

VALDAI DISCUSSION CLUB REPORT



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GLOBAL REVOLT AND GLOBAL ORDER THE REVOLUTIONARY SITUATION IN CONDITION OF THE WORLD AND WHAT TO DO ABOUT IT

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Introduction

The sweeping and rapid transformation of the world calls for an equally quick and thorough analysis.

The point at issue is that simple arithmetic cannot be applied to complex systems such as the human world, and an analysis of its separate elements cannot help you understand the whole and its dynamics. A study of each individual ant is not enough to understand the life of an anthill.

There are many reasons for the ongoing transformation, which may be dangerous. But none of them can explain the change if taken separately. Although important, the purely political, economic, social or cultural reasons cannot explain the transformation as a whole. The answer can only be found in understanding the interaction between all elements of the modern world.

For example, you see political sentiments changing in Western Europe, where an increasing number of voters are leaning towards the right. But you cannot explain this only by economic problems. Living standards may not be growing very fast, but they are not plummeting either. Brexit is not the result of widespread impoverishment. Even the large inflow of migrants into Europe cannot explain the change. In short, there is a combination of reasons.

Understanding these reasons is a challenge in itself. But there is an element that can be more important than others – the new opportunities offered by communication systems. The IT breakthrough has influenced all processes that involve humans. The wide variety and the incredible amount of information that can be transmitted at a near-light speed appear to have involved hundreds of millions in political processes, which used to be accessible to a limited few in the past. This large-scale involvement has made the global situation more susceptible to public opinion. At the same time, people have become more vulnerable to manipulation, and the number of manipulators has increased manifold.

It's difficult to say whether we are right or wrong in our understanding of the world. However, I believe that the only effective approach is to analyze the interaction of the various elements that form our picture of the world.

I hope this report can help us better understand the nature of the current transformation and its possible consequences.

*Andrey Bystritskiy,
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Revolutionary Situation?

Many years after the student unrest that swept most of the world in 1968, one well-known participant, Daniel Cohn-Bendit, remembered the gist of those events in this way: “It was a revolt by the generation born after World War II against the type of society that the generation of the war had constructed after 1945.” The revolt assumed different forms in different places. In Warsaw and Prague, people protested against the communist regimes, in Paris and Frankfurt, they denounced the stranglehold the conservative bourgeoisie held over society, in San Francisco and New York, demonstrators voiced outrage over militarism and inequality, while in Islamabad and Istanbul, they rejected military rule. They were all united by the desire to end the old way of life. “We were also the first media generation,” recalled Cohn-Bendit. “The media played a big role because it transported the momentum of the revolt, and this inspired demonstrators from one country to another.”

Now almost half a century later, the world is once again living through a “parallel time.” This phenomenon of spontaneous and similar, though seemingly unrelated processes taking place on different continents first occurred is reminiscent of events that first occurred in 1968. The pattern is the same: the masses are dissatisfied with the socio-economic and political structures established after the war – this time the Cold War. The wellspring of this protest is once again at the heart of the Western world, the cradle of the political and economic system that emerged after 1991. Unlike half a century past, stones and “Molotov cocktails” hurled in anger are, at least for now, a rarity in the developed world: in the intervening decades the world really has become more democratic, and the people of most countries can now express their dissatisfaction through ballots and referendums. (Unfortunately, though, such exceptions as the Middle East provoke waves of convulsions whose shockwaves reverberate far beyond their own countries and regions.) And once again, the main catalyst is media, only now it is universal and ubiquitous, with the result that the new revolt is instantaneously broadcast to the world and influences it in turn.

The system of relations established in the world a quarter century ago is coming under attack from two directions – from non-Western states that had no part in formulating its principles and that now consider that system unfair, and the societies of those leading countries that reject the elite who are responsible for the policies of the last decades.

More than 100 years ago, Vladimir Lenin – that famed practitioner of social and political transformation – defined the main features of a revolutionary situation, and they still hold true today. Leaders can no longer rule in the old way, the lower classes refuse to live as leaders dictate, and changes in the social order, crisis conditions, and the incompetence of the ruling class provoke the masses to become involved in the political struggle. This is true not only of individual countries, but of the entire global system, as we are witnessing now. In fact, one of the main characteristics of the globalization process that began sweeping the world in the late 20th century is the blurring of borders – and not only between countries and political blocs, but also between foreign and domestic affairs. Not one modern state can withstand the influence of international factors that transcend borders and ideologies.

The world is already changing, but by which method? Is it through an evolutionary process in which the ever-greater number of players cooperatively effects the transformation of the world order? Or is it proceeding by a revolutionary process in which the “common people” reject the existing order and set out to overthrow those in power – who themselves struggle to retain their wealth and privileges?

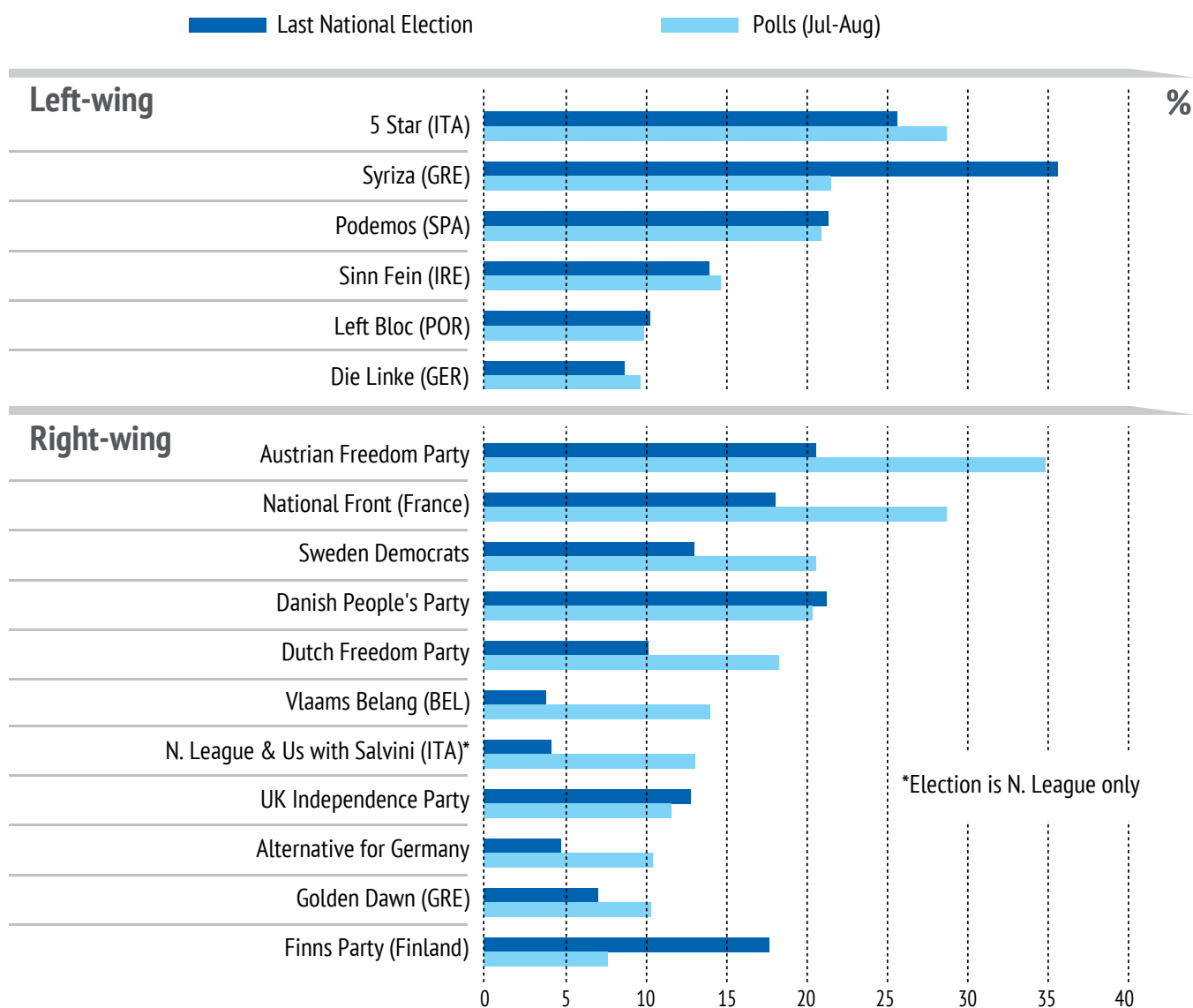
Choice of method will determine the nature of the next period of history. And until it becomes clear in which direction events will develop, the responsibility for ensuring that the situation does not spiral out of control lies with broad-based international institutions. They alone are capable of, if not halting the fragmentation of the global system, then at least smoothing out the process and channeling it in a peaceful direction.

