Reorientation of the World Economy and the Unique Case of SE Europe

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Abstract

Globalization is historically legitimate and an inevitable move towards progress, distinguished by the degree of development of the dialectic, between the two economic systems, that of capitalism and socialism and geostrategy. This mark is condensed maturity of quantitative changes and alertness or the start of solving impressively big problems of those who are epoch-making nature. Hysteresis in the management system of the economy, combined with the impasse in which led the geo-economic component of globalization, revealed new forces. The countries of SE Europe (SEE), located on the edge of both sides of EU and Eurasia have become the scope for developing relationships, which are trying to influence both sides, either with existing traditional institutions or by creating new ones. Transitivity causes changes in the economy. New positions on wages, labour and monetary policy are established, which primarily affect the countries of SEE, since here is the field of contradiction, evolving from the quantitative level to purely qualitative.

JEL classification numbers: F02, F50, P00
Keywords: Reorientation, transitivity, new-economy, institutions, Eurasia

1 Introduction

The dialectic clash of old and new with the issues of self-determination, national independence, public sector reformation, protectionism etc were repositioned

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Article Info: Received: January 12, 2016. Revised: February 2, 2016.
Published online : March 15, 2016.
theoretically and practically. Regional and international factors, act together in the area of SEE. The resultant motion is formed in the direction of development in the given conditions of the international sphere. This period of intense volatility favours a general reassessment, of Keynesianism and neoclassicism. As new economies developed with characteristics drawn from two existing economic systems a hybrid system is created, today, with a socialist-liberal form of governance, on certain subjects through their own autonomy. The countries of SEE are the closest field which is peculiar to these new economic systems, since here both capitalism and socialism developed. Absorbing this experience and through close partnerships, SEE countries have the advantage, in the reorientation of the world economy.

2 History and Geostrategy

2.1 The main Economic Trends and the System of Crises

The international order and hence the economic systems were characterized for their time progressive. Promoted a conception of things which were based on an ever-expanding collaborative democratic order under which followed common rules and procedures, applied liberal economics, disavow the territorial conquests, were respected the sovereignty and participatory governance systems were adopted. This perception has based on principles led to progress in the capitalist system and the rebound after WWII, even temporarily, deferring the crisis to another level, which each appear more frequently and with greater intensity. Western Europe integrated into the system of global balance of power and in Euro-Atlantic Structures (EAS) was the natural continuation of the phenomenon of integration in the substance of socio-economic development. Western Europe followed the type of capitalist integration with main feature being, the State-Monopoly Capitalism (SMC). The US sought the unipolarity in global governance stated in the Truman Doctrine and its European manifestation, the Marshall Plan. The roads of expansion were founded through enlargement, as the basic element of survival of the capitalistic system. In particular the line of integration took two corresponding types, socialistic and capitalistic. In the latter, the two main sub-types occurred, the private-monopolistic, Anglo-Saxon concept, embodied in the private transnational monopoly, especially the American concept and features the universal practice and cosmopolitan ideology and the west-European, developed as an extension of the SMC with the version of the collective neo-colonialism and ideology of Europeanism. The economic growth that followed the 1950s, gave impetus to the European capital to recover. The two main currents prevailing in


