the welfare state, reducing social security, which until recently was perceived as the unconditional conquest of the society. In all countries, there is a pressure on the organizations protecting workers, especially the trade unions. It is observed in the Russian Federation, although we were a bit lucky, because we entered into capitalism “from the back door”. In the early 1990s, we began to develop tripartism, that is, tripartite cooperation of employees, employers and the state, in a romantic impulse, relying primarily on the ideas of the International Labour Organization. We created a national system of tripartite commissions. Today, the system works and it is unique, as no other country in the world has such a system. We have to strive to make it work more efficiently and this is possible because the necessary structure has already been created.

Both processes of which I speak ran in parallel accelerating and bringing their members, especially multinational corporations, profit comparable in the historic scale with profits of Spain after the conquest of the Inca and the Aztec Empire. However, if the dismantling of social achievements of the civilization is currently still halfway, then it can be considered almost completed in regard of globalization. There is a limited number of countries on the planet, the citizens of which can be used by corporations as workers for profit. Now, when some multinationals started to transfer their production from China to Africa to save on wages, it became clear that cost reduction could not go on indefinitely. The social security reduction limit is also already visible. In some European countries, the retirement age has been raised and, for example, restrictive laws against trade unions have been adopted in the UK, but no happiness in the form of economic growth has followed. Corporations and the state do not know what else they can save on.

Meanwhile, we are witnessing a process that requires interpretation, which cannot be dismissed, robotic automation of production. This leads to the abandonment of “live” labour in the real economy inevitably followed by excess supply in the labour market. In this connection, it is necessary to pay attention to the example of Switzerland, where

every citizen is offered to get a basic allowance and workers become freelancers, i.e. they will work as they can and as they want to. In response, the nationalist attitude is growing in regard of the erasure of borders; there are calls to abandon the united Europe and return to the previous model of closed states. However, it is not known what will happen in those countries with the rights of workers and social security. Another trend is an attempt to replace open globalization with private clubs. I mean economic agreements on Transpacific and Transatlantic Cooperation, which the USA and several other countries are now trying to ramrod. There is no doubt that the scope of these treaties will unleash transnational corporations for a new cycle of squeezing profits both from the workers as the economic actors, and from the employees as consumers.

In a short while, we may face an entirely new configuration of economic relations arrayed in the form of vertically integrated companies, TNC, withdrawn from the jurisdiction of national legislation, including labour and social. In this case, will we still have the illusion of democratic mechanisms to solve problems? I think we will, because it is easier to control people with the help of illusions. On the one hand, it is easier for Russia, because no external forces are driving it into the process of closed globalization, and the same story as with the WTO could happen to the mentioned agreements. (We entered the WTO at a time when this structure has already become meaningless.) In addition, Russia is moving from a different point in the social sense: from the unconditional state social security of employees to controversial social services. General socio-economic trends affect the whole world, which can plunge into the Dark Ages again due to corporate greed and political claims of the world gendarmes. It is no coincidence that Toynbee formulated the “challenge-response” concept, including in terms of experience of civilizations, the course of which did not give any responses to the challenges and ended with breakdown and decay. We do not have much time for a collective response to the challenges of today and the conclusions to be made based on the Likhachov Conference are important for us as practical persons.

**A. S. ZAPESOTSKY:** — Please welcome Mr Akayev.

**A. A. AKAYEV:** — Dear colleagues, I would like to continue the topic of contradictions of the modern capitalism. Great Karl Marx was right, even though he made a mistake in timing: imminent collapse awaits capitalism. Therefore, it is necessary today to consider the following. Almost a hundred years ago, we started the construction of the socialist system, which, unfortunately, collapsed by the end of the XX century. We were not ready to move to the capitalist path of development painlessly. Therefore, looking ahead, let us think about whether we will be ready to move without cataclysms to an alternative social system, which will replace the modern liberal capitalism? I have no answer.

A year ago, a book “Does Capitalism Have a Future?” written by a quintet of outstanding modern foreign sociologists headed by professors Wallerstein and Collins was published. They believe that the world accumulates more objective reasons for the grand structural crisis, which, according to their calculations, will lead in the late 2030s – early 2040s to the collapse of liberal capitalism. The authors present the strongest arguments justifying the real possibil-

ity of the collapse of the world and the economy based on the modern capitalist principles. I have to recall that, in the 1970s, Wallerstein and Collins predicted the defeat of socialism in twenty years based on their theoretical concepts. Today, they also predict that in twenty years capitalism will be dead. The curious fact is that the scientists see no the alternative to capitalism.

Unlike Wallerstein and Collins, their co-author Mann believes that capitalism, in general, can be improved the way we wanted to improve socialism, when trying to build socialism with a human face. Another co-author, Professor Calhoun, is convinced that the best alternative to capitalism is the very state capitalism, which our friendly neighbour China is building today. Indeed, there is something to think about, because China is successfully combining the progressive values of capitalism and socialism. It seems that the great Russian sociologist Pitirim Sorokin proposed a reasonable alternative 55 years ago. He wrote that the future humanity would not develop as per the communist or capitalist model, but there would be a kind of an integrated social system, including the values of both systems, i.e. a convergence of positive values is going to happen. I think Pitirim Sorokin was right.

Given that the issues of the climate change and the environment have become extremely serious today, the biosphere is on the brink of a disaster. In this regard, I recall the teaching on the noosphere by the Russian philosopher of nature Vladimir I. Vernadsky and the idea of another prominent scientist Nikita N. Moiseev that the biosphere can survive only through co-evolution of the man and the nature. Therefore, I believe that the alternative to the current liberal capitalism, the collapse of which I, too, think of as certain, is an integral humanistic and noosphere social order by Pitirim Sorokin and Vladimir Vernadsky. I call attention to this concept as contemporary challenges require a multi-disciplinary analysis and thought out strategies.

What is our national interest today? I cited the example of China, about which Professor Calhoun says that it is the best alternative to liberal capitalism of today. Russia, like China, has a socialist past with the values differing from the capitalist ones. Therefore, Russia has a good chance to achieve optimal convergence of capitalism and socialism progressive values and, thus, become a leader in the world development of the XXI century.

**A. S. ZAPESOTSKY:** — I see Professor Kolodko.

**Grzegorz W. KOŁODKO:** — Indeed, the situation in the world is changing rapidly and many processes occur simultaneously. 25 years ago, when the Cold War ended, we thought it was the end of history. Now, we think that capitalism will collapse in 20 years. In my opinion, this approach is too radical, although it is clear that the world will be different in 20 years. Scholars are sure about it. As an economist, I always think of international collaboration. Of course, we have too many problems and it is necessary to investigate the causes and search for solutions. Economics would not have much value, unless it could explain the current processes and suggest solutions for the future. Therefore, not only does it describe and explain the causes for the current economic crisis, like the reasons why, Russia's GDP was twice higher than that of China 25 years ago, when the Soviet Union collapsed, and today China's GDP is 6 times

higher than that of Russia, but it is also able to predict how it will affect the future.

I consider the future in two dimensions. Of course, the future will inevitably come, whether we want it or not. Objective processes lead to the fact that the humanity will become unified and the population will exceed 9 billion people. Imagine that there will be not 40 million refugees by 2020 in the world, as they are now, but maybe 400 million, from Libya, Syria, Jordan, etc. Yet, more importantly, this future might not come, because much depends on the outcome of the US presidential election.

The economy is not just a scientific discipline; it should be based on interdisciplinary knowledge. In order to predict the future, we need to know the relation between economy and sociology, economy and politics, economy and technological progress. Economists have to go to the level of anthropology, philosophy, history and this is why I highly appreciate the Likhachov Conference, in which I participate for the second time. It is really a multidisciplinary forum where historians, anthropologists, economists and other scientists gather together in order to discuss what and why is happening in the world, what policies need to be developed to create a desired future.

We often hear that there are not many true leaders in the world. However, in Russia, there is a true leader Vladimir Putin, in China, there is President Xi Jinping and Mr. Obama will soon be replaced by the new president in the USA. In times of globalization, we shall take into account national interests. Another important point is that there is no political bureau, which would manage globalization. I am sure that globalization is an irreversible phenomenon, despite the strong turbulence, the failure of the "Arab Spring", the wave of refugees and many other problems. At the same time, from the point of view of an economist, it is a spontaneous process involving liberalization and integration, as well as the relationship between different markets for the sale of goods, movement of capital and labour. What happens in one place resonates in other regions of the world. There are certain conflicts of interest. If they would not exist, economists would have been unnecessary. My question for the future is as follows: how shall we solve the issues associated with a shift in emphasis in the conflicts of interest? There are many such issues, so I somewhat agree with sharp critical remarks of Professor Galbraith. Based on the events dating back to 5–20 years, we cannot build the way of further development. How shall we move forward? The question about political correctness arises again.

Academician Akayev has just talked about China, but I think there is no future for the Beijing consensus, as there is none for the liberal Washington Consensus (Russian neoliberal policy under Yeltsin failed). We must look beyond these horizons. I am one of the neo-pragmatism supporters. It is necessary to consider the balance between the economy, social and environmental issues. Professor Zapesotsky gave the conference participants the works published by the University. I, in turn, take this opportunity to hand him my book "25 Years of Transformation from Neo-Liberal Failures to Pragmatic Growth" recently published in Russian. It is about our future.

**A. S. ZAPESOTSKY:** — Thank you, I am very touched. Dear colleagues, I shall make way to Mr Dutkiewicz.

**Piotr DUTKIEWICZ:** — Last year, I shared my views with the participants of the Likhachov Conference on five causes of the global strategic instability and today I will briefly recall these causes and explain the possible consequences of this strategic instability.

The first cause of global political instability was the fact that we ceased to believe in not only Hayek and Friedman, but also in Keynes due to the crisis, which began in 2008 and still continues. We trust neither the market, nor the state as a regulator of economic relations. This was stated by Ha-Joon Chang, a professor from Cambridge. The second point is that we see that the governments are struggling to cope with issues on all the fronts and are deficient in power to implement their policies, because they have to use local tools in the context of global interdependence. The famous macrosociology scientist Zygmunt Bauman wrote about it. The third cause of instability is as follows: I quoted the well-known French political scientist Moises Naim, who said that power had become easier to gain, harder to use and especially easy to lose. The fourth cause is that the governments seek to return sovereignty to their countries by intensifying nationalism and increasing military power in order to strengthen security due to the three previous causes and they are trying to convince citizens that the enemies are everywhere with a view to the society consolidation. This occurs almost worldwide. However, an issue arises. In the process of strengthening sovereignty, one can reach this limit when the “sovereign” elites alienate from the people and a deep abyss between them occurs. The fifth cause is as follows: the ruling elite, in principle, has altered the concept of democracy, so that the term has lost its original meaning, and they just buy democracy, which today can be seen even by the example of the election campaign in the United States.

What are the consequences of these factors? First, it is the regionalization of the global order. I agree with Professor Kolodko that globalization will continue, but it becomes regional: there are now regional megablocks trying to erect barriers, while maintaining good economic relations with other megaeconomic blocks. New world denies the unions, the universal values and the universalism in general. New competition extends to the level of values. That is, there is no “competition” for the best value system in the world, but there is fighting for the opportunity to co-exist for several different models of development: European, Chinese, American, etc. Close relations and fierce competition at the same time not only do not exclude each other, but also combine and encourage cooperation.

It means that we have to think about what a new order would be not in terms of multi-polarity, which has already occurred and replaced unipolarity, but in terms of a “multi-order”, in which different systems of values and standards, as well as various multinational economic blocs, will exist. This is the first and a very significant consequence of a multi-valued world order.

The second consequence is the fact that the gap between the elite and the rest of the population is getting bigger. Growing inequality leads to the fact that fewer people can benefit from the democratic order. In fact, this is the process of elite liberation from the society, the beginning of tyranny and the commodification of democracy, the way I call it. Democracy becomes a luxury item and a few will benefit from it. This causes protests and the emergence of politi-

cians such as Donald Trump. His success indicates that this consequence is already being implemented.

The third consequence is that over the last 25–30 years we have been trying to solve a dilemma of choice between freedom and security. It was understood that an increase in one leads to a decrease in another. Some wanted more freedom and some wanted more security. Now we have no such choice, because the decision was made for us: security is more important than freedom. The increased level of terrorism in the world contributed to the choice. However, the consequences of security provided to the detriment of freedom are huge: there comes what we call securitization. Securitization covers all areas: politics, economics, trade, migration opportunity and access to information and it significantly changes our lives.

The fourth consequence is closely associated with the third: the new face of war. In the world, the role of military force increases both in domestic politics and international relations and there is no limit to this growth. Military force increases at the level of states and the war becomes a matter engaging private companies. It is known that in some conflicts, their participation is estimated at 60–70%, as it was in Iraq shortly before the departure of the Americans.

The fifth consequence: the world is changing at an unprecedented pace and multipolarity, which replaced the idea of universality, turns into what I call multi-order. This means that we will act within the framework of macro-regional economic institutions, such as TTIP, and not just following different rules, but the rules related to the cultural and civilizational values. This is the future, which we all have to live in.

**A. S. ZAPESOTSKY:** — Please welcome Polad Bülbüloğlu, Azerbaijani Ambassador to Russia.

**P. BÜLBÜLOĞLU<sup>1</sup>:** — As a representative of culture, I will touch on the topic of national interests in the context of contemporary global challenges on the example of the Azerbaijani culture. As known, the collapse of the Soviet Union and the world socialist system were the reason for the idea of the end of history formulated as a kind of manifesto of the same name in the famous article of the American researcher Francis Fukuyama to arise at a new historical stage. However, over the past 25 years, numerous scientific critics and even life itself, as the main criterion for the truth of any theory, proved hastiness of the conclusions made. Another concept for explaining the world in the era after the Cold War often mentioned has become the model of clash of civilizations most well-structured by Samuel Huntington. Considering various development alternatives, in contrast to the ideas of the end of history in its liberal interpretation, this paradigm created the conditions for a multi-polar world understanding. While analysing the processes occurring in the world, it is necessary to take into account the fact that neither general concept is able to give a universal explanation due to the inherent objective limita-

<sup>1</sup> Ambassador of Azerbaijan to the Russian Federation, Azerbaijan SSR National Artist, Minister of Culture of Azerbaijan (1988–2006). Popular singer, composer and actor (“Russian Forest Fairytales”, “Soviet Period Park”, “Don’t Be Afraid, I’m With You”, and others). Author of the book “Cultural Policy in Azerbaijan” (2003, coauthorship) and a number of other published works. He was awarded the Orders of Friendship and Honour of the Russian Federation, “Independence” and “Honour” of Azerbaijan, Honour of the Republic of Georgia, “Peace Rose” Gold Medal of UNESCO and others.

tions and the impossibility of taking into account all factors. There will always be the cases that do not fit into the carefully arrayed schemes. Azerbaijan is precisely the striking example, which is difficult to analyse adequately based on any of these models.

When examining the long historical path traversed by Azerbaijan, one can determine that, by its geopolitical position, the country has always been at the crossroads of civilizations and felt a strong impact of both the West and the East. At the beginning of the first millennium AD, Azerbaijan was influenced by different cultures and religions. As a result, high tolerance of different religions historically occurred in our country. Zoroastrianism, Judaism, Christianity and Islam affected the formation of our rich culture at all stages. Being at the crossroads of caravan routes, Azerbaijan, one of the important centres of the Silk Road, felt the impact of different political views, economic relations and forms of statehood.

An important milestone in the history of Azerbaijan is the period of 1918–1920, when there was Azerbaijan Democratic Republic, the first republic in the Muslim world. Despite lasting only 23 months, the state transformations, especially in the area of political rights and freedoms, carried out during this period are impressive. Thus, Azerbaijan was proclaimed a secular state guaranteeing the equality of citizens regardless of their religious or ethnic identity, social origin. The universal right of suffrage established in the country, including for women, which at that time did not even exist in many Western countries. The Parliament comprising 11 fractions featured representatives of all ethnic groups and communities making up the population of the country. Thus, the short existence of the republic was the most valuable experience of building a democratic secular statehood.

The third milestone in the political history of Azerbaijan in the XX century was the Soviet period (1920–1991). Of course, as a union republic, Azerbaijan was a party to all, both positive and negative, processes occurring in the Soviet Union. Because of repressions, a significant part of the national middle class was destroyed, more than 50 thousand people were fusilladed, more than 100 thousand people ended up in exile in Siberia and Kazakhstan. During the Great Patriotic War, more than 600 thousand Azerbaijanis went to the warfront and more than 300 thousand of them did not come back. Baku provided the warfront with oil – nearly 90% of oil products came from Azerbaijan. In the post-war period, the rapid development of economy, culture and science started in Azerbaijan.

The establishment of an independent state can be regarded as the greatest achievement of our people in the XX century. Azerbaijan regained its independence and managed to create a solid foundation for a constitutional secular democracy. When analysing today's domestic and foreign policies of the state carried out under the leadership of President Ilham Aliyev, as well as socio-economic, cultural and ideological processes determining the image of today's Azerbaijani society, one comes to the conclusions that may be of interest not only for our country but for the typological characteristics of the changes taking place in a much larger area.

The example of Azerbaijan clearly presents the great value a sovereign national statehood has in the eyes of the people considering it as its main historical achievement

over the past two centuries. Those who created the national state considered it as the most efficient tool in the pursuit of self-interest in this difficult time full of different risks and dangers in the modern world. The Azerbaijani identity, as noted, formed in interaction and cross-fertilization between the East and the West, the North and the South. It organically absorbed the elements of different civilizations and traditions and creatively transformed them in a harmonious symbiosis, therefore, there is no coincidence that any attempt to opposition and colliding of religions, nations, cultures is perceived in the modern Azerbaijan not only as undermining global stability, but also as aimed at undermining the centuries-old foundations of its own identity.

Azerbaijan was involved in the process of harmonization of the cultural and civilizational climate in line with the faults provoked artificially being the most relevant in the modern world agenda: East-West, Islam-Christianity. This year we have declared the year of multiculturalism. In the current conditions, when a number of countries has begun to talk about the failure of multiculturalism, the strong and fundamental Azerbaijani position on its propaganda on a global scale is of interest and has great value from the perspective of international peace and stability. This is done in order to overcome the faults between the East and the West, for the sake of the harmonious rapprochement of peoples, through confidential interaction and communication in order to achieve the common good of future generations.

**A. S. ZAPESOTSKY:** — Now, an amazing person, extremely important for all of us will tell a few words. This is the writer Daniil A. Granin. I do not invite him to the stage, but give him the microphone.

**D. A. GRANIN<sup>1</sup>:** — Everything I have heard here today is interesting and does not raise any objections. I think that the major problem, which becomes more acute, is the contradiction between the individual and the state. It would be better, if there were less of a state and more of an individual.

**A. S. ZAPESOTSKY:** — Thank you, Mr Granin. Now, please welcome the man, with whom we have different opinions on a number of positions, but we adhere to the same point of view on the majority of issues in the modern Russia. I see Mr. Henry M. Reznik, scientist, human rights activist, one of the most famous lawyers in Russia, writer.

**H. M. REZNIK:** — First of all, I want to make a statement: I will act as a patriot. Patriotism is a concept to which I am more positive than negative. In what sense? When

<sup>1</sup> Writer, Hero of the Socialist Labour, co-founder of St. Petersburg Intelligentsia Congress, Honorary freeman of St. Petersburg. Mr Granin is the author of books: "Those Who Seek", "Going Inside a Storm", "This Strange Life", "Klavdiya Vilor", "The Blockade Book" (in co-authorship with A. Adamovich), "The Picture", "Bison", "Escape to Russia", "Evenings with Peter the Great", "Intelegends", "D. A. Granin — University Meetings. 33 Texts", "Quirks of My Memory", "How to Work as a Genius", "A Place for a Monument", "A Hidden Meaning", "Everything Was a Little Different" and others. Member of the Public Chamber of the Russian Federation. Laureate of State Prizes of the USSR and Russia, the Russian Federation President's award in the field of literature and art, St. Petersburg Government Prize in literature, art and architecture, Heine Award. Daniil Granin is decorated with the Order of Lenin, Order of the Red Banner, Order of the Red Banner of Labour, the Order of the Patriotic War of the 1st Class, the Order of Friendship of Peoples, the Order for Services to the Fatherland (3rd degree), Service Cross (1st degree) — Officer's Cross (FRG), the Honorary Badge of the Order of St. Andrew and others. Honorary Doctor of SPbUHSS.

choosing from the two components of the topic of our Conference, I will focus on the national interests. I think that the foremost national interest is to understand our history.

What is happening in the Russian foreign policy? Political opposition, an anti-Western trend broadcasted by our TV channels. This is not unusual, as political and economic confrontation is normal and occurs frequently between different countries. I am more concerned that it turns into the opposition of values. Mr. Granin expressed in one sentence the reason I took the podium. There are values that exist in every culture: the people, the society and the state. The problem is in the way to build their hierarchy. We have just listened to a passionate speech about the tremendous achievements of the Soviet Union and I agree with it, but I am terrified at the same time, because the whole world in the XX century flinched when it saw how efficient the criminal totalitarian regime can be and the Soviet regime was criminal from the beginning. Let me remind you where the Bolsheviks started: they dispersed the Constituent Assembly. Not having received the majority of the voting, they unleashed a civil war. Thank God that they ceased to call cities the names of two of the greatest criminals of all time Vladimir Lenin and Joseph Stalin.

How were the USSR successes achieved? Due to the destruction of freedom and transformation of the entire population in the state serfs. What can we learn from the example of China? What state capitalism? We had state capitalism in its purest form, because it was not socialism, even close. Any economy comprises two components: capital and labour. In those years, there was a surplus of cheap labour (85% of the population were peasants) and no capital in Russia. A criminal regime cannot attract capital from abroad, because it has opposed itself to the world. What values were proclaimed? The victory of communism throughout the world, permanent revolution, etc. Stalin realized that the state had to be saved exactly with the criminal regime, which he headed. Now, everybody knows the eastern version of the Soviet Union being North Korea. No freedoms, people are dying, but there is a nuclear bomb with nuclear tests conducted. Our country will not survive such wonders.

The confrontation of values with the West is a disaster for Russia. Now, it has become fashionable once again to talk about a special Russian way, but this way leads to death. The word "liberalism" has become dirty. Do liberals actually oppose the law? All these values are written in the Constitution. Naturally, all systems evolve, but there is still nothing better than what has been done in the West in terms of economic development, relations between the citizen and the state, and it all is enshrined in international regulations.

In the world, there are regimes where the state is the main value. Academician Styopin read us the text of Marx, one of his journalistic articles. Marx, of course, was an outstanding writer. When I lectured at the university in Soviet times and wanted to oppose something to the "socialist legality regime", I told the students, "Read the early Marx". However, not all the scathing texts in journalism are true.

Marx was not a capitalist. Engels was and Marx lived on his money. Somehow, he did not like money. People who do not earn themselves and live on other people's money often acquire such a complex. Academician Styopin cited the words of Marx that money can buy friendship, love and ideas. I dare to oppose. Friendship is not for sale. You can

buy loyalty, but not a sincere feeling of friendship. You can buy sex, but not love. Yet, the ideas, the mind, as Marx argued, can be bought. It was said that the idea is not a material substance or a commodity, but, pray forgive me, it depends on the idea. In the credits to American movies, they write "The idea was created by so-and-so".

I will conclude quoting Huberman, "I am sorry for Marx: his legacy fell into the Russian font basin. Here, the goal justified the means". Let us change the water in this font basin. It did not happen immediately and it was impossible to do so, as the country has gone too far in 70 years. At least, we can stop speculating on the continuity with the criminal totalitarian regime. I think that if we move in this direction, then the national anthem, which was the anthem of the totalitarian state, will leave our lives in a while.

**A. S. ZAPESOTSKY:** — The spirit of openness and interest in the various points of view, including those not coinciding with ours, is extremely important for the Likhachov Conference. In this sense, we welcome differences of opinions. In this case, I will oppose Mr. Reznik. His performance proved to be provocative exclusively in the scientific sense. Mr. Reznik raised a very complex issue. It is no coincidence that he first made the remark of being a patriot. The fact is that the supporters of the liberal idea in Russia are in much better position today than the supporters of the communist idea 25 years ago. They were all amazed when I did not fire communist employees upon becoming the rector. They were great teachers not doing any political activities within the University, thus, I did not care about their views. Everyone is entitled to their worldview not prohibited by law.

Actually, I believe that both liberal and socialist ideas are the most important achievements of civilization. But why do I want to oppose Mr. Reznik? He believes that it is necessary to avoid extremes in life and it is extremely important to have a sense of proportion. However, today, he has built his speech based on one of the extremes, while his views are actually much wider. The problem is that Russia would not cease to be a country of extremes and we continue to argue fiercely with each other.

Today, we have heard a lot of interesting speeches on economic issues. I listened with great interest to my Polish colleague Grzegorz Kolodko, to Askar Akayev and the American economist James Galbraith. They said that the current capitalism model is in crisis. Indeed, capitalism has a future, but the current model is likely to be replaced. Probably, socialism has a future too, even though we denied it by destroying socialism in our country. Apparently, the theory of convergence would come to life. For me, this is one of the most interesting topics during the Likhachov Conference.

All countries take from socialism and capitalism what is the best for them. This does not mean that the best is the same for everyone. It is necessary to take into account national cultures and other conditions in each country. Some solutions become the best for China, while others for the USA and the third for Russia. This does not mean that we have an exceptional off-planet way. Naturally, we have a lot in common with others and, of course, it is necessary to study and analyze the experience of others and use it thoughtfully. The tragedy of modern liberalism in Russia lies in the fact that many of those who call themselves lib-



eral, understand it superficially as for them it means to entirely copy, say, the United States.

Why do I not agree with Mr. Reznik? Perhaps, I misunderstood, but I thought that he believed that the American model was the best. Yes, democracy is developed in the USA, alongside with a very strong economy. Yet, the more alarming is the situation there. We see that the USA are moving towards a dead-end. It is often said that the Americans will survive the crisis and go on as these fluctuations are cyclical. No, they will not. This crisis is very deep; it is penetrating the entire country. Piotr Dutkiewicz expressed a true opinion: the USA really trade democracy with powerful manipulative mechanisms. It is not the people's will, not the democracy we had imagined when we elected the Duma and regional authorities for the first time since the overthrow of the Communist Regime. As a result, we received not what we wanted and now we do not believe that the Western democracy can serve as a model for us.

In Russia, the trouble with liberalism is that those who consider themselves liberals behave unpatriotically. I understand, Mr. Reznik, why you insist on the fact that you are a patriot, but we do not doubt it. This is why we have gathered together: to find a way out of the difficult situation of both Russian and the world community together. Thank you for your presentation, and let us continue to argue with each other showing mutual respect and interest in the opinions different from ours.

Now, I shall give way for Petr P. Tolochko.

**P. P. TOLOCHKO:** — Dear colleagues, my topic is globalization and national interests of Ukraine. At a time when the Soviet Union collapsed, I had a chance to talk with Dmitry S. Likhachov and he said in his usual calm manner: “What can we do, Petr, if it has happened, let everybody go. But the three Slavic peoples should stay together”. It did not work out. It also seemed to me then that globalization and European integration would not prevent simultaneous development in several directions, but, as it turned out, this was impossible. Europe does not need such a Ukraine, which we have, and now efforts are being made to reformat the minds of Ukrainians, to radically change them.

Is the Western European future of Ukraine possible without its Eastern Slavic past? Suddenly, it turns out that Kievan Rus' is not a common cradle of three fraternal peoples, but only of the Ukrainian one. Bogdan Khmel'nitsky committed something obscene and there was no known legal act. Socialism was brought in Ukraine on bayonets of the Muravyov gang and the Great Patriotic War was neither patriotic, nor great. The list goes on. Valeriy A. Tishkov says that one can reformat any consciousness with the help of new technologies. Today this is happening in Ukraine. I do not think that European integration worths such victims. The natural course of history is changing: an entire people, an entire country is excluded from the East Slavic context, but a completely different civilizational context is introduced instead.

I would have sinned against the truth, if I said that one hundred percent of Ukrainians have already been reformat. There are people committed to the same views and concepts of historical development, but their numbers are dwindling. It is easy to imagine what kind of mood prevails in the country. When Ukraine has almost been cut

off from Russia, the liberal West says, “Do not expect to join Europe over the next 20–25 years”. Maidan was due to the fact that Ukraine had not reached an agreement with the European Union, and then, when already signed, Europe relented.

The things go better with entering NATO, but it seems dangerous to me, because Ukraine is increasingly becoming a place where the NATO troops conduct training, create a common Polish-Lithuanian-Ukrainian battalions and develop military infrastructure. May God grant that a conflict between Russia and NATO would never arise. Is it in the interests of Ukraine to become the first to be targeted by Russian missiles?

In the course of globalization, our national interests are not taken into account. Before the collapse of the Soviet Union, the country's population amounted to 53 million people; in the first years of independence, Ukraine, as estimated by reputable economists, was the 10th in Europe in terms of economic development. Over 25 years, the population reduced to 40 million, the country fell down to the 100th place of the European ranking. It did not require any wars or disasters. What are the national interests of Ukraine? Probably, it is worth considering whether a model offered by Europe is imperfect, or we are not ready for it. Therefore, our ideological base has changed and the entire Ukraine is now professing the ideology of one region, one political force.

Finally, princes fought for the great Kiev throne in the Kievan Rus'. The Chernigov branch of the princely dynasty claimed to rule in Kiev. The Monomakhovich, Kiev dynasty, discouraged them by saying: “This is our patrimony, stay in your Chernigov”. I think that the response of the Chernigov princes was genius, “We are neither Ugric, nor Poles; we are grandchildren of one grandfather and it takes us as much to get to Kiev, as it takes you”.

Dear colleagues, Russians, Ukrainians and Belarusians are grandchildren of a common grandfather and it is immoral to tear them apart.

**A. S. ZAPESOTSKY:** — Please welcome Academician Sergey Yu. Glazyev.

**S. Yu. GLAZYEV:** — Dear friends, as long as Mr. Zapesotsky declared me an advisor, I should mention that I am about to say only what I personally think. It is in no way related to the official policy of Russia and its position. I shall start with the topic raised by Mr. Tolochko. If we go down to the level of political and economic realities, Ukraine today is an occupied territory devoid of sovereignty. Its economic sovereignty is transferred to Brussels and political sovereignty to Washington. No decision maker among the Ukrainian authorities is chosen by people, but appointed by the US Embassy or agreed with the European Commission. Why did it happen? I will try to briefly put you in a fairly complex topic of transition processes in our society.

The current situation is characterized by three major shifts or structural crises. The first crisis is technological: changes in technological structures. There is a technological revolution; the old production systems do not provide economic growth. Even in the advanced countries, capital is forced to leave the outdated production getting its way to new technology not entirely smoothly and hangs in the

financial sector creating financial bubbles. This transition process began, as usual, with a sharp rise in energy prices and now it comes to an end by the collapse of financial bubbles and the release of a new technological order, which is growing at about 35% annually in the complex of nano-, bio-engineering, information and communication technology, tugging the advanced countries to the new Kondratiev long wave of growth.

The second transition process is shifts in the global economic structures. Global economic structures are a system of institutions determining the reproduction of economy and the relations between people. They are more inertial than technological relations, because the economic interests are taken into account. Shifts in the global economic structures are what Marxists called revolution proving their compliance law between the productive forces and the production relations. When formulated in modern terms, it is an institutional revolution, when old institutions no longer provide normal economy reproduction. The world's leading countries have created the present global economic structure, which we perceive as liberal globalization and which is based on transnational corporations and the centre of economic development coincides with the centre of the emission of global currencies. Due to the emission of global currencies, much fiat unsecured money is created. Today, the expansion of the American, European, Japanese capital effectively controlling the global economy is implemented. This expansion has come to a point where the production stability is no longer possible.

Today, world money is based on the pyramids of government and non-government debts. The pyramids began to burst in 2007, but their volume has only increased since then and the world's leading countries, issuers of the world currencies, are trying to hide their problems with unlimited money emission. Over the past 8 years, since the beginning of the crisis, the amount of dollars increased by more than three times. The amount of euro increased by one and a half times and the yen increased twice (I am talking about the monetary base). That is, there is a colossal monetary pumping with very low efficiency. Today, in order to produce more products per dollar, you need to issue four dollars, that is, the economy is stalling.

At this time, a new global economic structure is created. Mr. Zapesotsky talked about the classic convergence model. The economy of socialism with Chinese features is an example of the new global economic structure, which overcomes the limitations of the previous one. The main feature of the present global economic structure is money, no matter the price. Therefore, the financial oligarchy clinging to the centres of the world money emission receives excess profits without doing anything and even creating chaos around it. In the new global economic structure being formed, let us call it integral, which is a term thought out by Pitirim Sorokin when speculating in terms of convergence categories of what would be after capitalism and socialism. He then brilliantly prophetically said that there would be a new system combining the advantages of both with their shortcomings missing. As a result, a system was established based on the Soviet experience, but with reliance on the mechanisms of market self-organization. China is implementing the classic convergence model, including central planning and market self-organization, state ownership in key areas, primarily in the financial sector and widespread

private entrepreneurship wherever possible. The state in this model harmonizes the interests.

Economy is not only a complex economic activity, but also a no less complex human environment. Scientific and technical progress requires a private initiative and entrepreneurial attitude and, at the same time, it is necessary to create conditions under which the private initiative is beneficial to the whole society. In this model, unlike the US-centered globalization, the money does not play the most important role, but the people's wealth does, like it used to be, and the state regulates the economy in such a way that the private interests of economic entities would work for the common good: improvement of the quality and the level of life, competitiveness, etc.

The danger of transition periods lies in the fact that we do not notice them. Placed in the orthodox schemes, we hardly recognize the change of technological structures. Under these conditions, the economic growth strategy should be mixed. Faster growth of a new technological structure is an absolute priority, therefore concessional lending mechanisms and state subsidies of innovation activity in new growth areas shall be created for this purpose. It should be a dynamic catch-up in the areas where we fell behind a little and still have the opportunity to catch up, and catch-up development through import of technology and foreign direct investment in the areas where we fell behind hopelessly. All this requires a flexible lending system, a combination of strategic planning and market initiative, public-private partnerships and creation of joint state-business activity mechanisms where the business is committed to expand and update production and the state provides cheap long-term loans for production development and creates a stable macroeconomic environment.

In order to cope with the modern technological challenge, it is necessary to move to a new global economic structure as soon as possible. It is necessary to restore the institutions that we have lost on a new basis. We are not talking about copying someone else's model. The new global economic integral structure does not mean only China, but also India where the constitution declares the primacy of public interest over private and allows the state planning and seriously affecting the economy development. This is the Japanese model, which is based, as well as the South Korean, on private business, but where the interests of society and the development are also put above the interests of the oligarchy. The state monitors it and there are possible currency fluctuations when the rate manipulation becomes the main source of profit.

Unfortunately, the global economic structures have been changing through war up until now. The US aggression today is a reaction to the leadership loss of the American elite. It has always been this way: the British gave such a response, when the British Empire was breaking down, and the Dutch did the same. This is the logic of the political and economic process. The United States and its allies are losing the world leadership and they have already lost the economic competition to China; each time, when a leading country loses its dominance in the world, it seeks to use every opportunity to save the periphery under its control. After the USSR collapse, all the post-Soviet space was the periphery of the US-centred financial and economic system in terms of political economy. Therefore, the US aggression brunt is carried out aimed at our space. By vir-

tue of a combination of subjective and objective factors, Ukraine has become its central target, which fits quite logically into the Anglo-German geopolitical doctrines even of the XIX century. It is clear that it is not about the European choice. Ukraine today is an occupied territory used for the further continuation and the outbreak of a hybrid war, because American power elites think that this is how they will get rid of the burden of unnecessary debt and reinforce their competitive advantages at the expense of control over the periphery. Control over us, in terms of the tradition of the Anglo-German policy, gives them control over the whole world.

In order to avoid war, we have to simultaneously move to the path of advanced technology development, strengthen our competitive advantages and create a coalition based on the institutions of a new global economic structure. As opposed to liberal globalization, the new global economic structure is based on the recognition in international relations of national interests and national sovereignty. There is no striving to break boundaries, therefore, liberal globalization ends and a varied polycurrency world of different economic areas appears instead. It is necessary to create an anti-war coalition under the new principles based on the institutions of the new global economic structure, based on respect for sovereignty and diversity of all participants. The latest transition period experienced today might be the change in the life paradigm. It probably should become the topic of another conference.

**A. S. ZAPESOTSKY:** — Please welcome Mr Miguel Moratinos, Honorary Doctor of our University.

**Miguel Angel MORATINOS:** — I return to this University for the fourth time and I would like to thank my friend Mr. Zapesotsky for the invitation. Once again, I am standing in front of the honourable audience, including students. I performed here on a variety of issues and topics and am extremely pleased to do it again. I also feel a great responsibility for what we have to do. We do not have much time and we shall manage to give the youth a particular message. In our complicated world, there are very difficult issues, as the war is a complex global phenomenon full of uncertainties. Everyone is talking about globalization, global world, and today we shall talk about global challenges and national interests and the dialectic of their relations, because they are fighting each other.

So, we have become used to globalization. The Advisor to Vladimir Putin, President of the Russian Federation, has just said that we need to return to the national sovereignty and independence. I agree with the fact that even if we do not want to, we have to respect the national interests of each state. Nevertheless, the world has changed. We understand that once this has happened, it would be difficult to overcome our differences together in order to unite. Everyone understands globalization, but we need a global political system in order to guide the process taking into account the interests of each nation and every sovereign state. There is no such a system yet. We have a global financial and economic system that works, but we do not have the global community, which could take into account the national interests of each nation.

The world is a complex phenomenon. Today, students are studying at universities trying to understand it. This is

no longer a matter of the national state and different subjects of relations. Now, all these elements interact with each other; there are other relations and we need to find a solution to those issues that are not addressed. We have to understand the quintessence of the new world that we have built. Therefore, when we face a difficulty, we need to find complex answers and sophisticated means of its addressing.

The world is full of uncertainty. Today, I was talking to my dear friend A. Moussa and expressed my sincere sympathy over what is happening in the Mediterranean in the Middle East. We do not know what can happen at any time: an environmental disaster, or a terrorist attack. We cannot predict it. We need to learn to understand what might happen. That is the reality. How can we reconcile national interests with global risks and interests? I have to say that we actually need to ask many questions. What do the national interests mean? Who decides what they are? How can we protect our national interests best: by the acts of the nation itself or of some regional, global forces? How can we understand what the national interests are? Of course, we understand more or less that every state traditionally has historical, geographical, economic and political interests; we all have our own interests. Yet, in today's world, the traditional approach that a foreign policy is the continuation of a domestic policy has changed.

It is important that national issues were on the global agenda just as the issues of global terrorism, migration, refugees, because they, too, are relevant today. National states must somehow survive in the face of global challenges. In the XIX-XX centuries, a foreign policy was the extension of a domestic policy, but we are moving away from this situation today, because there are new challenges in the world. This issue must be overcome. How do we solve it? On the basis of international cooperation and much more coherent decisions. Look at Syria, the Middle East, which today is a paradigm of world development. It threatens world war because weapons cross a variety of borders. We still have not found a final resolution on the relations of Palestine and Israel. At the same time, new scenarios appear where there are huge contradictions, for example, between religions. It often happens that the countries maintain good relationship in some matters, while differing in others at the same time. That is the difficulty. The only way to overcome it pursuing the true national interests is to create a common agenda, cooperation principles, in order to provide a secure future for all humanity. Such a solution can be found.

The world has changed, as I have already said. However, even today, in 2016, we must be aware of and be more confident in the fact that there will be no turning back to the past times and regimes. It cannot be repeated; we need to look to the future in terms of establishing a collective security system. Therefore, it is necessary to hold the elections of the new UN Secretary General in order to change the very quality of the organization's work. I suggest the following: not to look into the past, but to move towards the future and to hold such interactive dialogues with each other at the same time. Dear friends, I am European and have long been a representative of the European Union here in St. Petersburg. I want to say that Russia should work more closely with Europe and the Russian ministers are aware of that. One cannot just say that the EU has occupied Ukraine. Europeans must work together with Russia towards over-

coming the crisis, not towards the development of antagonism and contradictions.

**A. S. ZAPESOTSKY:** — I shall make way for Academician Valeriy L. Makarov.

**V. L. MAKAROV:** — The Likhachov Conference is a completely unique platform where we can speak about entirely various topics without fear to be splashed with green antiseptic. Thus, I am not afraid to say something, which, perhaps, some might not like. By their nature, humans are constituted in such a way that they want to find something that is the best for them and are committed to this with a huge amount of effort, but it may result in nothing very often. For example, they find, in their opinion, the best political or economic system and determine to live that way.