Why the Disorder?

The U.S. political scientist Ken Jowitt coined the term “new world disorder,” using it as the title of a collection of his works he published in 1992. Against the backdrop of general euphoria that reigned in the West at that time, Jowitt warned that “after the extinction of Leninism,” its victorious opponent – liberal capitalist democracy – would not have long to enjoy its triumph. Soon, wrote Jowitt, new trends would appear that run counter to “individualism, materialism, achievement and rationality.”

Most commentators of the time discounted those concerns as baseless alarmism. After all, everyone was talking about the “new world order” that was replacing the paradigm of military, political, and ideological confrontation. Today, “disorder” is arguably the primary feature of the international landscape. Jowitt’s prediction began coming true approximately two decades after Francis Fukuyama proclaimed the “end of history.”

PROTEST VOTING IN EUROPE 2016

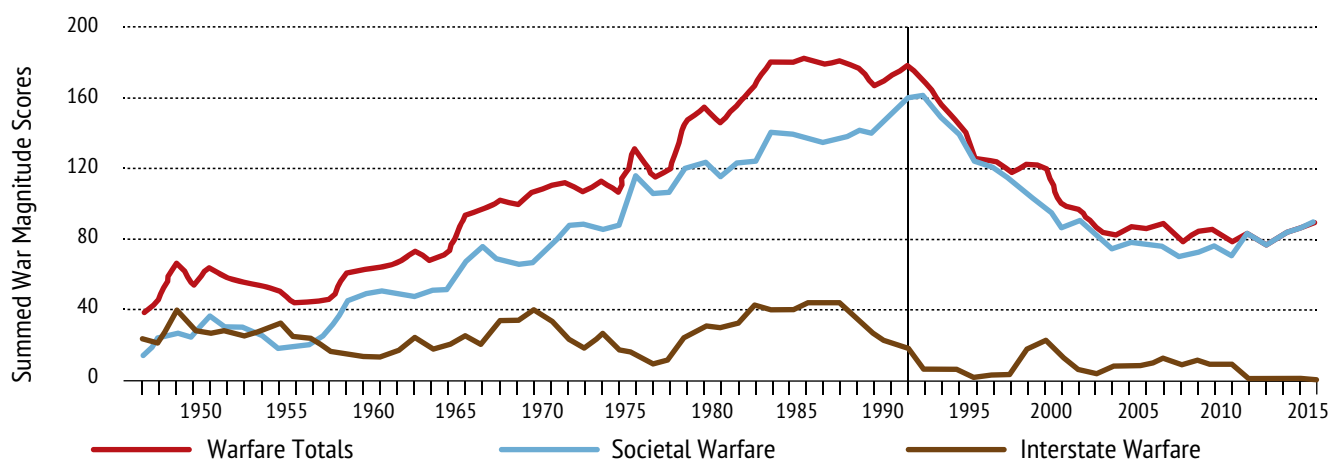


Source: Opinion polls, Morgan Stanley Research

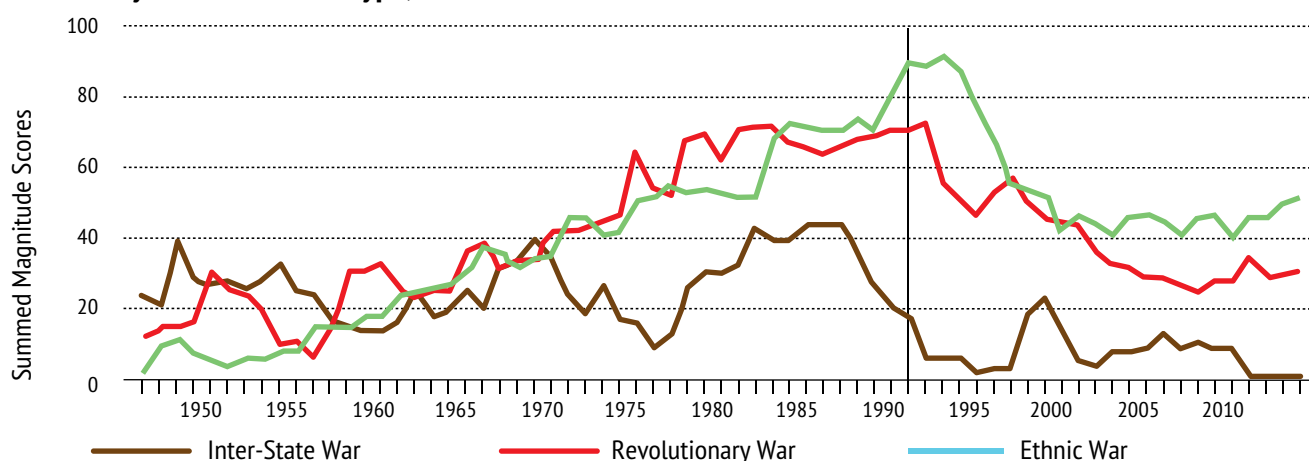
CONFLICT RATES

Shift of civil conflict tendencies. Since the early 2010s, their number has been growing. Ethnic conflicts and revolution-sparked conflicts are predominant. The shift of the trend takes place in Muslim and non-Muslim states.

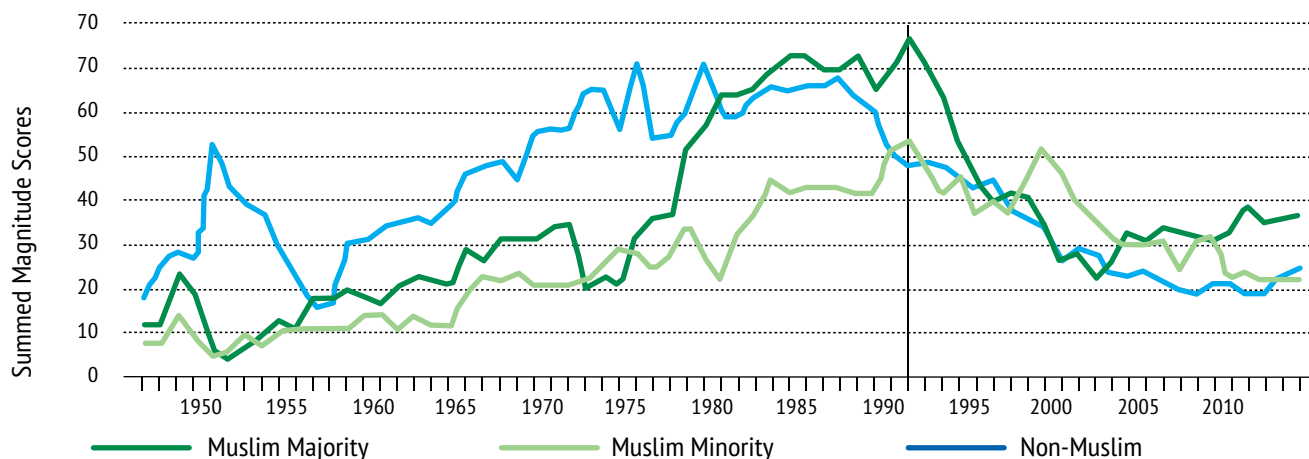
Global Trends in Armed Conflict, 1946–2015