economic thinking and the management of the western economy was Keynesianism and neoclassicism with their respective versions, neo-Keynesianism, neo-liberalism, the social market economy, the monetarism, the theory of neoclassical synthesis etc. The Keynesianism is prevailed as a perception of bourgeoisie thought in the practice of management of the economy, creating on that basis, the state interventionism. The primacy of Keynesianism against neoclassicism is the failure by the latter to provide solutions to the crisis of 1929. The overall mechanism of neoclassicism, however, continues to have great importance in the market of Energy and Raw Materials (ERM), and food in general in the system of unequal exchanges. The unequal exchanges occurred in agreement Wilson - Saud for oil of Saudi Arabia, in Africa and Asia for the food and raw materials, and in “technological neo-colonialism” with the transfer of brilliant scientists from the countries of existing socialism to Western economies. These two schools of thought on the economy were impossible to meet the requirements of state monopoly capitalism SMC and its transnational dimension. The Keynesianism is acceptable to the extent that state intervention reach the threshold of private initiative and does not limit the spread of transnational capital and the transnational management of the economy. Decommitment of the business from the state, inevitably leads Keynesianism in the history of economic thought. Neoclassicism remains as first line reserve, but resolves to the needs of geostrategy. In the sphere of monetary economic policy, putting the dollar in the role of world money instead of gold became the source of all monetary crises. The trends occurred peripherally for the removal of the dollar, undermine the sovereignty of the dollar and reveal the non-historical lawful withdrawal of gold. The weaknesses of Keynesianism and neoclassical economics resulted in degraded from the storm of the system of the financial crises that erupted at the end of the 20th century. The system of economic crises began to manifest itself in the 1970s and led the US to the second revision of foreign policy and then to the third review in early 1980. In the 1970s which is a world historical landmark, humanity passes from extensive methods of development, in the economy to the corresponding

8 Iran turned its reserves from dollars into euros by 01.01.2007, Russia gradually turns from available dollar in rubles, Russia and China agree to exchange their national currencies, the systematic purchase of gold from Germany, Russia etc undermine the dollar and the huge profits made by transnational capital.
intensive ones, and simultaneously upgraded the importance of Scientific-Technical Revolution STR, and labour productivity. This latter, is the main issue in capitalistic system scene from the 1970s onwards, lies to redefining from the part of the leadership elite of the West, the EAS, the conditions and dimensions of the produced surplus value distribution and its redistribution. The redefinition is necessary in the 1970s, when the product did not produce goodwill became necessary to introduce the concept of “deregulation” and “capitalism in dislocation” desperately seeking support in Soumpetarian “creative destruction”.9

The requirements which brought the STR required large amounts of capital at the moment when the already invested capital had not been depreciated. In this substance redistributed markets, where limited in economic terms and according to the power of each Transnational Monopolistic Corporation (TNMCo). The transnational capital was seeking new markets in search of the living space of survival. The living space determined by exogenous parameters, barriers, which also determined the course of the capitalist system. The first of these obstacles was the USSR in the east and the collapse of colonialism with the self-determination of nation-states. Under these conditions the redistribution were in narrowness conditions resulting in the transformation of relations of production from national to transnational giving temporary way out to the capitalistic system of production by shifting the crisis to a lower level in other countries that are converted from producer countries to consuming countries. The crises began to appear more frequently and stronger at all levels. Trying to rename the crisis in “oil”, “financial”, “deflation”, “hyperinflation” etc. does not covers the fact that all crises are inherent crises of the system and break out in the sphere of production. The biggest such impact, however, is resulting not from separate crises of the political system, but those manifested in the bases of the system, particularly in the individual, capitalist ownership and the means and results of production.10

The crisis at the level of small businesses was considered to be overtaken by a greater company and the micro-production from large manufacturing companies, namely, the concentration of that economic activity in large firms, which was initially manifested in the limits of the nation-state and then beyond them. This need, which starts at the end of commodity capitalism in the 1870s and the beginning of the imperialistic capitalism continued through progressive, big businesses for the time being. The displacement of the crises in the base of the system, deterministically, results in the deferral of the crises on the basis of capitalism, the individual capitalistic property, which in combination with the dilution of the nation-state dissolves capitalism from within. State intervention both in the sphere of property, with entrepreneurship, and in the sphere of management by planning, aims to rescue with sacrifices. In particular, it constitutes necessity for capitalism,

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namely in conditions of crisis, the sacrifice of certain types of property and sovereignty to survive the system in its present form. Small business is sacrificed in front of the survival of the system. The state is used as a crises’ smoothing mechanism for the survival of large enterprises, which nationalized to survive from the crisis in order to return them later profitable to the private sector. Strengthening businesses is through the state budget to overcome the crisis, to rehabilitate and then return to private initiative, namely the American style of planning or programmatic agreements or contracts between the state and private initiative. The state itself is indifferent to the middle class in times of crisis, facing the need of survival of the system and transfer the “salvation” to the future when for decades it has become indifferent about it. In short, the law that says the big absorbs the small is prevailing.