Many philosophers know the scientist Teodor I. Oizerman, who recently celebrated his 102<sup>nd</sup> birthday. He has recently written a book called “Metaphilosophy”. The point of the book is as follows: there are many great philosophers who develop their world system and understanding of how the world works, as well as many related matters. One scientist has one view and another has another. Thus, Mr. Oizerman says: such a variety is amazing. If all philosophers agreed on one thing, then all further development of any science would not exist and something strange would happen.

I want to tell you something that relates to those who like pure science, computers. In our century, there were three geniuses: Alan Turing, who invented a universal machine able to calculate anything; John von Neumann, who developed the concept of cellular automata able to reproduce themselves (the ability to create life from dead matter); and Stephen Wolfram, still alive, who invented the computer artificial society and conducted a huge amount of experiments, the results of which are collected in the book “New Kind of Science”. The key type of experiments he speaks of relates to the fact that if an artificial society is committed to becoming a unified ideological, political system and the like, that is, some unified structure, then the society stops in its development. It is indicated by a fixed point in the computer experiment. There is no real development, although the society continues to live. The development happens only when the society does not have any ideals and there are beings that always create chaos. Well, Wolfram called it chaos and we can call it in different ways, such as the activities of creative individuals.

Creativity arises when there are elements of chaos. When the majority of the society agrees to go in a certain direction and a smaller part, which creates chaos, says “No, let’s do something different”, then, says Wolfram, indeed there is a further development of the society and it can last indefinitely. Of course, people may not believe in the results of the computer experiment, although it is actually true. The scientist has developed a great system called “Wolfram Mathematics” and it is possible to simulate anything applying it. This example shows that it is necessary to listen to each other and not to assume that only your view is correct, the best one, while other people just do not understand anything. In fact, diversity of interests must be present in the society all the time and when it decreases or comes to the fact that there is no different view, then this is the end of

development, the end of history, as Fukuyama said. So, let us listen to each other and respect any point of view.

**A. S. ZAPESOTSKY:** — The next speaker is the Academician Vladislav A. Lektorsky, one of the world’s major philosophers.

**V. A. LEKTORSKY<sup>1</sup>:** — Today, we have heard many interesting performances and many ideas, therefore, I will try to relate my thoughts with what has been already said. Our topic is called “Global Challenges and National Interests”. Earlier, we talked about globalization, now we are talking about the global challenges. My question is: are they the same thing? I think that there are some differences in the nuances. Some time ago, we talked about globalization and took it for granted that this process was going on, it cannot be stopped and, so to speak, the main trend of the humanity development. Yet, I want to remind you that when the talk about globalization first appeared and replaced the ideas of Fukuyama about the end of history, this process was conceived as an expansion of some of the economic mechanisms, the market economy, financial mechanisms and transnational corporations over the world. This is one aspect of the matter. The other aspect is new technology, especially communication and information, spreading everywhere and no one can escape this process, it is clear. It was believed that when this process would cover the whole world, everything would develop on the basis of certain cultural values, the Western ones; therefore, the Western culture has actually spread around the world. I remember that 15 years ago I read the texts, including written by the Russian authors, that the very problem of the national state and national interests was an anachronism. What is national when everything is united and whole, and the world consolidation is going on?

Mr. Makarov has just said that this is a dangerous thing and there must be pluralism, diversity and elements that do not fit into a single scheme. Yes, it is true. The world was dominated by the ideas that it would be united, so the matter of national cultures and national states seemed to be the case of the past long-gone. Life has shown that globalization in this form does not work, because the process was based on the world economy being a mechanism that seemingly does not depend on cultural values. Plus, the development of science and technology is also a process independent of a particular culture. It has turned out that the case is more difficult, because the process of globalization and

<sup>1</sup> Head of the Theory of Knowledge Sector at the Institute of Philosophy of the Russian Academy of Sciences, Academician of the RAS, Academician of the Russian Academy of Education, Dr. Sc. (Philosophy), Professor. He is the author of over 400 published scientific works, including the monographs titled “Philosophy in Contemporary Culture”; “Subject, Object, Cognition”; “Classical and Non-Classical Epistemology”; “Transformations of Rationality in Contemporary Culture”; “Philosophy in the Context of Culture”; “Philosophy, Cognition, Culture”; “Knowledge and consciousness of interdisciplinary prospect” in two parts (edition), “A consciousness problem in interdisciplinary prospect” (edition), etc. Lektorsky is Editor in Chief and one of the authors of the series of 21 books titled “Russian Philosophy in the Second Half of 20th Century”. Chairman of the International Editorial Board of the “Philosophy Issues” magazine, and a member of the editorial board of the Epistemology and Science Philosophy magazine. He is a member of the International Institute of Philosophy (France), a foreign member of the Center for Philosophy of Science (Pittsburg University, USA), and a member of the International Academy of Philosophy of Science (Belgium). Moreover, Lektorsky is granted the title of Professor Emeritus of the Institute of Philosophy of the Chinese Academy of Social Sciences and an Honorary Member of the National Academy of Sciences of the Republic of Kazakhstan, and decorated with the Order of the Badge of Honor, the M. V. Lomonosov Gold Medal, the G. I. Chelpanov medal (1st degree) and the medal For Investment in Philosophy of Philosophy Institute of the RAS.

the spread of some of the economic, financial and political mechanisms and institutions throughout the world face the resistance of those cultures that are already there and cannot be ignored.

Now, let me tell you a few words about international terrorism. This phenomenon is still new to the history, as it has never happened before. There were other events: clashes of civilizations, as described by Huntington. For centuries, there were clashes, say, between the Muslims and the Christian European civilization. There were wars, the Arabs conquered the Mediterranean area and then there were Crusades to the East. In general, a lot of things happened, but this is different. International terrorism in its current form, in some sense, is a product of globalization in the form it has been so far, a pretty ugly one, in my view. It is an ugly and terrible opposition to what is happening and, at the same time, a very interesting point is that international terrorism is trying to be a global force. People involved in it are willing to use modern information technology to their advantage. This we know for sure. Thus, it is a new phenomenon in need for a special discussion.

Now, many say and several speakers have said today that, perhaps, it would be more accurate to speak about globalization, rather than globalisation. That is, some global processes are happening and they seem inevitable, but they are accompanied by a base of some local structures at the same time. There will be no development without this. Therefore, the term “global challenges” is a more precise wording than just globalization, although the latter also exists. The question is if the global challenges arise, how shall we respond? We will be able to do this, or not. If a party, a culture region cannot find a response, or resources for such a response, then its future looks bad, if it will come at all. Many claim that the world has now entered for various reasons the stage where it is difficult to predict, to forecast even for the year ahead, not to mention the predictions for five or six years.

Generally, social processes are very difficult to predict. A well-known philosophy classic of the XX century, Mr. Popper, even wrote a book where he tried to justify the statement on actual impossibility to predict the great social changes. When we predict, for example, the motion of the planets in the sky, we can calculate exactly at what time and in what place a celestial body will be and our predictions would not affect its movement. When we are dealing with the public, then our predictions affect the people’s behaviour, thereby changing a social situation. Thus, forecasting is very difficult. However, we can make some predictions, of course, but to a certain extent.

In this regard, I would like to say that the change in technological structures associated with global processes and challenges mentioned by Mr. Glazhev is not simply a new stage of economic development, a new step, a new level, but a challenge to the humanity. It is really a challenge to the existing cultures and value systems, because new technology interferes with life itself and changes it greatly. Now, we are discussing the idea of transformation of human physicality and psyche and an idea of “human enhancement” has become very popular. It is possible to enhance a human using the nano-, bio-, information and cognitive technology, as well as genetic engineering. How then? People can be made more enduring, more intelligent, even, oddly enough, more moral, more emotional.

Even morality has certain criteria. Therefore, I believe that there are many challenges and they all are global.

These challenges may arise from the existing cultures and values of different cultures. Most essentially, all these cultures are facing the same challenges and are trying to respond to them. It is very important that these cultures would not isolate themselves. The philosopher Leibniz believed that the whole world was made up of some monads, which could not communicate with each other, because each monad was isolated and did not have access to others. However, the cultures cannot be self-isolated, they have to interact with others and, more importantly, to understand other cultures, their values, needs, to try to interact with them. Thus, if multiculturalism is understood as the coexistence of self-isolated cultures, then, of course, it is not viable in this form, it failed. This does not exclude the fact that cultures are different and they should try to understand each other, to interact and change in this interaction, because life makes every culture change.

**A. S. ZAPESOTSKY:** — I see professor Tom Rockmore, expert in philosophy from China.

**Tom ROCKMORE:** — I teach in China. Of course, I was to get acquainted with Marxism due to my work there. As you know, China is a Marxist country. Here, I was surprised to learn that there are conflicting opinions about Marx and Marxism. It has been said today that the capitalism that Marx had in mind will disappear maybe in 10–20 years. Marx had the theory of the transition from capitalism to communism and if we carefully examine various publications, we can see that there are several models. One of them is based on the rise of the proletariat as a worldwide phenomenon. Then, he said that the proletarians had nothing to lose. Now, we implement some things about which Marx talked. When he turned to the economic transition from capitalism to communism, he said that capitalism was doomed. Yet, the central conclusion of Marx is that an uncontrollable conflict that capitalism would be unable to solve would definitely arise and the response schemes would have to be altered. Marx believed that it was a logical process.

Actually, economic effects do not occur as a logical necessity. Marxist views of the decline of capitalism were associated with a decline in profits, but this is a very controversial opinion. Since then, his view has been criticized many times and the last remark is that we do not have information about the decline in profits, that it is just a fantasy of revolutionary minds. What conclusion can be done? The one that Marx formulated the idea of transition from capitalism to communism for solving a particular social problem back in the XIX century. If the transition from capitalism to communism is not on the agenda, even if it happens in 10-20 years, how can we accept the fact that capitalism will not disappear, that it will stand the tests? Maybe it will be a different kind of capitalism. The problem is to use the achievements of capitalism to solve the problem, which Marx analyzed in the XIX century and on the basis of which he charted the ways for the transition from capitalism to communism.

In conclusion, I would like to make one more point. Professor Lektorsky has already mentioned the relations between economy and terrorism. I do not agree with what the economists said in relation to globalization, but the expan-

sion of capitalism is closely associated with this process. I would like to note that the expansion of capitalism is an important phenomenon, with which the spread of terrorism is associated as well. Since we are concerned about the issue of terrorism, we must not forget that capitalism causes the growth of this menace in a way.

**A. S. ZAPESOTSKY:** — I see professor Taşansu Türker from Turkey.

**Taşansu TÜRKER:** — Dear participants of the Conference – members of the presidium, representatives of public authorities, scientists of different levels, the audience here is very reputable, but I think that the students, who will create the future and live in a new environment, are the most important here. The XIX century was a time when everything was being developed and established. Today, judging by all speeches that I have heard, I understand that all agree on one point: huge changes are taking place in the world, and all agree that the situation is unclear, uncertain and quite dark. Changes have always happened in history. There were no such periods when there were no changes. Even when there was some static in the development, changes still went on. Now, they happen very quickly. Someone, when talking about history, said that now the wind is so strong that no angels can help dealing with it. We are not talking about a single system, a national state, wars or revolutions, which we have seen in history. It is about social order. Someone has said here about the crisis of modernity and it is true, as modernity is in crisis. Modernity is what the whole world is going through, or what it has been going through until recently. This crisis is related to self-determination of true national states, but it is also associated with the values we are talking about today.

Today, many constants based on the foundations of modernity are missing, but there is another approach. We can talk about both. For example, in the XIX century, there was only one civilization. Who created this civilization? Who uses its achievements? Where does social security come from? All these were the fruits of civilization, but then something opposite happened. World War II became a humanitarian disaster. Now, we are seeing many disasters like that one happening everywhere. Therefore, the constants have lost their power not only in the civilized world, but in all countries, and the third world countries are no longer at the periphery, but in the middle of modernity. This increases the existing challenges. This is why I believe that the new intellectuals, thinkers will appear in two or three decades, just like it was in the XIX century. I encourage the students present here to become such thinkers, intellectuals. Chaos gives rise to new opportunities, thus, universities and academies have to offer new ideas.

In conclusion, I will briefly talk about the country modernization. We are talking about the modernity crisis, but I am from Turkey, an ancient state. Last year, I said here that if we compare Turkey and Russia, we can see a lot in common, including in our history. Our nations have a good relationship. I said it last year and I say it now. We have cooperated over the past 300 years and modernized. Therefore, the concept of the West is a major figure in the intellectual life and society of Turkey. But what may occur soon? I think that our countries, like in the XIX century, will go one way. Of course, we will either follow the emergent processes, or

resist them. We believe that we should be in line with these processes. It would be better and safer for all of us.

**A. S. ZAPESOTSKY:** — I see academician Alexander B. Kudelin.

**A. B. KUDELIN<sup>1</sup>:** — Dear colleagues, I am very pleased to speak in front of such a wonderful meeting. I would like to say that, from my point of view, as well as from the point of view of the majority sitting here, the strongest side of the Likhachov Conference (as said, in particular, by G.M Gatilov, Deputy Minister of Foreign Affairs of the Russian Federation) is a combination of very good theoretical framework with practical conclusions following from the theoretical framework of science. This is a great forum. I would like to say that Dmitry S. Likhachov, as everyone knows, was a prominent expert in ancient Russian literature, culture, etc., but the conclusions he made based on this material are of practical significance. Therefore, this Conference bears the name of the academician rightfully.

Every year, we continue the tradition initiated by Likhachov. In this regard, I would like to touch on the issue of globalization in a certain aspect. Once, at the invitation of the University Rector A. Zapesotsky, I lectured here on Goethe's brilliant work "West-Eastern Divan". I think that the results of globalization have led to the fact that such a work might not have appeared today. If it might, it would not have caused such a resonance, as in 1825. These are the results of globalization.

Today, we have talked about the Eurovision Song Contest. I do not want to say anything about the results. The Eurovision rules state that the performers have to sing in English. During the first Eurovision Song Contests, the artists performed in various languages and today all sing in English. What does it lead to? In Europe, there are many peoples with great musical traditions and I do not mean only folklore, but also pop singing. For example, Spain, France, Italy, Ukraine and Georgia. The list is endless, but they all have to sing in English. Polad Bulbuloglu from Azerbaijan is present here. In 2011, the Azerbaijani won the Eurovision Song Contest, yet, not with the Azerbaijani folk music, but with a song in English. I am not talking about the Ukrainian ability to sing, which we have always admired, etc. Try to win a European competition with folk music! It is impossible.

I remember the performances of the outstanding St. Petersburg scientist Igor M. Dyakonov. He was a great expert in ancient writing. When he was 80, he got a cuneiform missive as a gift. Once, during the lunch break, his student was telling him about his new discoveries regarding Alexander the Great. The student saw that Mr. Dyakonov kept on drinking tea not paying attention to him and said, "Mr. Dyakonov, I'm telling you completely new things about Alexander the Great". Mr. Dyakonov looked

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at him thoughtfully and said, “Young man, Alexander the Great is a yesterday’s newspaper and you know that I do not read old newspapers”. The conversation ended. I am not here to call you to engage in antiquities, etc., I call to evaluate the present and look in the future when studying the ancient, medieval culture and the like, in the spirit of Dmitry S. Likhachov. Because people who do not know the past, have no future, and that too is a part of the national security system.

**A. S. ZAPESOTSKY:** — Please welcome our guest from India, Dr. Ashok Sajjanhar.

**Ashok SAJJANHAR:** — Dear colleagues, I would like to express my deep gratitude for the warm reception by the University. The topic of this Conference is “Contemporary Global Challenges and National Interests”. It really is a very important topic. I would like to briefly outline the initiatives of the foreign policy and of the new Government of India and to show how India tries to solve the existing issues of global challenges. I think most of you have heard that our government led by Prime Minister Modi came to power two years ago, on 19 May 2014. I must say that we believed then that the foreign policy would be the weakest link in comparison with our major industries. By that time, we had achieved great successes in all other areas, but we had had no experience in the field of international relations. I think that over the last two years, the activities of Modi show and confirm that he is one of the most successful professionals in the field of foreign policy of India.

Now, I would like to highlight a number of initiatives he proposed. First of all, it is a policy that primarily takes into account the interests of good neighbourliness, good relations with neighbouring countries, in order to ensure the best results in terms of cooperation and friendly relations. When Modi took office, he invited the leaders of the neighbouring countries to come to attend his oath ceremony. After that, he visited various countries. The first country to visit was Bhutan, then Nepal and afterwards he visited the other neighbouring states. Then, he paid a visit to Pakistan and Afghanistan, which was much improvised on the way from India to Russia.

There are two main aspects of his policy. The first one is the rapid economy development. India is one of the largest fastest growing economies. The level of GDP growth amounted to 7.6%, that is, USD 72 billion. Most importantly, if India grows economically, the neighbouring countries will also be developing. Another important point is the launch of satellites, to which India is now getting ready. In addition, we are also working closely with our neighbours in terms of agriculture, fishery and other industries. The second aspect that I would like to point out is economic partnership with East Asia. Now, the focus is on the expansion of relations and unity, not only in economics but also in defence and culture.

I would also like to note such an important point as the cooperation with China, New Zealand and several other large neighbours of ours. Twelve countries in the Pacific have signed a cooperation agreement. It is also necessary to say about our relations with Russia and Central Asia. Modi was the only Indian Prime Minister, who visited the countries of Central Asia. He was at a meeting with President Putin. First, there was a short meeting and then they met at

the summit. Russia supplied 12 nuclear reactors being our largest supplier of such equipment.

Now, as regards the two points related to leadership. It has been said today about the issue of leadership. First of all, it concerns such an important activity as the fight against terrorism, and, in this respect, India is cooperating with other countries in Asia and other regions. For example, recently, Mr. Modi has visited Iran. In the course of relations with these countries, we always pay special attention to the issue of terrorism. The last very important point that I would like to mention relates to the climate change. In this sense, India suffers from a lack of energy carriers, therefore, we are now moving towards the testing of new renewable energy sources. New sources will generate 175 gigawatts of energy.

**A. S. ZAPESOTSKY:** — Please welcome Mr. Robert I. Nigmatulin, the Academician.

**R. I. NIGMATULIN<sup>1</sup>:** — Dear Mr. Zapesotsky, how did you manage to bring together all these extremely interesting people? I am honoured to speak on this stage. Josiah Gibbs, one of the great physicists, said that one of the tasks of science is to find such a point of view from which the studied phenomenon seems simple. I think it is extremely important for the modern sciences considering the issues of globalization. We feel that our history, the history of Russia, the Russian history, is special. I have got a climate explanation for that, as our winters are very long and cold. Most importantly, it is the instability: there is drought one year and the harvest is flooded the next year, etc.

In life, it turns out that if you are talented, you live more or less normally, have a family, but you are a part of the minority. Those untalented or average people experience shocks and want to seek justice from time to time. This violence and vibrational attitude is very characteristic. We are still arguing about Stalin and Lenin. For example, Henry M. Reznik spoke out against them and, let’s say, I will do it for them. This, too, will cause the corresponding reaction of the half of the audience. It should be borne in mind. The mission of Russia is to build a civilization in a colder climate, because civilization cannot build itself. The Scandinavian countries, Canada are the countries where winters are much warmer than even in the Ukraine.

I am a man of technocratic views and I think in theorems. I want to tell you about a few theorems. Injustice of the strong can cause a beastly reaction of the weak. The terrorism that we are witnessing now is largely due to the injustice of the strong towards the weak. For example, the Chechen issue is still not resolved and is leaving a trail of blood. Another figure: only 25% of the world’s population consume 90% of the earth’s resources, 75% use only light bulbs, and basically live off the muscular energy. Now, in

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the name of climate protection, we want these countries to save resources. Currently, Russia produces 3.5 tons of oil per capita and reserves only 1 ton and the rest is exported. Rich people are buying apartments in London, villas on the southern coast of France for the cost of exported oil. Shall ordinary people tolerate it easily? Well, we, clerics, can tolerate, but we still have millions of people.

Our honourable writer Daniil Granin talked about a smaller state. Of course, my liberal soul wants less bureaucracy (we need to reduce the bloated apparatus), less injustice. We are a weak state and the Provisional Government showed what does it result in. In a weak state, millions of people die until those coming to power would have learned and established the order. This must be treated with caution. Of course, we still have a good state compared with the Stalinist period, since the mortality rate in our country was approximately consistent with the mortality rates in Western Europe and the new European countries before 1991. After 1991, the old countries of Europe slightly reduced this level, which is quite difficult, the new European countries have maintained it and ours has grown dramatically reaching the highest mortality level. If we integrate the loss of our people over the liberal years, we get 13 million people: 5 million in the Yeltsin period and 8 million in the Putin period. Keep in mind that there is peace! This too should be considered.

I will tell you now, perhaps, an unexpected thing, but I think that the main problem of Russia going on since the XIX century, when there were the Decembrists, then the supporters of “Narodnaya Volya”, then the Bolsheviks, and so on, that has escalated now, is a problem of income redistribution. If at that time there was a problem of land redistribution, now we have income redistribution. Half of one percent of the population appropriates RUR 10 trillion. Here, we do not want to talk about a progressive scale. I would like to conclude with the theorem that 95% of us here probably would not share. However, I am deeply convinced that the state should be controlled not by a political scientist, not by an economist or a lawyer, but by an engineer.

An outstanding person, a great composer Georgy Sviridov whose music we remember and love, expressed this thought, “It is not so easy to understand simple things. Dear philosophers, economists, think about what to do and get to understand simple things, as you are confused”.

**A. S. ZAPESOTSKY:** — By the way, Mr. Sviridov is our Honorary Doctor, we remember him very well. Yet, I think that his words cannot be applied to the philosophers and economists present here. Dear colleagues, please welcome professor Ameli, our guest from Iran.

**Saeid Reza AMELI:** — Today, we are talking about global challenges and national interests. I would like to explain what is meant by global challenges. Are they institutional global challenges or technological, economic, cultural, climatic global challenges? What exactly do we mean when we talk about global challenges?

I would like to highlight several points regarding institutional and technological global challenges. In terms of institutional challenges, we shall think of the United States of America. We always criticize them for creating a world where their policy dominates. We always talk about what they do, but, nevertheless, the USA continue to pursue this policy, regardless of whether we like it or not. Although we

see some change in the position of Mr. Obama, but the US policy is still the main cause of global changes. It is not that people cannot talk to each other, but that there are many different opinions. We know that many people died from war in the XX century, which is 20 times more than in the XIX century. We therefore welcome the rationalization process, but, nevertheless, we have not started treating wars more efficiently.

There is the world transnationalization with a further increase in communication technology, which is a positive sign that shows that we have a global neighbourhood. Someone has said today about the leadership deficiency. I believe we can even talk about its destruction. If it continues and if we do not manage this process, we will have a shortage of leaders. The national interests based on cultural leadership should be considered from the same position. If we establish the cultural sphere, we will stop to lose in the economy field. How can we achieve this? Only by YouTube, Google and other similar technology that have come from the US and are used to dominate the world. It is true to say that we now live in a dual space: physical and virtual. If we lose our position in the virtual space, we lose it in the real world.

**A. S. ZAPESOTSKY:** — I would like to give way for the Academician Vladimir L. Kvint.

**V. L. KVINT<sup>1</sup>:** — Mr. Zapesotsky, thank you very much for inviting me to this wonderful forum. I witness a symbiosis of great thoughts and ideas that arise in the minds of prominent scientists right here, within the walls of this wonderful University. The topic of my speech concerns the economic consequences and the strategy to combat global terrorism and extremism. One of my latest books was dedicated to this issue. I would not want to join the discussion about globalization, but, unfortunately, I am forced to, because globalization, in the opinion of a strategist, is one of the most powerful global trends, patterns, that determine economic, social and even, to some extent, political problems of humanity, whether we want it or not. Like any pattern, it is born, gains a high degree of maturity and finally dies. It is not just a pattern of globalization occurring in the world today, but also regionalization. When these patterns interact, there is such pattern as glocalization studied and used by economists.

Of course, large-scale economic and social patterns continue to operate. I do not want to deal with all this now, but I analyze ten of these patterns in my book. The subject matter of my study of global terrorism as one of the negative global trends, global extremism, are mainly two global patterns: the very globalization and the technological revolution. In fact, democratization as a global trend originated much earlier and regionalization, which arose when there were large regional blocks, led to the fact that national

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boundaries blurred and became more transparent. Not only positive forces took advantage thereof, but also the terrible forces of ignorance and illiteracy. This is primarily terrorism. They say that terrorism is born in illiteracy, poverty, illegal immigration. This, of course, is true, but if we look at what is happening, but where do the poor, uneducated, most vulnerable people deprived of social protection, get an ideology and funding on a scale that allows them to do such a significant damage?

I will speak later about the scale and economic figures. Here is an interesting fact: ideologization and funding of terrorism come from the wealthier structures. For example, take Saudi Arabia and what was, so to speak, a push to the beginning of the global fight against terrorism. The attack on September 11, 2001, as you know, was committed by people from Saudi Arabia, not the poorest country in the world. However, 21% of the population there are illiterate, only 59% of school-age children attend school and 41% do not, while they need to receive support from the state, the family. Thus, education itself is not just not enough funding, it has not become a national idea, a value yet. Generally, there is a clash of civilizations. The faster the global integration (another pattern is the more the trend of globalization is growing), the sooner there is a cultural, religious, and even educational clash of civilizations. This clash is ignited by the most orthodox ideas that may arise in any environment, not necessarily Muslim. Take a Norwegian phenomenon, where the Muslims were absolutely innocent. There are many examples of the kind.

What is terrorism and extremism? It is necessary to understand this phenomenon in order to develop and implement a winning strategy. In the words of Dmitry Likhachov, if there is a phenomenon, it is necessary to categorize and define it. Thus, it is necessary to define terrorism. Various international multinational institutions, such as the League of Nations, have been trying to do it since 1937. Yet, there is still no single definition of this category adopted by the United Nations. We need a definition to develop a strategy. For example, I think that terrorism is a focused unprovoked blow directed at unarmed people and non-military targets when the unarmed are attacked with weapons, civilian objects are destroyed, and so on.

What can I say about global terrorism? Here are a few examples of the blow it inflicted. For example, in the two days following September 11, aviation suffered a loss of USD 660 million; within 1.5 years, the biggest loss of all the economy sectors was suffered by the insurance industry totalling USD 50 billion. Within 1.5 years after the attack, the New York unemployment rose 21 times more than over the previous 17 years. International trade was most severely affected. Within 1.5 years after September 11, international trade and insurance suffered damage in the amount of USD 3.3 trillion, which is comparable to the national income of many countries. Terrorism is a social manifestation of evil and it must be destroyed, but it is necessary to unite people. For example, I object to the creation of some global institutions. I once studied Jan Tinbergen, who was one of the first Nobel Prize Laureates in economics in 1969. He wrote that it would be good to create a global government. I think it is very harmful idea, but coordination and cooperation to eliminate manifestations of the evil of terrorism at the global international framework would help a lot.

**A. S. ZAPESOTSKY:** — Please welcome the famous Russian journalist Vitaliy T. Tretyakov.

**V. T. TRETYAKOV<sup>1</sup>:** — Much of what I will talk about is dictated by what I have heard in this hall. By the way, I think that today we are witnessing one of the most fundamental discussions in terms of diversity and depth that took place over the previous years during the Likhachov Conference.

First of all, I shall point out three marginal notes in the field of discussion about liberalism, in any case, in its Russian manifestation. The first marginal note: a Russian liberal, I do not know about a Western one, imagines social and political life as a buffet in a good hotel where he comes and selects the dishes he likes. Moreover, he often changes the set the next day, but he makes all the others have the same dishes he likes at the same day. The second marginal note: a liberalist, at least, a Russian one, is better than the Russian liberals and much better than liberalism itself. The third marginal note: Russian liberals steal a lot, they have an illness. Perhaps, we would love liberalism, if the Russian liberals were not that greedy.

Now, as regards globalism and globalization. In my view, we are fed up with globalization. I have a feeling that when we are fed up with it to the maximum extent, we will just sweep it away together. I draw your attention to the fact that nationalists, very tough, radical nationalists, sometimes with weapons in their hands, sooner or later replace the governments, elites who do not care about the interests of their own people. Thus, national interests challenged by globalization in that aspect, about which I am talking, of course, sooner or later, will protect themselves. God forbid that by that time there will be intelligent, rational governments seeing the banality, those simple things, which the Academician Nigmatulin appealed to understand. If they will not be able to sort out these banal things, then everything will be pretty sad. Thus, there is no need to put nationalism into the black list or think that it has lost the ability to resist, especially, when convergence has been mentioned repeatedly here. By the way, I do not believe in it. Convergence is a paradise where we choose the good from all the societies to live with it. It will never happen and paradise on Earth is not possible, as well as hell called “absolute globalization”, because this, too, is consistency.

Another thing is that we were advertising globalization as something useful, meaning not our interests, but our own goals, because it was assumed that globalization is when harmful production is taken out to Asia, Africa and other “Middle Easts”, and the money comes, of course, to the people calling themselves civilized, in contrast to these barbarians. Then warm countries welcome European and American tourists, but people arriving from there are specially trained through the education system, which is also global and, therefore, dying. Education is also globally distributed from the USA and Europe. It is provided to special-

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ly selected people only, which are necessary for this society. It turned out that globalization is something a little more complicated like everything else in life. Tourists go to certain countries with travel vouchers purchased at travel agencies and then suddenly 1.5 million people come from these countries to Europe without permits. They neither asked for them, nor received visas, they just came. Terrorists are the barbarians, from the point of view of Europeans. However, globalization has ensured that the barbarians of the times long-gone had spears and civilized people had muskets; now both have atomic bombs, but one is legal and the other one is not. So, there would be no globalization, eventually it will fall apart, and that is good. How is it going to happen? It is another question.

Now, a few words about the language issue, which has also been touched upon. By the way, this major problem also applies to the fight against terrorism. Recently, I have repeatedly called from different tribunes to give up, at least in Russia, the division of civilization and non-civilization, to barbarians and civilized. Everything the humanity has is a part of one civilization or different civilizations. Something seemingly barbarous, obscure, or other in a sense, does not mean that it is non-civilization; it is just another civilization. In Russia, we are used to put ourselves in the humiliating position saying that we need to become a civilized country. We consider ourselves as barbarians and, not by chance, the West considers the same, if we treat ourselves this way. Here, we have heard speeches about the new man in a different aspect, but I will say the following: the bad future scenarios are worse than they seem, in any case, than they were presented today in this audience. However, there are the wonderful future scenarios too.

As for the language, if we turn to one language, it is also globalization, uniformity. The one, who speaks this language, guides the process of transition to a single language, will own and already owns both our thought and our consciousness. I am strongly opposed to creation and quoting of all scientific literature in the world in English only. I am not talking about Chinese, that is another issue. I am talking about the former Christian civilization, now defunct.

Finally, I will talk about morality. Anyone who creates a new person, whether a biorobot or a union of a man and a robot, will create new ways of thinking for it. It does not happen that a machine is created by one and the programme is installed by another. In this regard, I have a question: what if this new person is not created by Russian scientists and, let us say, by British or American, will they do it as an Englishman, an Anglo-Saxon or a Russian? I am sure that as an Anglo-Saxon. Why would they need a new man with the Russian consciousness? Hence, draw your conclusions on who should create this new person and what would happen, if we do not do it first.

**A. S. ZAPESOTSKY:** — I see our Spanish friend, Mr. Juan Antonio March.

**Juan Antonio MARCH:** — I will introduce my vision of what is happening, outline the general features in a couple of statements. For me, the main issue is that globalization imposes its own laws and it has been this way since the emergence of a primitive society to the present day. Such is the dynamics of the development of humanity. How does the national identity develop? There are only two options

creating a dilemma. Firstly, it can be something bad: if people are unhappy, not motivated, it can lead to disasters and we have seen it many times in history. Imagine what happened in the Roman Empire and what occurs in the modern history. There are many cultures that have experienced very difficult times.

Secondly, people need to understand the law of globalization and think about the prospects for the future; there are certain developments. What are the leading forces of this process today? Huge human potential. Here, there are no big differences. Earlier, people were only labour, but today they are a kind of a computer innovation. We all have our own ideas, initiatives, and this is the main point of the society of the XXI century. The human power today is based on the enormous potential of each individual. Another point is that these people live in the community, and the main thing here is how these groups of individuals will cooperate in this community. If they are so strong, but unable to properly organize everything, chaos will arise. We can see it happen. For example, we see São Paulo developing and growing, and there is chaos there.

From this point of view, people have to think and understand that the state of today should not give them anything, but good organization of living space. The state should not give people money, protection, support, because, in relation to a person, it can only give what individuals give it. This is the idea of the organization of space: if the state provides a space, then the individuals will give the state their share. The main thing in the global space is that all of these areas develop in different ways. Over the past 30 years, China has been developing at a fantastic rate. In this country, where people got up every morning at 6 am and worked all day, within 30 years (1952–1982), wages rose from 300 to just 380 dollars. From 1992 to 2013, the revenue rose from 380 to 7.5 thousand dollars, that is, wages have risen by twenty times. Take a look at what can happen in one country.

In conclusion, I would like to say that, being here, in this part of the world, I can see how urgent this issue is for us, how to organize a new Europe. In my opinion, we have not acted very wisely in terms of the European Union development. We could not establish the necessary relations with Russia, but we think it can help us to set much more ambitious goals, achieve great things in our relationship, because we had a great past and a great future awaits us. Once, a good friend of mine, Anatoly Chubais said that the great advantage of modern Russia was that there money could be converted into science very well, as opposed to converting science into money. This means that we need thousands of small and medium-sized enterprises in order to convert science into money, in this sense, we have achieved good results in Europe. This system will have to be built-up, since there will be a very large number of residential population by 2040 and, therefore, we need economic growth to ensure a great future.

**A. S. ZAPESOTSKY:** — I would not want to disappoint Mr. March, but Mr. Chubais is an expert in quite different money transformations and his money will never become science. Please, welcome professor Vincent della Sala, our guest from Italy.

**Vincent della SALA:** — I am very happy to be here again, talking about global challenges and national inter-

ests. I think that the speeches made by the many specialists before me were very good. In my time, I would like to summarize different issues we touched upon today. Dr. Moratinos said that we should go forward into the future instead of looking into the past. In Italy we have a saying: to stay the same, one has to change. It means that in order to develop we should actually change instead of appearing to change.

I don't know how we can solve the globalism issue and what architecture we need for that, but I think we can easily summarize these issues by using a very useful concept that was usually expressed as a political trilemma. There are three good things, but we can pick only two of them. The problem is choosing what to give up. We have a global interdependency at the moment. As Dr. Aziz said today, we can have sovereignty and globalization, but that means

giving up the third good thing — democracy and self-determination, when the state's government actually listens to its people.

So we can have democracy and sovereignty, but that excludes globalization. Either way, there is something we must give up every time. I think that the dispute we had today about which of the three useful elements to give up, will go on. When we look at the global society, it's clear we don't have a consensus about what we need, either within our societies or between them. Such conferences as ours give us a great opportunity to discuss which one of the three good things we should take and how we can manage the whole process going forward. We see that we have a lot of challenges, but there are also a lot of great ideas and a lot of goodwill to find a solution.

## Panel Discussion

### INTERSTATE COOPERATION IN THE FIGHT AGAINST TERRORISM

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May 20, 2016

Petrov Theatre and Concert Hall, SPbUHSS

#### SPEAKERS:

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| Shaukat AZIZ           | <i>Prime Minister of Pakistan (2004–2007)</i>   |
| Piotr DUTKIEWICZ       | <i>Director of the Centre for Governance and Public Management at Carleton University (Canada), Ph.D., Professor</i>  |
| Gabriel GALICE         | <i>President of the Geneva International Peace Research Institute</i>   |
| Al. A. GROMYKO         | <i>Director of the RAS Institute of Europe, Doctor of Political Science, Professor</i>  |
| Miguel Angel MORATINOS | <i>Minister of Foreign Affairs of the Kingdom of Spain (2004–2010), Honorary Doctor of SPbUHSS</i>  |
| Amr MOUSSA             | <i>Secretary General of the League of Arab States (2001–2011), Minister of Foreign Affairs of Egypt (1991–2001)</i>   |
| Colin B. MOYNIHAN      | <i>Statesman, public person of Great Britain, Member of the House of Lords in the British Parliament</i>  |
| Vadim ROSSMAN          | <i>Professor of the North American University (Houston, Texas, USA), Visiting Professor of International Relations of the University of Economics (Bratislava, Slovakia), Doctor of Philosophy and Political Sciences</i> |
| Ashok SAJJANHAR        | <i>Secretary of the National Foundation for Communal Harmony (India)</i>  |
| Mehdi SANAYEE          | <i>Ambassador Extraordinary and Plenipotentiary of the Islamic Republic of Iran to the Russian Federation</i>   |
| V. T. TRETYAKOV        | <i>Dean of the Higher School (Department) of Television at the Lomonosov Moscow State University</i>  |
| A. S. ZAPESOTSKY       | <i>President of St. Petersburg University of the Humanities and Social Sciences, corresponding member of the Russian Academy of Sciences</i>  |

**A. S. ZAPESOTSKY:** – Dear friends, we are starting a series of panel discussions new to our University during the Likhachov Scientific Conference. Today, we have four of them scheduled. Herewith, we are opening the first panel discussion on interstate cooperation in the fight against terrorism.

Before giving the floor to Gennady M. Gatilov, our discussion moderator, I would like to say a few words on the goals set by the Likhachov Scientific Conference Organizing Committee in terms of this discussion. I would like to speak as a scientist, not a diplomat. I understand that many of those present are diplomats. We asked Mr. Gatilov to participate today not as a representative of the Ministry of Foreign Affairs of the Russian Federation, but as a diplomat, that is, in his personal capacity. Once heard the statements made by Mr. Moratinos, I realized that diplomats are strongly bound by the diplomatic protocol. Our forum is scientific and I would like to clarify as a scientist

the reasons of our active cooperation with the Ministry of Foreign Affairs.

In our country, there are many different ministries, and the scientific world expresses different attitude towards them, I daresay. For example, there is a ministry that is considered as the ministry of collapse of the national economy by the scientific community. I'm not going to call any names, but it has such a reputation, therefore, we do not cooperate. We also have a ministry implicated in the collapse of science and education, and we cooperate with it only to the extent required by law. However, there are ministries we do cooperate with, as we believe that we can be useful to the country as a whole, while being useful in cooperation with them. The Ministry of Foreign Affairs is one of those. We started getting into the situation about 10 years ago when we met the leaders of the Ministry of Foreign Affairs during the Likhachov Conference. I would like to note that our University was visited by four Vice Ministers of

Foreign Affairs of the Russian Federation, who participated in the various events, over the past 10 years. They presented their reports, and we had discussions. We are absolutely convinced that the Ministry of Foreign Affairs of the Russian Federation really serves Russia and defends its interests.

I also would like to say that we, both at the University and in the scientific community, are trying to actively support the Russian President Vladimir Putin for the same reason. I want to say to our foreign colleagues, that Mr. Putin is often demonized by foreign media, but we believe that Russia's foreign policy is made absolutely clean-handed and this is primarily because the head of state himself oversees foreign policy issues being the specificity of his legal education. For example, Dmitry A. Medvedev, with whom as a lawyer I had worked a lot, is a high class expert in commercial law and legal support of the activities of large corporations. It largely determines his view of life. Mr. Putin graduated as international lawyer; hence his profound belief in the need for prioritizing not the right of force in the foreign policy, but the right of law, the right of the best things gained in the world civilization development, the right of traditions, which are formalized in the law.

While we have a lot of complaints about the officials in domestic economic activities, the Russian scientific community is in solidarity with the foreign policy of our state. Being aware of the international law, rules and regulations, as well as international community activities, Mr. Putin oversees the Ministry of Foreign Affairs and works with its employees. Hence, a certain recruitment procedure takes place. It seems very interesting to build a dialogue with the top scientists and public officials present in the audience representing a variety of countries, the scientific honesty, adherence to principles and the civic position of which is well known to the international community. I consider it appropriate that Mr. Gatilov asked these people today about the world policy issues that seem to be interesting to him personally.