Trends by Armed Conflict Type, 1946–2014



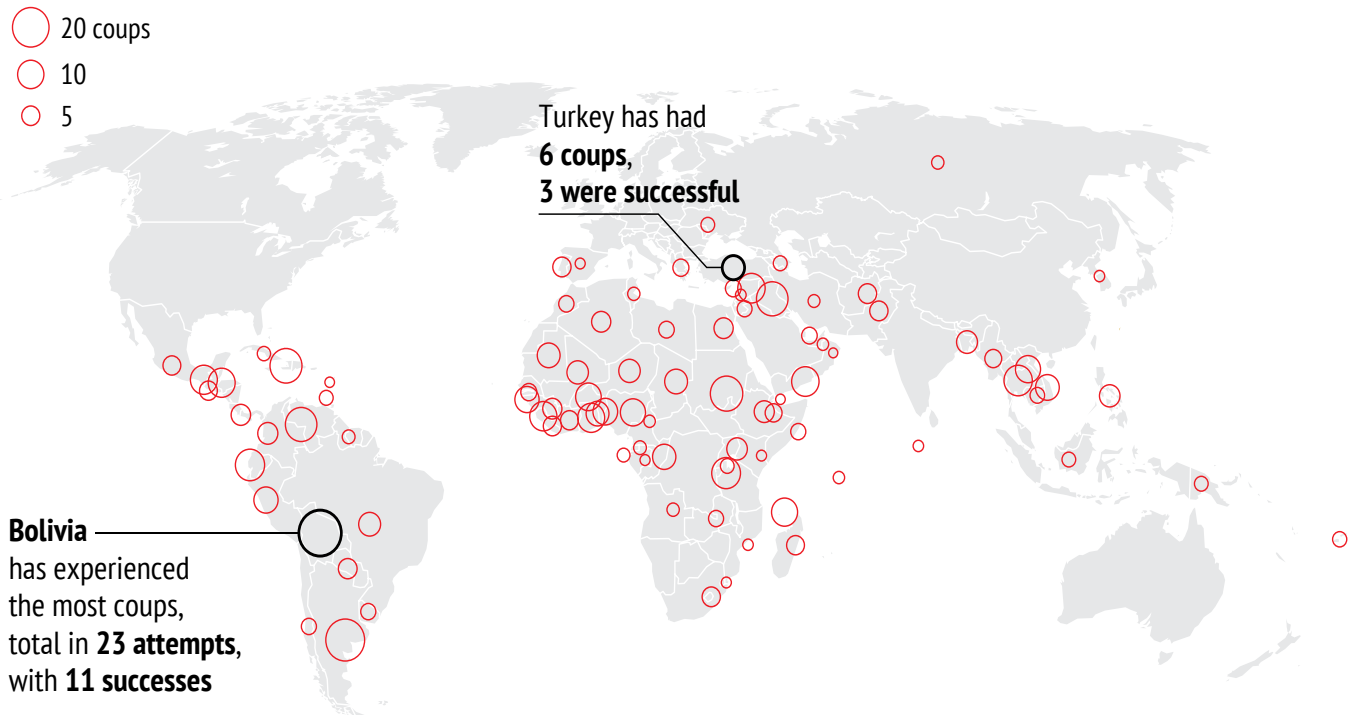
Armed Conflict in Muslim Countries, 1946–2014



Source: Polity IV. <http://www.systemicpeace.org/CTfigures/CTfig03.htm>

THE HISTORY OF WORLD COUPS FROM THE 50S TO THE PRESENT

The world has had 475 coups, with 236 successful



The Yemen Arab Republic and The People's Democratic Republic of Yemen are counted as one entry

Source: Jonathan Powell and Clayton Thyne

JEREMY C.F. LIN/THE WASHINGTON POST

A **triple dissatisfaction** lies at the heart of this “new world disorder.” The parties that are dissatisfied – and each for a different reason – include a) the elite of the leading Western countries; b) Western societies, and; c) major non-Western powers. It was possible to keep a lid on that irritation for a time, but it reached a boiling point by the second decade of the 21st century and came bursting forth in multiple directions at once. Now in 2016, not a single major player can be found who is entirely satisfied with the economic and political status quo.

The establishment of Western states that assumed authority after the end of the Cold War, found itself unable to maintain control over the world's political and economic life.

The evidence is the widespread violence in the Middle East, political crises in Europe and the U.S., Washington's worsening relations with Moscow and Beijing, and the growing imbalance in the global economy.

Western societies are growing increasingly fearful of globalization, a process that has brought the world closer in the economic and political sense, but that has not made it any safer, attractive, or homogenous. Residents of the developed world are facing large-scale challenges in the form of terrorism, radical Islam, uncontrolled migration, and a decline in the standard of living. Paradoxically, citizens of leading Western countries have a far gloomier view of the future than do people living in other states.

The *leading non-Western states* that have either entered or returned to the supreme league of world politics in the last decade consider it necessary to develop new rules of the game in politics and security that correspond to the realities of a polycentric world. They also seek to reform the global economic order – primarily its financial component – and advocate the preservation of universal norms and

institutions of international trade. The Western elite, however, are primarily intent on preserving their own privileged position and pursue an agenda that is opposed to the aspirations of the non-Western centers of power. They do so in part because they feel pressure from their own “disgruntled societies” that are unhappy with the status quo, and are as yet unable to offer them alternatives.

Anatomy of a Protest

The dissatisfaction is universal in nature. A critical and relatively new factor is the social and political turmoil agitating the core of the order that, as anticipated, emerged after the end of the bipolar confrontation. The problems sparking protest in Europe and the U.S. can be divided into four interconnected groups.

The first is the gradual deepening of income inequality. In addition to wages, at issue is people’s diminishing ability to improve their social status. Opportunities for social mobility are on the decline. Education, and especially higher education – that once served as an “admission ticket” to the middle class – is becoming increasingly expensive. Even that “ticket” is losing value, as evidenced by the growing number of graduates who drive taxis. On the other hand, social infrastructure and public goods are shrinking. The process proceeds unevenly, with some experiencing greater well-being than others. But regardless, the fate of the welfare state remains a central issue in every election.

Second is the growth in unemployment. In effect, the world has not yet overcome the crisis of 2008–2009. The large-scale relocation of manufacturing to developing countries delivered a serious blow to entire regions of industrialized nations, and the influx of cheap labor through migration only

further marginalized the proletariat and parts of the middle class – especially youth. The use of taxpayers’ money to rescue bankrupt private entities – that is, the large-scale nationalization of private sector losses – probably helps avert even greater negative fallout, but it also calls into question the moral integrity of the economic model itself.

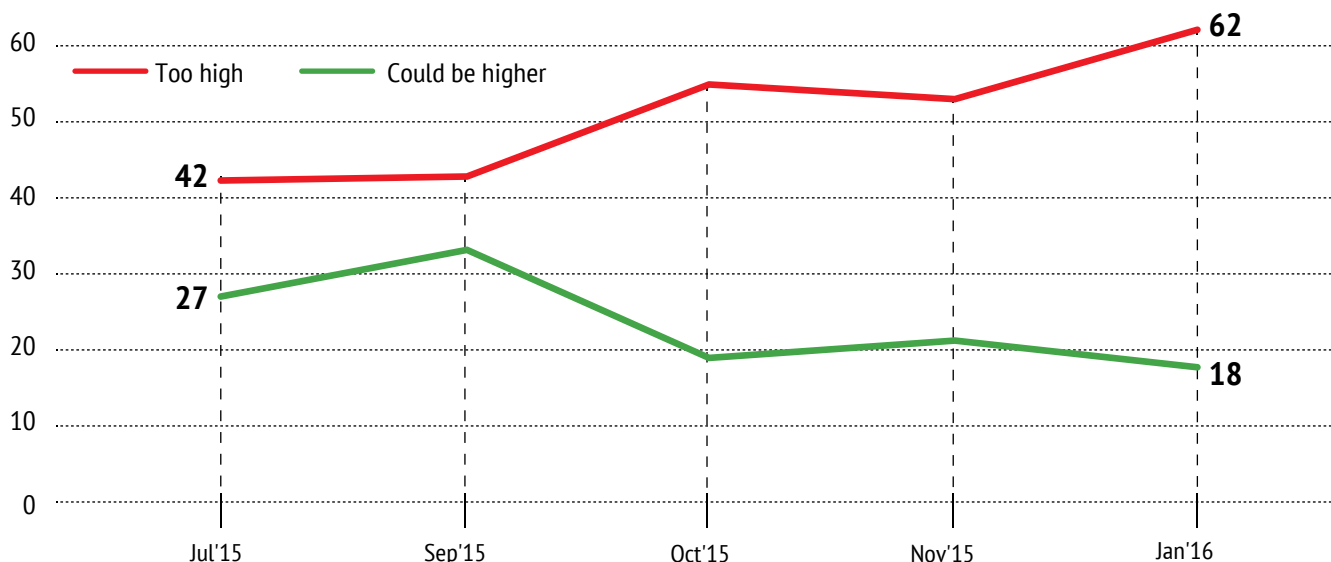
Third, the blurring of borders and the elimination of trade barriers has opened up opportunities for business, but it has also deepened imbalances in the social and political spheres. Medium-size and smaller states have little leverage to halt the flight of domestic capital and labor, or for reversing the harm those outflows cause to the local production base. At the same time, governments must take full responsibility before their people for the consequences of those trends because voters are the authorities’ sole source of political legitimacy.