2.2 Geostrategy replaces Economy

The qualitative change took place in the 1970s when the balance of power was achieved with the signing of the Helsinki Final Act (HFA) where the USSR is now besides an equal partner in world affairs and equivalent. This led to the admission, from the side of USA, of its failure to ensure the prosperity and to the third revision of foreign policy in the early 1980s. The West valued HFA respectively by the Treaty of Yalta as compliance and retreat toward purposeful movements of the opposite side, which is very idealistic and ignores the historical motion and scientific approach. The deadlock of economic stagnation, through the blockade of the West from the Sources of Energy and Raw Materials (SERM) is what forms now the global political-economic scene. Kissinger carefully avoids to

11 [...] I’ve met too many Americans who prove, day in and day out, that this is a place where anything is possible. Yes, we have a lot of work to do to rebuild a middle class that’s had the odds stacked against it now for decades. That’s the thing about America – our work is never finished. We always strive to be better – to perfect ourselves. [...] (2015) “Pr. Obama, Weekly Address”, Office of the Press Secretary, [online] Available at: https://www.whitehouse.gov/the-press-office/2015/09/19/weekly-address-it%E2%80%99s-time-congress-pass-responsible-budget Last accessed Sep. 2015.


analyze the signature of HFA, in his book “World Order” but artfully admits its necessity, “[…] not to be US infinitely powerful nation in relation to the potential competitor”\(^{14}\), and thereby justifies what followed a year later, the HFA. Due to the historical development and the contribution of the factors that helped define the major problems, whose resolution process had already matured, the 1970 is the beginning of dealing with their realistic confrontation. The road of maintaining the capitalistic system was the capitalist integration through Enlargement and the management of transnational economy. These two organic tied together, leading from national to transnational property with the dissolution of the national relations of production. At this point neoclassicism returns, in the line of “deregulation” in management of the economy, to the free-market competition. The deregulation of capitalism is transliterated in de-nationalization, in transfer of the nation-state control of the economy to TNMCo and international organizations. Crises up to this point have resulted in their absorption within the limits of the nation-state representing transitional situations, enabling a relative recovery. The nation state, with its conventional form, the corresponding political dominance and form of governance, was capable of relative rebound in the previous situation or to move at a higher level, each and every time in the substance of state sovereignty and the political order. The continuous crises since 1970s, with the various forms of manifestation, changed the quality characteristics of the structure of the nation-state. The change does not exist in one or another economic system but to the transfer of sovereignty to supranational state-monopoly mechanism and international (supranational) institutions\(^{15}\). That assignment has not a temporary but a permanent character and together with the political sovereignty and the economic is assigned. The historical novelty lies here in that the step of concession firstly becomes from the developed countries, which are pressed from the development, the socialization and the need for internationalization of their productive forces and the over-accumulation of their

\(^{14}\) No president, since Roosevelt, had approached the international order as a universal concept in such a systematic and structured way. […] Speaking to Time magazine in 1971 Nixon developed such a position […] We must remember that the only period in the history of the world in which we had a prolonged period of peace was when there was a balance of power. When a nation becomes infinitely stronger than the potential rival, then it is clear the risk of war. Therefore, I believe in a world in which the United States is strong, I think the world would be safer and better if we have strong and healthy America, Europe, Soviet Union, China, Japan, counterbalance each other and not to move against one another in a harmonious balance. […] Kissinger H., (2014), “World Order”, trans. D. Gianaroudi. Livani A.A, Athens, p. 424.