I think such a presentation will help us, the Conference organizers, to put a focus of a number of our approaches correctly. This does not mean that we agree with everybody, but here everyone has the right to express their opinions, which can be unpleasant for Russia in some ways. However, our task is to carry out an absolutely open dialogue and to develop a common position, because Russia's correct position will enhance its credibility in the international community and increase the country's positive role in international affairs. This is why we are here and we are going to create intellectual property results, which might be useful to various governments, countries, ministries and the international community in general. There are respected people present whose opinions are very important for the world community, for the International Likhachov Scientific Conference and for the Organizing Committee. Mr. Gatilov, now, I shall make way for you to moderate this discussion and suggest starting it.

**G. M. GATILOV:** – Mr. Zapesotsky, thank you for such a substantive introduction defining the vector of our discussion. Indeed, the terrorism issues came to the foreground and they were covered by almost all the speakers at the plenary session and sections. The task to find ways to combat this evil is a priority and I don't think I need to ex-

plain why. My speech on the topic won't take long as I'm just going to highlight some aspects. First of all, we are concerned about the current situation in the Middle East, particularly, in Syria: the Islamic State is expanding its borders trying to impose its radical ideology and even create the caliphate, their own state. We couldn't imagine the occurrence of these events, completely new to us, a few years ago, thus, of course, such a threat is now becoming more and more significant. We are talking about interfering in the internal affairs of states, the overthrow of unwanted regimes, etc. The question of how the international community should respond to all these phenomena arises, as they are necessary to deal with, and apparently we'll have to spend quite a while doing it.

As for me, the fight can be conducted only based on a platform of joint efforts made by all states and this is why we need to carry out a fair policy without double standards. Unfortunately, we still observe double standards demonstrated by some of our partners. I have already said that it is impossible to divide terrorists into good and bad and to pretend that good terrorists might be useful for reaching one's own geopolitical interests. Therefore, joint efforts of all countries are so important. Unfortunately, there was no joint approach in recent years for obvious reasons. You all know that some time ago our Western partners ceased cooperation with Russia on the counter-terrorism warfront. While we had previously such cooperation mechanisms as Russia-NATO and rather specific relations with the European Union, the Ukrainian events and Crimea annexation resulted in the fact that such cooperation, unfortunately, was discontinued on the initiative of our Western partners.

Naturally, this had to affect the efficiency of the fight against terrorism. Probably, the Kogalymavia plane crash in Egypt would not have occurred, if such co-operation still existed. Then, as you know, the terrorist attacks in Paris, Tunisia, Turkey, Indonesia and, finally, in Brussels followed. Now, all this threatens the security of the countries located not only in the Middle East, but also in Europe. It is a fact which is now no longer to be dismissed. I have to say that our Western partners are starting to realize it very sharply and talk about the need to rebuild an efficient joint fight against terrorism. Moreover, such factor as "jihad tourism" and the fact that many terrorists come from Western Europe, of course, aggravate the whole situation even more.

Looking ahead, we would like to invite our participants to try to highlight this issue, to assess the ways it threatens the European and non-European countries and to consider how to deal with the phenomenon of foreign terrorist fighters. Unfortunately, we must admit that, of course, we have no reason to talk about any substantial, let alone final, overcoming of the terrorist threat. Everything we need to do now is to understand that the threat comes mainly from the Middle East and to join efforts in the fight against it. It turns out that our successes, for example, in the fight against terrorism in Syria, lead to the fact that the gunmen simply move to other countries, such as Afghanistan, and now Libya, Nigeria, where terrorist groups are formed and strengthened very actively.

I cannot help but note that the nutritional medium for such radicalism is the unresolved Israeli-Palestinian conflict. Maybe, Mr. Moussa will cover it in more detail, because the aggravated relations between Palestinians and Is-

raelis, of course, contribute to radicalization. This conflict unresolved for decades creates a very negative environment for the whole political situation in the Middle East resulting in the wave of refugees and migrants flowing into Europe, which begins to isolate itself from this problem. This matter is also very interesting to me and I hope that someone will cover this topic in more detail.

Speaking of the need for joint efforts, of course, first of all, we have in mind the UN platform. As you know, at the 70<sup>th</sup> session of the UN General Assembly, the Russian President Vladimir Putin urged to form a broad international warfront against terrorism based on the international law and acting with the consent of and in close coordination with the countries of the region. International law, which, incidentally, has just been mentioned by Mr. Zapesotsky, in my view, is the main condition for the efficient fight against terrorism. Therefore, joint efforts of states should take place on a solid legal basis. We cannot talk about the fact that individual states could perform some political lines without relying on the international law.

In this regard, I must say that nowadays, various international venues host many forums dedicated to the fight against terrorism, the union of states, etc. One such American initiative was launched a couple of years ago: the so-called “prevention of violent extremism”. As you see, the wording is somewhat different from terrorism. Thus, I would like to ask someone from the participants to clarify the meaning of it, the ways our American partners are trying to implement the fight against violent extremism and the difference between violent extremism and terrorism. These are the matters I would like to discuss today.

I would like to make way to Mr. Miguel Moratinos.

**Miguel Angel MORATINOS:** – I come from Spain. Our country is familiar with the phenomenon of terrorism. About 10 years ago, it was, so to speak, a national feature of Spain. The country suffered from national terrorism characterized by a strongly nationalistic approach. As already stated, terrorism has now become not a national, but a global threat with newly acquired global nature. Overcoming boundaries and barriers, it concerns us all. There is a war against us, but it’s a different war.

I will give the example of Spain, because we have won this fight. In Spain, there were two types of terrorism: national and international. The national one was represented by Basque terrorism; the ETA nationalist organization had been fighting with the central government for a long time during almost the entire period of democracy development in Spain. In 2004, the Basque terrorism still remained a challenge and a problem for Spain. However, it was gone after a while, defeated thanks to the security measures that had to be taken, reconnaissance and cooperation between the intelligence agencies, international cooperation and the decision of the political leaders to put an end to terrorism in the Basque Country. Then, the Spanish Prime Minister Zapatero started a very difficult dialogue with ETA. He was criticized, but he was trying to find a political solution to the problem of terrorism. The terrorists responded with bombings, but later they were completely delegitimized. Back in the day, I, as the Minister of Foreign Affairs and International Cooperation, and the Spanish Prime Minister received full support of the whole nation and the Spanish government in not providing any support to ETA.

However, on March 11, 2004, in Madrid, the Spanish capital, one of the most serious terrorist attacks happened, when 200 people were killed and more than 2 thousand were injured. Al-Qaeda, Islamic radicals, jihadists who penetrated into Spain stood behind this terrorist attack. What could we do in this case? The first reaction was to declare war on terrorism, but we did not use the word “war”, because when you declare war, you make terrorists a legal party to the conflict. The same happens with the Islamic State. You, kind of, acknowledge it as a state warring with you. How shall we deal with them then? Those gunmen who have committed terrorist attacks in Madrid arrived from North Africa, mainly Morocco. Did we have to declare war on Morocco? Did we have to send aircrafts to bomb Morocco? No, we have a special international cooperation with Morocco, including the cooperation of intelligence agencies. It worked in Spain, because as soon as we had won the elections, we began to strengthen our relations with Morocco and North Africa in general. We were provided with all the information; we worked together with the intelligence agencies; we used political measures as well. We had to come up with something new in order to put an end to this threat. It was necessary to understand the causes of jihadism, the acts of Al-Qaeda. Are they rooted in the economy, politics or society? We wanted to join our efforts with other countries in order to understand what the main problem was and to solve it.

For example, the Palestinian-Israeli conflict has always been considered one of the causes resulting in terrorism and growing like cancer. How can one justify terrorist attacks, or even support them if one sticks to the rule of law? This non-legal nature of the relations threatens us all. Now, the conflict between the West and Islam is a threat to civilization as a whole. Arab and Muslim countries, America and Europe should look for the uniting elements and if there are none, then they should develop some in order to help everyone to co-exist peacefully and tolerantly. Now, when we are becoming a target to the barbarians, we must strengthen cooperation in the following areas: 1) security; 2) reconnaissance; 3) political measures; 4) economic and social situation; 5) culture. If we deal with it, we will have a much better chance to win. Currently, the terrorists are winning. Why then? Terror is trying to scare us and we are horrified, we suffer. We cannot be entirely comfortable with going to a synagogue, a mosque; we cannot even go out because we are afraid to become a target for terrorists. The world is filled with fear and anxiety. The main thing is not to panic, because this is precisely what the terrorists want. How can we achieve this? We have to continue to think, we have to be above this all and work together to win.

**G. M. GATILOV:** – Now, I would like to invite Professor Vadim Rossman to express his opinion.

**Vadim ROSSMAN:** – I am not an expert in terrorism. I just wanted to make a few brief statements, which are unlikely to be very original or new, and to highlight some points being very important in my opinion. Yesterday, I heard some views that connected the cause of the growing importance of the terrorism topic in today’s world with globalization. I think there is a more important point, that is an additional risk and vulnerability associated with the modern technology. We are talking about the fact that, on the one

hand, the level of equipment, funding, technological sophistication of terrorist activity has increased sharply, and on the other hand, the very infrastructure of modern cities, industrial facilities and resource companies is extremely vulnerable. Therefore, technology creates vulnerability, but at the same time, we see great advances in technology that allow fighting against terrorism. This, as I understand it, is one aspect of our discussion today: not only failures and mistakes, but also successes in the fight against terrorism.

I mean, as an urbanist, I see huge progress made by such companies as Cisco, IBM and Siemens. Many consulting companies are now focused on the technological means of fighting terrorism, that is, in terms of identifying the sources of risk, using social networks and various information technologies. This is a huge topic, but I would like to note it as one of the elements of successful international cooperation in the fight against terrorism.

The second aspect that I would like to draw attention to is that the cost burden and responsibility for terrorist activity are distributed very unevenly. The main burden of the fight against terrorism, in my opinion, is currently borne by the Western society, that is, the USA and the European Union, as well as enormous costs. I think that more effective mechanisms for the distribution of such financial costs can be found, as those countries that are somehow directly or indirectly involved in terrorist activities, not always share the burden of this responsibility. First of all, I mean the Gulf countries, particularly Saudi Arabia, i.e. not very poor countries. At the same time, it seems to me that their participation in this, first of all, financial responsibility is not very prorated.

The third aspect, which I would like to highlight, is rather connected with the failures of international cooperation in the fight against terrorism. On the one hand, there are objective factors related to the definition of terrorist activity, while on the other hand, there are attempts, natural to some extent, of some countries to present their struggle against political opponents in the country, with ethnic separatism, as their involvement in the fight against international terrorism. For instance, there is the Ugric or the Muslim question in China, Tibet; Turkey, too, is familiar with such things. I shall not dwell on this, as it is rather well-known.

I would also like to point out that the media often provide inadequate or not really objective evaluation of certain links in the chain of the fight against terrorism. I think that the Israeli-Palestinian conflict takes a disproportionate place, because it is a part of a huge warfront. The media cover the African situation very little and there the opposition of Christian and Muslim countries takes place as well. Many African countries are separated precisely on this basis and the terrible acts of terrorism taking place in, say, Nigeria, Somalia, Sudan, do not receive prorated evaluation and coverage in the media. In Southeast Asia, for example in Indonesia, Thailand, a lot of conflicts happen, which most people simply do not know anything about, as mainstream media do not cover them.

In conclusion, I would like to mention another important negative factor, which takes place in connection with the formation of mega-regions. There is a kind of decentralization of those responsible for terrorist activity. This is due to a certain degree of loss of sovereignty of nation-states that have transferred, in fact, many of their powers to some transnational organizations. Over the past two years,

it caused chaos in the European Union, which we all are familiar with.

**G. M. GATILOV:** – Thank you. This is really a new phenomenon of terrorism expansion. The Arab-Israeli conflict is now slightly pushed off the radar because of what is happening in other countries. But this is wrong, because the fight against terrorism throughout the Middle East and North Africa largely depends on the process of solving the Palestinian-Israeli conflict.

Probably, our Egyptian colleague, Mr. Moussa, will cover this subject matter. Mr. Moussa, over to you.

**Amr MOUSSA:** – Thank you. You have pointed out that we need an honest approach, rejection of double standards. When Mr. Zapesotsky opened our discussion, he called to speak as frankly as possible. This is what I'll be guided by.

There are two circumstances indeed. Our colleague who has spoken earlier recalled the numerous cases of terrorism in Africa and Asia. They do not draw as much attention as the terrorist attacks taking place in Europe and America. However, terrorism is not only something happening in Western countries and being broadly covered by the media. Terrible events related to violence, bloodshed and terrorism causing great resentment among many people take place in the world. When we speak of international terrorism, we have to understand that it threatens all regions: North and South, East and West.

Moreover, many major countries think that it is enough to restrain terrorism and there is no reason to search for ways to defeat it as some international terrorist organizations can be useful. We can see it in real life. For example, for certain reasons, ISIS concentrated in the territory of Syria and Iraq, and suddenly we see hundreds of supporters of this terrorist organization in Libya. How did they get there from western Asia to North Africa? After all, modern tracking means can see even a fly over the Mediterranean Sea. How could people quietly move through this vast area, from one continent to another? Who transferred them? Who paid for it? In this regard, there are questions about the real motives of some powers which somehow become accomplices of terrorists. There are double standards in the world politics. While the international community turns a blind eye to the facts, until it begins to attach the same importance to bloodshed in the East as to the acts of terrorism taking place in the Western countries, terrorism will go on claiming lives.

The 1970s can be considered as the birth time of modern terrorism, when it appeared in Afghanistan. At the beginning of the XXI century, the second wave started in Iraq. First, Al-Qaeda was created, then ISIS. This is a result not of national characteristics, but of international politics bringing destruction in Muslim Arab countries. Bad governance prevents fighting terrorism not only in Asia and Africa, but in some parts of Europe as well. All this causes anger and creates an atmosphere in which violence is acknowledged and encouraged.

Today's examples are Syria and Palestine. In particular, Palestine deliberately pursues a policy of double standards in relation to the two countries. Once, the Palestinians discovered that they were left without land, they were forcibly evicted from the usual habitat and their villages were either

rebuilt or even destroyed. How can a man behave, when he gets to know that his house no longer belongs to him and he cannot enter it?

It is important, that the world considers the Palestinian issue in a different way, because the double standards would not help. The situation in Palestine may get out of control at any time resulting in a blood shedding conflict. The most powerful country in the world absolutely supports Israel without thinking about the fairness thereof. Why? This is the policy of double standards and it has to change. Currently, while the Middle East is changing, we call on the Israelis to adjust their policy as well. Without a solution to the Palestinian issue, we will not have a peaceful future. Therefore, I appeal to the participants of today's conference with the request to turn to Israel together to reconsider the policy towards Palestine. We are not talking about war, but if everything will stay the same, the problem of terrorism and violence will not be resolved.

In Syria, terrorism does exist, but the current situation in the country does not result thereof, neither are the destruction of towns and refugee flows caused by the threat of terror only. This is the result of wrong political decisions on various issues. The Middle East is undergoing radical changes. The former Middle East will not come back. Our peoples cannot be forced to accept any regime, but changes are needed and they occur because time cannot be turned back. However, the rules have to be changed; the decisions made within the international community should focus on integration and cooperation. We should be able to appeal to the UN Security Council and vote for any resolution openly. The fight against terrorism should be a universal goal, not only the desire of major powers to neutralize some terrorist groups.

**G. M. GATILOV:** – Thank you very much, Mr. Mousa. Of course, the Middle East countries need changes, but I think that, most importantly, they should not be imposed from the outside and all decisions should be taken by the peoples of these countries. You have raised a very important issue of funding terrorism. The fight continues, the strikes against terrorists go on and on, but the problem is still there. Funding has already acquired such forms as oil smuggling from Syria and Iraq. There is trade in artifacts that I have seen with my own eyes, when I visited the museum in Palmyra: they removed all the exhibits from the walls and transported them to the auctions or private collections, and so on. All this is fueling terrorism.

Mr. Rossman raised another important issue: new technology of terrorist recruitment. There are two sides as the same funds are used for the fight against terrorism and for the recruitment of new terrorists. The media play not the least role in this process. Perhaps, Vitaly T. Tretyakov, will tell us more about it. Mr. Tretyakov, over to you.

**V. T. TRETYAKOV:** – Thank you, Mr. Gatilov. I would like to especially appeal to the young people present in the audience, who will be working in the media in the future.

A performance in public debates is akin to an act of terrorism. You have to ideologically “kill” as many opponents as possible and cause maximum shock in the audience with your performance. That's the problem nowadays: the modern society with its mass culture is perfect for terrorism. It

responds to any information of this kind instantly and ignores, as a rule, positive and neutral information. Therefore, the people working in the media are sometimes willing to invent a terrorist attack, because this event is much more attractive than any ordinary incident.

How shall we solve this problem? Firstly, we need to develop a strategy of the information fight against terrorism itself and against the effect that the acts of terrorism have on society. It is about addressing the issue of what shall be censored in the media, including social media, and what is useless and meaningless. This issue must be considered carefully. However, I am sure that, first of all, no one will be engaged seriously, because the Western countries, Russia and other parties concerned will be unable to agree among themselves, if there is a fundamental debate. Thus, we will live with terrorism in its current form for at least a few decades, because this problem cannot be solved within the shorter term.

Secondly, it is necessary to determine what to censor and forbid. The matter, again, is quite problematic, controversial and very difficult to negotiate. Yet, it is clear for me that, at least, there is no need to advertise terrorists. If you have to report on the acts of terrorism, at least don't tell about those who train and organize them, provide ideological support etc. As a journalist, I always stand for the maximum freedom of speech and understand that it is almost impossible to restrict now. However, I think that it is unacceptable for journalists to interview terrorists. If our society needs information about the offenders, this information should be provided by intelligence agencies only, as any interview will lead to a predictable effect. The audience will say, “This man is right in a way. There are reasons why he does it. We need to think about it”. The more interviews, the more convincing would a terrorist become.

Thirdly, I believe, that we must impose a ban on the “thematic” movies. Otherwise, we have to realize that with the help of movies, especially the Hollywood ones, we are bringing up a number of young people in such a way that they will inevitably, sooner or later, commit acts of terrorism on any base: religious, social, nationalist, etc. We can make a long list of feature films which, regardless of the intentions of the authors, promoted terrorism often under the guise of exposing and fighting it. We all know about the real cases of hijackings and hostage-taking. There are a lot of movies made on these subjects; they are popular and bring big profits, especially if they involve celebrities. Whatever the plot, any of these movies is an advertisement of an act of terrorism.

Fourth, as my colleagues have already said, it is impossible to divide terrorists into good and bad. In the first place, Russia and the West must finally agree on that. I would start with recommending the West to expel Russia from the list of major threats on a par with international terrorism. If we compare the number of publications in the Western media about how bad Russia is, the ways it threatens the West, and the number of publications about the threat of terrorism, I am sure that they will be comparable. This is completely wrong. Russia cannot be an equal threat, at least in terms of historical logic. Another aspect of this phobia is a negative image of Russia as a country dangerous for the world. This image has a long-standing origin. Let's recall Tsar Ivan IV, who earned the nickname “the Terrible”, and the word “terrible” has the same root as “terror”.



I've got two important points more. Today, there are private armies organized in the Western countries and sent to other countries to deal with certain evil. Can they be considered terrorists? In my opinion, these are legalized terrorist organizations. Who vested the authority on them, a group of individuals, to act with weapons in the territory of another country? There is a state behind them allowing establishing such companies and receiving orders to go and kill someone. Nevertheless, I consider them terrorists. A different opinion is possible, but look at them through the eyes of those who confronts private armies in the territory of concern. Doesn't it look like promotion of terrorism?

The terrorism issue is very serious and cannot be solved easily. In many countries, organizations and movements, which began their activities as terrorists, later turned into government agencies. It is not often told, but all the politicians know it and, of course, historians do too. Many still believe that the Bolsheviks, who made a coup in 1917 in Russia, were terrorists. It is said that it was an underground group, which seized the power and then governed the state using terrorist methods. I do not support this view, but I do not dispute it either; I just say that there is an opinion and it is justified by a number of indicators. The modern world is full of such examples, especially in Latin America and the Middle East. Some politicians share a question: they are terrorists today and tomorrow, as the history has often showed, they will govern the area. Now we quarrel with them, then it will have negative consequences for us. So is it worth doing?

Currently, our diplomats are facing this issue. The Kiev regime claims that the militia of Donbass and Novorossiia are terrorists. However, they are struggling with the regime in their territory and the terrorists are usually those who commit their terrible acts in another country, but this is a separate issue. Anyway, there are a lot of interesting questions for serious discussion.

My last but not least point is that I would suggest the University to organize a political role play for students. For example, the Donbass issue: DNR, LNR, Kiev representatives. Some say that there is a struggle for freedom and independence; others argue that terrorists are fighting in Donbass. Both sides bring arguments, and then discuss them. In my opinion, it would be not less useful than other lectures on the subject of terrorism and the fight against it.

**G. M. GATILOV:** – Thank you very much, Mr. Tretyakov, for interesting ideas. I guess your last proposal will be considered by the University. With regard to media censorship, I largely share your thoughts, although, as you said, there may be different opinions, especially among journalists and media workers.

Now, I would like to make way for Mr. Sanayee, the representative of Iran. Please, Mr. Ambassador.

**Mehdi SANAYEE:** – The whole world knows that terrorism is a huge issue for the international community. I'll focus on a few points. Firstly, when the revolutions in the Arab countries (the so-called "Arab Spring") started, we observed an obvious and already usual reaction from the West. The revolutions in Egypt and in Tunisia have been supported, as opposed to Bahrain and Yemen. Different countries bring different ways. The famous writer Joseph Nye said

then that, apparently, the foreign policy still gave priority to national interests rather than human rights and democracy. Indeed, the West's foreign policy is guided primarily by national interests. The major problem is that there is no clear line between the preference of global and national interests, but if all countries act in the international arena based on their national interests, then each will interpret the same events in their own way and then it will be impossible to agree on anything.

We cannot ignore the fact that terrorism is a global issue. If there is a conflict in the Middle East, it is impossible to limit it within any territory. The world today works in such a way that if there is a danger in one territory, it threatens all.

Terrorism always has the same roots: poverty still suffered by large groups of people, weak economy of many countries, injustice, education issues, including in terms of religion. The double standards nullifying the legitimacy of international law cause strong resentment of many nations.

My colleague Mr. Moussa raised a very important issue of Palestine. This problem concerns many in the Middle East. Today, the Muslim worldview is largely based on the fact of Palestine invasion. This invasion turns into aggression, but the whole world is silent, including the West, though many people died in recent years and children were among the victims. It was said and written by media, but nobody wants to address this issue. Indeed, the issues of injustice and Palestine problem have not been solved yet. The Israel aggression helps terrorists, because usually young people in Muslim countries no longer listen to their teachers, moderate muftis and sheiks and are more susceptible to extremist moods.

Today, terrorism is caused by new developments. Over the past 20 years, two processes have been carried out intensively: globalization being common to all and the process of creating nation-states in many countries. It turned out that some countries face dual pressure and this is where extremist movements are emerging. All these are the roots of terrorism.

If we talk about the direct causes of terrorist attacks, I can think of Western intervention. We must openly say that the West, especially America, interfere in the affairs of the region they do not know, therefore, aggravating the problems. What did the activities in Afghanistan, Iraq, Libya, Syria result in? Whatever they do, the problems only aggravated without any positive results.

Regional problems should be resolved by the states in this region. Yet, here another problem arises – the weakening of the nation-state institution. In the Middle East, very strong nation-state institutions existed a few years ago, which also controlled growing dissatisfaction expressed by young people. Now, there are no such states.

There is a Persian saying: "If a stranger holds a child who screams and weeps, it will scream and weep even more. Old people advise in this case to let the baby be, and it will stop screaming and weeping".

This is how the modern world deals with the issue of terrorism preferring to leave it aside. However, we must develop a common approach, as Mr. Gatilov rightly said. Everyone must (and this is the official position of Iran) join efforts and apply a common approach in the fight against terrorism. We need to stop supporting terrorists, because they still get this support, although being accused by TV

and officially. That is, the problem of terrorism is not being addressed.

**G. M. GATILOV:** – I see Mr. Colin Moynihan.

**Colin B. MOYNIHAN:** – I know what terrorism is from my personal experience. On October 12, 1984, after a meeting with colleagues in the Brighton Grand Hotel, we left the hotel and a bomb detonated on the street. I lost a lot of colleagues that day. Since then, the terrorist threats follow me the entire political life.

The history of terrorism goes back many years. In particular, the issue of Ireland's independence from Great Britain fueled terrorism. In the early XX century, the Russian Tsar, the King of Yugoslavia and the Spanish Prime Minister were killed. This was the beginning of international law valid even today. In my opinion, there is no distinction between good and bad terrorism. The problem of the terrorist threat must be addressed based on the international law. Unfortunately, the use of violence has not yet been defined by the rules of international law. It is necessary to create the international law in order to avoid another attitude. We still have not established this cooperation and there are no other ways to fight against terrorism.

The West pays too much attention to winning the war, not to achieving the peace, not to winning the hearts and minds of people. This is how it was in Afghanistan and in many other countries. Perhaps, it was in the Soviet Union when its troops entered Afghanistan.

We need to study the causes of terrorism, as we once did with Northern Ireland, to find ways for reconciliation and solution of the problem of terrorism. It is important for those who suffer from terrorism. Reconciliation is necessary. It is impossible to conquer the world without ideological struggle, for example, in Syria, based only on air bombardments. Only if we cooperate with the local population, we can achieve the real peace. I think that we should give up the desire to win the war.

Media, modern tools, technology are used for highly efficient campaigns. We do not see the direct impact of globalization on terrorism. However, there are global tools that can be used by terrorists to promote their cause. Therefore, I share the responsibility carried by the media. Meanwhile, the West did not pay much attention to this fact either.

In conclusion, I would like to note that the correct answer to the acts of terrorism taking place in different countries will be the formation of legislation which would not violate the personal freedom and human rights. Politicians should draw a dividing line between the personal freedom and the challenges of terrorists. This is an important issue that needs to be constantly monitored by the world's politicians in order to strengthen the international legal system and to make it fairer. Assistance in solving various problems is possible, if we cooperate with the local population and win the minds of the people.

**G. M. GATILOV:** – I see Mr. Gabriel Galice.

**Gabriel GALICE:** – I share the views that have just been presented. Unfortunately, a number of points were not highlighted.

Is terrorism the main threat today? This question is perhaps more worthy of a lengthy debate. In the book "War

without Borders" dedicated to China, it is noted that in the XXI century terrorism is associated with threats, but in the previous world wars military operations were conducted. Terrorists are funded by various collaborators. They are often funded by the USA, some Arab countries, but not only the great world powers assist the jihadis.

There is a market of violence. Terrorist groups can be sold and bought: this is how they make money.

We must not forget about the background of the image we observe. We should understand that anti-terrorist actions are being taken. It is essential that politicians do what needs to be done.

**G. M. GATILOV:** – I would like to make way for Mr. Dutkiewicz.

**Piotr DUTKIEWICZ:** – In 1979, Samuel Huntington wrote an article where he concluded that globalization led to universalization of standards and values, as well as generated a response. The response is mainly manifested in the arising of double standards as a reaction to universalization. Weak countries will protect themselves in other ways. Double standards are the new rule.

I think that we need to create a regulatory system agreed by all. In the meantime, in the international law there is no such term as terrorism. Until now, it was impossible to go to jail for terrorism. While there is no common understanding of the term "terrorism" in the international law, we will fight against this phenomenon in informal and almost illegal ways.

Modern terrorism is a problem of distribution or the ratio between power and strength. While there are strong ones able to force others to certain actions, there will be weak ones, which will use other methods of resistance. This is not a problem of globalization, but the balance of forces in international relations. The economy uses the term "outsourcing" when powers are transferred to other organizations and companies in other countries. Terrorism involves outsourcing: they create more problems in a cheaper, inadequate, asymmetric way than they can solve themselves. Outsourcing of problems is related to the issue of inequality on a global scale.

**G. M. GATILOV:** –What an interesting approach to terrorism as outsourcing. I see Alexei A. Gromyko.

**AI. A. GROMYKO<sup>1</sup>:** – Lord Moynihan recalled an episode from his personal life when he suffered a terrorist attack. I want to recall one episode, which can be interpreted as an influence on my life from a potential act of terrorism. In the early 1970s, my father worked at the Soviet Embas-

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sy in Washington. There my father began receiving letters from Ukrainian ultranationalists, who lived in the USA after World War II, with threats about kidnapping his son, me. As a result, my family was forced to leave Washington and we moved to a different capital in Europe. That is, we are talking about a phenomenon which Europe, the USA and other countries have been facing not only in recent years, but also in the past decades.

Terrorism, if we do not narrow it down to more precise definitions, is as many years or centuries old as the Earth's history, human civilization. We mostly tried to talk about terrorism not as a specific threat in Spain or in the UK, in Corsica or in South Tyrol, etc., but as international terrorism. This is a fairly new phenomenon, which is not more than 15 years old. This terrorism is not associated with the struggle within the state, between the radical elements and the state, or with the national liberation struggle of colonies with their mother countries. This is terrorism of a different nature not conducted by state institutions against individuals or states, but against a certain system of values, lifestyle, identification and, finally, against civilization.

International terrorism does not care in which country to fight, the main thing is that people perceive the world in the black-and-white dichotomy. For international terrorism, 99% of the world is painted black. This black must be fought. This is the reason that international terrorism, as opposed to the terrorism of the Basques or the Irish Republican Army, cannot be defeated by military means. Military means can only suppress the most striking manifestations. However, international terrorism is deeply rooted in the minds of a few tens, even hundreds of thousands of people around the world. This can be called a doctrinaire attitude or barbarism, whatever you like, but many believe in what they do and do not shoot people for money.

What are the roots of terrorism? It's not that someone is poor and someone is rich, although this is also important. This phenomenon has mixed internal and external reasons. International terrorism is as inevitable as globalization itself, because whatever model globalization follows, it leads to disparities. Where the disparities are strong, there are always people willing to fight for the idea, including by terrorist methods. The large scale of international terrorism is caused by external and internal factors, affecting approximately in the same proportion.

Much of what is now happening in the world are man-made phenomena, not objective processes. In the West, the so-called state of denial is quite common. There are few politicians and diplomats ready to admit that the foreign policy of many European countries and the USA served as one of the important reasons why international terrorism took on such a scale and form.

No country can cure this disease alone. Unfortunately, it is not going to happen in the years to come. Firstly, because international terrorism has not turned into an existential threat for most of the world's leading countries (let's call them the "core" countries). They believe that international terrorism is very dangerous, yet, still not the first place in their system of priorities and risks, however declaratively it is prioritized. Secondly, the centers of international terrorism are far from the majority of the "core" countries. Now, the backbone of international terrorism is about 30–40 thousand people concentrated in five countries: Afghanistan, Iraq, Syria, Libya and Yemen. For the USA, in

this sense, international terrorism is a dangerous manifestation, but still located on the other side of the planet. This is why some countries will be far more interested in the fight against international terrorism than others for decades to come. Therefore, terrorism, unfortunately, will exist for a long time, for decades perhaps.

**G. M. GATILOV:** – Please, ask your questions.

**R. I. NIGMATULIN**, *director of Shirshov Institute of Oceanology of RAS, member of RAS Presidium, RAS Academician, Doctor of Physics and Mathematics:* – Let's say, Mr. X stole a billion dollars in Russia bereaving many people (who invested in, say, housing construction) and then went to London, where he bought a palace and died. His property passed to his son. The homeland court ruled that money must be returned. The UK refuses to cooperate on this issue. Is it fair?

**Colin B. MOYNIHAN:** – I'm not ready to answer a question about a hypothetical Mr. X, but you touched on the current topic of money laundering. Now, many agree that this is a serious international problem. The fact that we are now monitoring cash flows and international money laundering contributes to the reduction in funding for crime and international terrorism.

**Shaukat AZIZ:** – In this audience, I was probably the only one who was a victim of a terrorist attack: I was attacked by Al-Qaeda gunmen and barely had time to escape. The roots of terrorism should be investigated. The difficulty lies in the fact that the world sees terrorism as a security problem, but the problem lies actually in the hearts and minds. We will never be able to defeat terrorism, if we deal with the symptoms, not the causes. The causes of terrorism are deprivation of property, money, employment, dispute resolution, human rights. Since the causes of terrorism are in the hearts and minds, we will never eradicate it; therefore, all that remains are beautiful speeches.

People use terrorism for the geopolitical purpose and in order to solve their own problems against their opponents. It is possible to solve the problem of terrorism only if there is a rigid strong leadership.

**Ashok SAJJANHAR:** – Today, much has been said about the need for the rule of international law. One of the speakers said that there is still no definition of terrorism. The United Nations adopted the Convention on International Terrorism. Today, even the opinion about the presence of good and bad terrorists has been expressed. Why don't we look at the results of terror and the origins of terrorism? We complain about the fact of no international law existing today. If we did not take action against crime, money laundering, we would not have accepted the UN Convention for the Suppression of the Financing of Terrorism.

**G. M. GATILOV:** – Indeed, there is no definition of terrorism, because there are national liberation movements which, according to this definition, can be attributed to terrorism (not all countries agree with this). The fact that it is impossible to conclude a comprehensive convention on terrorism does not mean that we have no other tools in the fight against this phenomenon. There are about 16 other UN

Conventions, which affect virtually all aspects of the fight against terrorism. In addition, there is a Comprehensive UN Counter-Terrorism Strategy adopted in 2004, which outlines all the tasks of the international community to fight terrorism, including those mentioned by our Pakistani colleague. The roots of terrorism lie in education, approaches to bringing up, etc. Now the main goal is to execute everything written. Unfortunately, this does not exist, therefore, obviously, this is what we should strive for.

**Gabriel GALICE:** – We discussed the terrorism issue, but we did not mention the inefficiency of terrorism. Mr. Aziz said that terrorists hunted for him, but could not kill. Thus, terrorism is inefficient.

**G. M. GATILOV:** – Everything said during the discussion results in the fact that it is necessary to move forward, despite the shortcomings. The terrorism issue affects many parties and covers many aspects, including the media, new technology, etc. The discussion held today does not answer the questions related to the fight against terrorism, but at least it helps to understand in which direction to move.

**A. S. ZAPESOTSKY:** – Dear Mr. Gatilov, dear colleagues, I want to thank you for your speeches. All that has been said here today will be used in future work to eradicate global terrorism. Of course, we are not willing to live with such a threat for many years.

## Panel Discussion

### NATIONAL ECONOMIES IN THE ENVIRONMENT OF GLOBAL CHALLENGES

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May 20, 2016

Petrov Theatre and Concert Hall, SPbUHSS

#### SPEAKERS:

- A. S. ZAPESOTSKY *President of St. Petersburg University of the Humanities and Social Sciences, corresponding member of the Russian Academy of Sciences (moderator)*
- Bruno DESGARDINS *General Manager at Banque Eric Sturdza SA (Geneva, Switzerland)*
- James K. GALBRAITH *Professor at the Lyndon B. Johnson School of Public Affairs at the University of Texas (Austin, USA)*
- S. Yu. GLAZYEV *Academician of the Russian Academy of Sciences, Advisor to the President of the Russian Federation Vladimir Putin*
- R. S. GRINBERG *Director of the Institute of Economics of the Russian Academy of Sciences, corresponding member of the RAS*
- Grzegorz W. KOLODKO *Deputy Prime Minister and Minister of Finance of Poland (1994–1997, 2002–2003), Director of the Research Institute 'TIGER' (Transformation, Integration and Globalization Economic Research) Kozminski University (Warsaw)*
- Miguel Angel MORATINOS *Minister of Foreign Affairs of the Kingdom of Spain (2004–2010), Honorary Doctor of SPbUHSS*
- A. D. NEKIPELOV *Director of the Moscow School of Economics at the Lomonosov Moscow State University, academician of the Russian Academy of Sciences, Dr. Sc. (Economics), Professor, Honorary Doctor of SPbUHSS*

**A. S. ZAPESOTSKY:** – I think that we have come to the general understanding and have our opinions formed about the economy in the course of numerous discussions over the last 20 years. It is extremely important for us to see the economy as a part of general development, in which the economy is one of subsystems of culture together with law, political subsystem, moral and ethical concepts, and mentality. Possibly, the economic development model, which together with some historical special features allowed the United States to spurt brilliantly in economy and become leaders of the neoliberal economy, is coming to an end. It is extremely important for us because the whole world first of all compares itself with the United States as the economic leader. This model of technogeneous development, as it is defined by Vyacheslav Semenovich Styopin, is being exhausted, and the world is actively looking for other models. At the same time, it is required to take into account the experience of China, European Union, Japan and other variants of economic systems construction. The most important for us is to understand where we are heading. Are we heading to a change of capitalism, addition of socialism to it? How will this eternal dispute of the two systems develop in future? What will be the fate of the convergence theory?

We are also interested in the role of the national factor in development of economies. There is a thesis examined of

late that each state should take the best for itself from capitalism and socialism in accordance with its national traditions and combine these or those features of various economic models with the national culture, mentality and already formed economic realities.

Shall we come to unification of economy in the world, when everyone lives according to the same rules? Can some universal standards be applied to all states? If there is a diversity in the social sphere (for example, it is possible to have four wives in one state and only one in another, and in the third state they are demanding to give equal rights to traditional and same-sex marriages), is unification of economic laws possible in principle?

Also, certainly a very important question for us is: what takes place in Russia? A whole number of scientists sticks to the point of view that now some quackery is domineering when determining the state economic policy. The state refused from adhering to the academic science in the post-Soviet period and along with institutes of the Academy of Sciences set up institutes of dubious scientific nature, to put it mildly. And it is exactly them that the Government of the Russian Federation, the Central Bank and other economic departments refer to, first of all, when making decisions. This pseudo science blindly copies everything taking place in other countries, but possibly it is required to approach the

economic development of Russia in a completely different way. This is a serious issue.

I offer Alexander Dmitrievich Nekipelov to be the first one to speak. You are welcome.

**A. D. NEKIPELOV:** – Dear colleagues, the field of economics is interesting for me first of all because we have to operate with concepts which we have not fully defined. What is globalization? How does it correlate with the formation of a united, homogeneous economic system in the whole world? Are they one and the same or not? We are not discussing it but we are speaking about some partial consequences. If we define the globalization process in exactly this way, meaning that the main economic participants of the market economy are separate companies, people, manufacturers and consumers, what obstacles hinder spreading this model to the world as a whole, especially if the development of communication means, transport, digital technologies pushes to it? We are proceeding from the fact that it is just clear: the states have some goals, they have their traditions going through their whole history. The structure of the world economy is very complicated, there are companies, consumers, transnational corporations – unique formations, where international relations are at the same time a part of their intracompany relations – operating in it. Finally, there are various international agreements and treaties forming the institutional and legal environment. There are inter-state and above-state institutions, mostly as major regional departments. A lot of questions arise in connection with all that. For example, the very formation of major regional departments. Is it a part of the globalization process as the structure of the world economy enlarges and becomes more global? Or is this, on the contrary, the development of new dividing lines, and in this sense some rolling back from the economic life conformation process in the new historic environment?

Now the world economy is developing as a part of a complex system. There are participants with different strivings operating in it, and they cannot always define their goals precisely. This state of affairs is the cause of discomfort for experts of natural sciences. Robert Iskanderovich Nigmatulin, an outstanding mathematician, even offered us a radical solution of the matter with the help of engineers. I'd be very happy for it to be possible, but I am afraid that the events will not choose this way.

**A. S. ZAPESOTSKY:** – Alexander Dmitrievich, you are saying that participants of the economic process have different expectations. But I would like to remind that our economic life is being criticized by people for whom the economy is not the main thing at all. The leaders formed a totally wrong paradigm. After many centuries of the civilization development, economists nearly refused from humanitarian values, from the necessity to take interests of other people into account. All that took place, and first of all, in Western economy, in European Protestant ethics. Now, morals are thrown away, and at all levels, the strongest wins, it is possible not to abide by the law, governments, as it has already happened in the past many times, are again subjects that start wars to win over some or the others economic groups. People, who do not necessarily dream to be very rich, but want to live in a civilized society, engage in culture, science, arts, education of chil-

dren, raise a question: why are we again returning to the ugly type of economy, forcing upon everyone the idea that money is the main thing in life? Natural resources will end soon – and what for are we doing that? In order to consume as much as possible, eat three cutlets for lunch, in order for money “soap bubbles” to swell up with someone? Because of that the question of a new economic paradigm arises. Is it possible?

**A. D. NEKIPELOV:** – Alexander Sergeevich, even when we are speaking about the market economy, we do not always understand that there are certain values laid in its interpretation. Adam Smith's economic man is a man who has values. It's another matter if we like them or not.