Fourth, the growing fear of migrants, and especially those of the Muslim diaspora, is most pronounced in Europe. On one hand, migration can spur economic growth, and business interests often lobby in support of it. On the other hand, governments must deal with the social consequences of migration. The situation is only aggravated by the massive influx of refugees and

GERMANY: ATTITUDE TO IMMIGRANTS

Germany's attitude to immigration is hardening

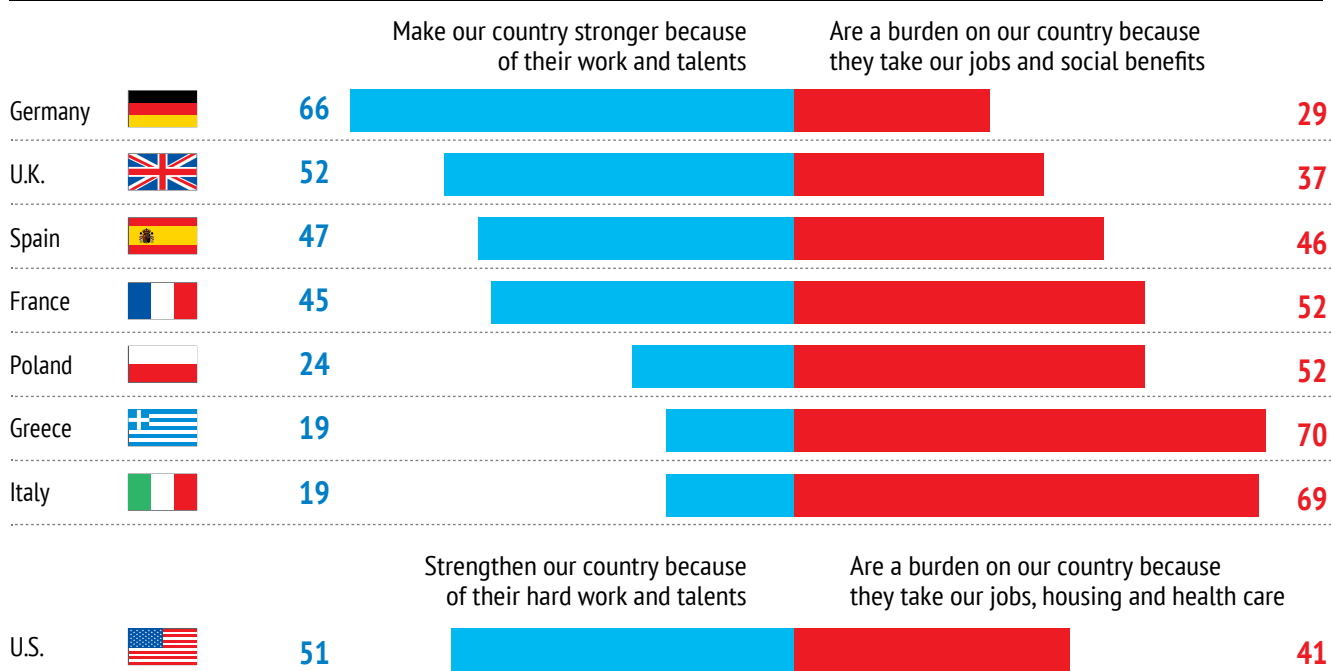
"Should Germany welcome more asylum seekers or is the number already too high?" (%)



Source: YouGov

IEWS OF IMMIGRANTS IN EUROPE AND THE U.S.

% who say immigrants today



Note: Don't know/refused and both/neither responses not shown.

Source: Pew Research Center survey of U.S. adults, May 12-18, 2015; and Spring 2014 Global Attitudes survey

the spread of Islamic terrorism, a situation that leaves many ordinary citizens feeling afraid and defenseless.

The conceptual crisis has reached such proportions that half-measures and limited actions are useless: only a systemic solution has any hope of producing results. However, it seems that both the right and the left have no such plan to offer. Instead, the left proposes re-industrializing and raising taxes on business in order to build up public goods. However, that approach could only produce the desired effect in a relatively closed system – a condition that is already unattainable. In addition, the industrialization that U.S. President Donald Trump has made a point of promising his supporters will probably be based on completely different technologies and will not necessarily lead to the creation of a significant number of new jobs.

As for the right, it proposes creating a favorable business climate through tax cuts and the reduction of trade barriers. But that does not solve the problem of inequality. What's

more, it reduces the resources of the state even as society constantly expects more from the government. The calls in Europe, and especially the United States, to implement openly protectionist measures could lead to unexpected consequences in a world economy that is now more interdependent than ever.

The lack of an obvious solution makes it practically inevitable that political conflicts will worsen in the West. This marks the end of the era of centrism, when everyone agreed that party polemics should play out within a rigid framework. Demand is growing for outspoken ideology-driven positions, as seen by such increasingly popular politicians as the British Labour Party leader Jeremy Corbyn and French presidential candidate Benoît Hamon of the Socialist Party. New forms of ideological struggle will inevitably appear, and the left and right will continue taking increasingly radical positions – partly reenacting the battles of the first half of the 20th century. National administrations and politicians will have to respond to voter demand for a greater emphasis on ensuring public safety.

Now Even the Economy Is a Game Without Rules

The domestic turbulences various countries are experiencing are directly related to the general state of the global political and economic order. The Valdai Club report in 2015 stated that the international system had become a “game without rules” and that the old rules were unacceptable to many of the world's leading players.¹ The situation has worsened ever since, as evidenced by the fact that the tendency toward unilateral action has now spread beyond the military and

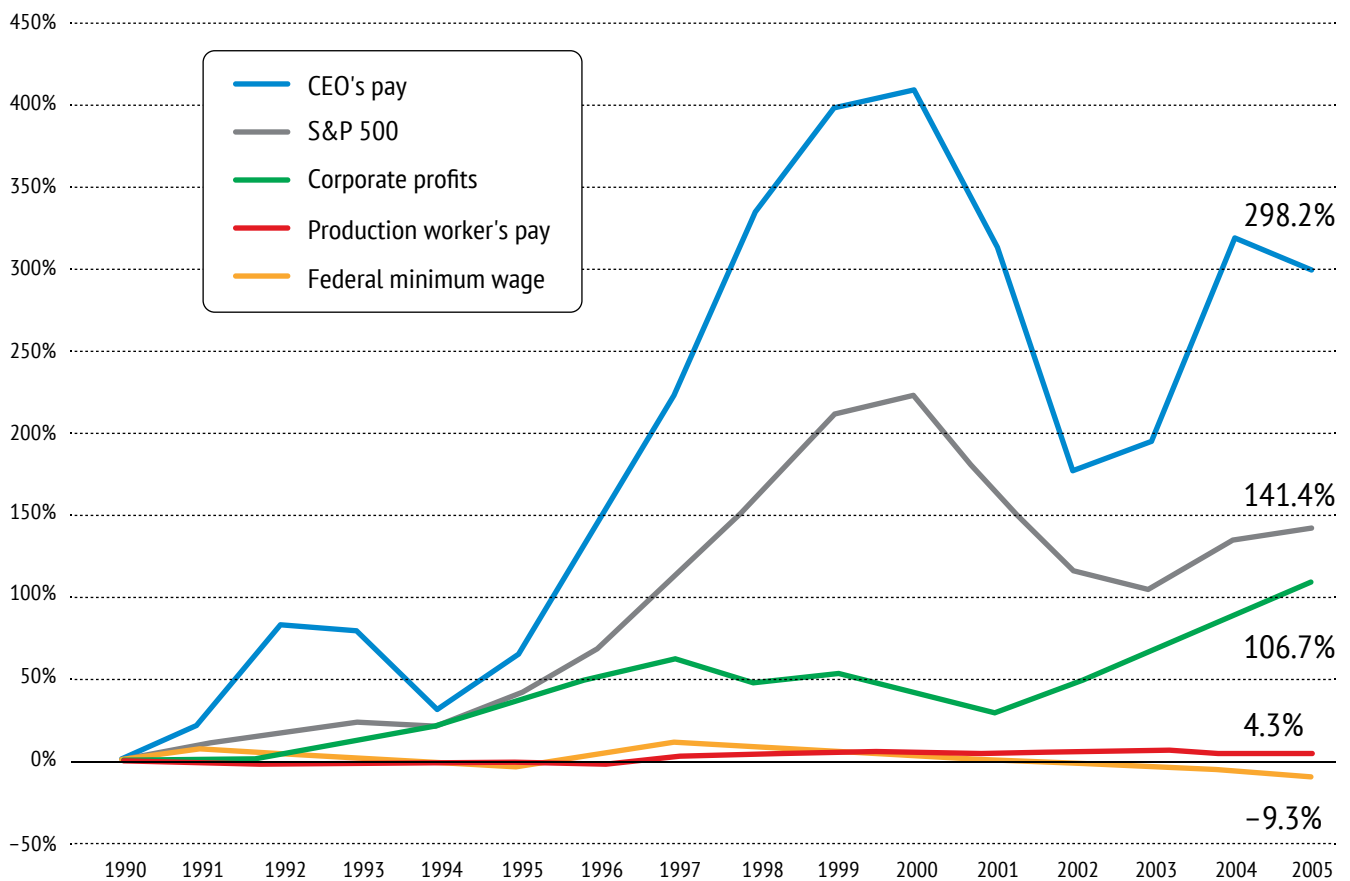
political sphere to fully encompass economic relations.