capital which also requires international placement. Similar changes are taking place in the management of the economy, which is converted by a state governance of the national economy exerted under the state control, on state-monopolistic with supranational governance. This change takes the form of subsidy with state control initially, resulting in an increase in investment of private capital. This results in the quantitative increase of state control in the economy and the management of the economy. The supranational intervention comes from the intervention of international institutions in the economy through program agreements, support packages etc, resulting in a qualitative change in the sphere of management and control, which is now transnational and then converted to supranational. The role of the state in creating infrastructure is reduced and the jurisdiction is transferred to the transnational capital which simultaneously pursues and control. These investments have not always yielded the expected, on the basis of market economy results, consistently the inefficiency in satisfaction of public needs. The role of the nation-state in the sphere of management and control of the economy is changing qualitatively and passes to TNMCo through supranational institutions. Not only is the crises eliminated, but also the more do not diminish in intensity and rate of appearance, conveyed peripherally to spread with the same intensity and acidity throughout the economy. The intensification of the crisis system, with the outbreak of the energy crisis in the 1970s, led in the 1980s, to turnover of the economy, followed by the economic reformation, which was aimed at the modernization and improvement of production conditions, both in Europe and in other developed countries. The terms used were modernization and reformation but the results were not expected, since in the 1980s the crisis returned and culminated in the crisis breaks out in economies of seven countries – economies which together produce around one quarter of world production and account for about seven hundred million people – which resembles frighteningly to the Great Depression of the 1930s. On the other hand, the existing socialism and the changes that occurred in the 1970s, expressed by a combination of socialist production relations and absorption of the results of the scientific revolution of the past decades. The planned development occurred steadily,

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19 Ibid.
20 Lenin explains in his text in April 1921, “Socialism can not be understood without the great capitalist technique, based on the latest very young science”, Lenin V. I., “Lenin’s
which were not visible in the years that followed, especially after the events of 1989 and the dissolution of the USSR, but never stopped. The results were visible in the early 21st century, when Russia acquired technology superiority in many areas, such as in space, military equipment etc. The modernization and reform of the economy had two structural changes, which will play a key role in the new economy which is developing.

- The first structural change was at the role of the state and control of Transnational Corporations TNCo under state control 21.
- The change in labour relations and the connection of Scientific-Technical Revolution STR with socialistic relations of production.

These fundamental changes derived from the lack of governance mechanism of the economy, within the TNMCo, because of the inefficiency of state intervention. The control is exercised in the western economy from TNMCo and international institutions, with the two main currents in the economy, the neoclassical and Keynesian economics with corresponding mechanisms of free-competition and state intervention unable to provide a solution to the contrast created by the current crisis 22. The dialectic clash of old and new with the issues of self-determination, national independence, stateization-nationalization, public sector reformation, protectionism etc, were repositioned theoretical and practical. The western world, especially the US did not accept this, because this would mean less prestige and thus reduce the prosperity of America that no American wants 23. The logic of the condominium and the two dominant systems in the world was no prospect for capitalism. The obsession with the expanded reproduction not only facing the obstacles at the east but also deprives capitalism from the external resources feedback system, i.e. access to SERM. In the mid 1970s the shift happens in capitalism in the last stage as a means of survival of the system. Posted as a central geostrategic line, the change in the correlation of forces was expressed through the two components of the geo-strategy, the geopolitic and geo-economic. The geopolitical component pitted against the dissolution of national structures, the dissolution of the nation-state with a dual direction, dismantling the welfare state and dialectically linked with its geo-economic expression, the reversing of

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21 Available at: http://www.ft.com/intl/cms/s/0/b0a52b70-2fac-11e5-8873-775ba7c2ea3d.html#axzz3q5B98UxL Last accessed Sep 2015; Available at: http://www.ft.com/intl/cms/s/0/c0c385ea-c55f-11e4-bd6b-00144fedb7de.html#axzz3q5B98UxL Last accessed Sep 2015


wage-profit ratio and structural changes in labour relations. The dissolution of the nation-state serves the geostrategy of enlargement and simultaneously the geoeconomical component with the dissolution of the small capitalistic property for the benefit of TNMCo. The geostrategy shapes the global economy, planning the direction of the economy as it is formed until the late 20th century. The prosperity of America was linked to SERM. “And the problem is not the price, but the access to the sources”.