As for an alternative model, I am really sure (and I am trying to substantiate it in various research works) that there is no an optimal model, which could be formulated and which people could strive to attain – exactly because there is no an optimal solution of the social choice problem. These are solutions which are formulated at every historical period of time, they are in particular connected with the rules of the game, acknowledged by the respective participants. As far as I know, my colleagues Grzegorz Kolodko and James Galbraith share this approach. Grzegorz here is examining it from the point of view of new pragmatism, and this is really the approach which we are all taking. This does not mean that abstract theoretical researches are not required. Such researches allow us to understand a lot of things, first of all, how the object of social sciences differs from the objects of natural sciences. Here a lot have not been defined, a lot of the things we would like to know just do not exist.

**A. S. ZAPESOTSKY:** – Mr. Galbraith will continue the discussion. You are welcome.

**James K. GALBRAITH:** – I would like to address directly a number of questions raised by Alexander Sergeevich. The final target of the market economy is not creation of a completely uniform space. We are speaking about building a certain hierarchy of people and capitals based on improvement of living standards, achievements of technology, financing. There were also attempts on determination based on army forces. I do not think that this is possible, since a system, which is developing, will be unacceptable in this form for the most part of the human-kind and won't be able to develop sustainably. Regional integration systems also raise questions in connection with globalization.

As for the best graphic example, which is now presented by Europe, this is a system, originally intended to provide political stability for a long period of time. But we see now that it has become a tool to force a certain ideology and economic dogmas. As a result, the European Union and the European zone have turned into unstable regions from the economic point of view, where politicians, ideas, institutions do not change. Nevertheless, I am sure that changes in Europe are approaching, which will reflect on Russia as well. There are a lot of economic problems here, but the main one is general unstableness of capital financing. And this is not new. We know what this led to in the 1920s. At that time, the economies of various states were localized, and their development was not synchronized. Global econ-

omy is only possible on global scales. This means that the financing power is interfering in the process, where various parties participate, including regulators, who should ensure the observance of certain standards. Until it is achieved, continuation and even strengthening of the crisis is possible. Because of that we can say that the main problems from the point of view of challenges for national economy are related to the insufficiency of financing.

Unfortunately, the contemporary economy is not a science in essence, and if some or other theories are used now, they are not up-to-date. So, it could be very useful if new theories were worked out, and only after that it could be possible to proceed to practical measures.

**A. S. ZAPESOTSKY:** – James, there is an opinion often presented now, including in American political magazines, that the American economic model, which was accepted as the ideal by everyone for a long time, has lost its power. Daniil Alexandrovich Granin expressed, in my opinion, a classical liberal idea: I want the state to be as least as possible, and a man as much as possible. But we see, for example, the interest brought about by Chinese economy, notwithstanding the problems appearing of late, and other Asian models. Many economists say that it is required to bring the state regulation back, and even in the United States it is very strong today. There is only the problem for it to be qualified and directed to the benefit of the economy as a whole.

And the second issue which bothers a lot of people. In the sphere of ideas (let's say so) the United States are actively promoting their understanding of freedoms and other values. But money is considered the main value within the framework of this understanding. Is it really so or does the American thought really see the domineering role of some other values together with the material values? How do you see it, so to say, from the inside?

**James K. GALBRAITH:** – We can remember the state of affairs before Ronald Reagan times. Certainly, the successes of the USA economy after 1933 were based on the “new course”, which promoted the state development. Johnson continued this tendency of the society's construction. Important institutions came into life, such as social security, infrastructure investments. Today, they continue being the foundation for the USA economy development. And there are also successful regulative initiatives, which refer to the use of technologies.

It's clear that a lot of things have changed in comparison with the 18<sup>th</sup>–19<sup>th</sup> centuries. I am saying that the success of economically developed states is explained by their effectively functioning regulatory system, which allows people to be sure of the economic progress. Education is not the point – it is basically open to wide circles of people. It's very important for advanced industrial technologies to be used. To have ports and railways is not the only point, it's much more important to have the respective rules and laws in force, providing high living standards. It's known that when socialist states existed, the quality of manufactured products there left much to be desired. And in China, in the 1990s, notwithstanding the boost, quality problems existed not because of excessive forcing of the state will, but on the contrary because of the state's non-interference and lack of the required regulation standards. Thus, the free market it-

self does not guarantee the economic growth, it's an illusion. It may stimulate development of sectors that sow destruction and on the contrary not support vital spheres. And here, I repeat, the root is in the financial sector. Financial tools will not function without adjusted and verified legal standards, which will promote the economy development, and the “natural” course of events may lead to destruction. The United States had these problems in their time, and Europe encounters them now, from the beginning of the 21<sup>st</sup> century. This in particular refers to taxation of transnational corporations. In this case, it's difficult to forecast how the state of affairs will develop.

**A. S. ZAPESOTSKY:** – Mr. Kolodko will speak now. I remind you that Poland, where he occupied key positions in the sector of economy and finance for a number of years, launched market reforms much earlier than Russia. Because of that it will be very interesting to find Mr. Kolodko's point of view on the issues under discussion.

**Grzegorz W. KOŁODKO:** – I am speaking here not as a politician but as a scientist, because of that you should not refer to me as a Vice Prime Minister and Minister of Finance. I was invited to work in the government because I am a good economist. Notwithstanding the fact that the political train is following me all my life, I think that I am lucky because I can engage in economics as a science.

Poland proved that it is possible to build a normal market economy orientated to a man to a large extent, in a country located in the center of Europe, in the globalization epoch.

Academician Nekipelov said that there was no agreed definition of globalization. In my opinion, there are many such definitions, including the one offered by Moscow economists (who do not always understand what they are speaking about). For example, there is a strange term “world globalization” or “globalization of the world economy” in circulation, and that's tautology. The main word here is “economy” (movement of labor force, money, capitals) and not “global”. Culture, economy, and security are turning round globalization. The economy is a historically, spontaneously developing open process. Liberalization and integration can take place, similarly integrating local and world markets into a united, global, interrelated, and interdependent system.

Globalization is an irreversible process. We may not like it but we cannot stop it because of that we'll have to adjust to it, including using the knowledge of the science of economics. I am against economic utopias. We wanted to build a market economy in Poland, Russia, Switzerland and so on, but there may be no market economy without capitalism. Now capitalism is everywhere, and we are speaking about it as if we are speaking about the end of history. But this is not true. There are still conflicts of interest, to which we should put an end to.

In my TIGER Institute (that's abbreviation of Transformation, Integration and Globalization Economic Research) they speak about globalization, capitalism with a human face. These words can be used as a slogan but in no way as a term. Because of that one should not strive for utopia – globalization with a human face. Certain states (Russia or Poland, India or Pakistan) should demonstrate a human face on the world scales, namely. social care for the

society, development of social institutes, satisfaction of social requirements, development of “green” economy. It is not right if we just condemn capitalism. Russia took this road in Yeltsin’s times, and nothing came out of it. Poland lived through the shock therapy in the 1990s. A phenomenon can be brought to a certain stage, but there will be no end for this struggle.

It’s evident that China will not predominate in the world. The capitalism built there is the same as everywhere, based on various values, bringing about conflicts. But the economy should make its contribution to their solution. How to make the world less irrational? There are so many contradictions in the world that it is necessary to use a computer to find a sensible principle in what people are doing. Economists do the same as the whole humankind: they intentionally or unintentionally promote this or that course (sometimes bad, sometimes good).

**A. S. ZAPESOTSKY:** – Mr. Kolodko, you are speaking at our forum not as a politician but as an outstanding economist, whose books are well-known in Russia. You are just one of the few economists who had an opportunity to implement a considerable part of his economic ideas in practice.

I’ll allow myself a small remark as to globalization. Now everything does not seem so univocal for many scientists, in particular culturologists. When we are looking at what takes place in the world, the globalization fate does not seem so cloudless and inevitable.

The first example is the European Union’s disintegration tendency, which is realized regardless of globalization. The second example is Asia’s development. There were several interesting reports represented by experts from Asia at the Likhachov Scientific Readings. In particular, they mentioned that the globalization model according to the Western version does not satisfy them and they will be implementing their own globalization model. The third example is Russia, where the economy in a number of cases does not take the first place at all. Today, many people in Russia are saying that they will not eat Swiss and French cheeses, consume Western products, and will not enter the globalization process according to the rules, dictated to us by the West, either.

Mr. Kolodko, in the beginning of your speech you said a very interesting phrase that during the period of your management Poland achieved great success, the economy was developing actively. What is in your opinion the lesson of Poland, which successfully transferred from socialism to capitalism? Mr. Alexashenko who was a top manager in the banking system 25 years ago, analyzed the problems of transfer from socialism to capitalism in detail and came to the conclusion that there were no precedents of such practice. Hungary tried to transfer from socialism to capitalism like Poland and achieved a little bit more than Russia. What should Russia do?

**Grzegorz W. KOLODKO:** – At the end of the socialist period (the times about which people in Poland speak as about communism, though we never had communism in our country), 27 years ago we got independence and freedom. As far as I remember myself, we have always lived in a free country. What did we achieve? We had neoliberal economy under the management of the corrupted financial

sector. Now another history is presented. For example, my successor Balcerowicz, Doctor of Economy, who came to the government in 1993, wrote an article for the *Wall Street Journal*, where he said that the government of national destruction came to power.

First of all, the competent management, leaders are necessary to overcome negative tendencies. As our colleague from Pakistan, Mr. Aziz, said, there would not be the movement without leadership. But a leader can make mistakes (like Mubarak, Gaddafi, Mao Zedong who were leaders as well). There should be an educated leader who understands what progress and globalization are. We can prefer Russian cheese to Swiss cheese, but we won’t make Russian cheese better this way.

Poland should have its vision, program. It is not either Kolodko’s program or plan, but a strategic program, that is a sustainable long-term strategy for development and integration with the European Union, because we feel ourselves a part of Europe and not South-East Asia or Latin America.

A normal economic theory laid the foundation for sustainable long-term strategic development of Poland. We teach our students that greed is not good. I look upon my work as a progress, movement to the future on the basis of values. We are speaking about values and not money. There will be both successes and misfortunes on this road.

Western printed media (newspapers, magazines such as the *Economist*, *Financial Times*) think that Hungary and Poland are still the most successful states in Central Europe. The state of affairs in Poland now is better than in the Ukraine but not better than in Russia. China is in a much better position than Russia. Now Russia failed in development of globalization, probably treating this phenomenon wrongly in contrast to China, which won in the course of globalization. Possibly, globalization has not fully formed in Russia, it is still unstable, besides, the wrong policy hinders taking the right way. There will be conflicts of interest here, and we have to draw the morals both from successes and failures.

**A. S. ZAPESOTSKY:** – The floor is given to Mr. Desgardins.

**Bruno DESGARDINS:** – I think that a model of the world economy development is not created as a result of globalization process. The matter is that the world is flat, each state has its own criteria for success, its own ways of its achievement, and globalization determines the ways of its development itself. One should not compare German, French or Italian models in Europe. Italy cannot become Germany to improve the economic situation in the country. Capitalism in Asia turned out to be the most successful in China. In 1994, China’s share of world GDP amounted to only 2 % and now it is 13 %. If China gave 3 % of the world export in the past, now its share is 18 %. India will hardly catch up with China on this road, it has its advantages and China has its limitations (it’s difficult for a country to invest 50 % of its GDP in development ideas, and China was doing exactly that of late). That is there is no common economic model.

If we speak about regional integration in comparison with multiculturalism, many-sided world, it is possible to say that the multiculturalism policy was necessary but now it is limited by two or three centers. Multi-polarity is not



so widespread. Existence of these two or three centers is provided by regional economic agreements. Thus, America signed an agreement with Mexico and Canada, as well as with ten Asian countries.

Regional partnership is the future. 70 % of the trade in Europe is between European countries, in America 50 % of the trade turnover is between the USA, Mexico and Canada. The same goes on in Asia. And turnover in the Near East or Africa is only 12 %. There is an explanation for that: it's becoming difficult to trade when African states join the business, they can become rivals and sell each other the same goods.

I think that regional trade agreements are useful. Such agreements can be concluded by Russia and other states. Fifty years ago, General de Gaulle, who spoke about Europe from the Atlantic ocean to the Urals, said that we had to overcome all difficulties.

Another issue is related to the financial sector risks, first of all, banking. We should view this phenomenon from another angle. In 2008, the amount of the banking sector in a number of states, in particular in Switzerland, was 6–7 times more than the state's GDP. There is a certain progress in the solution of this problem of late but the risk remains. Financial risks are also brought about by the currency war. Mr. Shinzo Abe in Japan tried to devalue Yen by more than 30 %. At the end, it did not help Japan. It was not a success in Europe either, where Euro rate fell from 1.60 down to one. In any case, devaluation of the national currency leads to pressure and inflation. Financial risks are also related to international mobility of capitals. We observed that in Russia at the end of the previous century and the last year. It's difficult to solve this problem, especially for Russia, with the rate of national currency falling by 30–50 %. It's difficult to carry out the economic policy in such an environment.

**A. S. ZAPESOTSKY:** – I would like to pay attention to the fact that Mr. Kolodko is associating great prospects with globalization and Mr. Desgardins with regionalization. These are two different directions, which are combined in economics.

Unfortunately, Russia is quickly losing Western ideals. 25 years ago we wanted to be like the indefinite West, to join the Western community and follow the example of the USA. Just 10 years ago we were enthusiastic over the European Union, the way it united on the basis of the common values, the economic gain it had. Now we are observing disintegration of the European Union.

Mr. Desgardins, I would like to know your opinion (you are inside the EU, you are researching the processes taking place in the economy of the whole world), first of all, about the European Union. Why does the European Union find itself in such a difficult, as many Western colleagues think, dramatic situation now, when its future is not determined? The matter is really not with the migration problem. There are serious problems of economic integration. Can it be that the main problems are not in the economy, but in completely different fields? What is the root of current problems of the European Union and how will they be overcome?

**Bruno DESGARDINS:** – I am not sure that we can call this process as disintegration of Europe. It is possible that

new initiatives will appear for development of integration inside Europe. There are many possibilities for development in this direction, in particular, the contemporary budget policy, where the coefficient should grow.

In addition, it is necessary to assist integration and development of infrastructure, power engineering policy, to create new areas for cooperation of countries. 16 new states joined the EU over the last 17 years. It is necessary to think how to develop integration with the help of Western partners – it is a possible vector of future development.

A few words about migrants. The population of Europe is 500 million people, and the number of migrants who arrived is 1 million. Such a state as France (where there are more than 36 thousand cities) was to receive 30 thousand migrants, and they were not to become a problem. There are problems related to not very favorable economic situation, short time-limits, etc. But I think unbelievable that Europe cannot take increase of its population by 0.2 %.

In my opinion, it is much more properly to develop relations between Russia and Europe or, to be more exact, between Russia and the EU, than between Russia and China. Europe and Russia have a lot in common, and China is Russia's rival in many areas. Now China pursues a policy directed to realization of its own interests. Russia activates its trade with China and supplies its products to this country (this is a positive aspect). But imagine that 50 million Chinese live on the Amur shore on the Chinese side and there is practically no one on the Russian side. This may lead to a conflict. Because of that it is necessary to develop cooperation of Russia and Europe.

**A. S. ZAPESOTSKY:** – I'll say as a culturologist that the European Union will never be able to "digest" and consequently instill its culture in a million of migrants who came there. A vivid example is what happened in Yugoslavia, when a small ethnos with a different culture, which found itself inside the country, delivered a powerful blow to Yugoslavia. The European Union will never be able to assimilate those who came there today.

Mr. Desgardins, did I understand you right that great problems of the European Union were caused by the endeavor to integrate quickly the countries, which were beyond its limits and were available for development? Had that happened on lesser scales and slower, the state of affairs today would be different.

**Bruno DESGARDINS:** – At the moment, there are 12 million Muslims living in the European Union. Because of that it is not right to say that the European Union's population increased just by 0.2 % of people with another culture. Integration has never been simple. In the past, there were bloody struggles between Belgians and French, Spanish and French, etc.

Many years later it is possible to express hope that if integration was possible in the past, it is also possible now. The issue is not to open the borders to a full degree, but our ability to assimilate a million refugees. Besides, the population in such countries as Germany is reducing. Now, there are 1.2 children per family in Germany, and 2 are required to preserve the number of the population, and 1.4 are required in Italy. Should we do the same thing that Japan did (with the population of 127 mln), which closed its borders completely?

**A. S. ZAPESOTSKY:** – In Russia D. Medvedev and V. Putin quickly increased birthrate with the help of measures approved at the state level.

The floor is given to Ruslan Semenovich Grinberg, Corresponding Member of the Russian Academy of Sciences, economist, carefully researching the development processes in the contemporary economy in our country, thoroughly studying Gorbachev's, Yeltsin's reforms, who knows the present-day state of affairs well.

Ruslan Semenovich, you expressed an opinion that Gorbachev had had no other way except what he had chosen, that is all the time we had been in a certain environment and had had to act within its limits. But there is another point of view. For example, Academician Bogomolov thought that the leaders of the state had been making mistakes for a long historical period, manifesting themselves in ignoring the lessons of Western experience, in particular Hungary and Poland. Besides, M.S. Gorbachev did not want to take China's experience into account, where leaders were implementing reforms since the 1970s. Surely, Asian, first of all Chinese experience of going out of socialism was to be taken into account, etc.

What is your attitude to the metamorphoses that took place? Did anyone make serious mistakes when selecting the economic way or were the inevitable variants of development chosen in our country all the time? And where should we go in future?

**R. S. GRINBERG<sup>1</sup>:** – It's important to emphasize that there were big differences in the conditions at the beginning of Chinese and Russian transformation. The matter is that there was actually hunger in China, tens of thousands people died. Mr. Kolodko told about that and in particular Mao Zedong, who drove the state of affairs to that.

Gorbachev wanted to humanize the society, and the society wanted that as well as freedom and justice. But he overestimated our qualities, he gave us freedom, which we used as we used. That was a somewhat naïve view: if democracy wins in Russia, he will become a great leader, if it does not win, there will be two lines dedicated to him in textbooks, like, for example, in case of Novgorod Veche (popular assembly in ancient Russia).

Now I would like to speak about what worries me most of all in the context of the Likhachov Readings. It seems to me that this forum is becoming more and more profound and thorough every year. Usually references to the cross-disciplinary approach to the object, man, society end in nothing. It seems to me that here we are feeling our way in order for cross-disciplinary researches to take place and for conclusions to be made.

When in the 1990s a Western correspondent asked B.N. Yeltsin at a press conference "Can you characterize in one word the state of affairs in Russian economy?", he an-

swered "Good". "And in more detail, in two words?" Yeltsin said: "Not good". This state of affairs is seen in all countries of the world

Today, we have spoken about the United States of America, about their model which does not suit us. They do not know themselves according to which model they want to make their life. Recently the word "socialism" was a swearword in America, but now we see a swift growth of socialist tendencies. Bernice Anders says that something wrong is taking place in America now. For the first time, the young generation of white educated people lives worse than their fathers.

As for the problem of migrants in Europe, I'll agree with Mr. Kolodko that Europe, notwithstanding all existing problems, is capable to solve them itself and especially absorb one million migrants (it will be another matter if tens or hundreds millions of migrants arrive). Here a serious role is played by mass media preferring not to write about good things.

It seems to me that it is important to present the following position here, at the University, where a lot of young people are present. In connection with that, I'd like to return to A. D. Nekipelov's thesis about the lack of a scientifically based economic life model. We should refuse from the illusion that someone knows that this is right and this is wrong.

This morning, over the radio they have been discussing an article printed in the *Vedomosti* newspaper. Vladimir Putin has assembled the economic council where two positions are fighting – Andrey Belousov's, his economic advisor (budget stimulation – I like this position) and Alexey Kudrin's (budget consolidation). They will argue in the council as to what to be done: some will say that it is necessary to increase the budget financing, the others will speak about the partial state partnership.

In order to approach the ideal model of economic life dimly guessed by us, there is no better way than democratization of election procedures. The more people take part in selection of this or that model, the less is the probability of a mistake.

There is a difference between Polish and Russian reforms, though there were a lot of right and common things. Leszek Balcerowicz and Yegor Gaydar are representatives of one school – dogmatic. But when dogmatists stay in power for a long time, this becomes a catastrophe for the country. It's not accidental that the USA and China – two great powers which run the show this century – have come to the conclusion by trial and error that replacement of authorities is a panacea against sorrows. There is an expression "If you do not do politics, politics will do you". Young people should stop being subjects and should become citizens, take part in elections, study programs, take their future in their hands.

**A. S. ZAPESOTSKY:** – Sometimes I am watching and thinking: it would have been great, and sometimes – God forbid. Sergey Yuryevich, you are well-known in our University and by the participants of the Readings for your brilliant speeches and reports, but may be I did not read all of them attentively. Please, explain one thing to me. It seems to me that your economic theory and your offers for getting out of the situation, in which Russia found itself today, stand on two whales. One whale is problems related to the transfer to a new economic system and the second whale is

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a political vector, the necessity to get rid of corruption decisively, of the things that hinder the normal functioning of the economy. Do you think that diseases of the contemporary economy of Russia can be treated by classical economic methods from the point of view of a set of the existing economic theories, or do we really have some specific things for which we have to invent recipes, proceeding from the special features of our historical way and culture?

**S. Yu. GLAZYEV:** – Alexander Sergeevich, thank you for your question. Mr. Galbraith has already expressed the attitude to the science of economics, and on the whole I agree with him. Some ideological clichés, which actually reflect these or those interests, are often understood as the science of economics in our country. And we can theorize indefinitely as to what was to be done, but first of all one should establish the loss of controllability for the state of affairs in Russia. The things which are declared now and the things taking place in the economy are two diametrically opposite things. This loss of controllability is a consequence of unsuitable recommendations which are realized not because someone is mistaken, but because it is profitable for someone.

Any economic policy is a certain sum of economic interests. In the same way, globalization as we are discussing it today, when the main role is played by transnational corporations, first of all, American, European, Japanese, connected with emissions of world currencies, is globalization in the interests of big financial capital, which is fed by pure emission of money starting from the post-war period in Europe and from 1971 in America. And, certainly, such expansion of American-European transnational capital is profitable for the owners of this capital and unprofitable for those who cannot use such competitive advantages as obtaining low-interest credits and emission of world money. If we speak about the current economic model in Russia, we are the only country in G20 which is in crisis today. Economic revival is going on everywhere. It is possible to calculate how much we lost: since the time the Central Bank announced about targeting of inflation, we lost about RUR 3 trillion of non-produced gross product. But at the same time financial speculators at the Moscow Exchange, manipulating the Ruble rate, put USD 25 billion in their pockets at the expense of devaluated Ruble savings and incomes. It's the same with globalization: we see a beneficiary and losers in this model. Russia, by the way, loses approximately USD 120 billion of net capital transfer per annum in this model.

Now, there is no time to analyze why it is happening. I just wanted to mention that this model is already coming to an end and actually that liberal America-centered globalization, with which we associate this term, has come to the limits of its growth today. This is manifested in financial pyramids of derivatives, from which the global financial crisis started, – they only became bigger since then, and in the financial pyramid of American liabilities. This model is skidding. We see that even in case of negative interest rates and in essence unlimited money emission, the effect for economic growth is extremely small: it is required to spend additional 3–4 USD of money pumped in per 1 USD of GDP growth. That is the economy in this model is skidding. At the same time, another model has appeared, which we usually associate with China, about which a lot was already said here. This is also India, Vietnam, Korea and Ma-

laysia to a considerable extent. These are the states in which money is not the main goal of economic activities – that's to answer your question about money, Alexander Sergeevich.

The main goal of economic activities is manufacture of products, services and rise in the public wealth. And the state in this model is engaged in harmonization of various economic interests. This is manifested in regulation of property rights, combination of planning and market self-organization, and equal opportunities for various people to realize their creative potential. This is the model we call an integral social system or integral world way. And I'll say that completely different requirements for international economic relations are proceeding from this model. For example, liberal globalization is in its essence using the compulsive way – no one is asking anyone and is not standing on ceremonies, but regionalization and later, I think, globalization as a part of the new world way as well, are using the way of agreements.

I'll present our relations with the European Union as an example. As you know, the initiative of our President to build a common economic space from Lisbon to Vladivostok was not accepted by Brussels. There is one simple reason for that, which we witness in the Ukraine: liberalization and regionalization as a part of the existing model, where big capital rules and everything is done in its interests, are realized via compulsion of the others to participation. And we come to agreements as a part of Eurasian integration, we have a consensus rule and all problems are solved by looking for compromises and in common interests. And when we began talks with the European Union, we were told: “No, listen to us. You must fulfill such and such directives of the European Union, but you cannot take part in working out the directives”. And as we see, the Ukraine was just thrust a colonial model on, when they have to fulfill everything approved in Brussels, but it is absolutely impossible to influence these decisions. Because of that I call this integration a bureaucratic empire, while integration as a part of the new world way is based on agreements and understandings.

And, by the way, an important feature of degradation of the existing liberal globalization model is in essence erosion of the international law. Actually, it is not functioning now, it does not touch emission of world currencies, but the world government is acting de-facto as the Federal Reserve System of the USA. If we are speaking about globalization on new principles, based on which we are building Eurasian integration today, and they correspond to the new world way, it is required to think about restoration of the international law role, including with respect to emission of world currencies, with respect to the world program formation. I think it is appropriate to realize the idea of global functions with common budget at the expense of Tobin tax via the UN system. The new world way is much more difficult, it is not one-pole and it is not flat and it is based of reanimation of national sovereignties, each participant's right to vote. On the whole, it is looking for harmony in complexity.

**A. S. ZAPESOTSKY:** – Dear colleagues, we are passing over to questions.

**G. G. BERNATSKY:** – I have a question to Mr. Kolodko. You said that globalization was an irreversible process. There is a biologic law: integration process is replaced by

differentiation process. We also know from Ecclesiastes that there is a time to scatter stones and a time to gather them. And there is a world which is developing in cycles and not along one line. As far as I understood, you are offering an unilinear process. And I think that globalization is an irreversible, but not an unilinear development process.

**Grzegorz W. KOLODKO:** – We live in the world of economics. Why is globalization irreversible? This is a power, this is a force, it cannot be stopped. In Western economies they first of all pay attention to technologies which feed globalization well. And interests of the financial sector change, national corporations grow, and they are trying to determine laws, codes and dictate their will. This is a force, power, it cannot be pushed back into a bottle like a jinn. Globalization is already affecting everything – from exchange of opinions to our visit to Saint Petersburg to take part in this conference, in these Readings. But irreversibility of globalization does not mean that we'll be only developing intensively. We'll develop intensively at first, then slow down, then may be step back, and we'll have various problems, including regional. But globalization is irreversible, if only we do not start the next world war soon.

**Miguel Angel MORATINOS:** – I have one comment to Bruno Desgardins' speech about the future of the European Union. I think that I have to substantiate his statement. They are saying now that Europe is declining, that the European Union will disintegrate soon. But that will not happen. Europe has its problems like any player, but this is a fairly attractive region. American economy is based on institutions and we went further. What is the European model? Social services, education, inclusive economy – all that is already the history of success. I do not think that anything will crush in Europe. Each time when it runs into a crisis, it becomes much stronger. Look how many crises there were over the last 60 years. But James Galbraith, a good friend of mine, said that Europe would fall. Mr. Kolodko, and what do you think?

**Grzegorz W. KOLODKO:** – I think that I'll be able to answer this question and at the same time touch upon the previous question referring to the biological cycles. I wrote about physical similarity in economy. Integration is good when resources are cheap and abundant. When resources become fewer, they become more expensive, because of that when we recycle energy, all state institutions are becoming fragile and can fall into pieces. I think that this will happen. As for Europe exactly, the matter is that there are very serious contradictions and disagreements between prosperous regions in the North of Europe and poorer and burdened with debts regions in the South. I do not think that it is impossible to evade disintegration of Europe, but if we are proceeding from the fact that debts should be paid back in this or that way, the same that happened, for example, to Greece, can happen to any state. The state was actually liquidated. These were massive bankruptcies, all state property was liquidated, practically the whole shore line was sold, it is being privatized now, and here, as it seems to me, the processes are going on in the disintegration sense. I am not sure that the current thinking will prevail. Such things as a welfare state, education, health protection – all that can only lead to permanent stagnation.

As for globalization, we have global institutions, but globalization is not an institution, more likely it is an opportunity for all to address all and each one and an opportunity for each one to address all. This is not a problem of one state. Now problems are created for several states, whole regions. European integration economy, a world integration economy, breaking into separate regions, destroys both their economy and values. They say that liberal economy is free from ideology but this is not so.

**R. I. NIGMATULIN:** – Dear colleagues, Alexander Sergeevich, I should say that many speeches and especially our guests' speeches were a disappointment for me. In this regard, I recall Steve Forbes' phrase from the first issue of the previous year *Forbes*, which refers to Western economists and not Russian: "The astonishing inability of economists and political leaders to gauge what ails most economies these days and then promulgate the right cures is sad testimony to their obstinate refusal to look at facts and to their deep emotional adherence to bogus ideas. It also reflects their intellectual laziness". This is Steve Forbes' phrase, not mine. You know, it seems to me that this refers to political leaders and economists. The problem of becoming a natural science with working out mathematical models and relying on experimental facts seems urgent for the economic theory. You, colleagues, have not provided a single figure.

I'll give you one example to the point. We are mostly interested in economic problems of Russia. A Russian Professor is paid 10 times less than a Russian Parliament deputy. The wages of fifty percent of working people in Russia are less than 20 thousand Rubles. Convert them into USD. How can we speak about development of the economy in such environment, with such unbalanced demand, when, for example, Erhard said that the consumer demand should moderately outrun the production capacities? This is our main economic problem now. They are solving same-sex marriage problems, disintegration problems in Europe, and we are very-very far from these problems, we have to elementarily put everything in order.

**R. S. GRINBERG:** – I must say that Academician Nigmatullin's passionate speech tells about complete failure to understand what the science of economics is. And his calling up to its mathematization is especially funny for me. The science of economics as I understand it suffers from extra mathematical models. And the most interesting is his complaint that a Professor is paid 10 times less than a State Duma deputy, it has absolutely no relation to the science of economics. By the way, the science of economics proceeds from various thinking schools, and your humble servant said that it was a really harmful history. You should appeal to politicians and engage in exactly political matters, because this is a clearly political sphere.

**Bruno DESGARDINS:** – I would like to address all students present here. If you ask me if the crisis which started in 2008 is over, if not in the whole world, then in its part, I'll answer that it is not. If you ask me how much time will be required to overcome the crisis, I'll answer that really a lot of time will be required. The problems we are speaking about here, exist not only in Russia, they are everywhere in

the world. Young people have problems when looking for jobs – it happens all over the world, but this is not a problem related to globalization. I think that you have to look at the world, globalization as an opportunity and not as a threat. Only 10 % of jobs are cut in the industry, may be because of globalization, which makes 20 % of the net export of GDP – this is not very much. As for migrants, they make 3 % of the Earth's population. But if you count students studying abroad, then not more than 2 %. I can give much more figures. So globalization is not so all-encompassing as it seems to us, and it is not so dangerous as they often try to present to us.

**Grzegorz W. KOLODKO:** – As for globalization, one of the biggest questions referring to its future is its re-institutionalization. It is just necessary to set up good world economy institutions in future. For example, there is some institutionalization in the European Union, there is in the United States, there is also in Russia. But the biggest challenge now in terms of the economy is how to carry out re-institutionalization of the world economy. And the things Academician Nigmatulin said – a member of the Russian Academy of Sciences, but certainly not an expert in economic sciences – would have never been said by an economist. Cross-disciplinary discussion goes on here, because the economics is first of all not a mathematical, but a social science. We are speaking about people, society and others are speaking about money.

And the last issue. How can you quote the *Forbes*? I want to say that a good economist should never refer to the *Forbes*. This is a magazine of neoliberals, it's their weapon in fighting against other representatives of the society. We, economists, do not read the *Forbes*, we read good books. And the matter is not with the Russian State Duma because we are now present at the Likhachov Scientific Readings. And I also wanted to say that the idea to quote Steve Forbes when he was speaking about the Europe of 2000, is very original, I'll have to examine this matter. Actually, this thought has not crossed my mind until now.

**S. Yu. GLAZYEV:** – I would like to address students as well. As my colleague Academician Nigmatulin challenged all economists, I want to answer the challenge in the following way. Economics is a sphere of thoughts, turning round interests. And it is not free from those interests. And unfortunately, we have to state that the mainstream of economic thought has always been apologetic till now, no matter if it was Marxist political economy of socialism or contemporary economics based on neological synthesis, about which you read in textbooks. This mainstream justifies interests of the ruling elite and is rather far from the real life. It focuses on the issues of labor and production results exchange, because the distribution we actually have should be legalized in the public conscience. And if we speak about the science of economics in the right sense, it should deal with the issues related to the economy development. And if we approach the requirements of the science of economics from this point of view, it really becomes similar to engineering, construction of development mechanisms, regulation of economic relations for growth of the public wealth. This is the science of the new world way, it is already being born.

**A. D. NEKIPELOV:** – Dear colleagues, I would like to say that mathematics is really very widely used in the science of economics in two areas. The first one is the area of abstract theories, models. These abstract models in my opinion are very useful to understand how this system works in principle, but have nothing to do with the management of this system. The second area of modeling in economics is a part of the econometrics where facts are examined. Unfortunately, examination of facts does not give grounds for final conclusions which are true for all times. It turns out (and this is the difference from the economic sphere) that there may be different consequences in approximately the same conditions, in contrast to the natural sciences. There is a problem of expectations: as economists say, in some cases people have these expectations and in other cases they have those.

Kenneth Arrow, an outstanding economist and mathematician, Nobel Prize winner, said in one of his interviews as if summing up all his researches, that unfortunately he came to the conclusion that economics was too complicated for mathematics. And this is a very serious conclusion of a man who dedicated all his life to exactly mathematical research, and he conceptualized it philosophically.

And the last thing. Here one of our outstanding philosophers said why there are forecasting problems in the economic researches. Just because forecasts also influence the human behavior. That is in contrast to the field of natural sciences, we are dealing with completely different subjects who react to everything taking place, adapt, change tools, etc.

**V. T. TRETYAKOV:** – I have two short questions to which I'll ask to answer one of foreign participants and one of participants from Russia. Now, to my mind, there are already about one thousand billionaires in the world. Question one: when will the first trillionaire appear in the world? And question two: do I understand right that a man having a billion dollars in his account now is one million times more talented than a man who has only one thousand dollars?

**Bruno DESGARDINS:** – It is certainly right that the number of billionaires has increased all over the world over the last 25 years. Only a small share of the population uses the growth of the share market. It explains why there are billionaires. But I think that it will end one day. I cannot imagine appearance of trillionaires now.

**R. S. GRINBERG:** – This is certainly a very exotic question but I'll try to answer seriously and shortly. I hope that this moment will never come. The matter is that our world has always been in crisis and now it is in an especially deep crisis. And over the 20 years it has come to, first, the necessity to limit inequality, and there is a serious solidarity already appearing in this aspect; and, second, we have to put an end to the financial sector commanding the real sector. And in view of that, I personally believe that there will be some kind of convergence where the freedom, that is liberalism, will combine with the equality, that is justice.

**A. S. ZAPESOTSKY:** – Dear colleagues, here our panel discussion ends. Thank you, everyone!

## Panel Discussion

### CONFLICTS OF CULTURES AND INTERNATIONAL TERRORISM

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May 20, 2016

Petrov Theatre and Concert Hall, SPbUHSS

#### SPEAKERS:

- A. S. ZAPESOTSKY *President of St. Petersburg University of the Humanities and Social Sciences, corresponding member of the Russian Academy of Sciences (moderator)*
- A. A. GUSEYNOV *Principal Adviser for Academic Affairs of the Institute of Philosophy of the Russian Academy of Sciences, full member of the RAS, Honorary Doctor of SPbUHSS*
- Hans KÖCHLER *President of the International Progress Organization (Vienna, Austria), professor at the University of Innsbruck, Ph.D.*
- Mislav KUKOČ *Senior fellow and research lead at the Ivo Pilar Institute of Social Sciences (Split, Croatia), Professor*
- V. A. LEKTORSKY *Head of the Theory of Knowledge Sector at the Institute of Philosophy of the RAS, academician of the RAS*
- H. M. REZNIK *Vice president of the Federal Chamber of lawyers, Honorary Doctor of SPbUHSS*
- Tom ROCKMORE *Professor of the Foreign Philosophy Research Institute at the Beijing University (China)*
- V. S. STYOPIN *Head Section of Philosophy, Sociology, Psychology and Law of the Department for Social Sciences (the Russian Academy of Sciences), academician of the RAS, Honorary Doctor of SPbUHSS*
- V. A. TISHKOV *Head of History and Philology Division, Russian Academy of Sciences, Scientific director of the RAS Institute of ethnology and anthropology, full member of the RAS, professor of history and anthropology*

**A. S. ZAPESOTSKY:** – Igor Semenovitch Kon told me once that if there is a theory, it can be presented with the help of your fingers. If there is no clear theory, you can speak about it for hours.

**V. S. STYOPIN:** – Right. When there is no theory, a preliminary definition is given, then it is specified in the course of discussions, and everyone has the right to change it or to add something. Once it was suggested to Alexander Alexandrovich Zinovyev as a joke to present a definition of a door. He thought a little and said: “A door is an opening in a wall: entrance from there, exit from here”.

As for terrorism, I think that the original motive of terrorism is as follows. A man wants to realize some social purpose and is sure that this purpose justifies any means. And he starts killing people who are guilty of nothing, who in no way oppose either him or his purpose. He kills to create unstable and threatening environment and thus make people having authority to satisfy his demands. I see the essence of terrorism in that: killing people chosen at random in order to make the authorities to soften counteractions and realize some goal.

**A. S. ZAPESOTSKY:** – And is there a connection between terrorism and culture?

**V. S. STYOPIN:** – The answer should start from another question: what is a culture? It is a system of above-biological programs for human vital activities. A man has two kinds of programs. First, genetic programs. They are codes which we got in the course of evolution and inherited from our parents. Second, those which determine our ties with other people: behavior, living standards, activities. These codes are complexly structured, they have their deep-lying programs, above which other programs add, and all those programs are not biological but above-biological. That system can be defined by the word “culture”.

After that the next question arises. Usually a culture is understood like something which should be humane, help development, advancement of a man. This is a “real” culture. But there are other types of programs – customs, rules, rituals, habits, which cannot be placed in the paradigm of human moral and physical advancement. In common understanding this is more likely not a culture, but anti-cul-

ture. For example, we acknowledge the culture of Fascism as anti-culture.

Thus, it is possible to agree on definitions. In a broad sense – yes, terrorism is connected with a certain culture and is rooted in it. For example, there is blood feud custom in many Eastern cultures: if your relative was killed, you have to find the murderer and revenge, possible killing his relatives.

When such processes take place, and a whole ethnos is put in conditions when they have to fight for survival under pressure from the outside, when wars are waged, such customs can lead to actions, which can be defined as terrorism, that is murder of innocent people, who in no way brought harm to the terrorist but are connected with the public structure or the state which he considers guilty, for example, in death of his relatives, etc. So, it turns out that terrorism is connected with culture.

There are such cultures in which this custom is officially acknowledged as normal. There is no such thing in legal systems of European states, but in many archaic ethnoses this is one of the norms regulating the public life. I think that the roots of terrorism should be looked for in such antiquity. But how does it happen that these archaic roots come to the surface in the contemporary globalizing world and start playing the leading role? This problem should be discussed and researched.

**A. S. ZAPESOTSKY:** – You are welcome, Mr. Kukoč, please, continue.

**Mislav KUKOČ:** – I think that it is necessary to give a precise definition of this phenomenon, which will be based not on ideology or prejudices of ideological or political nature. So, we should not call our enemies as terrorists and our allies as fighters for freedom. We should be very precise. For example, the Ukrainian government and the Ukrainian President are not terrorists because the Ukraine is an independent state. Bashar Assad's regime in Syria is not a terrorist regime either because Assad is the President of a sovereign state. Terrorist acts in Paris, Brussels and anywhere else are organized not by Assad, but by the Islamic State, because of that we should call a spade a spade. We should not proceed from ideological ideas, otherwise we'll create a chaotic environment and we won't know who is a terrorist and who is not.