The order created by the West contributed the growth of a number of developing countries. As a result, those states have not called for a complete overhaul of the existing order, but have limited their demands to a call for greater representation in that system. However, with the advent of the era of global interdependence, it is no longer possible to maintain a balanced and smoothly-functioning scheme in one area when entropy and institutional dysfunction are mounting in other areas. *Over the last two years, the principle of a “game without rules” has*

¹ See Valdai Discussion Club report “New Rules or No Rules” (Moscow, March 2015). URL: http://valdaiclub.com/a/reports/new_rules_or_no_rules_xi_annual_valdai_discussion_club_meeting_participants_report/

OUTCOMES OF GLOBALIZATION. INEQUALITY RATE (U.S.A)

Growth of unemployment, low ratio of workers' salaries with the all-time highest wealth disparity



Source: Executive Excess 2006, the 13th Annual CEO Compensation Survey from the Institute for Policy and United for a Fair Economy

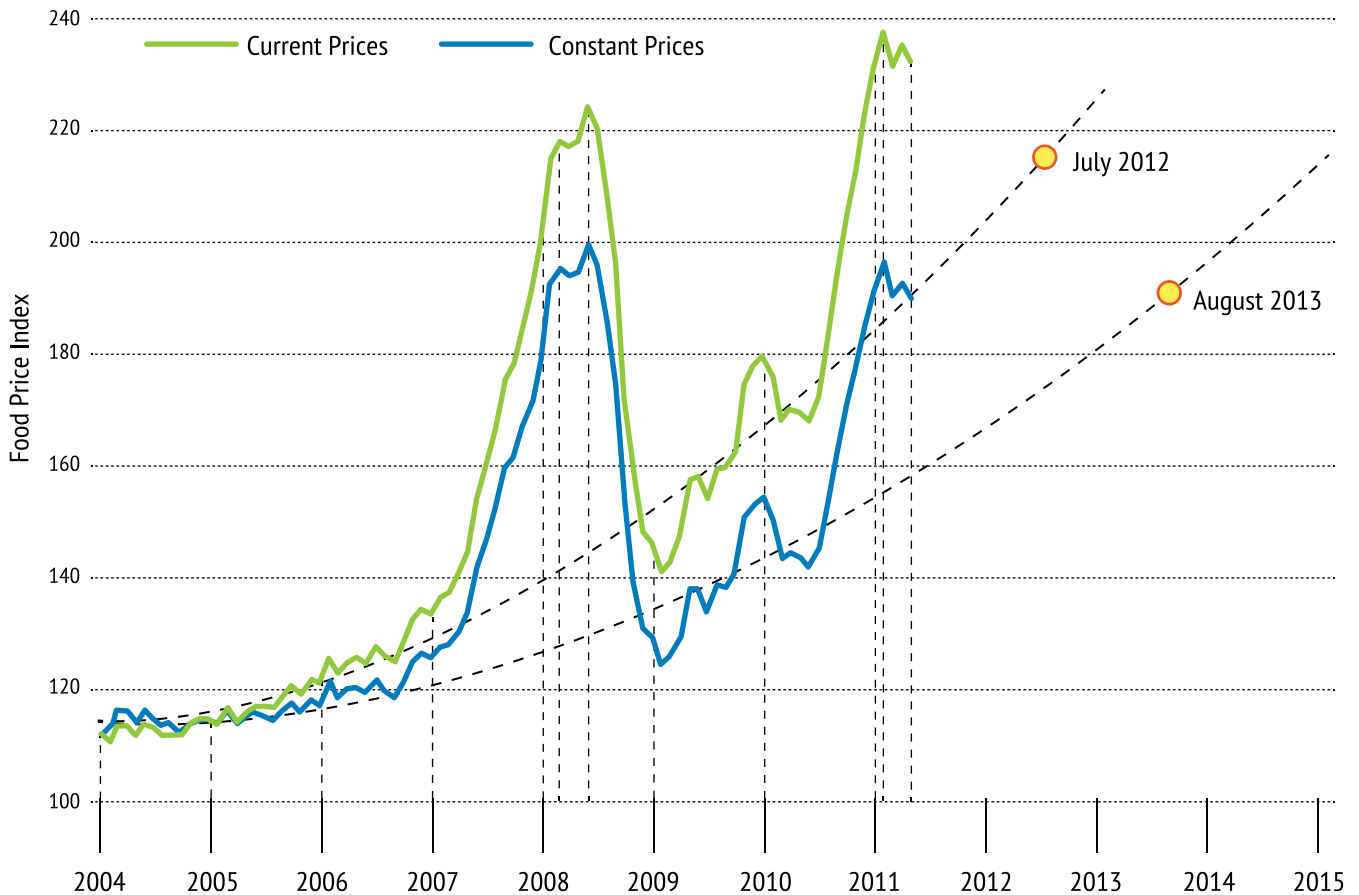
spread to the global economy. The interdependence and freedom in trade and economic relations that until recently were considered factors fostering growth for all and that served as safeguards against hostilities, are today used as tools to weaken opponents and gain geopolitical advantage. Whereas national security interests previously came into play almost exclusively in the energy field, they now carry increasing influence in the global economy and international economic relations. The fact that unilateral sanctions and other restrictive and repressive measures have now become standard practice indicates that the “liberal order” touted in the last decade has now come to an end.

The Valdai Club suggested in 2016 that one way out of the current disorder would be the formation of two giant transcontinental economic and political communities: one embracing “two oceans” with the U.S. at its center, and the other, a “Greater Eurasia” with the SCO at its core². The year just passed, while not disproving this theory did force some adjustments to it and demonstrated that the trends are accelerating and shifting into the next phase.

² See Valdai Discussion Club report - <http://valdaiclub.com/a/reports/international-stability-and-balance-of-the-new-type/>.

SOCIAL PROTESTS AND FOOD PRICES

Growth of food prices provokes protests on the periphery



Source: <http://www.businessinsider.com/food-prices-and-social-unrest-chart-2012-11>

The new U.S. president took office with slogans about the evils of free trade and the need to review the economic and trade agreements made by his predecessors. He has replaced the idea of an open economic order and continued liberalization with rhetoric along the lines of “America First!” Considering that the U.S. continues to dominate the global system and sets the tone of international politics, such a shift would inevitably cause other countries and regions to reorder their priorities. It is unclear just how much the trend toward globalization might reverse direction and whether, as some commentators have suggested, the world is really moving toward a form of mercantilism. If so, it

is necessary to preserve at least some ground rules for behavior and civilized mechanisms for conflict resolution to avoid lapsing into destructive trade wars. This suggests the importance of preserving and strengthening the World Trade Organization.

Despite the fact that Washington now rejects the megaprojects it originally initiated – specifically, the Trans-Pacific Partnership and the Transatlantic Trade and Investment Partnership – a restructuring of the global economy in favor of regionalization continues in one form or another. Political trends are pushing it in this direction. However, given the deep interdependence of all national

economies, it is highly unlikely that the global system will fracture into little pieces.

Tensions between Russia and NATO will probably continue, especially given the current deadlock over the Ukrainian crisis.

The existing model of transatlantic relations is gradually eroding, along with everything else inherited from the previous era, but that process might also prompt Western countries to use an inimical image of Russia as a rallying point. The growing military and political estrangement will put distance between the EAEU and the European Union, although from an economic standpoint, the two structures are natural partners in the process of building a “Greater Eurasia.” Unfortunately, there seems to be little chance that the two integrative associations will hammer out mutually acceptable rules of the game in their “common neighborhood. The potential for economic conflict in the Asia-Pacific region will grow as the military competitiveness intensifies between Beijing and Washington, and between China and a host of U.S. allies in Asia. The Trump administration has focused the brunt of its criticism on Beijing.

Both BRICS member states and Western countries declare their commitment to an open economic order and liberalization. Washington has offered assurances that its Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP) initiatives are not substitutes for the WTO. But if the WTO does continue, it would not be as the primary organization for world trade – one that would be largely regulated by new regional regimes – but as an umbrella and advisory structure.

Regional trade and economic cooperation is on the rise and mega-regional structures for economic administration are gaining strength. The U.S. remains the leading outside economic influence in Asia. Not only is the TPP agreement – signed in February 2016 and currently undergoing ratification – the most advanced

trade arrangement at present, encompassing approximately one-fourth of the world’s trade, but some of its rule and regulations are also among the toughest. Talks continue on the TTIP and the Regional Comprehensive Economic Partnership (RCEP) endorsed by China. The Eurasian Economic Union (EEU) and China are formulating an agreement and talks might begin on establishing an EEU-ASEAN free trade zone. Although the process of forming mega-regional communities has slowed recently, it is probably only a temporary setback as political trends are clearly moving toward greater consolidation of competing blocks.