3 Geostrategy and Crises

3.1 The Global Crises since 1929: Similarities – Differences

From the 1930s crises erupted unexpectedly and most experts continue forecasting growth in the economy, even when crises acquire particular dynamic. The crises that erupted twenty years from 1980 until 1999, threatened to destroy entire economies, the world economy as a whole, did not interrupt the rise. However, although the situation could have been (and even can be) much worse, the mere fact that a crisis like this happened in our time would normally cause horror chills to anyone with even rudimentary sense of history. Fact that makes necessary firstly decoding the 2008s crisis systemically and in connection with these dimensions. The decoding is done with axis of analysis the mechanism of the crisis of 2008 in its historical development. This fact testifies first and only by itself for two major politically significance and practically issues in the current period. The first of these issues has to do with the quality of the connection between the crisis of 2008 and that of 1929-33. Both are part of the system of the General Crises, however, they are far apart respect to the years mediated and developed mainly on qualitative different stages, so that the methods utilized to approach the second, where broad resorting economists and geoeconomic practice, are by definition unproductive to manage and first. And the second of these issues related to the connection of the 2008 crisis with the same counterpart 1974-75, which developed in the territory of a single, second phase of post-war crises, with common, serious in this case, qualitative data and despite beyond the relatively long period also separates them. The main common element here is that during this period the correlation of forces in the world, among USA-USSR, sealed by

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strategically-strategic balance\textsuperscript{27}, on the territory of which take place both configuration of monopolization in the early 1980s with its substantial component the crisis from 1974 to 1975, and its bankruptcy at 2008. A fact which also asserts that, the recommendations and the 1974’s crisis management practices bankrupted already in its case are irresponsible recycling and painful experiment to settle the crisis of 2008. This mismatch is based on non-scientific analysis of the present and more specifically of the 2008 crisis, the monopolization. Top is also the philosophical deficit on that basis, namely the sovereignty of subjectivism and the reasonable of recycling of history, recalling as life preservers institutions and methods of the past, from the crises specifically of 1929-1933 and 1974-1975, for settlement of the current unprecedented global conjuncture. The economy does not respond to the crisis’ 2008 challenges and the complex mechanism created it, leading to the current impasse. “The return to the classics of political economy means that we first analyzed the inherent logic of (economic) system and then the external factors are aggregated. This does not mean, of course, that external factors are forever fixed and unchanging. Any other factors that were external can be made in one system, through the spread of (such as the international system, globalized now, capitalism), endogenous”\textsuperscript{28}. The crisis of 2008 manifested globally and especially in the territory of the western economy, at a similar level of scientific abstraction is transferred and the analysis, since this crisis like any other creates a new mechanism, leaving behind the old ones. Simply whoever believes that transfer of positions from the past transfers and the circumstances that created them, is, simply, insane. Confronting the crisis as cyclical has no application to the 2008 crisis and that is why the resource to the familiar from the thirties related anti-cyclical policy, as a means of therapy, proved ineffective. Increasing demand for example does not necessarily lead to a revitalization of domestic production, as far as the internationalization-globalization allow the shelves of superstores be filled with foreign goods, their counterparts national withdrawn, while national imbalances can quickly manifest in the trade balance of each country. The crisis of 1929-33 is not offered as an example for imitation, inasmuch as it was extended until WWII, not even the crisis of 1974-75, because the stabilization and development of the economy methods, implemented from the 1970s onwards, are exactly the same as in the 2008 crisis, show inefficient and unreliable. On the old mechanism that throws the 2008 crisis existed objectively great realities. Among those be included and those related to the subject of this analysis, as monopolization itself. Such reality is stabilization and development processes of the capitalist economy where provided from the crises of 1929-1933