It is possible to give a simple definition to terrorism proceeding from the concept of "terror". Terrorism means intimidation, murders of innocent people for achievement of certain political, ideological and other purposes. The differences between terrorism of the past and current terrorism of the globalization age can be well illustrated by examples of Spain, UK. Terrorism had national roots before globalization. It was based on ideology – for example, there were Red Brigades in Italy, there were organizations like that in France, Germany, etc. But contemporary terrorism on global scales is connected not with political, but with cultural and religious ideas. Because of that we still witness collisions of different cultures and civilizations in the era of globalization.

Radical Islamic fundamentalism uses terrorism for its purposes. At the same time, there are no cases known of secular regimes supporting terrorism. There are no grounds for acts of this kind in Western culture, Christianity. Secu-

larism originated in the age of Enlightenment and it is still present, it is a distinctive feature of the Western society.

**A. S. ZAPESOTSKY:** – It's a little bit strange that you connect terrorism and religion. In its time, the Soviet Union supported many rebel movements, which can be called terrorist ones judging by the present-day standards. The countries of the West also supported Afghanistan and a number of other states a lot, including Al-Qaeda. The actions of secret services of Western states paid for by the money of Western taxpayers helped Daish (ISIL) to originate. There are a lot of examples in the world when terrorism is sponsored by secular regimes. What do you think about it?

**Mislav KUKOČ:** – It is possible that a secular regime will support terrorism in order to attain its own goals. But today terrorism is fully based on certain religious and cultural roots. I do not think that it is possible to compare the present-day global terrorism with national terrorism which dominated in the past, when ideologies collided at the time of the cold war. Ultra-left forces in Germany, Italy, Lebanon arranged national terrorist groups for attaining national sovereignty as it was in case of the Basques or Irish Republican Army (IRA) in the UK.

Now, we do not witness this kind of terrorism when ideologies collide. It existed in the 12<sup>th</sup> century, it dominated in the 20<sup>th</sup> century. Today conflicts are completely different and terrorism is different. Because of that when someone speaks about the Clash of Civilizations according to Samuel Huntington, this point of view is characteristic of a paradigm, which existed in the 1990s, but that paradigm is different from the optimistic one developed by Fukuyama at the end of the 20<sup>th</sup> century.

**A. S. ZAPESOTSKY:** – There was no terrorism at all in Fukuyama's utopia. The floor is given to Academician V. A. Tishkov.

**V. A. TISHKOV:** – If we speak about the definition, I'd say that terrorism is an open large-scaled form of violence or a phenomenon of violence in the form of threatening, the purpose of which is to attain political or other goals. The gist here is open, large-scaled, non-discriminated forms of violence, that is not selective in contrast to revolutionary terrorists, who left the historical arena, because at the time when they blew up governors or royalties, other people suffered as well.

Terrorism today is another phenomenon to a considerable extent. Surely, it is directed to frightening, because the fact of terror itself does not bring the desired result from the point of view of winning over the opponent, but it sows fear and frightening, it is intended for forcing the supposed adversary to make concessions or agree to any terms and conditions. Today, it is the most generally accepted wording of the terror definition in political anthropology (the discipline which examines the phenomenon of terror in detail). And philosophers develop this concept least of all.

There is a classification of contemporary international terrorism. In contrast to international terrorism, the state itself, authorities can become the source of terror in case of state terrorism (we lived through that in our country, to say nothing about the other regions of the world).

When characterizing contemporary international terrorism, it is required to name a number of factors. First of all, this is a phenomenon of cultures. Several years ago “The Culture of Violence”, a book I edited (in collaboration with Professor Bocharov from Saint Petersburg), was published, there is a section in it revealing various aspects of terrorism. The doctrine or pragmatics of contemporary terrorism is important – what it is grounded on and how. The religious factor is in the first place, especially connected with one of the world religions where tough interpretations are possible. The very understanding of the value of life in Islam differs from the religious Christian or Buddhist doctrine: the value of life there, especially of those who are outside this religion, is zero.

There are other moments as well, connected with terror and terrorist acts – these are various liberation projects, fighting for freedom, liberation from colonial oppression or dependence, for sovereignty. In cases of the Irish Republican Army (IRA), the country of the Basques and Ulster (they are not mainstream, they operate underground and use terrorist methods, mostly explosions and terrorist acts), the religious component is actually zero.

Another difficult problem refers to agents: who participates in terror? There are various points of view presented, they say that it is mostly marginal men’s protest, or poorly educated, or squeezed in the framework of a tough doctrine, or those after a certain ideological treatment. All that is true because there is no a simple answer.

The third important issue is the recruiting procedure for engaging in terror. How does indoctrination take place, what methods are used (starting from simple brochures like “My Jihad”)? What is Jihad? What is the ABC of a Russian terrorist or nationalist? Thank God, we have not watched terror here yet, but there is such danger. Both murders and terrorist acts were planned by organizations adhering to extreme nationalist standpoints, especially in its ethnic form. Indoctrination is very important via media space, especially psychological indoctrination of victims of various dramas, for example, family dramas (young women who lost their relatives in conflicts).

**A. S. ZAPESOTSKY:** – Valery Alexandrovich, I’d like to bring you back from the forms of recruiting to terrorism to somewhat different things. There were several opinions already expressed today in the course of our discussion, with respect to the underlying causes of terrorism. Probably, we won’t give a precise definition, but approximate understanding is the same with everyone. You expressed your opinion, Vyacheslav Semenovich expressed his, Mr. Kukoc expressed his, but nevertheless, first of all, this is savage and tribal revenge for one’s clan, that is it is the subject of survival, sustainability of one’s clan. The second opinion is that it is a national liberation movement. The third opinion, which was expressed today, it is a struggle for some social aspects, for example, the Red Brigades, or Baader-Meinhof, or Russian revolutionaries. The fourth is ISIL, this is ideological renewal, denial of everything done in another culture, reinterpretation of Islam and rather argumentative and various.

Valery Alexandrovich, I’d like to ask you a simple question. Recently a man attacked a bank in Moscow, took a hostage, wanted money, etc. But we are not saying that he is a terrorist, we are saying that he is a bandit. What is the difference between thuggery and acts of terror?

**V. A. TISHKOV:** – The matter is that if we speak about terror participants, those who perform terrorist acts, and not about ideologists, who are as a rule grown-up intelligent men, there are really a lot of people with a special type of state of mind, who are easily suggestible, affected or not very normal on the whole (in the so-called borderline states). And this is already the business of psychologists, I’d even say anthropologists, politologists and philosophers. There is a type of special people, attracted by wars, conflicts, violence. As soon as there is some open conflict anywhere, they rush there. I saw that in Chechnya, when I analyzed the Chechen conflict and war, adventurers from all over the world flew there, they wanted to fight. It’s necessary to take into account a factor that there is a certain breed of people of borderline psychological, mental make-up, who are ready to take part in various extreme projects and actions and become their actors. So there is psychology here.

**A. S. ZAPESOTSKY:** – That is, a terrorist is always a psychopath, isn’t he?

**V. A. TISHKOV:** – Nearly always.

**A. S. ZAPESOTSKY:** – Thank you, Valery Alexandrovich. Abdusalam Abdulkerimovich, you are welcome.

**A. A. GUSEYNOV:** – Several remarks about the outlined questions – about the definition of terrorism. We look upon terrorism in our discussions today as some common objective phenomenon and we as if include it in our, so to say, accepted scientific discourse: definition, social and psychological causes, various forms, etc. And here there is a danger that our debate and arguments constructed in such a way can become a form of violence legitimization, its justification. It is known that to understand means to forgive. And because of that the first thing I want to say is that though we do not know the definition of terrorism, we know what it is. Take a bomb thrower, who goes into a crowd to blow himself up or blows up an aircraft, we clearly understand that this is a terrorist. We have no definition of evil for thousands of years but nevertheless people know that evil is what should be fought against. This is the first thing we have to establish when discussing this issue. Terrorism is what should not be. And, consequently, we have to discuss it only from this point of view.

**A. S. ZAPESOTSKY:** – One colleague in our Russian Academy of Education expressed a very interesting thought once: the main task of school education is even not to learn the law of nature but to learn to tell good from evil.

**V. A. TISHKOV:** – Certainly, these illegal forms of violence are a very important topic.

**A. A. GUSEYNOV:** – Now about the connection of terrorism and culture. The understandings of a culture which exist today are various. All of them allow terrorists to appeal to a culture as one of the arguments and grounding for their activities. And all those definitions allow their followers to say that terrorists abuse this definition. And my second key thesis is as follows: until we give such definition of a culture, within the limits of which we distinguish le-



gal violence and illegal violence, and consequently morally justify some forms of violence, we'll never give such a definition, which followers of terrorists cannot use for their cover. In order to understand theoretically, philosophically and to block the road for terrorism at the level of philosophy, theory, we have to as if take the violence itself outside the limits of the morally justified phenomenon of our life. Any violence, no matter if it is used by some state or a terrorist organization like ISIL, is violence. Certainly, there are differences between these forms but this is still morally inadmissible.

My third remark is: terrorism is exploited, including by authorities. Mr. Kukoc spoke here about calling one's adversaries terrorists. Because of that it is very important to take terrorism from revolt forms, political actions directed against the state – the things which are called revolutions, uprisings, national-liberation movements. We should not mix one with another. May be it will put an end or at least makes more difficult the use of struggle against terrorism as a reason for trampling upon some legal norms. Look at what takes place even in our country. They surround with tanks, shoot saying that terrorists were there, and it's unclear where the laws are.

And my last remark. There were right words said here, including by Vyacheslav Semenovich, who appealed to the antiquity as one of psychological ideological roots of terrorism – certainly, there are no doubts in that. Especially as contemporary international terrorism is in general and in principal a backward phenomenon, it appeals so to say to the past, etc. But it is necessary to take into account that terrorism is a pervert, inadequate, false but a reaction of the era of globalism. We cannot say who is the subject of globalism. And can you say who is the subject of international terrorism, what power is standing behind it? One of special features of contemporary terrorism, about which it is necessary to think, is that it really exists as a global phenomenon in the most horrible form. It removed differences between ethnoses, religions, between Africa, Asia, Europe, etc. And people go to them and feel themselves as if in their native environment. We have to think about the fact that terrorists reacted quicker to the reality of globalism and globalization than we, who are certainly for globalization and against terrorism.

**A. S. ZAPESOTSKY:** – I think that nevertheless philosophers were the first globalists. Bankers were the second. The floor is given to Mr. Rockmore.

**Tom ROCKMORE:** – It's very interesting to listen to this discussion, very intelligent people are assembled here, and everyone has different ideas about what is going on. What is terrorism? I'd like to present several theses on the issue. First of all, it is still required to find a definition of terrorism in the contemporary world, but it seems to me that any such definition will still be voluntary. Because of that we won't be able to come to a certain agreement as different people understand differently what terrorism is. I think that as there are various kinds of terrorism, there are also various forces, including those exploiting terrorism for just one goal only. It's necessary to say that we are still not speaking about economical terrorism and in reality terrorism appears for various reasons and there are various kinds of it. It can often be referred to economic factors.

I'll give an example. Because of a number of special circumstances I am greatly interested in Islamic terrorism, because it is connected with my biography. Though this has no reference to ISIL but I am interested in the roots and causes of Islamic terrorism. It seems to me that when people are speaking about cause-and-effect relations – and there was a lot said at this forum about globalization of the economy, whatever it means, different opinion were presented – they do not take into account that Islam is a religion which self-reproduces, that is reproduces its own traditions. Islam is a religion which has no history. It seems to me that globalization, built into economy, is striving for infinite expanding in order to get beyond the limits, at the same time, breaking borders, which Muslim states built round themselves. All that is based on the wish of people, living under capitalism, to control everything around without any borders. But people who are becoming victims of this exploitation have a wish to maintain their own way of life.

At the end, I'd like to react to the things which were said here. I agree that the state terrorism really exists. I am worried that when we are speaking about terrorism, not only separate individuals but states also can exploit the idea of religious differences. If we are able to see these things, then we'll certainly be able to solve the problem.

**A. S. ZAPESOTSKY:** – The floor is given to Academician Vladislav Alexandrovich Lektorsky.

**V. A. LEKTORSKY:** – The matter under discussion is very interesting and is of pressing concern for all of us. I want to say that it is probably difficult to give a precise definition though everyone spoke about it approximately – what to understand as terrorism. This is use of violence for attaining some goals that seem just to the one who does it and, at the same time, the terrorist does not care that innocent people are dying. It is possible to find a borderline case, which may satisfy this definition, but I'd like to say that in general it is impossible to give a precise definition of any important phenomenon. We cannot define precisely the most important things which are clear to us intuitively.

Thus, it is approximately clear what is meant under terrorism. Contemporary international terrorism has its special features, distinguishing it from everything that took place before it. Terrorism has been existing for a long time – it was in Russia, in Western Europe, there were anarchist terrorists who blew up cafes with customers having no relation to the noble purpose for which they were fighting when they threw their bombs. There were Russian terrorists, members of “Narodnaya Volya” activities – all of us know that well. I want to say that even this is not simple. Someone said that if we want to understand something, we as if justify these horrible phenomena by it. These are different things. If I see that a lightning strikes a man and he dies, I can explain it, and terrorism cannot be explained or justified.

There was fairly a lot written on the topic. I want to give the following example. A well-known philosopher Georg Lukács studied works of Dostotevsky in the 1990s and cried reading Alesha Karamazov's words about a single child's tear that should not be shed. Several years passed, and Lukács joined the Communist Party and found ways to justify executions and terrorism. Many people wrote on the topic. Sartre wrote about that, for example, in his “Existentialism and Humanism”. On the whole, this

is a big problem. I remember that in the 1970s when those Red Brigades, Baader-Meinhof group appeared in Western Europe, people criticized and condemned them, but a group of intellectuals, including Heinrich Böll sympathized with them. That is, it was thought that they were ready to sacrifice themselves for the great, just in their opinion purpose.

There is such a concept as state terror, which existed in Fascist Germany, in the Soviet Union. It is a slightly different phenomenon. And what is called international terrorism now is a specific phenomenon which is connected with what happened before it but has its special feature, consisting of cultural aspects.

Today, we spoke about relation of international terrorism to economic, political, geopolitical and other problems, it was an interesting talk. But it seems to me that if we want to understand contemporary international terrorism, its specific features, we can in no way evade the problem of culture as well as the problem of values. The system of values is the basis of culture. If we do not take that into account and analyze, we'll be able to understand very little in contemporary terrorism.

Today, there were opinions presented by economists in the course of discussion that globalization is absolutely inevitable, it started, it will go on, and no one will be able to prevent that. It is a more complicated issue for me and inevitable in some sense. If the system called market capitalism originated once, then in the course of its development it could inevitably lead at some stage to the process which got the name "globalization". But globalization can be in different forms. And the form, in which it started being carried out, is not necessarily the only possible.

I remember when they started speaking about globalization for the first time, and Henry Kissinger, a former USA Secretary of State, offered to admit honestly that "globalization is really another name for Americanization". And originally it turned out to be just that. So, it is not just spreading of some economic mechanisms, market economy, transnational corporations and various financial institutions on the world market, but communication technologies, spreading of some culture connected therewith, first of all mass culture. This culture started conflicting with traditional cultures, which had formed in many countries of the world. These are not just economic processes, but cultural globalization processes.

And exactly here the problem of counteraction by the existing cultures appeared, as Tom Rockmore said. It was a challenge to a certain way of life which had been forming for hundreds, thousands of years. The matter is not just a conflict of cultures about which Huntington wrote. There were cultures before, and there were wars between Islam and Europe, but this is another matter. Now we are speaking about undermining of the very foundations of Muslim and other cultures in the East and Africa, and this is certainly a perverted way of opposing this advance. That is we are saying that if people living in these traditional societies, start mastering Western mass culture with technologies and other mechanisms, they lose their identity. And the problem of identity is not just an economic or political but a cultural and socio-psychological problem. In order to be and perceive oneself as someone, a man should be joined with some collective identities. These identities, connected with the culture, traditions are destroyed, undermined and the

concept of a personality becomes eroded. And what is left to do? Either to be eroded or to try to resist that somehow.

I think that this perverted way of counteraction finally led to terrorism. But I would not say that they are just some kind of schizophrenics. It is right that there are a lot of poorly educated people there, but there are also educated people. And the main thing is that the ideologists of terrorism are people who got good education in the West and know the latest technologies. Certainly, there are economic problems as well. Everything is interlinked there. But if we do not take into account the most subtle, may be the most sensitive for a man phenomenon – the problem of his identity, which is being undermined – we shall not solve the problem.

Because of that the struggle against international terrorism certainly includes resistance by force as undoubtedly this is inadmissible, this is the greatest moral evil, but it also means that it is necessary to look for ways to settle political, economic issues with these regions. Plus if we want to win over terrorism, there is also the matter of understanding and respect for alien traditions. And understanding is a most complicated thing because it happens that we are speaking with representatives of these cultures about some problems and it seems that we are speaking about one and the same thing, but really we have a completely different understanding of these problems. So, the problem is also culturological and philosophical.

At the end, I'd like to say a couple of words about recruiting terrorists. Where do they come from not only in ISIL states – Syria, Iraq, but in Europe as well? Why do such people appear in Russia? Why did a student of a philosophical department, who was a good student and seemed to be an intelligent person, try to get there? I think that it is connected with the same identity problem, which is very urgent in Europe now as well. A person was born in one of West European states – France or Belgium, where his parents had come, he grew up there, he speaks the language, he is as if assimilated into culture. But he did not assimilate fully. And such enclaves, ghettos of people, who live in European states and are still not integrated there, is a big problem for these states. Who are they – French or Arab, or someone else? These are unclear and because of that frightening things. These young people easily become victims of certain sermons.

How to resist terrorism? As I said, both force methods using force and culture dialog, about which we are speaking now, are required. The most important for European culture values are freedom and security. And now they are saying that in view of fighting terrorism it is required to sacrifice freedom and security partly. But the question is, isn't the price we are paying for that too high and won't it lead to a time that the preciousness of freedom as such will gradually disappear totally? There is a risk of that as well.

**A. S. ZAPESOTSKY:** – We are having an interesting dialogue of well-known scientists when no one is arguing and speeches just add something to one another: everyone pays attention to different facets of what is going on.

**V. S. STYOPIN:** – And this is right. But there is an invariant, something common in many speeches, referring to the understanding, definition of terrorism – this is a certain way to sow fear in order to solve political, ideological and

other problems at the expense of murdering people who are innocent and have no relation to these problems.

A definition of this kind is important, for example, for a legal system. Does a man have a right to destroy a terrorist, that is use violence? For example, in case when a group of people is intending to blow up a residential house. They are blocked, because they are resisting, and killed on the spot. A question arises: do law enforcement bodies have the right to kill terrorists? Yes, they do. Legal aspects should be specified for that. I agree with Valery Alexandrovich Tishkov, who wrote a number of research papers dedicated to terrorism.

Another fundamental issue is culture. Even if we move in the direction set by Vladislav Alexandrovich, it is required to define the contemporary period in some new way. Why everyone is speaking about the clash of cultures? Another scale of examination is required for that, an idea of civilization development types should be worked out: traditional cultures and modern culture, which originated in the West, and I call it a technogenous culture. But its cycle is coming to the end and it generated global crises. Now we are watching the transition period to the third type.

**A. S. ZAPESOTSKY:** – I think that after this discussion we'll more likely have a lot of thoughts and not a simple, univocal idea on some issue. Academician Tishkov said that a terrorist is a certain type of person. Gumilev calls him a passionary, this is a kind of person going in front of the society, who is ready to sacrifice himself, to act suddenly. In my opinion, Vladislav Alexandrovich appropriately remembered justice. When a man understands justice differently from the authorities, the forces ruling in the society.

It is necessary to think about a big number of historical facts from the point of view of their relation to the idea of "terrorism". And the more we think, the better we'll understand that terrorism is another form of violence. ISIL (Daish) can be compared with what Hitler, German troops did with respect to the extent of contempt to the human life, cruelty, sadism (in particular with the siege of Leningrad when the Army's task was to exterminate the whole civil population of a big city). Here one can remember crusades, taking Constantinople, filibusters, etc. Modern Daish can be compared with protests of young people in the West in 1968. Young people, a well-educated social stratum, said then: "We deny the values of the grown-up society, bourgeois culture and we want to address something else". Today we are watching a very doubtful, unacceptable for Muslims re-interpretation of Islam by Daish. We have something to think about and we'll continue this discussion at the Likhachov Readings.

The floor is given to Henry Markovich Reznik.

**H. M. REZNIK:** – I listened to all speakers with great interest. But I must say that the problem, which is fairly abstract for philosophers, is absolutely certain for lawyers. Because terrorism is specified in the Criminal Code and it is called just like that. This is a disposition there, that is the contents, definition of terrorism. This definition should distinguish terrorism from other crimes which are connected with violence, murder, serious damages of property (the so-called competition of regulations). The right definition of terrorism was given by Valery Alexandrovich Tishkov and Vyacheslav Semenovich Styopin.

I do not think that it is possible to give a philosophical definition of terrorism, different from the one present in the law: terrorism is exerting influence with the help of violence upon authorities with certain political, ideological and religious goals. I do not think it is fruitful to discuss terrorism on the whole. It has very different forms, and here it is necessary to differentiate them. On the whole, a phenomenon becomes interesting to science when it becomes a mass phenomenon. An individual's act, for example, Breivik's is just a psychological thing. There are many ideas which you can worship. When a phenomenon encompasses masses, it is of interest to sociologists and scientists in general.

Russia is an ancestress of individual terror. Boris Savinkov was a terrorist because his goal as in case of all anarchists was to influence the authorities to take certain decisions. And Vera Zasulich was not a terrorist because she was just revenging for her comrade in movement, for the outrage. Now ideological, Communist, etc. terrorism stepped to the background. Islamic terrorism is really existing in this world – this is urgent now and should be discussed.

I defined terrorism as pressure on the authorities, and not necessarily to take political decisions. Motivations can be various. The first motivation is "We want to live like you, and you do not allow us". The second is "We do not want you to live at all, only the true believers should live". And the third motivation is "We do not want to live like you, we want to live as we have lived traditionally, do not interfere with our living as we want". These are motivations within the framework of reaction to a certain political situation.

**A. S. ZAPESOTSKY:** – Henry Markovich said the word "should" several times, but philosophers do not exist for lawyers. Philosophers and culturologists discuss problems being of interest to them. Lawyers, if they want to, can use their conclusions. One can take a lot from the discussion going on here, for sociology, psychology, other sciences and, by the way, prevention of crimes.

The floor is given to Mr. Köchler.

**Hans KÖCHLER:** – I'd like to share an observation, which my colleague from the USA presented here – terrorist acts should be looked upon as war crimes when they are directed against the civil population. The second issue refers to definitions – terrorist practices carried out by states should not be excluded. Because it makes the process more large-scaled than if terrorist acts are performed by separate people. Thus, terrorism may be a military tactics (there is even an English term "terror bombing" used, that is bombing for frightening).

It is required to agree on the comprehensive approach to examination of liberation movements and actions, which are carried out by states or big groups of people. It's difficult to say if a liberation movement is good or bad and if it can use terrorist methods. In my opinion, violence cannot be justified if it is used on political and cultural demands.

**Zh. T. TOSHCHENKO,** *chief editor of 'Sociological Researches' journal of the RAS, chief research fellow of the Institute of Sociology of the RAS, corresponding member of the RAS:* – I agree that it is as difficult to define terrorism as the idea of "evil". But a person, subject is one thing, an

organization is another thing, a social group or state is the third thing.

**A. A. GUSEYNOV:** – Will we really come nearer to the understanding of international terrorism if we proceed from the subject? In this case, the subject is unclear. You cannot say for what purposes terrorism is effected, what political power or state stands behind it. This is a completely different phenomenon. I agree with colleagues, who connect it with the cultural identity, ideas of values and the world. If we proceed from that, then ideas of values and the identity of any subject become the last ground.

Everyone agrees on a definition that terrorism is use of violent methods in relation to innocent people. One can say empirically who is guilty and who is not, but everything is not so simple in philosophical sense. Hegel said once that there are never innocent victims. Because of that I can imagine such a view to the world with such values and such cultural identification position when the one who

is from our point of view and according to all empirical indicators is an innocent victim (as he is in no way connected with the one performing a terrorist act), nevertheless he looks guilty within the framework of turned upside down ideas of value.

**S. B. BAYZAKOV,** *scientific advisor of the Economic Research Institute (Astana, Kazakhstan), doctor of economy, professor:* – Philosophers should look for a form of existence: from the economic point of view, a form of person's existence, etc. No matter what a person he is, he should live. If a person carries out practical or unsuitable activities, he does that in his own interests. Ideological, cultural, material values should be obligatory connected with the economy, social life or culture. Can cases of women leaving their children be called terrorism?

**A. S. ZAPESOTSKY:** – This is not terrorism, which is clear from the course of our discussion.

## Panel Discussion WHITE SPOTS OF THE INTERNATIONAL LAW

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May 20, 2016

Petrov Theatre and Concert Hall, SPbUHSS

### SPEAKERS:

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| V. N. PLIGIN             | <i>Chairman of the State Duma Committee on Constitutional Legislation and State Development</i>  |
| H. M. REZNIK             | <i>Vice president of Federal chamber of lawyers, Honorary Doctor of SPbUHSS</i>  |
| Csaba VARGA              | <i>Professor emeritus of the Institute of jurisprudence at the Hungarian Academy of Sciences</i>   |
| A. S. ZAPESOTSKY         | <i>President of St. Petersburg University of the Humanities and Social Sciences, corresponding member of the Russian Academy of Sciences</i> |

**A. S. ZAPESOTSKY:** – My relations with the circle of lawyers in a broad sense over the last 20 years and with our Faculty of Law in particular were problematic. I think that jurisprudence as well as economics are not the basis but a subsystem of the giant complex, which is called culture. Jurisprudence like economics is a relatively detached cultural complex for a number of reasons like many other subsystems. Jurisprudence is connected with the whole mass of culture (economy, political activities and many other subsystems) by a giant number of threads. These ties have not been studied or understood yet. My colleagues-lawyers, Doctors of Law, told me: “We are speaking about the legal culture, about people not understanding laws”. In my opinion, we are speaking not about that, but about the existence of legal mechanisms – in essence, the phenomenon of culture in our life abides by the same laws.

All the time we tried to enter and assimilate into the international legal state of affairs, to construct the law in Russia according to the rules adopted in the international community. Russia dropped behind in the implementation of these rules of the international community and wanted to enter this system quickly in order for everything to fall in their places. We knew that there are German and Anglo-Saxon legal systems. At the same time, it turned out that the problems of the existence of law in the giant culture coordinate system are not narrowed down to people either knowing laws or not knowing, it being advantageous to

apply laws or not to apply. It turns out that the very possibility of the law functioning is derived from the historical roots of the state, national traditions, national mentality, all cultural complex.

We saw that in certain manifestations. Many people politicize the Yukos Oil Company’s problems, thinking that Russia just does not want to pay and because of that refuses from these jurisdictions. But the matter is much more serious and goes much deeper. Even if we do not take the Yukos case into account, there is still a problem left with respect to the understanding of the law by the European Court of Human Rights, because there are cultural, historical differences in courts of Russia and Europe. Besides, the European Union has many internal problems as well as problems with the USA. Many agreements are being eroded. But in any case the national culture aspect should be taken into account.

The white spots in this discussion are meant not from the geographical point of view (what is not put on maps) but in the law – issues, referring to which the common international understanding by top lawyers has not been reached. We won’t be able to discuss all white spots here today. I am asking to specify in short, to present the essence of the most urgent, key problems, on which the international community cannot agree. This impossibility to agree, having deep roots (not political but exactly cultural), creates big problems.

The floor is given to the moderator – Academician A. G. Lisitsyn-Svetlanov.

**A. G. LISITSYN-SVETLANOV<sup>1</sup>:** – The life in a state or in the world community is fairly dynamic and is developing in various directions. The law is always conservative. In the course of history, including modern times and the future, it will drop behind the processes taking place in political, economic, social and other spheres. Various tempos of the society development and formalization of these processes regulation in the law generate what I'd call white spots. They exist in domestic laws, and when we discuss these problems with the national law as an example, they are clearly seen. But when we are speaking about the international law, we cannot speak about one state (even if very many people live in it like in China, or if it is strong economically and politically like the USA). We are speaking about the world community (this is not an abstract category) – states which are the United Nations members. Our goal is to see which processes exactly are developing in the international relations and to what extent the existing international law is adequate for these processes today.

The floor is given to Vladimir Nikolaevich Pligin.

**V. N. PLIGIN<sup>2</sup>:** – Dear Academician Andrey Gennadyevich Lisitsyn-Svetlanov, dear ladies and gentlemen! It's a great honour for me to be present in your dynamically developing University for the second time.

The subject discussed today cannot be settled in the course of one discussion (it is even difficult to come near to the topic).

I agree with the thought presented by Rector A.S. Zapevsky that the law is a part of culture, but being its part it influences the culture greatly. This multi-faceted discussion about mutual influence of the law and the culture is already interesting as itself. It was started at the Saint Petersburg International Legal Forum.

As for white spots in the international law, we have to understand that the international law is something ideal, but being ideal it functions. Law development takes place depending on the events taking place in the world. Unfortunately, in the near future the main feature characterizing the world development will be fragmentation. A more or less

stable system was set up after World War II. Today, this system is in the past already, it will not come back, fragmentation will take place, including of power centers. More power centers will appear and the classical idea of sovereignty will disappear.

A new white spot is how to correlate the disappearing idea of sovereignty, on the one hand, and respect for sovereign states, on the other hand. Another white spot is what transition from sovereignty to national formations mean. The next white spot is voluntary use of new approaches instead of the previously agreed upon. The international trade system was built, with a big number of rules and implying scrupulous attitude to such categories as private property, freedom of entrepreneurship. But the latest processes, taking place in the world, left their imprints on this system.

It is required to have a serious discussion regarding the changing role of the human rights, about the way to preserve the acting concept of human rights, which began in the Constitutional Court of the Russian Federation. Fragmentation will be taking place within the framework of four challenges: 1) migration; 2) exhaustion of resources; 3) changing climate; 4) spreading of armaments. According to German scientists, the way the concept of human rights is built will affect billions of people.

In order to fill in these lacunas, these white spots, we'll have to discuss the values seriously (justice, truth, etc.). And if we manage to do that, we'll be able to understand the main things – how to preserve the balance which existed before, to what extent it should be preserved, what rules should be used, which international institutions will continue to be guarantors of the international law.

10 people from the USA, 10 from Germany and 10 people from Russia spoke about the concept of "value" for three days at the international forum in a village located not far from Berlin. The three-day talk demonstrated that we are approaching these values and the common understanding, but we have very different ideas which should be aligned. Let's try to fill in, at least, one white spot today.

**A. G. LISITSYN-SVETLANOV:** – Vladimir Nikolaevich touched upon fundamental problems. Please, ask questions.

**S. B. BAYZAKOV:** – The subject of values is interesting itself. What definition did you stop on?

**V. N. PLIGIN:** – We tried to define what is valuable, though that is not a task for lawyers but for religions. All great religions and the mankind are united by one important value – respect for the right to live. But as modern practice shows, disagreement begins even when we are just coming near to the subject. And if in the place, which we call the civilized world, people have approached the understanding of the right to live, there is a giant space (disintegrating or weak states) which encompasses hundreds of millions people, where the right to live is violated or trampled upon. Unfortunately they, like black holes, engage other territories in this process.

**A. G. LISITSYN-SVETLANOV:** – Taking into account the philosophical categories, touched upon in the law, I give the floor to Professor Köchler for him to present his

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ideas as to what is the reason of white spots appearance from the point of view of philosophy.

**Hans KÖCHLER:** – What does the international law, in particular, the supremacy of international law mean? These terms are often used in speeches of the Secretary General of the United Nations and many other international figures. They are rules which use the system of coercion. A rule will not be a rule if coercion means are not used, which is done by the state, where the law dominates.

Today, the civilized behavior is important: the state's behavior is civilized if the law predominates there (and on a sustainable basis), the law is separated from the authorities – this refers to sovereign states. But this happens when we are speaking about a system of rules that govern relations between states, I mean the international law. There is no common system of international rules, there is no international state (and probably we should not strive for setting it up).

So, there is no common system, no common measures of restraints and counterweights, a rudimentary form existed in the past. I am speaking about the organization which is a world organization – the United Nations. This is the biggest interstate organization uniting nearly all states (with a few exceptions). One of the main principles of the United Nations is that the use of force is illegal in interrelations between states. Neither state is allowed to use force against another sovereign state and threaten to use force. This is a noble principle, but if it is supposed to be a cornerstone of the international legal system, a system of coercion should exist. Because of that Chapter VII of the Charter of the United Nations regulates actions of the authorities, the Security Council in case of violation of this rule if one state attacks another or threatens another with war.

The problem is that application of the law is imperfect, because everything depends on agreement of the five permanent members of the Security Council of the United Nations. We are forgetting another issue – paragraph 3 of Article 27 of the UN Charter says that the common principle of justice is not applied to the UN Security Council resolutions referring to the international peace and security. It means that if any state attacking another state is a member of the Security Council, it still has the right to vote as a member of the Security Council, notwithstanding that this rule is not satisfying the principles of justice. Consequently, such state can act illegally in relation to the foundations of the UN Charter. If the powers are balanced at the world level as it was when the UNO was formed, the problem will stop being so urgent.

Disturbance of the current balance of power comes me down to the issue related to another cornerstone of the UN Charter – sovereignty. This principle in the UN Charter provides for the sovereign equality of member states of the United Nations. This may be explained as an attempt to create conditions for just participation of all members of the international community (regardless whether the state is big or small, rich or poor, etc.). Each one will be able to vote within the UN.

The reality in which the international community and the United Nations operate is as follows – there is always some influence of various powers. I'll give an example. In 1999, there were the UN Security Council consultations on Iraq's intrusion in Kuwait. Several states, which were not

permanent members of the UN Security Council, refused to give the Security Council all rights to exert influence on Iraq, using all means at their disposal. There were secret consultations in the United Nations in the course of which there was pressure applied to weaker states, not being permanent members of the Security Council. What is the value of a non-permanent member of the Security Council if that member is pressed and there is force applied? What is the validity of a signature under such a document if it is achieved by way of coercion?

I'd like to mention another aspect – white spots in the human rights issue. Now we are trying to create a punishment system, a new sphere – the so-called international criminal law. No one (neither a General, nor a Prime Minister, nor a King, etc.) will be able to be released from the international liability for crimes against humanity, etc.

The International Criminal Court has been operating for 14 years already. It investigated crimes against humanity, which were committed to the South of Sahara, against heads of states, etc. The problem is that some states, having big military potential, did not sign this agreement and consequently it is not so strong. It was impossible to agree to a compromise at the time the Charter of the International Criminal Court was approved. The right to transfer cases to the International Criminal Court, even if the state did not sign the document, was given to the UN Security Council. Thus, the Security Council can determine the jurisdiction of the International Criminal Court (and it happened in case of Sudan and Libya). The problem is that the resolution approved by the Security Council on transfer of cases to the International Criminal Court contains provisions, according to which possible infringements of the international criminal law by member states of which contingents of armed forces enter these countries are not subject to punishment. Thus, this is a special legislation approved by the UN Security Council for political reasons.

How is it possible to say that establishment of the International Criminal Court is the greatest achievement of the mankind, if there are drawbacks in it (when it persecutes only those people who live in weaker states)? The states not represented in this court may demand court procedures in respect of state officials and states, which are not in the competence of this court (as it was in case of Sudan, etc.).

The USA emphasized many times that they will never ratify the agreement on establishment of the International Criminal Court, because they consider it as infringement of the national sovereignty. This fact is a demoralization factor for the international community. How can another state abide by its resolution if a great power refuses to ratify the agreement on establishment of this court?

**A. G. LISITSYN-SVETLANOV:** – In his speech Mr. Köchler told about several principal issues distinguishing the international legal regulation from the national one. As a lawyer specializing in the international law, I am often asked by my colleagues dealing with intra-state affairs: what are you guided by when there are no coercion tools, that is no such provisions in the international law which exist in national jurisdictions? Lawyers in Russia say things similar to what was said by Mr. Köchler.

It has been illustrated in the speech that there are certain fields, first of all, in the international criminal jurisdiction, where the coercion mechanism is in force. But at the

same time, a tricky question arises: all states are equal, but are there more equal among them? When we are speaking about Lebanon, Sudan, Somali, it's very difficult to imagine a similar situation. Undoubtedly, there is a problem, and it should be solved in time, but it will require many years, may be many decades. We can set a vector for its solution at the Likhachov Readings.

The floor is given to an expert in the field of law, impersonating the sovereignty of the state, a judge of the Constitutional Court of the Russian Federation, Professor G. A. HAJIYEV.

**G. A. HAJIYEV:** – I'd like to speak about the part of the international law which is called "international humanitarian law". This is the law regulating what is most important for a man – human rights. There are tools in this segment of the international law, allowing securing the rights, in any case in the part of the world which is considered to be Europe. And I really believe that Russia was Europe, is Europe and will be Europe, no matter who says what. We are formed mentally in such a way that we are indeed Europeans, I repeat that all the time and thus express my opinion. There are very many contradictions in this part of the international law, and these contradictions and omissions easily can be called white spots.

I'll tell one very interesting story, which is clear to even those who are not students of the Faculty of Law. Two Russian citizens, far from being law abiding, who spent their time in prison to which they had been sentenced, applied to the European Court of Human Rights and asked to acknowledge their rights violated. They were sentenced to death for murder, then the sentence was reversed, they got life imprisonment and after the appeal, 15-year imprisonment was left. When they served their sentence they decided to announce that they supported the President and wanted to vote for him. But, according to the Constitution of the Russian Federation (and not the law on elections), persons serving sentence after a court judgment cannot vote. They complained, and their complaint was investigated by the European Court. The court expressed its legal position proceeding from the fact that there is a kind of consensus being formed among European states. It has not formed yet, but there is some nucleus already. According to the European law, even if a person is kept in confinement, he should be respected as a person, his dignity should be respected, it is required to think how to re-socialize him, to connect with the society and consequently he should be given the right to vote.

The European Court of Human Rights admitted that the rights of these two people were violated and after that the case went to Russia for execution. And here was a hitch as the state authorities said: "Yes, but our principal law is the internal law, the Constitution, and not the international law". An uncertainty has appeared which means that patriots will say that the Constitution is undoubtedly more important than the international law. At the same time, there are provisions in the Constitution that may allow to come to a different conclusion. It is said in one of the articles of the Constitution that we in the Russian Federation recognize human rights, guarantee them, proceeding from the generally accepted principles of the international law. Some reference to what is absent in the Principal Law, but what we recognize and what is existing objectively. And the propor-

tionality principle is viewed as generally accepted in the international law. Philosophers know well what is the happy medium, the humanity came to this idea many thousands years ago. But it is not very easy to find the happy medium in this case.

On the one hand, there is a humanitarian interest to give a person, even if he is in confinement, an opportunity to socialize, including by voting. But there is another legal value as well – the freedom of choice. And the state should guarantee this constitutional value. The problem is if it is possible to provide the freedom of voting in places of confinement in Russia. Can we guarantee this freedom? Here is a real conflict for you. And how to solve the issue? The question is as follows: what is superior – the national law in the form of the Constitution, the highest rules of the Russian law, or should we be guided by the international law? I'll tell you the decision of the Constitutional Court. It did not say that the decisions of the European Court should not be executed, though there certainly was such a possibility as each of the Court members, when taking office, gives an oath to abide by the Constitution of the Russian Federation and, consequently, the article stating that a person in confinement should not vote. So that is far from a simple case. The choice at the end was in favor of proportionality, necessity to look for the optimum and rational decision, notwithstanding the clear text of the Constitution. And that means that a law maker having the Principal Law should think how to correlate what is in the European law and what is in the Constitution of the Russian Federation. Some may think that this is an insolvable problem, but no, it can be solved though with difficulty.

What problems arise if we proceed from this example? The problems are that the European law and the international humanitarian law definitely tend to make their rules maximally universal. That is these are some standards, which the international law would like to find in each state. But not each state is ready to "digest" these standards, because, to tell the truth, not all states are on the same cultural level. And some European states very easily agreed to this catalogue of rights, not understanding that this may be evidence of the fact that there are about 200 totally sovereign states in the world from the legal point of view. But, in substance, there are really not so many sovereign countries, if we keep in mind that sovereignty is not only a formal legal concept.