Several factors could drive a wedge between the EEU and the European Union, including growing tensions between Russia and NATO, a probable new escalation of the Ukrainian crisis, and progress on the TTIP. That leaves very little hope that these two integrative entities will manage to hammer out mutually acceptable rules of the game for their “common neighborhood.” The sense of rivalry between the TPP and RCEP in the Asia-Pacific Region is not as pronounced, but it rises and falls in relation to the degree of military competitiveness between the U.S. and China, and between China and a host of U.S. allies in Asia. This is especially true because the anti-China nature of the TPP is the primary, if not the only reason the U.S. Congress might support it.

If such a division or distancing occurs, will it prove a means for addressing the root problems of world development or an effective response to the “triple dissatisfaction” mentioned above? Definitely not. After all, the challenges and threats, as well as the tasks before the world’s leading powers are global, not regional in nature – even if integrative projects effectively make those regions several times larger in size, or the reverse, regions fragment and divide. The failure of the major powers to develop a universal policy of practical effectiveness does not change the fact that the countries of the world are increasingly interconnected, or eliminate the issues stemming from that reality.

Various Problems – One Solution?

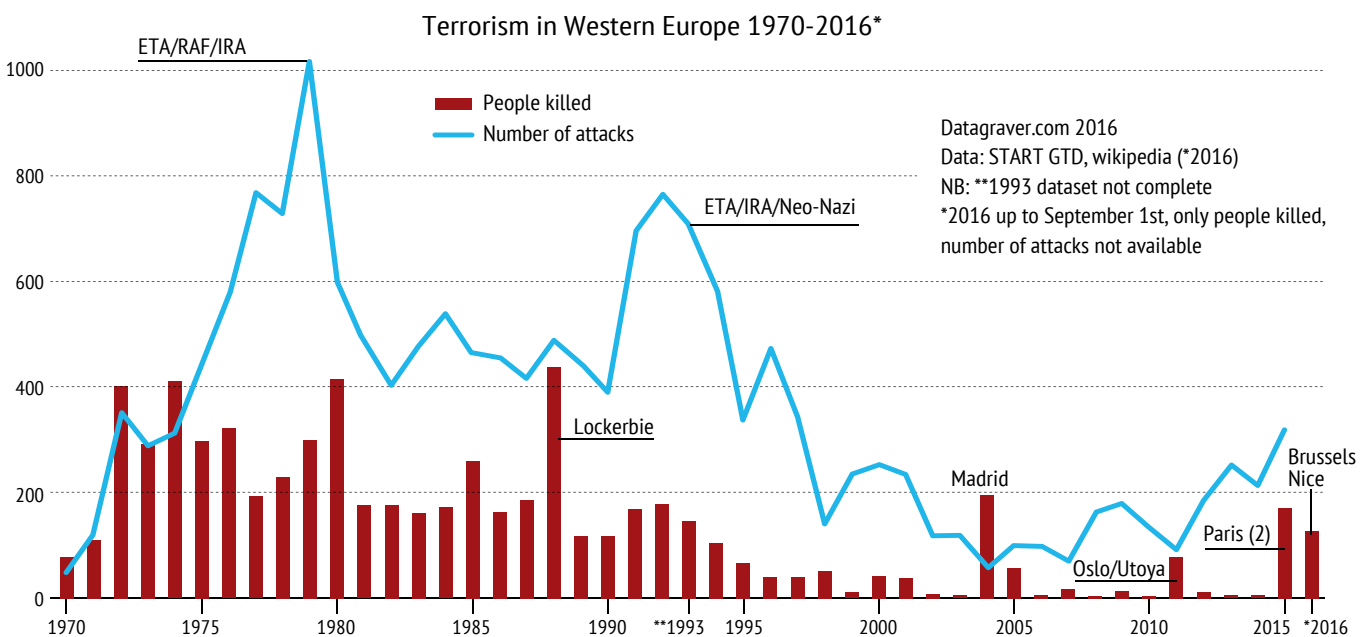
The trend toward divisiveness in areas of politics and security in the Atlantic and Asia-Pacific regions deepened in 2016. The broad confrontation between Russia and the U.S. continues despite their cooperation on Iran and, until recently, Syria. NATO has shifted more decisively toward a policy of containing Russia by opting to expand its military infrastructure into the territory of the newest NATO member states – formally on a rotational basis, but effectively creating a permanent presence there. The deployment of four battalions will hardly present a military threat to Russia, but it does raise the risk of sparking an uncontrollable escalation. The deployment of the U.S. missile defense system in Europe could also seriously aggravate relations, and the new U.S. administration is unlikely to abandon those plans. That would compromise the main Cold War principle of strategic stability – the certainty that no nuclear attack could go unpunished.

Washington officially cites the potential of the People's Liberation Army of China as the reference point for developing its own armed forces, and considers the Asia-Pacific region as its

main theater of military presence. The U.S.-Chinese arms control talks no longer focus on the desire to avoid confrontation, but on ways to manage the confrontation that already exists.

Not one of the scenarios by which global events could foreseeably develop would lead to the establishment of a new and stable equilibrium. Most alarmingly, no one can even dimly visualize a world order capable of resolving the numerous conflicts of the 21st century. The ruling and intellectual elite of the West generally continue to insist on the inviolability of the principles they adopted after the Cold War, ignoring the results of their practical application. Of course, the “political earthquakes” of 2016 in Great Britain and the U.S. indicate that the departure from the paradigm of the 1990s-2010s has already begun, but for now, it is accompanied by an increasingly fierce political battle that could lead to unpredictable consequences. One unexpected fact, however, is clear: the situation in the leading Western states, and especially in the U.S., will be the main contributing factor to political uncertainty in the world for the near future. China and other

RATE OF TERRORIST ATTACKS IN WESTERN EUROPE

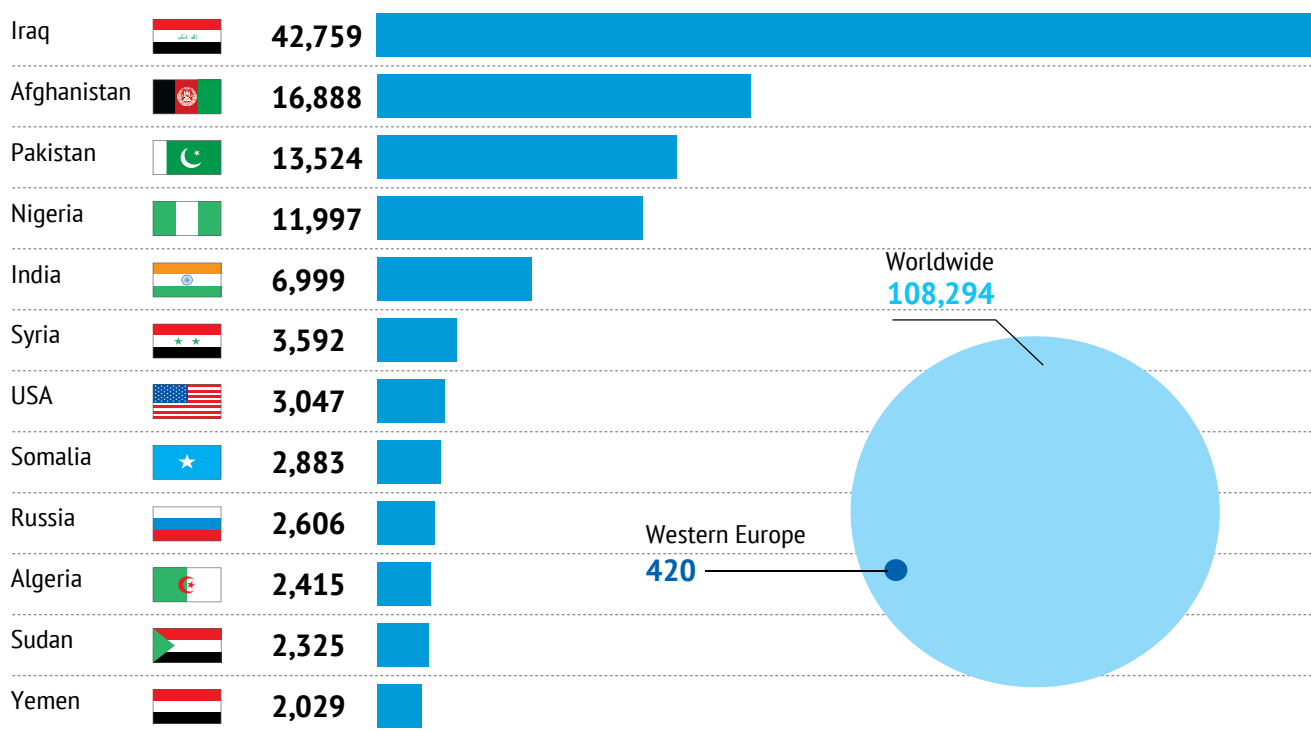


Source: <http://www.datagraver.com/case/people-killed-by-terrorism-per-year-in-western-europe-1970-2015>

VICTIMS OF TERRORIST ATTACKS BY COUNTRY

Victims Of Terrorist Attacks Beyond Western Europe

Number of persons killed by terrorist attacks in selected countries, 2001-2014



Source: Global Terrorism Database

major non-Western powers shun substantive discussion, focusing only on furthering their practical interests at the present moment. Russia has adopted a primarily reactive posture due to the fact that long-term planning is impossible in the modern world.