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and 1974-1975. These crises brought each one the new in the place of the old. The general crisis of 1929-1933 in its development until the Second World War (WWII) brought the Treaty of Yalta. The crisis of 1974-1975 brought at the global governance system the USSR and the USA on equivalence and peaceful coexistence with framework the HFA. Issue of the respective crises that broke out in the territory of capitalism was the world war, which issue is out of historical legitimacy in today's nuclear age. Also true is the fact that limited economic thinking in the analysis of macroeconomic models in equations and graphs as tricky crisis’ management tools, recycling autonomies stereotypes from the dynamics of the real sizes and the complex realities that produce them. Econometric models of new-conservatism thinking as well as the financial and monetary confrontation, including any extension, are unable to express the reality in the complex and complicated World Economy. Dealing the crisis under that thought has ceased to be a science, constitutes abstraction and the conclusions drawn are simplifying ceteris paribus, their translation into practical politics make this policy simply useless, and dangerous adventurism. In particular, the crisis of 2008 manifested in a globalized world, with scrutiny by international institutions, requires the rejection of old theories, particularly the neoliberalism with market automation and the creation of new, arising from the new realities formed in Eurasia, and which can not be ignored. The idea that democracy is linked to the West and the obscurantism with the East has deprived brilliant elements of scientific thought losing the theoretical background, the scientific, the philosophical, and the cosmo-theoretical. Fails in this way to understand the large realities and the creation of the new World Economy in the transition period and that is exactly what happens in the world today and the western intelligentsia can not understand. Namely, that the world can not be governed by one system of values that of the West.

3.2 Geostrategic management of crisis

The above analysis confronted, relatively, briefly with these questions based on the systemic theory and methodology from a scientific perspective and highlighted the unrealistic approach of the 2008 crisis, illuminating so practical and politically counterproductive and detrimental of this approach. The inability to find sufficient anti-crisis mechanism raises the need to address this on a global level, collectively, with the participation and institutional expression of dealing mechanism\textsuperscript{29}. The change of the world balance of power in the 1990s created a modification of the line of Atlanticism against Europeanism. This becomes obvious halting the political union in Europe. The EU having completed the Monetary Union (EMU),

\textsuperscript{29} University of Toronto, G20 Information Centre, [online] Available at: \url{http://www.g20.utoronto.ca/g20whatisit.html}, Last accessed Sep. 2015.
with the introduction of the euro as a single currency and the signing of the Treaty of Amsterdam, paves the way for the political union of Europe, in line of deepening. The EU has two dimensions the economical dialectically tied to political. The political union is delayed (currently suspended permanently) in relation to the economical union and enlargement takes the place of deepening. Created in this way a new quality which manifests itself in de-Europeanization and is expressed in the creation of the Atlantic Union AU, proposed at 1990s, as an institutional factor of the world economy and the New NATO the corresponding geopolitical into an organic geostrategic unity, a uniform and simultaneous orientation of both components, the enlargement eastwards. The strategic response to the crisis reduces the margins of political union and is facing the crisis with ex-economic terms, but they are consistent with the scientific evidence of the expansive economic policy. Analysis of the sources of the crisis takes three directions, the depreciation of national relations as a form of relations of production, the abolition of state-monopoly property and privatization from the TNMCo, change of labour relations with the abolition of collective agreements and the institutional transformation of the national legislative power to supranational. Under this administration dissolved the nation-states, political systems and the socio-economic basis with corresponding results that have highlighted three main problems, complex and with specific gravity.