Each nation has its traditions, ideas. I am not speaking about backward traditions now, about prejudices, but about each nation having its cultural identity. The Indians, Chinese, Brazilians have it, they have it in South Africa and Russia. It is surprising that exactly these five states set up an international association. This is very demonstrative. This association has not only just economic or political reasons, though diplomats probably think them to be the main ones. These five countries have very serious legal prerequisites to be together in the world community. I'd say that the wish to stand up for one's cultural identity generates not contradictions but a certain tension in the interpretation of rights. Yes, there may be various ideas of that, but there is nothing surprising in that and especially nothing tragic. This is a normal process which generates a quiet, normal dialogue. And it is possible to agree about everything with the help of this dialogue.



**A. G. LISITSYN-SVETLANOV:** – Thank you very much. Colleagues, please, ask questions.

**A. N. CHUMAKOV,** *editor-in-chief of the Vek Globalizatsii (Globalization Age) magazine:* – The way the question is put is interesting. Previously we discussed the issues of the global terrorism here. It's clear that the problems of terrorism on the national level, as it was shown here, can be solved in principle, first of all because there is a national law on the national state level and the complex of measures leading if not to a complete liquidation, then to reduction in the degree of this danger, is more or less constructed. If we speak about international, global terrorism (and we live in the global world), then it is evident that the national law is not a tool here. But it seems that the international law, about which a lot is said, is not a tool here either. And creation of the universal law was only mentioned in passing. May be it will be better to call it a global law in this vein if we are solving this global problem, and world terrorism is only one of the global problems. And since we live in a global society, my question is: should not we strive for creation of the universal global law, and if we should, to what extent is it possible in principle? Today it is more likely a philosophical problem, but the opinion of lawyers will be very important.

**G. A. HAJIYEV:** – As far as I understood your question, it comes down to a possibility to distinguish the international law and some still not existing global law. It is possible that putting the question in this way is not senseless because there have been too many white spots found in the international law. You are speaking about problems with terrorism. Thank God, this phenomenon does not encompass the whole world, certainly, it affects big areas, but the most part of the world is still free from this phenomenon. Take Internet problem, which is used by the whole world. And are there international agreements on Internet? Certainly, not. Should they be? Certainly, yes. And here other problems originate. On the whole, it is possible to say that the international law is now changing paradigms, it is in the crisis mode. Probably, it is possible to argue about crisis, if there is a crisis or if not, but from my point of view, based on my qualifications, this is a mild international law crisis. In my opinion as a lawyer, whose thinking is somewhat stagnant, it is too early to speak about origination of some global law. I think that it is impossible, we can only add and fill in the gaps in the international law.

**V. S. GLAGOLEV,** *Professor of the Department of Philosophy of Moscow State Institute of International Relations (MGIMO), Ph.D.:* – My question also refers to white spots in the international law, but in a fairly specific area – international agreements on control over nuclear weapons. As you know, a nuclear bomb was tested for the first time nearly 71 years ago, in July, 1945, and since then nuclear weapons have been advanced non-stop by everyone who developed it. And I think that the weapon made in 1945 has become traditional by now. And rather specialized types of weapons have appeared, different not only in power, but in affecting various facilities of a potential enemy. How do you think, whether a possible system for improvement of operations and procedures for control over non-traditional types of weapons existing as of May, 2016

is discussed at closed meetings, about which Mr. Pligin said, and in international legal printed media and to what extent?

**G. A. HAJIYEV:** – Thank you for your question but the answer will be very short. I am a judge, I am not a politician in contrast to Vladimir Nikolaevich, and because of that I am not taking part in closed meetings and, consequently, I do not have access to the kind of information which is being of interest to you now. I am afraid that I am absolutely useless for you in this sense.

**A. G. LISITSYN-SVETLANOV:** – I'll try to answer this question. Issues of the international law were discussed at one of international political forums, which are held in Yaroslavl. And I sent the same question you asked now to the community of lawyers specializing in the international law and people engaged in politics. We discussed issues related to security, and we have certain conventions which prohibit nuclear, chemical, bacteriological weapons. And there was another meeting taking place in the next room, dedicated to development of technologies. And it is difficult to find a case in human history when an effective technology was not used for military purposes. Because of that your question about a possibility for the world to have if not a nuclear catastrophe, chemical or bacteriological horror but at least information horror including the one affecting the human state of mind, is absolutely right. This is the field which does not fall under the legal regulation now. I asked this question and everyone started waving their arms at me, exclaiming: "Good heavens, we have to deal at least with what we already have! You've gone too far!" But I am very happy that this question was asked, and I think that the answer is clear that if everything is discussed behind closed doors, it is not very effective.

I have one provocative thought, Gadis Abdullaevich. Such definitions as "superior", "more important", etc. were used in your speech in particular and in the wide discussion regarding the internal and international law. You know, I remember my youth, when I was writing my thesis for a candidate's degree (Ph. D.), in which I had fairly many phrases and thoughts with "more, quicker, better, worse". And my scientific advisor wrote his remark in the margins: "Andrey, what scales did you use for weighing it or what ruler did you use to measure it?" After that I stopped using comparative degrees referring to law, only absolutely accidentally. I have some inner stopper.

Now, when we are speaking about common and imperative principles of the international law, we mean a certain international legal instrument. It is called the Declaration on Principles of International Law Concerning Friendly Relations and Cooperation among States in accordance with the Charter of the United Nations, the so-called *jus cogens* principles. They became universal rules of the international law after appearing in the Declaration, nevertheless, they are accepted as generally acknowledged rules. Because of that it is probably impossible to compare them and speak about their priority as we see that these principles are practically incorporated even in the legislation of the states which refer, for example, to BRICS states.

The second group of rules which can possibly be violated but are obligatory is international treaty rules. And what is an international treaty? It is an agreement of a certain cir-

cle of participants, for example states, on a certain number of issues, which are becoming a part of the international law. Because of that I did not fully understand the intensity of emotions when what is more important was discussed. There are certain regulation fields, absolutely unconditional jus cogens, which are called imperative rules of the international law. Moreover, the contents of each of these principles were revealed. International treaties differ in participants and in the subjects under regulation. And in this case I do not see contradictions. May be I understand everything in a too simplified manner, I do not know. Because of that I ask the audience not to apply to the United Nations documents in all discussions, in particular referring to these principles. You can just read them, may be we'll find something interesting to answer many questions which arose.

Let's pass over to the next questions. I would like to give the floor to Professor Varga for him to present his thoughts as to the problems discussed.

**Csaba VARGA:** – The law has a distinguishing special feature – it describes itself. Today we listened to a representative of the Parliament, a representative of the Constitutional Court, we listened to the speech about legal regulations since 1965. I have been studying the problems of law in the Hungarian Academy of Sciences for 51 years already, but I use other wordings. If we speak about the law on the whole, we work out a law, we make it objective, we make it purposeful. What does the law mean for us? The law is a part of us, a component of us, because we are applying it. And because of that the law is an integral part of any culture. It is impossible to separate from the law, from all laws because they are a part of the human culture. Thus, there is movement here in various directions: on the one hand, there is limitation and, on the other hand, there is expansion of the fields of law. Because of that arguments are also an integral part of the legal culture. We are only connected by references to documents which are applied in this society.

International law is a ceiling that is set. Because of that it is unimportant if an issue refers to the Security Council or the International Court, because I as an expert in the international law should know what methods are in force from the point of view of the international law. The law itself is not an active force but an imaginative one, to which we refer, and professional lawyers especially like doing that. The law as that has very sensitive special features. For example, the Peace of Westphalia in the 17<sup>th</sup> century provided for the state law and international law, but the international law as itself and the law as itself cannot act only as a symbolic force.

There should be a certain social wholeness from the point of view of national law. If Russian society disintegrates, the law will stop functioning. But if culture is for the law, the law will be strong from the point of view of the international law. There is such concept as the balance of forces. For example, neither country wants to be occupied by another country, but in some cases it is possible for the balance of forces. In this case, we can speak only about conditional recognition of the international law. So now we are speaking about one-sided approach to the international law.

I'd like to make a small comment as to the nature of human rights. First of all, human rights on the whole from the point of view of the law are what we wish. When lawyers tell us about human rights, these rights are actually not

fixed anywhere. But when a movement for protection of human rights is created, this is done to get a positive decision by a law maker using the domestic law, as it was already said by our Austrian colleague. Conservator Burke in England said in his time that French revolutions could tell us something about human rights. And a Spanish priest spoke about the human right to dignity for the first time in the history of mankind. That was in the beginning of the 16<sup>th</sup> century where there was a struggle going on against colonization of South America. It means that any person anywhere has the right to demand observance of the human rights. But Burke answered that – it's a nonsense, that is the English refused from this idea. But if it is transformed into a positive law, then it is transferred to values. In fact, everyone, except for the French, declared something like that. And the French presented the Declaration of the Rights of Man and Citizen, and it was included in the preamble of the French Constitution for more than a century and a half. But in this case we see that the law is what to be introduced, what requires sanctioning.

I want to say that being a lawyer, I published a big monograph in the beginning of the 1970s about the French Declaration of the Rights of Man and Citizen having no legal force. As for the Universal Declaration of Human Rights, its dual even doubtful origin should be taken into account. It's necessary to mention that the Soviet Union and to be more exact Stalin, who was at the head of the state, won World War II and on the whole was a very strong politician, supported it. At that time, the strongest power, which was against the Universal Declaration of Human Rights, was set up by the United Nations – that was the American Anthropological Association. It said that to speak about the Universal Declaration of Human Rights was an absolute nonsense because anthropology studies different people. For example, the Russians living in the European part have one anthropology, those living in Siberia have another anthropology, and those living on the Kamchatka Peninsula have the third one, etc. And then anthropologists said for the first time that this was leading to degradation of the humankind. As there are so many various legal systems in the world, only people on the European continent, not including the United Kingdom and the United States of America, can base on the supremacy of law. And in other states, where Judaism, Islam and other religions are widespread – the places where that is motivated etiologically, people will lose their beliefs if they are guided by the law.

So the law can only exist here, on the European continent. And that means that human rights are in a fairly curious position. If you just study human rights, it means that they refer neither to the criminal law, nor to the property law. But if you set up some movement to fight for some rights, let's say, women's rights, you are again returning to the ideological meaning. I think that when we are speaking about the constitutional justice of lawyers, the opinion of Russian law authorities should be taken into account. It's good that you used the mild solution concept. Contemporary legal culture came to Hungary from Germany, from Prussia. The law there is the most abstract category on all the continent of Europe.

There is no mild law concept in the continental law while the law was made milder in the European Union. Let's take China, for example. The *Zhenming Jibao* newspaper was set up in its time as an official printed media

of the Communist Party of China and regularly presented all Mao Zedong's public speeches. The same took place in Albania, nearly the same takes place now in North Korea, and the same happened in the German Democratic Republic when the Soviet Union was domineering. In China everyone was to obey Mao Zedong. Because of that we are speaking of the law becoming milder in Europe. But now there are various directions for development of the legal matters in the European Union, on which states rely while reforming their legislation. And absolutely everything has to be taken into account. It means that ideologically human right take an important place here. So our present-day state of affairs is very complicated, you have to understand that there is no the law proper, this is something ideal. Everything depends on how we look upon it.

**A. G. LISITSYN-SVETLANOV:** – Thank you, Mr. Varga. You touched upon very interesting issues, both being urgent today and retrospective to a certain extent. The floor is given to a well-known lawyer Henry Markovich Reznik.

**H. M. REZNIK:** – Dear friends, it's easy for me to speak because each of the previous speakers "bit" a piece of what I wanted to say. I'll present two messages. The first is: it is fairly natural that the law, legislation are the products of a certain cultural level, which the mankind or some part of it achieves and expresses the changed ideas in a certain way. I can connect it with the previous topic – terrorism. The political offender concept existed in tsarist Russia in its time. People who used any means only based on their own motivation, for example, to fight the ruling regime, were considered political offenders. Terrorists, bomb throwers who were not sentenced to hanging were also considered political prisoners.

The state of affairs is different now. Violence has become a determining factor. When a person uses violence, he is not considered a political offender, political offenders are those who express their opinions peacefully. The same is here. We are speaking about the international humanitar-

ian law. I would like to pay attention to the fact that laws are written by people, they are applied by people, and they are violated by people again. Vladimir Nikolaevich said one thing, which made me a little apprehensive – that now it is again required to discuss the basic provision on human rights. We have already discussed and come to the conclusion that a human right, which is not to be discussed in any way absolutely, is the right to life. I'll correct it. I think that the basic human right within the natural and legal concept, which stepped into the legislation, into international, national law, is the right to human dignity, hence comes the right to life.

What is meant by it? The matter is that a death penalty is used in some places, there may be legitimate violence, but there should not be tortures, slavery should be excluded. It would be wonderful had it been possible to formulate all rights as absolute! But there are absolute rights and relative rights in the European Convention according to which we have to live as a matter of fact, and that refers to Russia as well as a member of the Council of Europe. And, by the way, there are values listed which limit this law.

And second. Using an opportunity as Gadis Abdullaevich is present here, I'd like to say that I am ready to applaud the last decision of the Constitutional Court. You see, there are exceptional, absolute rules, which do not require explanation and interpretation, but most rules are worded in such a way that they should be explained. And they are interpreted exactly to reconcile different values that contradict each other. We live in a contradictory world. It was possible to make a more, I'd say, radical decision, because the Constitution can be interpreted in such a way that human rights should not be belittled. But exactly here the style is very important, eliminating the confrontation, which, I think, this court decision generated groundlessly. And my personal opinion is that the European Court changed the subordination principle not for the first time – it changed it in relation to the UK, and I really think that people in confinement should not vote because of exactly those rational reasons about which Gadis Abdullaevich said.

## Round Table INTERNATIONAL PARTNERSHIP AND NATIONAL INTERESTS

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May 20–21, 2016

Conference Hall of Radisson Royal Hotel

### CHAIRPERSONS:

- V. A. CHERESHNEV *Chairman of the Committee on Science and Hi-Tech (the State Duma of the Federal Assembly of Russia), Director of the Institute for Immunology and Physiology (the Urals Branch of the Russian Academy of Sciences), Academician of the Russian Academy of Sciences, Dr. Med., Professor, Honorary Doctor of SPbUHSS*
- G. M. GATILOV *Deputy Minister of Foreign Affairs of the Russian Federation, Ambassador Extraordinary and Plenipotentiary*
- S. Yu. GLAZYEV *Advisor to the President of Russian Federation V.V. Putin, Academician of the Russian Academy of Sciences*
- Al. A. GROMYKO *Director of the RAS Institute of Europe, Doctor of Political Science, Professor*
- Miguel Angel MORATINOS *Minister of Foreign Affairs of the Kingdom of Spain (2004–2010), Honorary Doctor of SPbUHSS*
- Amr MOUSSA *Secretary General of the League of Arab States (2001–2011), Minister of Foreign Affairs of Egypt (1991–2001)*

### SPEAKERS:

- Halil AKINCI *Ambassador Extraordinary and Plenipotentiary of the Republic of Turkey in the Russian Federation (2008–2010), Chairman of the Council for Strategy and Policy at Hazar Strategy Institute*
- Saeid Reza AMELI *Vice President of University of Tehran (Iran), Ph.D., Professor*
- Shaukat AZIZ *Prime Minister of Pakistan (2004–2007)*
- Bruno DESGARDINS *General Manager at Banque Eric Sturdza SA (Geneva, Switzerland)*
- Piotr DUTKIEWICZ *Director of the Center for Governance and Public Management at Carleton University (Canada), Ph.D., Professor*
- James K. GALBRAITH *Professor at the Lyndon B. Johnson School of Public Affairs at the University of Texas (Austin, USA), Visiting Professor at the General Economic Theory Chair of the Moscow School of Economics at the Lomonosov Moscow State University*
- Gabriel GALICE *President of Geneva International Peace Research Institute (GIPRI)*
- Valur INGIMUNDARSON *Professor of Contemporary History of the Faculty of History and Philosophy at the University of Iceland (Reykjavik), Ph.D.*
- Grzegorz W. KOLODKO *Deputy Prime Minister and Minister of Finance of Poland (1994–1997, 2002–2003), Director of Research Institute “TIGER” (Kozminsky University, Warsaw), Dr. Sc. (Economics), Professor*
- Hans 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 Russian Academy of Sciences, Dr. Sc. (Economics), Professor, Honorary Figure of Russian Higher Education*
- Gary LITTLEJOHN *Economist, Sociologist (Great Britain)*
- V. K. MAMONTOV *Director General of Govorit Moskva (Moscow Speaking) radio station*

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|--------------------|--|
| Nasrin MOSAFFA     | <i>Professor of the International Relations Department at University of Tehran, President of Iranian Association for UN Studies</i>  |
| Colin B. MOYNIHAN  | <i>State and public figure of the UK, member of the House of Lords of the British Parliament</i>   |
| S. G. MUSIENKO     | <i>Manager of EcooM Analytical Center; board member of the Union of Writers of Byelorussia</i>   |
| Ashok SAJJANHAR    | <i>Secretary of the National Foundation for Communal Harmony (India)</i>   |
| Vincent della SALA | <i>Professor at the University of Trento (Italy)</i>   |
| P. P. TOLOCHKO     | <i>Director of the Institute of Archaeology of the National Academy of Sciences of Ukraine, academician of the NAS of Ukraine, foreign member of the RAS, Dr. Sc. (History), Professor</i> |
| Jerzy J. WIATR     | <i>Minister of National Education of Poland (1996–1997), deputy to the Polish Parliament (Sejm) (1991–1997, 2001), Dr. Sc. (Sociology), Professor</i>                                      |
| A. S. ZAPESOTSKY   | <i>President of St. Petersburg University of the Humanities and Social Sciences, corresponding member of the Russian Academy of Sciences</i>   |

**A. S. ZAPESOTSKY:** – I'll traditionally say a few words on behalf of the Organizing Committee of the Likhachov Readings. Fifteen hundred people (economists, lawyers, etc.) have assembled for the forum. The most interesting section is the one where 750 schoolchildren will discuss humanitarian problems.

The forum taking place at the University is of great importance as world problems are discussed here on an integral basis from the points of view of various sectors of humanitarian knowledge. A big number of various scientific conferences in the world are arranged by a political order: governments assemble scientists in order to hear exactly what they want to hear. Our University is absolutely independent of the authorities. The essence of what takes place here is not dependent on political interests, that this is a free forum, where everyone will say everything he thinks worth saying. We sometimes ask our guests to speak without attacking other states, because this is not an arena for political conflicts, but the place where we share our ideas.

I value the presence of a big number of scientists from the states, which currently have politically difficult relations with Russia. I am happy that scientists from the Ukraine, Turkey, Poland, Switzerland (which integrates various tendencies in the European Union and properly performs the mission of a neutral state) speak at the XVI Likhachov Readings.

At difficult times, when relations between states on the international arena are aggravated, scientists have a special role. When politicians, diplomats stop their dialogue, scientists should continue communicating with each other and share ideas. We'll never have a common view on the events taking place in the world. The purpose of the Likhachov Readings is to listen to representatives of various sectors of humanitarian knowledge from various states and do it in the environment of respect and trust. It's important for our scientific communications not to be a monologue.

The more difficult the relations between various states are, the more important it is to have a dialogue and say what we think exactly from the point of view of science, without pursuing someone's interests. Otherwise, the Likhachov Readings probably would not have any sense, as D.S. Likhachov was not just one of the greatest Russian scientists-humanitarians but also a man who was greatly respected in Russia for his independent attitude to the authorities, his direct talking to the authorities, based on principles, highly moral and scientific standpoint. Morals and science are the greatest values, which we'll never be able to give up.

I am grateful to all of you for coming to Saint Petersburg to the Likhachov Readings and I wish you success in your work!

**AI. A. GROMYKO:** – The subject matter of our session "International Partnership and National Interests" provides a broad scope for discussion. But the second part of the title – national interests – tunes us to proceeding first of all from the discourse, which took place several years ago in politology (Russian, European and international in general), about national states, the renaissance of the national state concept, the coordinate system in which Russia, European Union, USA and other states position themselves on the international arena.

Russia has been building relations with the part of Europe located to the West of its borders for a quarter of a century, and all the time was within the framework of the discourse on gradual blurring of borders of national states together with globalization. For a long time, the European Union was a vivid example of the fact that when a national state joined this community and especially being its member, it voluntarily refused from a part of its sovereignty and delegated it to the above-national structures. Just ten years ago it was fashionable to say that similar processes will be taking place all over the world, that is Eurocen-

trism will march over the globe as gradual blurring of state sovereignty.

It seems to me that significant changes took place in this discourse in recent years. Many states announced that the national sovereignty and the sovereign foreign and domestic policy are the foundation of their development in the 21<sup>st</sup> century. And though (with the exception of several states) many are too forthright when speaking about the national sovereignty, everyone agrees that the world is inter-dependent, and any serious decisions both in the foreign and domestic policy should not be made without taking into account the international or regional context.

Today, the European Union is the only regional organization on the globe with a pool of sovereignty. Such states as the USA, China, Russia, India, Brazil and many others regularly underline that they are guided by national interests and that they are not ready to join any structures if they have to delegate a part of their sovereignty.

There is such a unique organization as the United Nations. In 1945, the UN Security Council became a prototype of the polycentric world of the 21<sup>st</sup> century. Because not only European states and the USA joined the UN Security Council then, but China did it as well. The limitation mechanism (in certain cases) for the state sovereignty was laid in the United Nations Organization, including in performing the main role or function of the United Nations – compulsion to peace.

Blurring of the state sovereignty has not appeared in recent years. We can follow it in various kinds in the 20<sup>th</sup> century and even in the 19<sup>th</sup> century. For example, the concert of powers after the Vienna Convention became a kind of limitation of the state sovereignty. Or the Peace of Westphalia, though there was no talk then about establishment of the state sovereignty principle. But it was clear that the sovereignty of one state ends where the sovereignty of another state begins, and that itself is a limitation.

I ask you to discourse on this extremely interesting topic, and in the course of discussion we'll possibly find some course along which our talk will flow.

**S. G. MUSIENKO<sup>1</sup>:** – I would like to thank Alexander Sergeevich Zapesotsky for his, in my opinion, civic courage, because he invited P.P. Tolochko from the Ukraine, a representative from the last dictatorship in Europe – Byelorussia, and a guest from Turkey.

My book “Statehood Is the National Idea of Byelorussia” was recently published in New York. It was also published in Russia in the Russian language with small additions, but it was not published in Byelorussia. Besides, we made a film about Byelorussia, “National Security” (in two parts).

I'd like to answer the question about assets asked by Mr. Tretyakov during the first part of our meeting. I think that the Rothschilds and the Rockefellers already have something like that. They are just controlling the *Forbes*, because of that they won't write about that.

<sup>1</sup> Manager of EcooM Analytical Center, board member of the Union of Writers of Byelorussia. Author of the book “Where Are We Going: Belarus, Russia, Ukraine” (coauthorship). He participated in preparation of the following: collected proceedings of the international conference “20 Years Without USSR – CIS – Eurasian Union”, book “The Republic of Belarus Between East and West”, “Statehood. The National Idea of Belarus”, “Belarus: Independence as National Idea”, “Bialorus: model państwa i gospodarki” (“Belarus: State and Economic Model”) and others.

Based on the Byelorussian experience, I can say that if such people as Glazyev, Delyagin, Khazin were at the head of the economic block of the government in Russia, you would have seen the results in two years, which we achieved in our country, because Russia has much more resources.

Economics is first of all a theoretical science. Honest people having good theoretical basis attain a lot and are successful. And we observed that in Byelorussia. Our country avoided economic problems, which began in Russia, to a large extent because we did not have so many economic schools and institutions. Liberal Bogdankevich, who was at the head of the National Bank before A.G. Lukashenko's taking power, attained unprecedented result, setting the world record – 43,900% inflation. He was replaced by another team: Vladimir Vladimirovich Shimov became the minister of economy and by his diligent, painstaking efforts changed the state of affairs. Practical approach to solution of economic problems may bring results notwithstanding the extent of detailed development of the theory.

The views of 20 researchers from the USA, Italy, Switzerland, Bulgaria, Russia, Poland and other states are presented in the project I mentioned. Originally we wanted to make a project with only foreigners, who had been to Byelorussia, writing about this state. But later we had to add the opinions of Byelorussian experts to the research, because some matters were not solved (there were issues, for example, about which we could not write). Yesterday, the Fitch Agency acknowledged at the press conference in Minsk that GDP per capita in Byelorussia is 40% higher than in the neighboring countries if you take the purchasing power parity.

Mahatma Gandhi said that real wealth was health and not gold or silver. In our books we describe the public health system of Byelorussia, for example, child mortality rate in our country is at the level of Switzerland, France, and Belgium. Byelorussia is the 50<sup>th</sup> among 180 states in the standard of living and is referred to highly developed countries.

**AI. A. GROMYKO:** – The floor is given to Halil Akinçi, the Republic of Turkey's Ambassador to Russia and an expert.

**Halil AKINCI<sup>2</sup>:** – A few words about the historical development of globalization. This process began after World War II. At present, we are having not the first globalization wave already. One of its main principles is free trade. International conferences were dedicated to this problem. Trade rules are determined by European states. Everything started with the British Navy, which helped globalization to originate. But the present development of globalization is connected with the Congress of Vienna of 1815, when the German Confederation was established. At that time, European nations worked out a treaty, which was in force till the end of the 19<sup>th</sup> century. The second wave of globalization came after the 1929 economic crisis and prepared the start of World War II. The United Nations Organization was already mentioned here, but there had been other international organizations, the League of Nations, for example.

<sup>2</sup> Ambassador Extraordinary and Plenipotentiary of the Republic of Turkey to the Russian Federation (2008–2010). Senior Fellow, Chairman of the Council for Strategy and Policy at Hazar Strategy Institute.

However, it is not possible to speak about complete globalization till the 1980s. It was exactly then when the report under the chairmanship of Willy Brandt “North-South: A Program for Survival” was prepared. After the 1980s a new dimension of globalization appeared. Now there are already no efforts made to resume the dialogue, when ideas are promoted people are guided by politics.

It was said at the plenary meeting of the Likhachov Readings that globalization is inevitable. What new does it bring? After the 1980s, especially in the 1990s, the state sizes decreased. This trend was continued in the 2010s. In particular, Libya disintegrated into three states. Syria and Iraq are in the same position. One should mention that either everything will end peacefully there, or hostilities will spread to other parts of the world. We do not know what happened to the EgyptAir aircraft which crashed, but it also may be that certain powers played their role in this plane crash.

Today everyone – both Americans and Europeans – want to consume, no matter that their incomes are already not enough for that. In my country people already have 20 million iPhones. Even people living in villages with no cellular communications buy iPhone 5 and 6. Civilization spreads also this way.

We should answer a number of questions: what is the future of civilization? Will globalization give people some advantages or rights? One should mention that only 5% of financial development are caused by investments. Maybe, security will improve, won't it? Or shall we start getting truthful information?

At present, the work force cannot freely move around the world. This was the reason of the Industrial Revolution that took place in the 19<sup>th</sup> century. We cannot interpret the concept of “globalization” narrowly, but in any case it is required to answer the next question: how to eliminate the negative effects of globalization process? It is necessary to develop regional cooperation between Pacific states, USA, European Union, etc.

Regional cooperation should start from cooperation of neighbors. When neighbors are conflicting, problems begin. But other behavioral strategies may triumph. There should be a mechanism with the help of which it is possible to settle conflicts, for a conflict between two states not to grown into a conflict between two nations. We should apply all efforts to solve the problem and normalize the state of affairs.

**Al. A. GROMYKO:** – Mr. Ambassador, you touched upon several serious issues, notwithstanding that we were speaking about various aspects of globalization yesterday and today. In particular, the question of necessity of the conceptual apparatus was raised and a wide-spread and proved point of view on what globalization is was offered. Its periods were singled out, starting from World War I, globalization development after the Great Depression and its becoming full-scaled in the 1980–1990s. There are other points of view on globalization, but you presented a good interpretation.

You reminded about the correlation of inter-national states and globalization, about the fact that national states are under a threat again of late: they either turned out to be insolvent themselves, or they were made such, for example, Libya and others.

In 1945, 52 states signed the Charter of the United Nations Organization in San Francisco. In 2016, there are 193 member states in the United Nations. That is the number of national states increased nearly four times in the second half of the 20<sup>th</sup> century and, consequently, the number of national interests.

The floor is given to Jerzy Wiatr, Polish politician, law maker, and sociologist.

**Jerzy J. WIATR:** – I would like to address the issue of national sovereignty and say that I am not one of those who are saying that the sovereignty of states and sovereign states are on their deathbed. I think that they will exist for many centuries to come.

Today, there are three challenges launched against the sovereignty of national states. One of the challenges is globalization. Here not only the economic factor is important, but communications as well (dictatorial regimes cannot control the flow of information today as they did several decades ago). When I was young, such radio stations as “The Voice of America”, “Radio Free Europe” were jammed by state means of radio jamming. Governments cannot oppose anything to the effect of globalization, and that is impossible. Globalization has both its negative side and positive side.

The second challenge, which should be regretted but which is very difficult to prevent, is strong powers forcing their will upon weaker states. This takes place all over the world. Today superpowers force their will upon weaker partners. This may be said about the Soviet Union and its satellites in Central Europe, and the USA and Union states. For some time, we thought that forcing opinion is the business of the past times, but unfortunately we were mistaken. Strong powers still infringe sovereign rights of weaker states. A scandalous case is American invasion of Iraq. Unfortunately, Poland participated in that. I did not support my government then and renounced (including in printed media) the act of American invasion of Iraq. How can the European community prevent such heavy violation of the international law, if the violator is one of the strongest or may be even the strongest state? It was possible to make a demarche in the United Nations, but it could hardly be useful in any way.

The third challenge is voluntary subjugation of independent states to international rules and documents starting from the UN Charter and Universal Declaration of Human Rights. These documents contradicted the provisions of the Peace of Westphalia. Now states cannot do what they want, there are limitations for behavioral rules for states. For example, a certain religion should not be forced upon people, because of that the government of my country will now have to change the legislation, independent and sovereign, because it is in contradiction with the rules approved by international organizations, the European Union. I think that it is a worthy limitation of sovereignty, because it is in the interests of freedom, democracy, human rights, for the people not to be left alone with their government. I think that it is a positive phenomenon and welcome it.

**Al. A. GROMYKO:** – Mr. Wiatr, your speech contains a lot of food for thought. I'd like to draw attention to one of the issues, the existence of the established international rules, which everyone should follow. The interna-

tional law like any legal system is of adversary nature. Any court (if it is not a military tribunal) presumes two parties – a lawyer and a prosecutor, who compete with each other. There are many principles in the international law, which may be in harmony with each other, may be conflicting with each other, as for example, the self-determination principle and the state sovereignty. Because of that ideally everyone should follow the established international rules. But as usual there are various explanations and interpretations of the UN Charter principles, to which extent these principles should be observed.

The floor is given to Grzegorz Kolodko.

**Grzegorz W. KOŁODKO:** – When we are speaking about globalization, we are speaking about problems. The problem is at the same time a chance and a risk. We should be open to risks if we want to use chances and solve problems. Chances from the point of view of economics are a free access to the sources of capital, direct foreign investments, new technologies, higher skills of labour force, education, know-how, etc. But nothing takes place by itself – all that is a result of globalization. These chances should be turned into economic, social, political and other advantages. But there are risks hidden here as well: it is possible to lose money, the company can go bankrupt, rivals can win, the best labour forces can leave.

Twelve years ago the problem that worried the European Union was how many people each state can receive. At present, more people are coming to Poland than leaving it. 80% of them are young people below 30, high-skilled, with entrepreneurship talent and wishing to work for the state's benefit. But our state closed its doors for some time. And if we give money, arrange startups and help to launch them, we'll be able to sell everything we'll make on condition of our competitiveness. 7.26 million people could lead our industry to bankruptcy if they could not leave the country.

This game is called dynamic globalization. How to use its advantages, avoiding risks? What does globalization bring to Poland, Ukraine, Byelorussia, Czech Republic, Austria, etc.? What are its results in comparison with costs? What are the costs caused by poor management? Byelorussia and Ukraine, Chile and Argentina, Dominican Republic and Haiti, Nicaragua and Costa Rica, Philippines and Malaysia, Bangladesh and Myanmar, China and Russia – all these states are neighbors. What are the differences between them? Costa Rica is the history of success and Nicaragua is the history of ill-luck. Why Turkey was the winning side in the world economic game until recently? Why Poland manages with everything better than the Ukraine? 25 years ago the human capital in the Ukraine was in much better position than in Poland, though there is the same climate, resources, education level in both countries. The states differ in their strategy.

Globalization affects all states: small Costa Rica, average Belarus and big India and China. They have their national strategy. Poland lost a part of its sovereignty to join the European Union. Poland itself strived to join the European Union and it was not the European Union that wanted to take us in. We had negotiations with the European Union, and after we joined it, everything stayed at the old level, because the reality never coincides with the desires. In this case, people may hold rallies, protesting against Euro

or tolerance. However, there has always been a strategy, during all periods.

A new strategy is required in the new circumstances, which were impossible to avoid. As an economist, I can assure you: it is physically impossible to work out a worthy economy development strategy if it is not tied with long-term goals. This may happen only with the help of the worked out theoretical apparatus.

So, we suggest to develop a strategy based on a good economic theory. Political factors are important as well, it is not just an economic game, but it is also prestige, etc. To our surprise, we did not see such success in Bangladesh and won't be able to achieve growth of this country if a strategy is not worked out.

**AI. A. GROMYKO:** – One of the main questions you asked is: Is globalization good? Really it is impossible to approach globalization from the point of view of values. It is what can be used either for your benefit, or to the detriment of you. Because of that the question, most likely, should be worded as follows: is your politics, using advantages which globalization can provide, good, and is it good in minimizing risks or negative factors brought by globalization?

Though globalization is inevitable, this is not a natural phenomenon, but what can be directed, manipulated by people. I believe that as various models can exist in the market economy, there can be various globalization models as well, when the tone is set by one group of states or one school of economic thought, or other states.

The floor is given to Professor Ameli.

**Saeid Reza AMELI:** – At present, the understanding of economic, political, cultural issues, which should not take us away from the outlined direction, begins to show. Today many changes are connected with globalization and spreading of the Internet. There are two types of technologies functioning in this world model. Globalization uses technologies which are developing in physical and virtual space.

At present, we have crises connected with mixing of cultures. One hundred years ago there was no such intensive development of transport, communications between various parts of the world as we are having today, but changes were taking place nevertheless. It's necessary to understand the logic of life management. This is a two-sided paradigm. We see address to all nations of the world in the Bible. The idea of Christianity spread over the whole mankind. One can say that global attitude to people existed at that time already. Now we can see the global nature of communications as well. This process was launched by Morse, who used technologies for connecting people, and that changed the world. The virtual reality allows purchases and running things over the Internet.

Terms "translocation", "transfer", "relocation" should be used instead of the word "globalization". If we approve this provision, we'll look at physical and virtual globalization differently.

Culture and national interests are very important in the global world. The main question in the field of culture is its centralization. Thus, its individual nature may be manifested, notwithstanding the rules in force in society.

The choice expanded: people of one state can select another citizenship. There are three types of migration: phys-



ical when the place of residence is changed, virtual when attachments are changed (we can live in Russia or Iran but be spiritually attached to a different place), and virtual and physical when the citizenship is changed, as well as the Motherland, politics, society. The differences between the ideas of “home” are manifested in this case – home as the place where we can live and home as the place to which we are spiritually attached, the Motherland.

I think that national policy should be formed anew. It should affect not only physical space, but we should think about attracting people to geographical, geopolitical and virtual opportunities.

New virtual communities originated in America (for example, in Hollywood), and we understand what forces surround us in this virtual world. The USA are spreading their culture in virtual space owing to them. For example, 75% of Internet inquiries are made from the territory of the USA, 75% of people use Google for searches, the rest use Yahoo and other search programs. Wikipedia is the biggest encyclopedia in the world, Google content is created with the help of it, information is coming from Google servers. We have a serious cultural problem, this challenge against culture can spread to other fields.

I'd like to ask a linguistic question. The meanings of “home” I spoke about are expressed in Russian and in Polish by one and the same word, they are not differentiated, and they are two different words in the Persian language, the English use house and home. How do you determine the essence?

**Al. A. GROMYKO:** – There are words or concepts in every language, the meaning of which does not coincide with the words of other languages. If we speak about home and house, home in the Russian language is a hearth, and the house is a house. On the whole, the linguistic measurement of global politics has become very popular of late.

You touched upon the concepts of “transnationalization” or “globalization”. There were arguments in Russian politology some time ago about correlation of the concepts of “internationalization”, “transnationalization”, “globalization” with one another. And according to the point of view which won, transnationalization and internationalization are a part of globalization. Globalization is an umbrella concept, which includes the things you spoke about as well.

The topic of virtual immigration is extremely interesting. Here it is possible to present another term – capsulation. When after getting in an alien cultural environment, a person is not assimilated but on the contrary creates a kind of capsule or voluntarily ghetto around himself. And this ghetto pushes the culture, which surrounds it in this or that state, away from itself.

The floor is given to Mr. Aziz.

**Shaukat AZIZ:** – The globalization issue should be examined in a much broader context. When I was a Minister of Finance of Pakistan, our economy was very traditional, permits, rights of admittance, licenses were required for everything, bureaucracy was very strong and reforms were minimal. We had only one possibility to do something to improve the state of affairs. The economy was based on tariffs and non-tariff barriers. Globalization and deregulation of the economy is the only way Pakistan should follow. But each state has its own special features, because of that it is

impossible to say that one recipe will suit all. If you can provide connections with various markets in the world on maximum scales, you'll get a big audience and consequently a big number of clients. Transfer to this system is a difficult way. But this will allow restructuring the economy and getting profits from its openness. Because of that Pakistan continues reforms.

My philosophy may be described in three words – liberalize, privatize, deregulate. It was necessary, first, to liberalize the economy, leave the private sector alone and not interfere with its development. We privatized the whole banking system because of its inefficiency and inability to work. All our actions were transparent, we invited foreign financial institutions for effecting payments, all banks were transferred to local entrepreneurs, as well as under the management of Near East banks. They provided a lot of opportunities and awakened a wish to work.

Besides, we regulated the telecommunications business. We united three kinds of licenses for telephone lines and television and started selling them at auctions. If this or that group did not have money, it did not mean that they cannot have TV broadcasting or telephony in future. The best companies of the world approved our reforms. So, we sold telephone and television networks at the auction, and each of the buyers had to furnish a collateral in the amount of USD 10 mln. If they lost at the auction, they got their money back, if they won, the money stayed with the state. Licenses for TV broadcasting were sold at USD 200 mln. Thus, we got money for development – it was the first privatization in our country. After that privatization and deregulation processes took their normal course.

It was slightly different with the telephone network: telephone services were spread everywhere, and people who had never seen a phone started using them. For example, a plumber told me that he has a phone now, and the orders are sent to it. That is the system came to life, it was as if galvanized.

There are certainly risks in this kind of privatization. We were told that it is possible to squander the state selling the government's secret assets. Now more and more telecommunications and TV broadcasting licenses are sold in our country, and the number of sold phones reaches one million per month.

In my opinion, there should be neither belief in globalization, nor lack of faith in it. There should be philosophical bases for all processes. In the course of economic reforms a country no matter what kind it is (developing, developed, super-developed) should believe in them. Good reforms will help to skip over two development stages. Criticizing is possible as well, because the state sells state property and values, and everyone can learn our secrets. But today everyone knows our secrets with the help of satellites which are located above the territory of our country. All actions should be transparent. The economy growth in our country amounted to from 6 to 8%. But these processes will be going on differently in every state. The main thing is reforms and encouragement of the creative powers of the private sector.

**Al. A. GROMYKO:** – Mr. Aziz, it could be possible to have a separate discussion round your speech. The example of a certain economic, market model being useful for your country certifies how important the right choice is.

The terms “deregulation”, “decentralization”, “privatization” were written on all posters and billboards at the time Thatcher was in power in the UK and Reagan in the USA. Friedrich von Hayek and Milton Friedman were the talk of the town then. But now no one in Europe speaks about a night-watchman state or invisible hand of the market. European states, including Russia, have already passed this stage and their attitude to the mentioned terms has changed.