Faced with social protests at home and finding themselves unable to change their existing political and economic models, the ruling elite in leading countries have put security at the center of their foreign and domestic policies. This is a proven method for rallying society and avoiding painful reforms. At the same time, the growing instability in peripheral regions lends legitimacy to the sharply increased foreign policy focus on security and justifies the subsequent mobilization of resources to meet those challenges.

Meanwhile, the military buildup by the major powers coupled with turmoil in the periphery could lead to untold disaster – a series of severe conflicts affecting every member of the global order, from the major powers to unstable quasi-states.

The confusion caused by the deteriorating global security situation is ubiquitous. And it is typical that, from among the entire spectrum of threats that exist, leaders tend to focus on those that are most familiar from past experience. This is especially evident in the North Atlantic bloc.

NATO is not only the most powerful military and political alliance in the history of mankind, but also the backbone of the world order that emerged after the Cold War. Today, however, that alliance is losing its relevance to global security. It is ill-

fitted to fighting terrorism, incapable of staunching the flow of refugees, and its interference in Middle Eastern affairs – whether under the NATO flag or at the initiative of individual member states – produces results opposite to those desired. What's more, the North Atlantic bloc is not a player in the Asia-Pacific region, where the most dynamic developments are likely to take place in the coming years.

One task is given high priority: containing Russia. The communiqué from last year's NATO summit in Warsaw focused squarely on this objective and referred to specific measures taken to achieve it. The same can not be said regarding terrorism and other threats: the Alliance issued only formal declarations of their intent to combat them. In effect, European taxpayers are financing the response

to a hypothetical threat even while they remain unprotected against real and present dangers.

The result is an extremely dangerous situation reflecting a whole potpourri of contributing factors. These include the breakdown of the European security system; local crises in transitional states in which major players have become involved; imbalances in Western societies and the potential for domestic problems to worsen in Russia and China; the overriding strategic importance that all major powers have given to security concerns; and the growing willingness of those societies to accept security issues as a top priority. These factors, taken together, are likely to become a reality for many years into the future. And that spells a long-term bias towards secrecy and a growing risk of full-scale military conflict.

The “Revolt of the Rich” and the Role of International Institutions

Two factors prevent the world from sliding into the abyss: the unprecedented global interdependence of international trade and national economies, coupled with increasing global connectivity in general and, to a greater extent, nuclear deterrence between key major powers belonging to different security communities. However, the efficacy of these two restraining factors is not unlimited. As mentioned above, that interdependence is increasingly becoming a tool not for overcoming differences, but for applying pressure. Moreover, the U.S. leadership has made it an official objective to decrease its level of dependence on others. And nuclear deterrence is now less effective than during the Cold War. This is due, first, to the gradual spread of nuclear weapons and, second, to the gradual loss of fear that such weapons might ever be used. Either way, it is extremely risky to rely exclusively on these

two “pillars” of international security. Additional guarantees are needed that the risks posed by global imbalances will not prove fatal. That is the role of international institutions.

The existing international institutions and the rules they formulate come under constant and widespread criticism. They are branded as archaic, ineffective, and unsuited to the realities of the modern world and particularly the global market. What's more, some critics contend that the rules are undemocratic and do not take the interests of all concerned parties into account, while others contend just the opposite, that they are too democratic and lose efficacy by permitting too many a say in affairs.

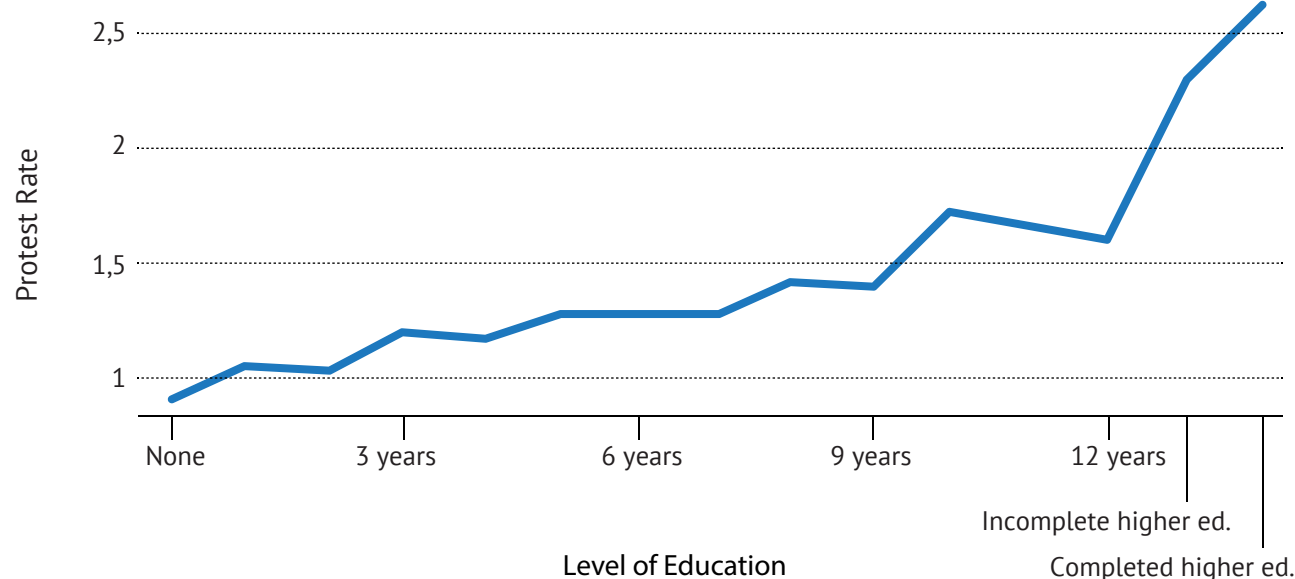
Those criticisms are valid and the shortcomings they point to are very real: not a single international institution remains that functions

THE "FRUSTRATED ACHIEVERS" PHENOMENON (BY THE EXAMPLE OF LATIN AMERICA)*

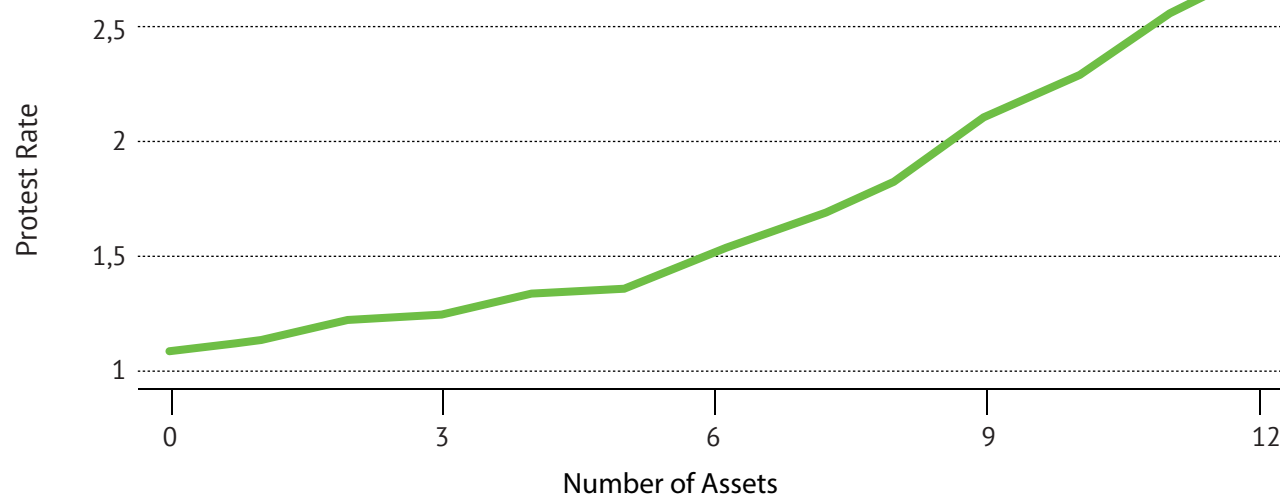
Educated people who achieved a certain social status are more predisposed to protests

Protest Rate By Education

*Latin America is clearly a region where people exercise their rights to civic participation: roughly one in six of our 66,000 respondents reported to have participated in an authorized protest



Protest Rate By Wealth



Note: because our measure of wealth is based on ownership of 12 key assets, ranging from running water to a computer to a vacation home, it does not clearly distinguish respondents at the top of the income distribution from the middle.