Russia is often criticized for the ineffective economic model. But if you look from the liberal principles of economic development, Russia can formally occupy a high place. For example, the Russia’s budget is consolidated – the central budget and the budget of all constituent entities. Two years ago the Russian budget amounted to 36% of GDP. There is nothing like that in any developed country where this figure is higher than 40%. You were right to say that the matter is even not in the blind choice of some or the other principles and not in doctrinarism, but in the fact that the state should have a clear strategy, political will to carry it into life, in order, when the first positive results of this strategy implementation appear, to make everything possible for its development. If the choice was wrong, political will is necessary to acknowledge the mistakes and to choose another way. Thank you for drawing our attention to the neoliberal model, which gave an opportunity for a spurt forward, including with your country as an example.

The floor is given to Professor Valur Ingimundarson from Iceland.

**Valur INGIMUNDARSON:** – We are discussing destructive elements of political structures such as globalization, terrorism, migration, financial crises. I’d like to say a few words about the phenomenon which is fed by these phenomena – the right-wing parties’ activities in Europe. In this case, historical parallels with Fascism come to mind. The extreme right-wing parties raise their heads higher and higher in Europe. The influence of these ideas is manifested variously in different groups, and obstacles before elections are constructed by the election system, because the other part of the population opposes right-wing parties and their followers.

Notwithstanding contradictions between the right and the left, the first place on the agenda of European party policy today is taken by migration process. This problem became the main one in many countries which took refugees in. Fascist moods became stronger in Western Europe, such parties as Front National in France, Freedom Party of Austria show their worth more and more vividly. These parties have learnt doctrines for clearance of the system and take prompt decisions. No one wants war and expansion of space at the expense of military actions. The most successful of these parties combine the national idea with conservative values and social security.

One can find likeness between the present-day right-wing radical parties and their historical predecessors. Like some parties in the 1920–1930s, these parties offer Europe above-national projects, striving to encompass the whole Europe. Their main object in struggle is refugees, emigrants and those looking for a refuge. This refers to practically all parties, except for the Freedom Party of Austria. Most populist parties influence the policy of governments, even if their representatives do not occupy any significant place in government agencies, Parliament or any elected body. Over

the last several years we have been watching rivalry of social-democratic parties, which began moving to the more right-wing part of the spectrum, towards the right-wing parties, either in accordance with the wishes of the majority, or trying to attract the minority.

As for the traditional values of the emigration, it is possible that the governments of European states could better bring their demands into life, satisfying the nationalists, had it not been for the active struggle of the latter, urging the governments on to resist them. Traditional political parties are losing trust of electors now, but they still continue to occupy an important political place. Such problems as globalization, radical Islam, refugees damage the European super-national project and the very idea of the European Union.

**Al. A. GROMYKO:** – You touched upon the block of subjects, which can be discussed for a very long time. In particular, changes in the party-political system of the European Union states under the influence of circumstances, as a result of origination of new forces (radical left-wing, radical right-wing) or activation of forces, which were considered marginal not long ago, but now are included in the government in several states or head these states like Greece.

Now we are following elections in the United States of America. And when Sanders, a candidate for President of the USA, calls himself a socialist, it means something. And he is the eldest of the candidates, but most part of his electorate is young people. Communism and socialism were swear words in the bastion of liberal capitalist model not long ago. It means that there is something happening to the society there.

In the 1950–1970s, a discourse was wide-spread in Europe about small elite parties transferring into mass, class parties. There were parties of workers, big owners, for example, the Labour Party and the Conservative Party in the UK, then universal parties appeared, or “catch them all parties”, which oriented on the middle class, making 60–80% of the population. At present, the middle class is blurred, including in the USA (I know that from articles by American politologists). Social disparities start growing again, parties, which can be called class parties in some sense, originate – they stake on the poor or the richest.

The floor is given to Professor della Sala.

**Vincent della SALA:** – Mr. Chairman, I liked what you said about the concept of “sovereignty”. In my opinion, this concept determines a lot from what we spoke about at the Likhachov Readings.

What is sovereignty? A well-known British political philosopher Isaiah Berlin said once that it was not possible to have a half of sovereignty and not to have another half. Strictly speaking, there are no sovereign states on the Earth now. We should understand how flexible this concept is and how necessary it is to describe the contemporary world order.

The origination of “globalization” concept as the leading principle of national organization of a country can be referred to 1648. How and when should we use this concept and to what extent is it legitimate? We have to try to answer that all together and think which states are correlated with the concept of sovereignty in the globalization environment.

The current phase of globalization differs by important special features and not only quantitative, but quali-

tative as well. It separates states from one another, changing their inner structure. The rules are accepted by all, but they are changed inside separate states. This process which determines a new order of the state's actions is called new constitutionalism. Maybe, it has become possible because we change the rules of the game all the time and not ask people if they want the rules of the game to be changed.

The same refers to such movement as Euroscepticism. Should we have surveys as to the new order? What will flexible sovereignty lead to, when a part of it is lost and a part is manifested as it should not be manifested? When will the share of migrants start threatening sovereignty and state institutions? This is not a question of numbers or conflicts, but the condition of the state. If we have a "switched-off" state, we usually notice it when it performs a fiscal function (collects taxes), etc.

I'll give an example. When a seller of greens, selling Sicilian beans among other products, was asked "Where are your beans from?", he never said "French beans" or "Italian beans", but answered: "Sicilian beans". According to the rules, he was to write "Italian beans" as Sicily is a part of Italy. People buying these beans thought of Sicily as a separate state. Such situations contribute to Euroscepticism spreading. States in Europe still cannot manage with a whole number of problems, including manage migration flows. A distinctive feature is a seller of greens who uses the concept of "sovereignty" even in relation to fruit and vegetables.

**Al. A. GROMYKO:** – When states transfer a part of their authorities to the European Union, they do not only change themselves, but they also change the system from the inside. There is a whole area of studies in the politology of political space where this feedback operates. Many people think of the European Union as some organization which changes in one direction – from top to bottom. In fact, the more countries join the European Union, the more it changes from inside under the influence of the members themselves.

Your example with the beans is the one to remember – it can be called Euro overstretch. There was a thought about some tension heard in your words, may be not ontological but in the sense that one factor was not taken into account in connection with the European Union's expanding. It's diversity which, when overstepping certain borders, turns from an advantage to a shortcoming of development.

The floor is given to Mr. Sajjanhar from India.

**Ashok SAJJANHAR:** – We have come to the conclusion at the Likhachov Readings that globalization is developing very quickly and is an irreversible process. I would like to determine some temporal parameters. For example, the Great Silk Road existed from the 12<sup>th</sup> century and was used to carry goods by caravans from China, India to Asian countries and finally to Europe. It was called "silk road" because silk was one of the main products. Spices from India, gold, precious metals were also supplied.

The present-day globalization reminds globalization of the ancient times, that is not only goods are transferred but also ideas, thoughts, various religions. Buddhism from India reached the western part of China along the Great Silk Road.

Globalization is an irreversible process. The most important is speed with which changes take place. For the most part changes refer to new technologies, Internet, communications, travelling, telecommunications. People travel looking for a job, education, recreation, tourism, business and they should constantly contact each other. Because of that the concept of "multiculturalism" was introduced. The physical space, occupied by people, is also becoming narrower. People move from one place to another to be together. So, the relations between people have changed under the influence of globalization.

Globalization can also bring advantages. For example, my country has an important target to reduce a death rate. We have been solving this problem since the time when we launched open market economy in the beginning of the 1990s. We saved 1% of our population from getting poor. We managed to reduce the death rate from 38% down to 8%. Certainly, we were supported by foreign investments, capital inflow, etc. Transnational corporations became an extremely powerful weapon, even more powerful than states.

Globalization also has its drawbacks. First of all, the barbarian use of the environment causing the climate change. We have managed to overcome poverty but, second, the difference between incomes of the rich and the poor is very big and continues to grow. Third, the security issues are not controlled by us yet. No matter where meetings of WTO, United Nations Committees or international organizations take place, there are always people doubting that globalization is good, because of that they are fighting this phenomenon. It is necessary to solve problems on the intra-state level as well, in particular unite important segments of the society and make them active participants of the market.

**Al. A. GROMYKO:** – We have opened a new facet of globalization in the course of the discussion – this is globalization of ideas and world religions (Christianity, Islam, Buddhism). This certifies that it is possible to speak about globalization referring to the historical period more than 2000 ago as well. Globalization of ideas took place several thousands years ago.

Mr. Sajjanhar, you said that transnational corporations can be stronger than a state. Really, the budget of some transnational companies is bigger than GDP of some states. But this idea should be discussed in a context. For example, when the UK entered the war in Iraq together with the USA, big business, British oil and gas transnational corporations were against this war and directly said what they thought to Tony Blair. But politics won. The same refers to sanctions against Russia and anti-sanctions on our part. Big European business was against the sanctions and lobbied the decision, but politics won. That is, the economy, even in the form of big international transnational corporations does not always prevail in the decision-making mechanism.

The floor is given to Professor Galbraith.

**James K. GALBRAITH:** – I would like to go back to the issues from which we started the discussion today and about which Professor Ameli spoke. To what extent is globalization in its contemporary form America-centered? Even before the described phenomena, already in 1970, the USA increased the power capacities and resources on

their domestic market. After that the World Currency System was restructured. All that opened opportunities for the financial system, which was shaped after the 1970s. So, in some sense world systems developed symmetrically. Civilization is based on its own financial resources.

Besides, a psychological revolution having two aspects, physical and virtual, took place before 2000. Nationalization of American achievements in science and technology, aviation, avionics was started. Notwithstanding the fact that the budget in Japan was less militarized, America-centered nature of changes taking place after the war stayed the same.

The consequences of three waves of globalization, as well as resource and financial domineering, computerization of technologies served the reason for formation of a civil society. A political problem originated in rich states, cities, financial centers of the world as to what these states can do. In this case, national states can manage the land and natural resources. In this case, national states control their supply systems and electricity. The power lines infrastructure development followed, which most likely was not possible before.

An opportunity appears for national counterweights to come into life, but a choice of controls over the capital during the whole period is necessary. In 1885, the financial system was formed but such wide-spreading of investment development schemes was not supposed. Investment and tariff policy is not always successfully applied. There are other tools, which do not act anywhere except for China, with autocratic power. Contemporary governments, people, states are drifting in the direction of consumption development.

Globalization success in different countries could hardly be possible without political changes, which can be different in different states and lead to origination of certain political phenomena, including political crisis, connected with young electors' different understanding of social mechanisms. This is especially vividly manifested now in the USA when an elderly Jewish candidate is attracting American electors under the banners of Socialism. Many tendencies in Europe are developed in this direction.

**Al. A. GROMYKO:** – The floor is given to Mrs. Mosaffa, Professor of the Tehran University.

**Nasrin MOSAFFA<sup>1</sup>:** – I would like to thank the organizers of the Likhachov Readings for the invitation to speak at this conference. My report is dedicated to the subject of international cooperation, international order and problems of the whole humankind. I'd like to attract your attention to the following fact: during the two working days I am the first woman to present a report here. (As a rule, women's participation in a conference as a speaker is not welcomed.)

I'd also like to draw your attention to the fate of women and children at the time of military actions. How to explain sufferings of women brought to them by Daish and Boko haram in Nigeria? How is it possible from the economic point of view to explain problems which touch national interests of all states, globalization in the eastern part of Asia and other parts of the world? The world is big, because of that giving women additional power and authority is one of

the necessary measures for the world community. May be a woman should be elected the United Nations Secretary General, why not? Women should take part in conferences, make reports and examine all aspects of "women's" issues.

**Al. A. GROMYKO:** – The floor is given to Mr. Moratinos, co-manager of our session.

**Miguel Angel MORATINOS:** – I am happy because we are discussing an interesting topic, the connection between national interests and international affairs. In order to come to any conclusions, it's required to listen to various points of view. I think that such discussions are important both for the academic audience and politicians.

Most of us are of the opinion that globalization is irreversible. But I think that it is not necessarily so. The matter is that we do not want to recognize the complexity of the new world. Professor della Sala said that we required flexible sovereignty of states. We should welcome new authors of international relations, there may be national states among them.

The world has changed. But who rules the world now? There are a lot of such "rulers". They were superpowers fifty years ago, then the era of American world came – Pax Americana. It is possible that some day the world will change into a multi-national corporation, and non-governmental organizations will rule in it. Or, for example, women's associations. In any case, all structures take part in that and help to set up a new world. So, new players appeared and we should try to adapt to the present-day reality. This means appearance of a new agenda: new world-scale challenges, new terrorism, climate change, security, migration, new tools for solving problems.

A lot is changed by up-to-date technologies, virtual world. Other institutions are required, because of that we have to reform old institutions and set up new ones. How shall we do it? It's necessary for them to have legitimate power and authority, in order to have an opportunity to change the world system. And we'll have to go back to the key subjects, about which Professor James Galbraith said: they are resources, finances and power. We have been trying to implement some new rules and procedures from the very beginning, we have been speaking about our "global brotherhood", as Professor Jeffrey Sachs did, for two days. Natural resources belong to all people, not only to some states. How to make the world sustainable and developing? We have to coordinate that with the whole international community. As for finances, we have to decide, if the Bretton Woods System, which introduced mechanisms, preventing financial crises in Europe, should be preserved. But now they cannot already protect themselves. Alexey Gromyko said that there is possibly a hunt for resources going on. When the Bank of Holland starts influencing decisions of the European Central Bank, how should the market react to that? What should be done to finances from the institutional point of view?

The Internet should also be regulated. All of us should take part in it, there are a lot of possibilities for that. Success is only possible there where there are private sector, civil society, mass media – and everything is well-coordinated and working with a common goal in mind. This is a new world and new diplomacy. That is not the issue of national states but establishment of institutions which could

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help a new reform with participation of all players. This is what we should do in the near future.

**Al. A. GROMYKO:** – The question is who rules the world, in Russia it is called a question for a million dollars. From the point of view of the theory of global regulation and management, the question as to who will rule the world in the 21<sup>st</sup> century is the key question. Most politologists, experts in international relations in Russia stick to the polycentrism concept. The versatility concept, which is different from the polycentrism concept, is widespread in the European Union. And arguments about that will go on for a long time to come.

Polycentrism like globalization is inevitable, but various models of polycentrism are possible. Most likely, polycentrism will be hierarchic, there will be echelons in it (first, second, third). It's another matter that there won't be any impenetrable partitions between them, it will be possible to move between this and that state. That is it will be a dynamic model, but I hope that it will be stable in general.

Mr. Moratinos, you said that the United Nations required a serious reform. In my opinion, the reformation idea should be brought into life carefully, because in the course of poorly thought reforms it is possible to throw out the child with the water and kill what we had (even if we consider it ineffective today).

The floor is given to Professor Littlejohn.

**Gary LITTLEJOHN:** – I'd like to speak about the migration crisis in Europe and about the difficulties, which the European Commission had to deal with when determining the strategy for managing with it. The world is changing very quickly, and we have to react to these changes. The refugee crisis is connected with the problem of terrorism, which activated in the Western hemisphere. Politicians ignored advance notices coming from special services and partly encouraged refugees, and sometimes even made people leave their native places. Many refugees addressed them over social networks like Twitter, and it is seen that ISIL activities in Twitter were especially vigorous at the time of the day coinciding with California time. That is ISIL is represented in America as well, probably in California. This means that the organization is fairly complexly set up, and we should pay attention to that. Besides, there is no doubt that coercion is in practice and ISIL really got a lot of money to add – until several delivery routes were cut. In any case, ISIL has big financial resources. There is at least one source of information (though it was not confirmed) from which it is known that terrorists came to Europe via the Ukraine and will be trying to get visas to some European country. I do not know if that is true. Appraisals of the numbers of refugees who arrived in Europe differ, but most often they speak about 55 thousand people. German sources evaluate their numbers as 20–25 thousand people. I do not know if cases of arms smuggling were registered (I think they were not, people are too frightened now), but arrival of fighters with arms to Europe was declared by ISIL. Now the Greeks inform about a container full of firearms with cartridges, which was confiscated from one of the vessels.

Because of refugees Europe has to deal with special problems, in particular, riots and disturbances, especially, stirred up by Daish. But another problem is that cooperation between intelligence services is poorly arranged in Europe.

Terrorist acts took place in two big cities, where policemen speak the same language, and there was surely some connection between these two events. That is, attacks could be the work of one and the same group of fighters. Why do these problems arise at all? There is an intelligence service in the UK, and it would be happy to share information and in its turn get information from colleagues in other states.

It is possible that even a more urgent problem which we have to deal with every day is the time required for refugees' adaptation, and Europeans have to put up with it. It is necessary to pay attention to various factors and increase abilities in fighting terrorism as it was at the end of the 1980s. It is required to work out a strategy for fighting terrorism, join the Washington Consensus and certainly carry out one's own strategy at the same time. But meanwhile the European Union is being late, it does not manage to react to changes in the world in time.

**Al. A. GROMYKO:** – Professor Galice, you are given the floor.

**Gabriel GALICE:** – Dear colleagues, in order to eliminate mixing the concepts of globalization and globalism I suggest you to read Henry Kissinger's article in the *Washington Post* dated October 5, 1998. I'll tell you the most important from it. According to him, the whole idea of globalism depends on the world political and economic organization. In contrast to the economics, the politics divides the world into national formations. And why do political leaders suffer politically to a certain extent in order to develop economy? They cannot agree on forcing them to such derivatives from their issues, which are brought from abroad.

**Al. A. GROMYKO:** – Thank you for drawing our attention to the principal difference between these two terms. The floor is given to Lord Moynihan.

**Colin B. MOYNIHAN:** – Debates on sovereignty within the limits of the European Union are in full swing in the UK now. I'll risk to forecast: most likely the decision to stay in the European Union will be taken but with a very little difference in voting between for and against.

In case of traditional full sovereignty any state is first of all guided by the national interests and its own problems. There are arguments in the society as to limit the national sovereignty in the UK or not. We sacrificed a part of our sovereignty when we joined the United Europe in 1973. And as a part of the European Union we can discuss the level of sovereignty we require. There are aberrations, one of them is Sicilian beans. I'd recommend saying "Italian beans from Sicily".

It's important that each government can examine the form and amount of sovereignty. We delegate our sovereignty to NATO, the European Union, but are we thinking about it being possible for us to return it? In the globalization environment, we, the British, often discuss our national interests and sovereignty. Ability to preserve the sovereignty means a possibility to refuse from laws which infringe it.

There is an interesting point of view about the Google platform. Google is not necessarily providing this platform. Google is formed in the algorithm which is mostly demanded by users. How do they imagine it, in what order?

How do we cooperate, what should we do? I cannot disagree with what James said. He is against deregulation, but makes a lot of provisos, and I think that all of us will be better for that. Certainly, he can judge better as to what is good and bad in those matters. Finally, I believe that the result of debates will lead to the common gain and will allow to create a stronger Europe. In this case, I understand people of the member states of the European Union. We cannot do anything ideally but we have to exert our efforts to reflect in the best possible way the will of the people we represent in various spheres – political, social, educational, etc.

At the end, I'll say that I agree with the expressed opinion on the strengthening of women's role in elected international bodies, including in the United Nations. It's commendable that colleagues have raised this issue.

I am very grateful to the emcee of our conference and I am happy to be able to take part in it.

**Al. A. GROMYKO:** – Dear colleagues, the floor is given to Academician Valery Alexandrovich Chereshnev.

**V. A. CHERESHNEV:** – I am neither a politologist, nor a humanitarian, I am a doctor, an immunologist. We are discussing international partnership and national interests here today. I want to speak about science in international relations, in partnership, because thanks to science we are sitting here, discussing various issues independent of the relations formed. Science is international, but as Pasteur wrote, all of us are national. And the state, where the science is in the first place, is in front. That is science determines a lot of things. What is G20? These are advanced states from the point of view of science – all of them without exceptions. While 10 states are engaged in fundamental science, approximately eight fundamental areas of focus, from mathematics to geoscience, science of life, there is world-wide gradation into economical and humanitarian sciences in the others. Science occupies an advanced position in all those countries.

And we especially have to speak about science here as Saint Petersburg is the cradle of Russian science. In 1724, Peter I ordered to set up the Academy of Sciences and Arts in Saint Petersburg. Later it was divided, and the Saint Petersburg Academy became the Russian Academy, then the Academy of Sciences of the USSR, now it is again called the Russian Academy of Sciences. I am saying all that for a reason. It is well-known that Peter went to Holland, England, Germany many times, and thought for 25 years about how they strived to build a secular university in illiterate Russia, with only two higher educational establishments and religiously inclined to add – Spasskiye Schools (Moscow Slavic-Greek-Latin Academy) and Kiev-Mogilyanskaya School, and Dorpat University as well, but they taught in German there. When Lomonosov came to Germany in 1736, the first thing that amazed him was the University of Marburg celebrating its 250<sup>th</sup> anniversary. He said: “How can this be? They are celebrating the University's 250<sup>th</sup> anniversary and we have two church schools?”. Because of that when he returned to Russia, he brought his idea of setting up the Moscow University into life in 1755. So, the University in Moscow is the result of work of Mikhail Lomonosov and Count Ivan Shuvalov who helped him.

Lomonosov wrote his famous letter to Shuvalov “Thoughts about reproduction and preservation of the Rus-

sian people”, in which he said: “Greatness, power and richness of any state consists in preservation and reproduction of the Russian people”. It was in 1761. This letter is considered to be the first paper on demography in Russia. And what do we see today? A special term appeared in medicine and sociology – socioptosis, which means destruction of your own people. This term has been existing for three years already, by the way, it was taken from immunology, derived from the term apoptosis, which is destruction of cancer cells by immune system killers, and here we have socioptosis, which is destruction of your own people. It has never happened before, and now it came into being in a number of states.

I want to say that scientists certainly worked a lot, did a lot to help Peter I to find a solution as to how to set up an academy in Russia, where there was not a single Doctor of Sciences. They found a genius solution. Peter was to set up a university at once, attached to the academy, and a gymnasium attached to the University. And what about academicians? Seventeen were invited – from Switzerland, Germany, France. The youngest was Leonhard Euler (19), the eldest was Jacob Hermann (42), both were from Basel, Switzerland. Both of them were elected academicians at once. Euler was a great mathematician, two years before the invitation to Russia he graduated from the faculty of medicine, and he immediately became an academician in Russia. By the way, both great scientists – Lomonosov and Euler – are buried here, in Saint Alexander Nevsky Lavra (Monastery), in the old cemetery. That is foreigners brought their scientific culture, but after that our scientists struggled for 150 years for Russian scientists to take advanced positions in their own country. Already when Nicholas I was reigning, when the Crimea campaign was coming to the end, there was another crisis, and the science in Russian started developing very rapidly at the time of Alexander II. And during the last 290 years, with the operating Academy of Sciences, Russia has always been in the top ten of the world science.

We are speaking about technological setups, their replacement, etc. And who thought all that up? It was thought up by 45-year-old Russian, Soviet Professor Nikolay Dmitrievich Kondratyev, who was executed by shooting in 1938 for proving that, as it turns out, the movement of economy and society depends not only on the class struggle but also on changing of technological setups. He singled out six setups, starting from 1780. That is, it was possible to analyze more than 100 years already. The first setups are anthropogenic technosphere, which is existing for 200 years already, and there was primordial world before that. That is industry is developing on the rise for 200 years. Now we have the peak of technosphere. Vladimir Ivanovich Vernadsky, one of the founders of the Ukrainian Academy of Sciences, Simferopol University, an outstanding scientist who was at the head of the atomic project of the Soviet Union, created a science of noosphere (the name coming from Greek words meaning mind and sphere). He said that the noosphere would inevitably come after technosphere, otherwise we'll kill ourselves, perish in technosphere. And so it turns out as follows: from 1780 to 1830 – 50 years, after that 50 years until 1880 and another 50 years until 1930. The third setup ends in the 1930–1940s and the Soviet Union was still in the second setup when steam engines were domineering and 90% of the population lived in rural areas.

The Great Patriotic War was that powerful shove, innovative breakthrough as they say now, which stimulated the state's development in all areas. Kondratyev calculated that each setup lasts for approximately 50 years. And he calculated that the fifth setup would replace the fourth one in 1985–1990, it would start in 1990 and would end in 2040, and after that the sixth setup would start. He did not know what that setup would be, he did not say that it would be the period of robototechnics development, NBICS-technologies (nano-, bio-, info-, cognitive and humanitarian and social technologies). But he said that there would be approximately six setups, the sixth would end in 2090–2095. Now sociologists are saying that the higher the setup, the quicker the acceleration, and not 50, but 35–40 years are enough for a setup development. We see that in 1990 the age of microelectronics started, 26 years passed and the sixth setup is already 20–30% developed in the G7 developed countries. Now we have the boom of NBICS-technologies and robototechnics, consequently, if the same acceleration continues, the sixth setup will end approximately in 2050–2070.

Certainly scientists forecast all that, but how is it realized in the real life? Russia broke the order of succession of setups – this is confirmed by everyone – and during the period from 1930 to 1970 jumped from the steam engine epoch into the heavy engineering epoch, because, I repeat, the biggest catalyst was the war, which took 27 mln lives, which brought about giant tension of all people. The whole Academy of Sciences worked for the industry – they did and did, and did. For example, Evgeny Oskarovich Paton, director of the Electric Welding Institute in Kiev, Ukraine (he also worked in Nizhny Tagil) created new armour for tank T-34, which today is called Mercedes on battlefield because it is all-terrain, light, etc. This is the best tank of World War II, which was recognized by all experts (I am only repeating what engineers are saying). And because of that the science is certainly making a very big contribution into development of the country, no matter that we say that development of the science depends on the state of the country, traditions, etc.

Today many countries have nuclear weapons, but who made nuclear weapon from zero to the product? The first were the United States of America and the Soviet Union. Other countries only borrowed from us. Why? Not because they have no scientists but try doing everything from zero to the product – it is a giant article, pure plutonium. Respective transport, protection measures and safety measures, testing grounds, etc. are required. At the same time, the science demonstrates: where do testing of atomic, nuclear, hydrogen bombs take place now? We have not heard anything about that for 30 years already – they do not blow anything up in the Nevada desert, they do not blow up in Semipalatinsk, they do not blow up anywhere over the so-called Big Land. And where are the practical tests? Science, mathematics, computer modeling allowed to avoid real tests. Several thousands parameters for testing the latest weapons are entered into a program – and computer modeling demonstrates and tells everything: what the mortality rate is, what the shock wave is, what the radiation is, etc. That is, the science again.

Let's come back to history. The authority of the Russian Academy of Sciences in the 18<sup>th</sup>–19<sup>th</sup> centuries was fairly high. By the way, it was located on the Vasilyevsky Island, in the building built in 1783 by architect Quarenghi by the

personal order of Catherine II (RAS Saint Petersburg Research Center with Zhores Ivanovich Alferov at the head is located there now). This is a wonderful building where the panoramic mosaic “The Battle of Poltava” handmade by Lomonosov himself has been preserved, Peter I is depicted on it. Certainly, a lot of things change in our mentality. When 20 years ago I was in the outskirts of Poltava (at the conference at the Poltava Medical Institute), we traveled to the site where the Battle of Poltava took place (when Russian armies defeated the Swedes). And for the first time in my life I saw a small monument made from cannon balls, without a pedestal, and a plate on which it is written: “To my teachers the Swedes. Peter I”. It's hard to imagine anything like that now. That was the attitude to teachers no matter the situation.

It's necessary to analyze, to understand that there are values common to all mankind and there are ours, national. It sometimes happens that after many years the one who was the main enemy, even hated you, becomes the best friend. This is human psychology. The only thing that should be done is to stretch the processes in time, because at first the effects are too strong, and when everything is prolonged, everything is rethought, re-evaluated, you start understanding all circumstances. We should pay a lot of attention to scientific researches, striving to make our country definitely developed from the point of view of science, no matter if it is small, higher educational establishment science, applied one, but science. Because science makes you think, evaluate, and approach international events objectively.

And I want to end my speech reminding that in the past we appreciated the science highly, and the Academy of Sciences was respectfully called “Vatican on the Vasilyevsky Island”. It was an impregnable, inaccessible, majestic “state inside state”, it was impossible to get in, only a few could do that, and they determined everything then. If an academician wrote a petition to the Tsar, the regulations provided for him to be received not later than on the third day and may be even on the second. That was the attitude to the Academy of Sciences in Russia at that time. I am ending my speech with Lomonosov's words: “Science is the most important, the most wonderful and needed thing in human life... it is a loyal and ever-present companion”. I understand that he referred that to his time but it should be relevant in our times as well.

**AI. A. GROMYKO:** – Valery Alexandrovich touched upon the subject, which we have not spoken about yet – the function of science in the society and in history in general. I think that this subject speaks about one thing more – about presence or absence of strategic thinking in development of this or that state, this or that society. It seems to me that not a single state, and Valery Alexandrovich said about that very clearly, is able to attain great goals and become a leader in this or that field if it has no strategy. And science is undoubtedly always a strategy. The thought about technosphere and noosphere was very interesting. The 20<sup>th</sup> century, especially the Cuban Missile Crisis (known in Russia as Caribbean Crisis) of 1962 very vividly demonstrated how human mind can lag behind the development of technology and thus literally put the world on the threshold of self-destruction. Thank you, Valery Alexandrovich.

The floor is given to our guest from the Ukraine Professor Petr Petrovich Tolochko.

**P. P. TOLOCHKO:** – Dear colleagues, the globalization problem and fighting for national and regional interests, which we are discussing, are actually eternal. That problem has been on the humankind agenda since very old times, and all that already took place. And we have to realize that globalization is not a charity action but competition for supremacy, resources, regions. And there is no full harmony between the globalizer and the globalized, though the globalizer often brings something positive. Let's remember that the Roman Empire made half of the continent happy with its civilization, and all those people later really did develop more quickly in comparison with barbarians who were not behind the Roman Limes. But what happened? In return, these "happy" barbarians ruined Rome. They ruined Rome, broke marble statues, well, they destroyed the Roman civilization world.

It seems to me that something similar happened to the Soviet Union in our times. It was not an ideal formation, but after its disintegration many nations, included in it, already had their structured state, precise borders, management institutions. When the Union was no more, these states continued their independent development already in organized forms. And all together they "gratefully" spat at the USSR and cursed it. Here we have a certain contradiction between a globalizer and globalized nations. It seems to me that globalization does not only give but also creates opportunities, conditions for nations to get something as a result of this process. Some nations manage it, others do not. One of our colleagues was asked a question yesterday as to how it happened that at the dawn of our new stage of globalization, which already came from there, from the United States of America, Poland, which had worse positions at the start than the Ukraine, went much further forward, and the Ukraine lost even those globalization advantages, which had been given to it by the previous stage of Soviet globalization. Actually he did not answer this question. And I do not have such answer either. I just established a fact that there is this question. And where is the answer to it?

Is the new globalization, which came to us from Europe or the United States, bad, or are we imperfect and cannot use the fruits of this globalization? This is the question which also requires an answer. Another question was raised yesterday by Mr. Moratinos. He did that very strikingly and with pathos: who should rule the world in future? It seemed to me that the international practice found the answer to this question, creating the League of Nations first and then the United Nations Organization. If a high ranking diplomat questions this imperative, then something is wrong with us. If the United Nations Organization does not rule the world, then a globalizer will rule the world. In this case this is the United States of America and may be it will be China, India or someone else after some time. I do not think that this is the way the humankind should follow. And it seems to me that the authority of the United Nations should not be questioned, because then we'll definitely never coordinate the international globalization features and the national ones.

**AI. A. GROMYKO:** – Thank you, Petr Petrovich, including for drawing attention to the role of the United Nations Organization. We remember how in the beginning of this century the question as to the necessity in general to have the United Nations was very seriously discussed. During the period of neoconservative foreign policy of the

United States it was announced at a very high level that the UNO is not an authority for the leading state of the world and not a venue to which attention should be paid.

The floor is given to Bruno Desgardins.

**Bruno DESGARDINS:** – In the years of the cold war I was a student, the foreign policy was characterized by the expression: "Impossible but nevertheless probable". Now the context is certainly completely different. We live in the open world, and national interests should be accompanied by international partnership. I'll try to prove this by two theses.

First, today many countries have so many deadly weapons that they are capable to destroy the planet, and this may happen unintentionally. The share of the USA – the most developed and the strongest power – is 20% of the world GDP. They took part in five wars during the history of their country. The United States were not successful in Vietnam, Afghanistan and Iraq, though it seemed that they could easily be. And the present-day experience of many states certifies that they cannot control migration. 20 biggest states produce 85% of the world GDP. A question arises: why the share of the rest is only 15%? It means that they are very weak and backward.

Second, today democratic regimes all over the world are challenged – for both internal and external reasons. Inner challenges include social ones, generating populism, and economic ones (deflation). The external challenge is the threat of terrorism.

Globalization is not such a big threat as many people think. It is aimed at stopping the uncontrollable development of capitalism in order to allow our economies to open to the outside world, but not to be isolated with the protectionism.

When we had a boat trip along the Neva River and enjoyed the beautiful sites of Saint Petersburg, we were told that the city had been founded by Peter I and before him Russia had been a poorly developed country. Later, when Catherine the Great reigned (who by the way was of German origin), the country changed even more, though updating was a little bit late in comparison with European states. The matter is that when Peter I became the Tsar, he spent 18 months in Western Europe in order to take the best ideas from there. He invited European scientists and architects to Russia – Italian, French, Dutch. We see the success of this politics even today as we see the achievement of the country at the times of Catherine II.

The policy of isolation and border locking has no future. History knows examples of China with its Great Wall, the length of which is 800 km, the United States, which continue conflicting with Mexico, notwithstanding close ties in the economy and culture. Now the Israeli are trying to build a wall between their state and Palestine. People want changes and openness towards other states and nations. Economically, the European Union (16.5% of the world GDP) is only slightly behind America, and I think that our partnership is very useful. Europe has a chance to deepen and strengthen solidarity. We need it in the international context.

Finally, as history shows, protectionism has never led to success. What takes place in the economy as a result of protection measures? We begin making products inside the country, which we can import at a much lesser price, thus increasing our expenses. Let's imagine that now the states



within the European Union, for example, Italy or Spain, will decide to return to their national currencies. Interest rates will go up, inflation will increase, and as a result the standard of living will go down.

We have already gone far from the Peace of Westphalia of 1648, when delegates of European states assembled and stopped the Thirty Years' War. Today everything is different, but we share the same values.

**Al. A. GROMYKO:** – I am surprised that each of the participants taking the floor manages to raise very important questions, notwithstanding that so many have already been discussed. You told about the impression Saint Petersburg made on you. I want to say that Saint Petersburg is possibly one of the most successful Peter's projects. But a question arises, which can be called the question of the progress price. Saint Petersburg was built paying a very high price in human lives. There is a popular saying that the city stands on the bones of its builders, and I think that it is possible to give a lot of such historical examples; for example, industrial revolution in England was also carried out at a price of many human lives.

A very interesting subject referred to the Westphalian system. Personally I think that none of the models, which existed in the previous centuries, disappeared. Some of their key principles flowed into new models, and the Westphalian system gave us the principle of national sovereignty. However, not national sovereignty as there were practically no national states in that century, but state sovereignty. And it is very interesting to read about the meetings which led to the Peace of Westphalia. At that time, the principle of sovereignty was put so high that the protocol for these meetings provided for that all heads of states should enter the room at the same time. Several doors were opened then – and there were to be as many doors as there were leaders – and everyone entered the hall simultaneously in order to avoid any succession as to who enters the first, who the second, etc. By the way, the details of how these protocols were worked out and observed at that time are very interestingly described by Kissinger in his book.

The floor is given to Mr. Ameli.

**Saeid Reza AMELI:** – I'll touch upon national and international aspects of dealing with conflicts on international scales. In connection with that I'll return to the globalization concept which, I think, contains the idea of global neighbors. To tell it figuratively, all of us are in one boat. The things taking place in my country, influence your life, the things taking place in your country, are reflected on mine. Because of that discrimination of the minority is always equivalent to discrimination of the majority. If Islamophobia flares up in Europe, it will affect everyone. For example, 1 million Muslims live in London. In essence, they are repressed minority living in fear. And not only in London. According to the public opinion surveys in Germany, France, UK, USA and other Western countries, practically 80% of Muslims constantly live in fear.

We often say that times have changed. But how are the physical time and the virtual time connected? The time in the physical world is a category about which Newton spoke. We perceive time as a movement, distance and speed. These are the three components to which time is directly related. The more the speed is, the lesser the distance. And what

takes place in virtual space? There are no distances there. We overcome the time concept, but the idea of movement and speed stays. We are speaking about the synchronized time: seven days in one week, 24 hours in one day, 365 days in one year. But today when we are speaking, for example, about Africa from the point of view of Americans, or Iran from the point of view of the UK or Russia, we think of Africa as something being close and not somewhere far. Because of that it is necessary to know how to deal with conflicts. Politicians, when expressing their opinions on various issues, depend on their parties. We often do not say what we want to say. Scientists are trying to be more realistic. They are not tied by being some party members and they are not limited by traditional dogmas. Sometimes it is necessary for them to “unget to know” – to get rid of everything known before, bury the past and start everything anew, from a new page. Possibly, this is a postmodern approach but it may turn out to be useful.

The Ten Commandments say what is good for you and the others and what is bad for you and your neighbor. Today we should be governed by a new idea: what is good for my neighbor is good for me as well. And evil may come back like a boomerang. Because of that our past may fire into the present and future.

Let's look at the world soberly. Do we need big armies today when one person can do as much as no army is able to do? Violence is not a derivative either from Islam or Christianity – it is done by criminals, bad people.

We have three obstacles in front of us, hindering to deal with conflicts on international scales. The first is political dogmas, when people are guided only by political goals or interests of a single state. The second obstacle is military business standing behind many international conflicts. As a result such measures as sanctions appear, such moods as Russophobia are spread. In the 20<sup>th</sup> century exactly the military and industrial circles created anti-Japan sentiments before both world wars. After the Hiroshima and Nagasaki events, Americans were not either indignant or horrified. On the contrary, many people said: “Why was not the whole Japan bombed?” Today similar wishes are heard in relation to Iran, because there are anti-Iranian sentiments. Trillions of dollars are spent on military goals. This is business, and those who are engaged in it, require such a state of affairs in order to sell murder weapons.

The third obstacle is mass media. They create the illusion of understanding and change of the reality. People first coming to Iran say that they imagined it to be completely different. The matter is that mass media have their own goals. Western journalists want to show that they are impartial and just, but this is not so. And I want to say that bad understanding creates bad presentation. Mutations, changes lead to a person becoming a nobody. And when a person is not a unit of value, he has to prove his importance. Because of that we have to win acknowledgement and respect again.

**Al. A. GROMYKO:** – Mr. Ameli, in connection with what you said, I'd like to remind once again that recently Sadiq Khan, a Muslim, was elected a new Mayor of London, which is certainly a noteworthy event. If I am not mistaken, until now there has never been a Muslim at the head of any European capital city, and this event in the UK shows that announcements of the multiculturalism death made

some time ago were, in my opinion, wrong and mistaken. The overwhelming majority of those who come to Europe and stay there are law-abiding people, who make their contribution into the life of this continent.

Several years ago the second in the number of residents city of the UK Birmingham crossed a certain border, now more than 50% of the population are not white people, and the majority of the majority of Birmingham population are Muslims. Those who went to Birmingham 30 years ago and recently can compare it, the city has certainly changed greatly, including visually, but in general the peace between religions and ethnoses has been maintained all these years. As we know, no terrorist act has occurred in Birmingham, which says that mixing of population in Europe, which has been going on, in my opinion, for thousands of years, will not become a problem in the 21<sup>st</sup> century either, if passions are not aggravated politically and artificially.

I'll remind that the Soviet Union was a 40% Muslim state. Now this percentage is two times lower – approximately 18–20%, but nevertheless the state knows about multiculturalism not by hearsay – it was characteristic of it for many centuries. Because of that enrichment by experience, about which it was said here today with Peter I as an example, is possibly as important for our states in the 21<sup>st</sup> century as it was during the previous periods.

The next to be given the floor is Mr. Sajjanhar.

**Ashok SAJJANHAR:** – I'll tell in short about the experience of my country. India started joining globalization in the beginning of the 1990s. It was not the best time for us to become an open state from the point of view of the economic and political climate. We had great opportunities, however, we did not use all of them. When the Soviet Union, which was an important partner for us in all areas, disintegrated in the beginning of the 1990s, India had a real shock. We had state foreign currency reserves only for 10 days. India joined the globalization epoch at that difficult time.

In India for any private entrepreneurship, it was required to obtain a license and at the same time to satisfy several requirements. But then the development of trade, investment, and production began, including with participation of foreign capital. For the last 25 years, India has spurred forward greatly, though we hear often that we have to move much quicker and open our economy more. But we do not want to use shock therapy as it was done in Russia, but we are for a controlled and regulated process.

Today, after 25 years of reforms our GDP reaches 2.3 trillion dollars in nominal value and about 8 trillion dollars in purchasing power parity (3<sup>rd</sup> place in the world). Growth rates are more than 7% per annum. I think that this is reassuring dynamics. It's clear that far from all problems were solved in the country. There is still a lot to be done in education, public health, agricultural production as still 65% of the population live in villages. But we understand that if we do not increase the size of the "pie", the shares obtained by separate "eaters" will not become bigger. We have to remember that globalization refers not only to products, finances, technologies, etc. The main thing is that we are already on the way of knowledge economy development. At present, neither state can develop without that.

In order to reduce the gap between the incomes of the rich and the poor sections of the population, it is required to develop private entrepreneurship. State regulation and con-

trol over the private sector have been playing a big role until now. Now we have much more opportunities from the point of view of improvement of the investment climate, creation of modern standards and rules. In this context activities of international organizations, with the help of which it is possible to harmonize national and global interests, are of great importance. In view of that I'd like to mention two aspects. On the one hand, the United Nations had an excellent initiative, creating a global program for private enterprises basing on observance of ethical requirements. It's said there that it is required to stimulate profitability of the private sector as its development helps flourishing of the society as a whole. This is a sure strategy. Thus, India acts in the interests of its citizens. On the other hand, a big number of transnational corporations operate in the country.

At the end, I'll say that the role of the United Nations Organization in international community should grow. The United Nations announced the millennium objectives in culture, public health, education, etc. on the threshold of the new century. But after a decade and a half we felt that though this program is being implemented, it is done only in developing states. But there are no requirements brought to developed states as if they have already reached the ideal state of affairs. Now we are speaking about the sustainable development goals, which were worded last year on September 25 at the General Assembly of the United Nations. I think that this is a more realistic program as it contains requirements to all states – both developing and economically developed which should change their consuming and production standards. This is very important. When we are speaking, for example, about the climate change, we expect business in every state, on all continents to fight for the same parameters from the point of view of ecology and other factors influencing the climate.

300 mln people or 4% of the population of the Earth live in the USA. 17% of the population live in India, and we manufacture only 4% of the world GDP – it is still very little. Sooner or later we'll require more power. Today 33% of my compatriots are deprived of the access to power, and there are very few natural power resources in the country. Taking into account the pronounced goals of sustainable development, we are striving for change of standards of living, achievement of balance between consumption and production. This is very important. As for international partnership, it is required to work out rules which will be observed by all states, and direct efforts to certain areas of focus in order to provide good living standards for everyone.

**AI. A. GROMYKO:** – It seems to me that the factor of India is not taken into account to the extent it should be taken into account in the forecasts for the 21<sup>st</sup> century, at least in those, which I am familiar with and which are regularly issued by various think-tanks in European countries. Just 10 years ago it was very popular in Europe to write that the 21<sup>st</sup> century will become the century of the so-called Euro-sphere, with the European Union as the nucleus. Then those hopes were broken by the constitutional crisis in the European Union and after that the world economic crisis and all the accompanying consequences. There was a lot written about the 21<sup>st</sup> century becoming the century of China but very little about a possibility of its becoming the century of India. I am not an expert in India but I imagine this state as

something like a half dozing giant who will wake up soon and will take its stand in the 21<sup>st</sup> century.

Those who say, for example in the UK, that it is possible to exit from a regional association and count on your state's winning from it in comparison with such giants as India and China, are somewhat wrong. There are practically no states now which could count on advanced positions outside some regional, strong, effective and advanced associations in the 21<sup>st</sup> century. Thank you for telling about your country, its contribution to the world development.

The next to speak is Professor Littlejohn.

**Gary LITTLEJOHN:** – I'd like to refer to the last Mr. Chereshev's theses: we have to look not into the past but the present. Russia has highly developed science and a great military potential which, I think, is undervalued. At present, the state of affairs is fairly dangerous reminding the well-known Caribbean Crisis. Possibly, someone thinks that it is possible to neglect Russia but I think it is a big mistake. Because of that I'm addressing diplomats: please, carefully weigh every word and check up every step. We saw successful actions of Russia in Syria.

The potential of Russian science is also very high. In 1993, I had an opportunity to be convinced in that personally when I visited the Obninsk Institute for Nuclear Power Engineering. I emphasize once again: let's be attentive and careful in words and actions.

**Al. A. GROMYKO:** – Professor, you spoke about the importance of science, including in our country, and it is absolutely clear that science always meant updating, reforms. One should say that reforms differ. There are very heated arguments going on in Russia today about reforms and I'd say not reforms but reformation, which may not as much promote science as slow down its development. We have fairly large-scaled reforms carried out, including in academic science, but one should say that as much good reforms can promote development of the state's intellect, and so ill-thought-out reforms may cause damage. Because of that reforms are certainly always required by any state and society but if they are not thought-out and carried out, for example, by non-professional scientists, it may lead to negative results.

The floor is given to Mr. Köchler.

**Hans KÖCHLER:** – I'd like to share my thoughts about national interests at the global and regional levels. I'll remind Walewski's maxim expressed in the 18<sup>th</sup> century, which is nearly forgotten now. He said the following: "The task of diplomacy is not to forget one's own interests for the benefit of peace all over the world". Alexandre Walewski was French Minister of Foreign Affairs from 1855 to 1896. A lot of time has passed since then, but his standpoint is important today, may be even more than it was then, especially from the point of view of national interests. This concept meaning the necessity of balance between national and world interests should become the foundation of the new world order. The balance between interests will not be attained if inter-state organizations do not manage with this task – the United Nations, European Union, etc. The foundation of national interests is contained in one of the basic UN principles formalized in the Charter. This is the principle of sovereign equality. Sovereignty

means the right of each state and settlement to live according to its rules and follow its interests, but on the basis of equality and reciprocity.

I started my speech with Count Walewski's maxim, because I understand that some states on the international arena are stronger than others, and they behave themselves proceeding from their national interests – as if these are common for all mankind interests. I see the problem in the UN Charter in its present form, which is strengthening the positions of strong states. The events took this turn as a result of the balance of forces which existed at the time of the cold war. Such one-pole structure will exist until a new one, multi-pole, develops.

The Security Council of the United Nations Organization, the decisions of which are obligatory for all sovereign states of the international community, is still organized in such a way that it is not compatible with the ideas of equality and partnership, because only five states have decisive votes. These states embodied the balance of world powers in 1945 and enjoyed some privileges when the Charter was written. However, the United Nations should be in conformity with the changing times. The Charter should be changed in such a way as for the regions and even continents, which are now excluded from the security system (Africa, Latin America, the whole Islamic world, etc.), to have their permanent representatives in the Security Council. But now we are seeing a gross misbalance. National interests of big regions are represented insufficiently, thus the legitimacy of the whole UN is undermined. It is required to adopt another Charter, in which another balance of forces will be presented, otherwise the same fate awaits the United Nations as the fate of its predecessor.

We can be guided by the European Union experience. Though there is evident misbalance there as well in what refers to national interests and common interests of the European Union. This was manifested in particular in the Council of Europe when decisions were taken with respect to the migration crisis. Estrangement of many people (the so-called Euroscepticism) led to many people's dissatisfaction with Brussels' actions, and clashes of interests of a number of member states of the European Union, which cannot solve this important political problem, may be the consequences.

Last year a giant number of migrants arrived to the territory of certain states, in particular Austria, Germany, and Sweden. Many of them have no identity papers at all. Austria, Hungary, Czech Republic, Slovakia, Macedonia, Serbia, Croatia, Slovenia united into an alliance to protect their interests. Many people do not agree with the policy of refugee distribution over the countries, saying: "We cannot answer for the consequences of the policy of separate European Union members". Our political leaders and the population are not ready to obey one of the biggest states of the European Union – Germany. There are heated arguments, opinions differ. This may lead to negation of the idea of solidarity and cooperation on the European level, which is already manifested in Austria: most Austrians are voting for exiting the European Union.

And the main question here is national interests – the requirements of people of the country, resentment of dominating of one country and the policy it carries out, which often contradicts the interests of other states. This is one of direct and evident testimonies for us in Europe of the fact

that national interests should be determined on the basis of reciprocity and equality. People practically cannot influence stronger states of the European Union. Such sentiments grow and in the result this can cause cardinal changes of the political landscape. Today we are already witnessing that in Austria though nothing like that could have been supposed only several years ago. These are tectonic shifts. I am speaking about Austria because this is my country and the same takes place in other countries.

**AI. A. GROMYKO:** – Mr. Köchler, you raised the issue which may make its contribution or on the contrary slow down development of global management and regulation in the 21<sup>st</sup> century. This is the question of reforming the United Nations, including the Security Council. And really, 1945 was a unique period of time. Several months between the victory over Germany or the last days of war and the events which started developing already in 1945 and as a result led to the cold war – it was a small, one can say tiny from the historical point of view window of opportunities for creation of such organizations as the United Nations and the Security Council on the principles based on which it was done. And it is natural for us now that the Security Council works using the right to veto, consensus. And in the past there were a lot of arguments as to that, and for several months between the conferences in Dumbarton Oaks and San Francisco the USSR and the USA could not agree on the right to veto. There have been talks for many years already as to what states can enter the Security Council, but we know perfectly well what problems are associated with its expansion. There are three states from Europe already in the Security Council, and all other regions of the world think it problematic to increase the number of European representatives by Germany.

The idea of the European Union's taking a seat in the Security Council is connected with the necessity for France and the UK to refuse from their seats, but neither one intends to do it. For example, Japan has not signed a peace treaty yet with one of the Security Council members and naturally this state of affairs makes it impossible to solve the problem of this state's membership there. That is today we have the imperfect United Nations, imperfect Security Council but they are the best that can be now. Because of that I think that the time for reform you spoke about has not come yet. You mentioned a very important event, which will take place in Austria tomorrow – the runoff presidential elections. It's a unique phenomenon when candidates from both leading parties of the country quit the struggle at the first stage. Really both the Presidential campaign in the United States and what is taking place in the political life of Austria are exactly manifestation of, in my opinion, very deep shifts in the development of states and regions.

The next to speak is Doctor Jerzy Wiatr.

**Jerzy J. WIATR:** – I'd like to make two remarks. The United Nations has been built on the principle of compromise from the very beginning, and it is always required to pay for compromises. The new UN format may put an end to the principle of balance of interests of the leading powers. This is far from the ideal solution but only the UN destruction can be an alternative. There was a time of the cold war when the Soviet Union was constantly in the minority when voting in the United Nations. Another state, the Unit-

ed States of America, was also often without a support at the meeting of the UN General Assembly. If the UN reformation is possible at all, then not radical but just "cosmetic" one, as the main principle of the organization is maintaining the balance of national interests of the leading powers, which is necessary to do.

Now about the European Union. Is it in crisis? I think, yes, though everything depends on our understanding of this concept. Crisis is not an incurable fatal illness but a point to make a turn. I think that the European Union will have to take a difficult decision in order to correct previous mistakes and consequences of the unfinished integration process.

Integration into the EU was originally grounded on the basic market theory. Today politicians in my state want to return to the common market. That is from all advantages of uniting they select only the common market – without interferences from the outside into the affairs of state which treat their people in the right or wrong way. I think that it is necessary to move exactly in this direction. But we'll have to make at least one more step. I think that coordination mechanism and limitation of the states sovereignty taking into account their treatment to people will inevitably strengthen in the European Union. In my opinion, there is no way back here. This is a difficult process, but it will continue.

The next problem is overcoming the consequences of mistakes. First of all, what are these mistakes? I'll name three main ones. First, wrong attitude to the Arab spring. The Europeans proceeded from idealistic ideas that a dictator's leaving is always a positive event. Now we know that it was wrong. Second, one-sided attitude to the crisis in the Ukraine, examined in black and white colours: Maydan is all white, Russia is black. As a result, the EU lost the opportunity to act as a well-wishing intermediary in this conflict in order to prevent worsening of the relations between the EU and the Russian Federation. I am sure that this is a temporary complication and it will be overcome in the next few years. Third, wrong attitude to the refugee problem. This mistake was made by the head of the strongest state in the European Union, and now other countries are addressed with the request to regulate the refugee problem, though in the past they were not asked if they want to open their doors to the giant wave. Most migrants are not refugees in the traditional sense. Now it is necessary to correct the mistake, and it will be difficult. It is always easier to make mistakes than to overcome the consequences, but I think that we'll be able to do it.

I have the following conclusion. The European Union should seriously reform its policy, change the style of management and elect such people as leaders who will have insight and far-sightedness and not proceed from ideological dogmas. The philosophy of democracy should not be simplified. It cannot be said that the idea of democracy itself is wrong – we're speaking only about the dogmatic approach as it was at the time of the Arab spring. Sometimes such changes are good and sometimes it is better to find an alternative solution. We should try not to minimize the bad in politics but strive to maximize the good.

**AI. A. GROMYKO:** – Dr. Wiatr, you touched upon the subject about which very little was said – this is the crisis in the Ukraine. We spoke about that a little yesterday and today, possibly because a lot was said on the subject dur-

ing the last two years at various meetings and, possibly, it paled into insignificance. But I cannot but agree with you that insufficient political subjectivity of the European Union may be one of the reasons of this crisis, because from my point of view, the European Union had all the opportunities to make the new authorities in Kiev fulfill the agreement, entered into on February 21, 2014. There was everything the opposition required in this agreement, and in several months it got practically the same power it got on the next day, February 22, but in a legitimate way, not by a coup and using the arms.

The floor is given to Mr. Aziz.

**Shaukat AZIZ:** – I have three ideas as to the discussed issues. First, we are speaking a lot about globalization, one of its visual symbols is the already mentioned here new Mayor of London, a son of a bus driver from Pakistan. This is certainly good, but we should not forget that not only politicians take part in globalization but also economical subjects and private enterprises. Naturally, there is a difference between national and international companies, which operate all over the world under various banners. One of such companies is the one in which I am employed, Citibank. The top management – Chairman and 6 executive directors – is the symbol of real globalization: one of our directors is from India, another is from Pakistan, etc. We proceed from the globality principle in everything we do. For my 30-year career I've managed to reach a fairly high level, and each person has an opportunity open to him to work in any company.

Structural reforms are a continuous process. But the problem of openness for reforms in any state or company stays one of the most difficult, besides many programs suffer incompleteness as it is difficult to foresee all details. Because of that a certain standard framework is required. It's impossible to change the management structure in one day, everything should be examined in development, and it is necessary to get rid of bureaucracy.

Once the UN Secretary General Kofi Annan and Prime Minister of Mozambique Luisa Diogo asked me to set up a working group of former heads of states in order to work out a project for the United Nations reformation. A serious reform is really required, all members of our group agreed with that, especially as to the role and status of permanent members of the Security Council. There are many various options to make the United Nations more representative and promptly reacting to urgent problems. And the UN is ready to reforms. Tomorrow it will be completely different from today.

**Al. A. GROMYKO:** – A well-known journalist Vladimir Konstantinovich Mamontov is the next to speak.

**V. K. MAMONTOV<sup>1</sup>:** – As I am a journalist, I see everything from my journalistic “bell-tower”. While speaking about globalization, Petr Petrovich asked an interesting question: “What does a globalizer want?” That is he supposes (and I fully agree with him) that there is some subject (and we know it well) promoting the idea of globalization,

<sup>1</sup> Director General of the Govorit Moskva (Moscow Speaking) radio broadcasting station, Director of the Razumnyi 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?”

besides the fact that it certainly objectively follows from the logic of the world development. I thought about the following in connection with that. What is offered for us, Russia, as globalization fruits? Peter I went to Europe for new knowledge. And let's imagine that a new Russian Tsar goes to Europe with the same purpose in our times. What will he find there? Peter I brought Euler, and what will a new hypothetical tsar bring?

This is a very interesting question. Today gentlemen from Austria and Jerzy Wiatr here spoke very interestingly about a giant difference between what European or Western elite plans and brings into life, and the reaction of common people, Europeans, to that. Will you offer our hypothetical tsar to adopt this experience? No, I'll be against it. Honorable Jerzy said about mistakes well. He listed the three most important mistakes of the recent times, which were made in the course of our life history in Europe and in general with respect to Russia, Ukraine. I have a strange impression in connection with that that such mistakes should not be made if you have a basic higher education and some political experience. How can it be allowed and done? There is only one thing left to do, and that is to suppose that the very globalizer about whom Petr Petrovich spoke, acts so successfully that people overcome the higher education in themselves, their own political interests and serve some common goal, which is possibly not required by them, as gentlemen from Austria and others are telling us now.

This is a very interesting for me question, to which I do not have a clear answer. Well, suppose we go now to study the political experience of Europe, and what should we do? Be surprised, happy that it turns out that we quietly shared a considerable part of sovereignty, the highest in my opinion national value, for some advantages and we have to suffer because of that. May be, it was not required to share so foolhardily, wasn't it? May be it was required to think that each state really has such interests with which it should not part, which should not be delegated anywhere, even to such wonderful associations like the European Union. Certainly, there are some good things in it. What for are refugees (to be more exact those whom we call refugees) going to Europe now? Actually for comfort, in addition to solution of some political problems. Yes, there is comfortable environment created in Europe for life, but it pays a certain very high price for that as well as for the loss of sovereignty, in my opinion, stopping to be a real leader and that great power which in its time made Peter to cut a window there. Today there is no feeling of this power, this strength, this intellectual engine, or at least it is rather weak.

Some strange, disdainful attitude to one's own people, to what they say, what they want is what worries me most and what we should not definitely take because we have enough of that ourselves. In the course of our events I heard an interesting thought several times about sanctions introduced against Russia at the official level, that they want to move us aside a little, push away, etc., but unofficially as soon as we leave various meeting rooms, both diplomats and politicians say that they understand us. What for is that? What is that if not hypocrisy? And why should we export and learn this strange hypocrisy? We do not want to. I won't vote for a party or a leader in the country, who will be telling me that he imports that from Europe or from the Western world. And I do not want to see the “bearded woman”, the winner of the Eurovision Song Contest. We have a most

serious meeting in which politicians, diplomats take part, and we remembered the Eurovision Song Contest several times. Why? Because it is a very funny and vivid example of how political elites act. They say that Russia requires to be sprinkled salt under its tail, because of that Lazarev from it will never win. And look how people react – Europeans, Ukrainians and Russians. The reaction is just the opposite. But should we follow that?

That's my thoughts. I repeat once again: I am neither a scientist, nor politician, nor diplomat, I am a reporter, and I do not have answers to these questions, but I tell you definitely that my readers are asking them together with me. I read their comments to my articles, and here I did not say anything which I would not have written or will not write, I read reviews and comments, and I feel compassion. It seems to me that we have very interesting discussions, and their big power is in their sincerity, that they are beyond the limits of cool diplomatic aloofness. There are a lot of big real difficulties in the world, and we should not deceive each other in anything or conceal some important things. Actually this value is very important for me, and I hope that thanks to it and deepness of thoughts which you present here, our discussion will be useful. I am ready to accept and absorb such a useful discussion as a citizen of Russia, as a person, as a journalist.

**Al. A. GROMYKO:** – The floor is given to Mr. Akinci.

**Halil AKINCI:** – As it is known to everyone, there are double standards, but if we try to get rid of them, triple, fivefold, etc. standards may appear. About 20 years ago – before disintegration of some states, appearance of new states, wars, credit crises and other things like that – a refugee crisis was not so acute, all that was not so serious then. Then the reasons were mostly economic, and now the matter is not only with them. People are really afraid for their lives. Returning to the subject of double standards, for example, in the field of economy, one should note that if someone lays an economic embargo without sanctions, for political reasons, it can be justified. I think that this is exactly double standards. It can be done in national or global interests. Let's take the climate change. This is of interest for the whole world. All the rest is necessary to base on the observance and coordination of national and global interests.

I'd like to say what globalism brought to the 19<sup>th</sup> century. At that time such a powerful state as India was brought down to the level of a poor country. It managed to return to the world only after becoming independent. In the 19<sup>th</sup> century globalism brought capitalism to China and practically destroyed the country. Take Ottoman Empire and its heritage. Egypt was a British protectorate for a long time, but got real independence in 1936. That is rules are established by the strong, and these rules should be useful for the whole society. If suddenly rules are set in the interests of certain states – if we are speaking about regional cooperation, regional collaboration – such cooperation can be fatal, calamitous for the rest of the world, because it does not take into account the interests of other states. What to do if such cooperation continues or if it is built on supremacy of national interests of one state? It is required to make it useful to all other states, because if there is only a certain number of states winning from it, and the richest states as it was in the 19<sup>th</sup> century, it will be calamitous for all economies, for all

states. I understand that there is some contradiction in my words, but nevertheless these are two of my observations.

**Al. A. GROMYKO:** – The next to speak is Professor Dutkiewicz.

**Piotr DUTKIEWICZ:** – I'd like to combine the society, politics and economy. All of them are global challenges, global problems. I think that we are greatly separating the economy, the politics and the role of society to a certain extent. I'll start with very comfortable time in the beginning of the 1990s, when the bipolar world was formed. Everything was balanced – politics and economy. We carried out this policy during a long time, and the balance was preserved. There was economic growth at the time, which actually changed the system. People often forget one important aspect in the economic history: there was a very short period of economic balance in the 1960s when the Soviet Union caught up with the United States of America.

Then we switched to another stage – from bipolar world to one-pole world. And that was an important phenomenon as misbalance appeared both in politics and economy. The political economy of the world changed again. And the main features of that were wars in Iraq and Afghanistan and the crisis of 2007–2008, which still goes on now. Now Russia and some other states, for example BRICS states, want something different and they are achieving that. They speak about multi-pole world. But in this case the whole system will be destroyed because we are living in the world, which is very diversified politically, but very united economically. We say that there are various variants of the market, economies, various national states. But on the whole we are united by the same economic principles, one market logic, one economic logic. In case of multi-polarity, and this is an unknown for us phenomenon, non-state factors appear.

There are groups of people, there may be just 500 of them, which take the economic power and turn everything in the world upside down. There are very powerful economic groups, non-state organizations. And these factors threaten the sovereignty of national states, which in their turn start reacting, and they often react very painfully to cutting of their sovereignty. They create new mechanisms of movement, militarized groups. And then a question arises, at which I'll work in my book together with my colleagues. It will be titled "The Rest Beyond the West". The question is: should we switch not to multi-polarity, but to a multi-sided order? If we differ now in the political sense, but are united economically by the same rules of the game, may be we should create an order which is different in the political sense but not different in standards and rules as it is done in the economy. I think that it will be possible to establish such order. Crimea is a very good example. The European Union says that Russia violated its laws, rules, standards, and Russia answers: "No, we pursued only our own goals and values". We are on one continent, but each of us has a completely different set of values and standards. And this refers not only to the European Union, this refers to the whole world.

The time will come and the economic success of such states as India, China, Iran will show the world that each state represents its values, rules, different from the others, and they should be respected. And what shall we do then on global scales with the global order? By that moment it will

end. I have much more questions, which, I hope, our book will throw light on. The main thing is to understand that it is necessary to take into account political economy on global scales, global changes.

**Al. A. GROMYKO:** – Allow me to give the floor to the co-manager of our session Mr. Moussa.

**Amr MOUSSA:** – This morning enriched us by a very big number of ideas, all of which were presented with a question mark. But there is a certain conclusion, which we should make. Globalization will not disappear, this is a common tendency, a way of life. And as Professor Chereshev explained already, the science is the most important element of globalization or it should be. If we list the advantages of globalization, cooperation of science and technologies, exchange of science and technologies will be among them – and this is a positive aspect. And the negative aspect is terrorism and many other evils like poverty, climate change, etc. We should cooperate in all those aspects.

If we speak about the world and globalization, I think that the most serious issue, which many research centers, governments, organizations deal with, is the new world order. Think-tanks all over the world discuss what this order is, who is fighting for leadership, if certain nations are able to carry this burden, if they can reform, if it is possible to reform them at all. I'd say as follows: the United Nations Organization did not fail, the result of its operation is positive on the whole. May be it is possible to reform it and to add efficiency to all its sections because when we are speaking about the peace and security, it is clear that it is not enough. The Security Council is the focus point where the drawbacks we feel are concentrated, the ones being the reason of the United Nations' weakness. It cannot take responsibility upon itself. There are five permanent members and two, three, sometimes four non-permanent members who examine everything in the world from the point of view of their own interests, completely contradicting the global idea and interests common to the whole world. There are very many various documents and books published on these issues but all of them are non-effective.

I criticize think-tanks a lot because in a number of Western states they influence the international life greatly. Double standards were thought up exactly in them. The idea that a problem should not be solved but it should be managed and just dealt with was introduced exactly by them. There are people employed there and there are a lot of them, who made a lot of efforts to discuss something all the time. And that was enough. The lesson we had from the state of affairs in Palestine is that it is one of our most negative experiences, when we've come to the current state of affairs in Palestine. The matter is certainly not in double standards only, attempts to manage the process somehow, to lay the problem aside, to push it into the background. But nevertheless all those attempts did not liquidate the Palestine issue, it is urgent, and it will arise again in the foreseeable future.

Now many people are speaking about the so-called creative anarchy. And it is exactly this anarchy that is completely unfolding in the Near East, and this is absolutely in contrast with the interests of improvement of the world. This leads to discord and undermining of such principles and rules. Look, how it happened in Iraq. This led to bringing troops onto the territory of Iraq, aggression, destruc-

tion of various government institutions with absolutely no plans for further development. This led to anarchy and discord there. Such a state as Iraq, rich and big, is now in such a state that I do not think that in the foreseeable future it will return to its former authority. This is the state of affairs in the Near East, in the Arab world. I do not want to belittle mistakes of various governments in the Near East, certainly these mistakes also played their role in what goes on there. And had there been no such mistakes, may be that very creative anarchy would not have reached such level of instability.

As for the United Nations, it is based on certain principles, and the most important is that the organization should save the following generations from the war curse. But the problem is not the war curse but the curse of many other evils. This is the curse of poverty, climate change, this is intrusion into ecology – here are the most real threats for the international peace and security. The number of tsunami victims and victims of other consequences of climate change, which now surface more and more, will be much more than the number of losses of the humankind in world wars. Because of that the humankind should view these problems from a different angle. And in particular the Security Council should solve these issues in a new way, because it is insufficient to just deal with the going on conflicts, it is necessary to think what will happen in the future in case of climate change, etc.

Recently they discussed new challenges in the United Nations, in particular the right to veto. I think it is impossible for five states, which are members of the Security Council, to have this right permanently, it's necessary to think what to do with that. The Security Council sometimes votes as follows: 14 member states are for a certain issue and one is against using the right to veto. Think: if the overwhelming majority of the Security Council members are for some decision and just one is against, a question arises as to prohibition to use the right to veto. One can just say that I do not agree but I will not use the right to veto though I can do it. And these decisions should be limited by such issues as war crimes, genocide, suspension of hostilities, cease-fire. How is it possible to use the right to veto when we are speaking, for example, about war crimes? Such a small step as prohibition to use the right to veto in case of certain matters may lead to further reformation of the United Nations. Because it is shameful when one veto annuls the decision of 14 Security Council members.

And two more observations. As for the things referring to non-state subjects. I do not think that there can be such a situation when non-state subjects are fighting state subjects. I think that we are speaking about state agents who advocate interests of some big powers. And this kind of practice should be put an end to. As soon as their financing stops, they stop doing that. And I think that we should think about these agents, not being states, well, about their performing someone's orders.

And another thing about the European Union. We live on one side of the Mediterranean Sea and naturally we are worried about what takes place on the other side of it and in the European Union. We are not from another planet. There are strong economists, but very weak politicians. And that brings about a lot of problems which will reflect on the actions of the European Union. Certainly, the European Union's way is somewhat different from the USA way. But

nevertheless it still follows the United States and I think that the European Union should clearly define its position as of a participant of the international policy.

**Al. A. GROMYKO:** – I remind you that the phrase about an economic giant and a political dwarf, which became famous, was first said, if I am not mistaken, in 1981 by Belgian's then-Prime-Minister and since then the phrase has been repeated for 35 years already.

The floor is given to Academician Vladimir Lvovich Kvint.

**V. L. KVINT:** – All my life I am trying to be as far as possible from political discussions. I am an economist but because I've been engaged in strategy for more than 40 years already, I willingly or unwillingly run across the political factor and its inclusion and influence, most often negative, on taking economic decisions. Globalization like a number of other global principles and rules is an objective category, it's like the wind, waves in the ocean, tsunami, and it would be funny to say that there is some globalizer who creates this wind, these waves. Or suppose that there is some backstage government, and if sometime tries to take upon oneself the globalizer's role, it is no less naïve and primitive. When was the world most stable? The world was least stable at several economic stages of its development, when the development was bipolar. It was the most stable in the process of multi-pole development, that is the biggest stability is attained in the multi-pole world. One-pole world is also more stable than bipolar, but when it falls into pieces, the transition process from one-pole world to multi-pole world becomes very conflicting.

It is not accidental that the United Nations Organization originated after the most horrible war in the history of mankind, as a mild form for setting up rules and procedures for cooperation of states under the influence of multi-national institutions, on voluntary or not necessarily voluntary basis. It's great that the Security Council exists and that it has the right to veto. At the same time, analyzing, for example, strategic problems, global challenges, we understand that the global world order is required exactly for solving the problems of mass diseases, epidemics, global catastrophes, forms which we do not know yet, climate problems, even poverty and illiteracy problems, terrorism. These problems require global cooperation and because of that it is necessary to have a mechanism. But as soon as we make a step further, to the sphere of politics as Tinbergen, a respected by me economist, 1969 Noble Prize winner, did (I studied his dynamic models), the same thing happens as in his case – he became fairly naïve and offered a global government. In my opinion, it is a very dangerous idea. All decisions should be taken by governments of certain states, that is national institutions, realizing national interests, including decisions as to what extent they should cooperate on the global arena. And there is a wonderful platform for that – the United Nations Organization. Because of that a global government or some fictional globalizer, if it takes such functions upon itself, is a very dangerous phenomenon. But today, luckily, in my opinion, we do not have that.

Generally speaking, as soon as the world reaches consensus, general agreement, as soon as the balance sets, according to the theory of one great chemist, a Noble Prize winner, any system is at once aiming to disturb all that balance because it does not imply further development. Be-

cause of that we'll be always running across difficult problems, looking for solutions to enter a new level of development. This phenomenon is called entropy. And the Noble Prize for the theory of entropy was awarded in 1979 to a wonderful Russian physicist Ilya Prigozhin. So, I think that existence of the United Nations Organization, taking decisions on voluntary basis and their obligatory bringing into life are the things which the world requires today. We should not think that some two powerful nations will appear, which will determine and especially take upon themselves the role of such institute. Powerful economic forces are developing now in Latin America, India, China, which should not be in any way neglected. Russia, USA and these regional superpowers should look for consensus and take decisions on democratic grounds. Without Russia, USA, India, China, Brazil as the leader of Latin America, Egypt as one of the most powerful states of the Arab world, decisions should not be taken, which become practical obligations on the basis of the Security Council's decisions later.

**Al. A. GROMYKO:** – The floor is given to Professor Galice.

**Gabriel GALICE:** – I have a question and a remark. The question refers to the national interests, the interests of common people, the population of the country. I'll give a classical example of pharmaceutical industry. Now the argument as to Swiss company Novartis is again running high. Though it is difficult to say if it is Swiss or international company. So, this company and the government argue as to the monopoly right of the company to the medicine for AIDS, and its being able to set a very high price because of it. That is a person has to spend 20 thousand dollars for treatment using their medicine. "This is wrong", the government says. Generics should be created to make this product cheaper. India has the same problem, the government there went to the court and won. The question is: what criteria should be applied here according to the international law? Where to apply – WHO or WTO? The main thing for WHO is to provide the people's health and the main thing for business it to provide its profits. That's my question.

Now my remark. One of our colleagues spoke about protectionism. I think that this is a very interesting academic argument but in practice all governments combine protectionism and free trade. This is done in different ways, some governments manage to do it well, cleverly, the others do it badly. Imagine: in the 19<sup>th</sup> century English cotton industry developed when the English went against Americans, who had no such factories. Americans had to fight that, and thus how a new sector appeared. Then the theory of protectionism was formulated in contrast to free trade. And it was described in such a way as the English forcing their power on the American state, India, Brazil. They tried to promote the interests of their companies. But in whose interests it was done – companies or the people? This is an open question, there is no answer to it. Cotton industry, for example, was very important for the United States, and heated debates on the matter took place in the World Trade Organization. The matter is that it is not always clear, as our colleagues said, what an international company is, what a global company is and what a national company is. But in some cases the so-called international companies are also supported by national governments.



**Al. A. GROMYKO:** – The next to speak is Lord Moynihan.

**Colin B. MOYNIHAN:** – Dear colleagues, our conference is taking place at a high level, very important issues are discussed here. But first of all I'd like to mention that the Eurovision Song Contest is a good venue for improvement of international relations. I am happy that, for example, a song performed by a Russian singer, can be written by a European. And it is not obligatory to sing in English at the Eurovision Contest, there is no dictatorship, you may not do it. This is an important characteristic.

I'd like to draw your attention to two aspects. First: it is important to understand why Sadiq Khan, a typical representative of his generation, won at the London Mayor elections. He is not a moderate Muslim at all, he has his connections with extremism, and people receive him exactly like that. He told his biography all the time, that he is a son of a bus driver and lived in residential quarters provided by the state. He was against the campaign of the Conservative Party of the UK, and I am a member of the House of Lords and represent the Conservative Party. But notwithstanding that, he supports the ideas of multiculturalism about which we spoke. Multiculturalism has many meanings. The main ones in my opinion are the need of political identification, necessity to get rid of labeling, stigmatization, eliminate domineering of one group over another. This leads us to the political climate where tolerance, assuredness and respect prevail. And I think that we have achieved that to a great extent for London. This is a window of opportunities, which is created by not only political but other factors as well. And we should not underrate the role of national and international sports in that. When we had the 2012 Olympic Games in London, the Olympic village was not a fenced territory for Olympic teams. The whole country became the Olympic village. We treated with respect and welcomed all guests no matter their citizenship or nationality. And there were problems related to the Games and they will originate always.

Second: I would like to refer to the remark made by our Chairman about the ability of a state being outside trade associations to survive and achieve success. It seems to me that this is the main issue in our arguments, including in England. It is important here that the most influential economists in the world think that the UK will be able to achieve success outside the European Union. I am not speaking from the point of view of politology. Many English people think that the European Union slows down development, limits the business in a big number of aspects, takes many millions of Pounds Sterling from England, not giving anything back. However, some believe that the "United States of Europe" are a possible reality, approximately 50% of people speak about coordination of tariffs, development in alliance with the world economies and the necessity to coordinate the new rules via Brussels. But many think that we are limited by the fact of our inclusion in the 29 states of the European Union and because of that the slogan "Profitable Britain for the European Union" is seen as the main one. All these are important factors, which should be taken into account in order to balance the point of view according to which both the European Union and the UK will lose immediately if the UK exits it. These are the views of British economists.

**Al. A. GROMYKO:** – I invite Professor Ingimundarson to the microphone.

**Valur INGIMUNDARSON:** – I would like to present the view expressed by my colleague Professor Köchler about the balance of forces in the European Union in more detail. Professor Wiatr mentioned the mistake made by Merkel from the point of view of Germany. As for the Germany's role in the European Union, it is somewhat being changed. I talked to many German politicians, including one who occupied an important position in the past, and he said that Germany is too big for Europe, but too small for the whole world. And many people think that after World War II, when the European Union project originated, we were mostly speaking about German nationalism and Europeism, which we wanted to support with all our strength then. It was thought up in such a way as to be able to play a more important role than on a national scale, in Germany and on the continent as a whole. And now the views of Germany on Europeans are changing. Certainly, this influences the management procedure in the European Union. Remember, we were always speaking about the France-Germany axis, German-French vector. Now no one is already speaking about the French in the context of the European Union, no matter if it is a financial crisis or refugee crisis. Everybody thinks that the main role here is played by Germany. I wanted to draw your attention exactly to this point of view.

**Al. A. GROMYKO:** – Dear colleagues, I'll ask our co-Chairman Academician Valery Alexandrovich Chereshnev to sum up the results of our discussion.

**V. A. CHERESHNEV:** – Dear colleagues, we are ending the work of our session. I want to thank everyone for good, kind words said about Russia and other nations. This is normal and right. We should really understand the psychology and mentality of each other.

For example, the following situation can say a lot about the mentality of Russians. Suppose, we say that the 18<sup>th</sup> century was the female century in ruling Russia. Men reigned for 30 years only: Peter I for 25 years, Peter III, husband of Catherine II, for less than a year and Paul I, great-grandson of Peter I, son of Catherine II, for 4 years. And women ruled all the other time. And there was only one Russian among them – the youngest Peter's daughter Elizabeth Petrovna (1741–1761), and Catherine II was already reigning in 1762 and did that for 36 years. Paul was offended that his mother did not give him the throne. His first decision was to ban women from the line of succession to the throne. You know what that led to. Women themselves would have never willingly abdicated, sure thing. By the way, wives both in the 19<sup>th</sup> century and the beginning of the 20<sup>th</sup> century were from Austria-Hungary, that is we had English-German-Russian court. Brides from Germany, grooms from Russia and vice versa. Our grand dukes became husbands of German, Austrian, Hungarian and other princesses. It was normal. What did it lead to? Genetics changed in the closed society, and because of that Alexis, the only son of Nicholas II, was suffering from hemophilia. This is a disease of a closed circle, elite. That's what it is. It tells a lot about the customs and ways in Russia at that time.

Another demonstrative example. I told it several times already. Great Otto von Bismarck was a German Ambassador to Russia in 1850–1853. He was elected the head of the diplomatic corps in the capital of Russia, Saint Petersburg, because he knew the Russian language excellently. And he understood that it is possible to learn the language even better if you plunge into the language of common people. He loved very much to go to fairs, markets, various shows, open-air merry-making and other events like that and to take in the Russian spirit. And he was amazed when he first arrived to Russia, went out into the street and asked a passer-by: “How do you think, what is the weather like today?” It was drizzling. The passer-by said: “Well, the weather is *nichego*, good weather”. [Russian word “*nichego*” can be translated as nothing, all right, so-so, passable, not bad, not too bad, never mind, it does not matter, there is no getting out of it – translator’s note.] He went out in two days, and the sun was shining brightly. He said: “Look, it’s a wonderful morning. And what will the weather be in the daytime?” – “Well, *nichego*.” – “What’s that? Rain is *nichego* and sun is *nichego*”. He went to the market. “Is the meat good?” – “*Nichego*”. He thinks: “God damn it, it’s *nichego* again”. He is sitting in the company of diplomats, and Bismarck is asked: “Did you see that French ballet dancer?” – “Yes, she is wonderful”. And a Russian Field Marshal is asked: “And what about you, Count Apraksin?” And he says: “*Nichego*, *nichego* ballet dancer”. And Bismarck could not understand for three years why the Russians have one and the same answer for everything – “*nichego*”.

It was time for him to leave Russia. It was autumn, the first snow. A carriage drove up, he and his friend sat in it. And as soon as a chest was put behind, the axis creaked. Bismarck asked the coachman: “Listen, it must be rusty as it creaks so. Is it?” – “Well, *nichego*, Master. Everything is all right”. Well, the journey started. As soon as they drove into a big road, they flew down into the first ravine. The carriage overturned, the axis cracked. It was really bad. And so Bismarck and his friend are lying, with glass over them, it cut them both. The coachmen overturned the carriage, pulled them out. One coachman is holding the diplomat and saying: “*Nichego*, he is alive, alive”. After that he finally understood what this word means.

No one in the world understands it, but this word in Russia is a comforter, it brings optimism, hope, it is even a judge. Bismarck describes all that in his memories of Russia. He had a walking stick with a silver handle presented to him by a grand duke. When he returned to Germany, he went to a jeweler he knew, took that handle off and asked to make a signet ring out of it for his ring finger and asked an engraver to engrave “*nichego*” in Russian letters. Later he became the Chancellor of Germany, was at the head of the government, and when some complex matters were passionately discussed, everything was already boiling, he looked at that ring, caressed it and repeated: “*Nichego*, *nichego*, gentlemen”. And addressing his ministers, he said: “Gentlemen, only do not make sudden movements in direction of Russia, the answer may be unclear and inadequate for many”. And while he was in power, there were no serious opposition to Russia. It seems to me that it explains a lot in us. Thank you very much, everyone.

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