Source: Brookings. <https://www.brookings.edu/blog/up-front/2014/06/17/frustrated-achievers-protests-and-unhappiness-in-3-charts/>

as it was originally envisioned. Nonetheless, only those broad-based international institutions and rules can achieve solutions to the problems that have accumulated.

International institutions and, in particular, international law, are the most important legacy of the 20th century for ensuring that the world remains relatively stable and governable. Their primary function is to gradually and subtly restrict the sovereignty of states and diffuse or resolve political tensions. Now, **in the second decade of the 21st century, international institutions – even with their obvious shortcomings – offer the only guarantee that the rule of law will remain reasonably binding on members of the global community.** Remove them, and the world will revert to conditions that prevailed before mankind managed to construct a relatively ordered system of international relations. After all, humanity is now struggling under the heavy burden of globalization, asymmetrical economic interdependence, nuclear weapons and their spread, and such global challenges as climate change, natural disasters, cross-border terrorism and crime, and diseases. If those problems are left unresolved, humanity will not simply hunker down into opposing camps, but might lapse into an apocalyptic war of survival, of each one against the other.

The UN is often and justifiably criticized for its foot-dragging and for its Cold War inheritance – a hierarchy among member states in which some exercise their power of veto to block any initiative, even those that enjoy support by the majority of the international community. Some have called for reconsidering whether five UN member states should retain the power of veto they granted themselves as the victors in World War II. They forget, however, that the veto is the only and last way for the mightiest military powers to avoid resorting to force in cases where they consider their core interests to be affected. It is only thanks to that “archaic” right – as some theoreticians and practitioners consider it – that the world has managed on several

occasions in the past 70 years to avoid slipping into a major war. Should we rush to change such a rule? To the contrary, **it is important that we achieve unconditional respect for this rule and guarantee the preservation of this unique right.**

The United Nations, like any other universal international structure, does not need reform, but commitment that its member countries will fulfill their obligations. That is the most effective way to strengthen the largest institution on the planet – at least in the medium term, while international relations adapt to the ongoing turbulence.

Discord between the leading states is likely to deepen over the next 15–20 years. Such problems as European security, territorial disputes in the Asian seas, or the tangle of conflicts in the Middle East where the interests of the major powers collide, leave little hope that those states can cooperate systematically to reform the architecture of international governance. The only remaining option for proceeding in a civilized way is to strengthen existing international institutions.

An irreversible process of regionalization has been triggered by the fact that the major beneficiaries of globalization refuse to cut deals with the new centers of power. The major players are unwilling to give others a voice in international institutions and thus grant them access to the most desirable dividends. The result is a “revolution of the wealthy” and the creation of new rules of the game within the framework of macro-regions on a more local and bilateral level.

By modifying the rules, the traditional leaders hope to correct imbalances in globalization and regain control over the situation and the main benefits of the global economy. Other states are forced to follow suit, whether or not they want to. Most likely, however, the states playing “catch-up” will choose not to attempt jumping on “the last wagon of the train,” as they did

when the institutions of globalization were developing, but will decide this time to build their own locomotive. China, Russia, and to some extent India and Iran are leading the resistance to this “revolution of the wealthy.” Either as a group or in some combination they will have to create something like a “partnership” involving institutions and a system of international governance on the macro-regional level. That, however, **should not serve as an excuse for failing to revise the system by which voting rights are distributed in existing broad-based institutions of economic governance.**

This is an irreversible part of the “global revolt.” That makes it all the more necessary to strive to mitigate negative consequences by harnessing the potential of broad-based international organizations for regulating economic relations – foremost among them, the World Trade Organization. The international community should regard the refusal to work on strengthening that organization as an act of sabotage and deliberate destabilization. **It is necessary to review the technical aspects of the activities of the WTO and other broad-based economic institutions, but it is wrong to simply try to replace or annul them altogether,** as some states are de facto doing.

An important advantage of broad-based international institutions is their “classless” character. They are far from capable of making optimal decisions at present, but they at least accurately reflect the views and opinions of their members. In the same way, deliberations and voting in the UN General Assembly have often served as a “barometer” of public sentiment. It is apparently time to consider expanding the number of issues on which the General Assembly would hold deliberations and vote. That would better communicate the attitudes of different countries and revive diplomatic dialogue in the UN.

Broad-based international institutions must achieve greater transparency in their work and

results. Elements of inequality, such as the special privileges enjoyed by the P5 are inevitable because they help prevent fatal collisions involving the major powers. But the deficit of democracy is dangerous because it serves the interests of those seeking an authoritarian and exclusive restructuring of the global system of governance – and especially because struggle against instability in the system and the “global revolt” could only deepen those authoritarian tendencies. **Broad-based international organizations are a living manifestation of democratization. Attempts to limit their powers are a direct attack on democracy, one that is aimed against the majority of the sovereign states of the world.**

Of course, institutions are not free from corruption, excessively slow decision-making or individual members that behave irresponsibly, but it is necessary to struggle with these inevitable defects, and not with the structures themselves. The erosion of basic organizational structures of the world community is causing them to regress, not progress. **It is necessary to improve and develop their legal foundations, and create stimuli for their bureaucracies to become more efficient.**

People know too little about the United Nations and, even worse, the information most widely available about it is usually negative. This stems not only from criticism of its actual problems, but also from deliberate attempts to discredit global organizations. **It is therefore important to increase efforts by the UN, its agencies, and other broad-based institutions to inform society of the nature of their activities.** The creation of an independent global source of news – a World News Channel – would be a breakthrough in information policy. It would provide the world’s inhabitants, including the political and business elite, with information about events across the planet – using objective reporting carried out under the guidance of a special supervisory board. At present, the need for unbiased news is filled, with varying degrees

of success, by the media of individual countries – a situation that has given rise to propaganda wars.

It is necessary to **strengthen the independence of the international bureaucracy** that serves as a natural shock absorber of national policies and changing conditions. It is important to strengthen the supranational legal status and authority of the UN Secretary General, whose dependence on a limited group of countries increased after the Cold War. It might also be **worthwhile to change the geographic placement**

of the headquarters of universal international organizations in favor of a more neutral location.

If the 20th century gave the international community something positive, it was, without doubt, international institutions and international law. They do not, of themselves, solve the problems facing humanity, and do not respond to the challenge of global discontent at the national and international levels, but they help humanity maintain a civilized path while it searches for a sustainable solution to these problems.

Homework Time

The events of 1968 gave a powerful jolt to the whole world. The “Prague Spring,” the student riots in Paris, and the anti-war movement and civil rights struggle in the U.S. were caused by different and mostly internal factors, but all had important international and political consequences. Both of the major political blocs in the world at that time recognized that they would have to do some serious “homework,” and that external stability would be needed for that. It was therefore natural that the era of détente began at precisely that time. It saw the start of a complex political and diplomatic process that led in several years’ time to the signing of the Helsinki Final Act of the Conference on Security and Co-operation in Europe. That agreement confirmed the balance of powers and interests on the European continent – the center of world political events at that time – and established a set of principles and rules that ensured the stability of the international order.

More than 40 years have passed. The world has changed dramatically, and continues to change, but the international community has yet to adopt a new set of documents similar in function to the Helsinki Final Act. The time has clearly come to declare a “water truce” so that all parties

can attend to their respective internal affairs. This is especially important now that the latest stage in the technological revolution – that will have a serious impact on socio-economic development – has forced every country to make a serious assessment of its future. This also suggests a parallel with the 1960s, when advances in science and technology bred both hopes for a qualitative expansion of human capabilities and concerns about man-made hazards and risks.

At the current stage of global development, it is not possible to build something that would last for decades. It is impossible to formulate a truly *final* Final Act that would conclusively delineate the new world order for decades to come. And yet it is necessary to minimize the risks arising from the fundamental shifts now taking place. It is a task whose scale, complexity, and importance, put it on a par with any of the most serious challenges that the international system has ever faced.

It is impossible to “put down” a global revolt – and there is no need to even try. As with the commotion of a half-century ago, humanity should see in these events a chance for a new beginning rather than a threat to the old world order.



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