- The contrast of the nation-state and the supranational element.
- The choice of economic development which defines itself in the ground of capitalism through the Enlargement.
- The Europeanism overshadowed by Atlanticism and New World Order NWO and weakened as vision and becomes insolvent enhancing ethnocratic

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30 […] It is to all of you in pursuit of that new future that I say in the name of the pilots whose airlift kept Berlin alive, in the name of the sentries at Checkpoint Charlie who stood face-to-face with enemy tanks, in the name of every American president who has come to Berlin, in the name of the American forces who will stay in Europe to guard freedom's future -- in all of their names, Academy for Cultural Diplomacy. “The Transatlantic Relationship”, Bill Clinton Visit to Berlin, July, 12th, (1994), [online] Available at: http://www.culturaldiplomacy.org/academy/index.php?en_tar_bill-clinton-visit-to-berlin, Last Accessed Aug. 2015.


32 NATO and Serbia have steadily built up cooperation and dialogue, since the country joined the Partnership for Peace programme and the Euro-Atlantic Partnership Council in 2006. and NATO-Ukraine relations, [online] Available at: http://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2015_06/20150624_1506-nato-ukraine-bg.pdf Last accessed Sep 2014.
conception and postponing the historic withdrawal of the nation-state.

The inclusion of the region in zones of interest, under controlled development, deprives Europe the completion of political union and simultaneously weakens the main component of the Union, the nation-state. Index of this geostrategic approach is the conflict within Europe with the degradation of the nation-state and the enforcement of Atlantic Union by Euro-Atlantic Structures (EAS), in a sui generis economical management of EU affairs. The de-Europeanization routed by assigning governance of the European economy to the supranational institutions, WTO, NATO, GATT, etc. Despotism is reinforced by addressing the system to external sources, the IBRD and the IMF, especially for the countries of South-eastern Europe (SEE), where there is a strong need for development. The organic relationship between the economies of SE Europe and the supranational control takes place in principle through the dialectics of economic development and foreign debt, relationship created by the development of available resources. To activate the available sources it is necessary to activate respectively the technological and scientific production, the internationalization of the productive forces and Transnational Capital (TNC). In this organic connection available sources becomes external, resulting in deterioration of the trade balance and recourse to borrowing. Growth prospects in SEE region became in the basis of Keynesianism as the main line of the development process, rejecting the main part of the free-market economy. Similarly the socialist countries of the region attempted rational growth patterns resorting to intensive production methods. Conditions changed in the 1990’s decade, replacing the issue of industrialization because of modern technique and technology requires a high prepaid capital, respectively increased and the content of scientific-technical product mix that requires corresponding scientific-technical basis. These changes make the TNMCo dominant factor of the economic growth and countries that do not have the relevant scientific-technical resources in countries dependent on external sources. The countries of SE Europe however have the appropriate specialized personnel, as necessary complementary component of that growth. They create the most suitable ground for enlargement and control from international institutions, which is already prepared with the increase in foreign debt, the de-Keynesianism and the complementarities of internal to external sources. The geostrategic confrontation of the crisis within the frame of Enlargement is complex issue and not limited to the above, in the substance of economic dealing, unlike summarizes

33 [...] And finally, today we are making Europe and America more open for business, more open to each other, and more open to the world. If it's made in Europe, it must be good enough for America and vice-versa. That's what the new transatlantic marketplace is all about [...], “The President's News Conference With European Union Leaders in Madrid, Spain”, December 3, (1995), [online] Available at: http://www.presidency.ucsb.edu/ws/?pid=50848 Last accessed Sep 2015.
the resultant of geostrategic forces to tackle it. Ground on, this geostrategy, in expansion to SERM which are the final perhaps reserves for the survival of capitalism in its last stage.\textsuperscript{34} Returns to the power, one century later the doctrine stated that “if we can not get to the sources, it is sufficient to control the roads leading to them.” This is in organic connection to the above institutional framework between the Euro-Atlantic Structures (EAS) and at the end of the 1970s, when monopolization in global governance were routed, recapitulating the global socio-economic ground of that period. In the content of this association are new phenomena, challenges, acquaintance which gives new knowledge and the completeness and accuracy of its impression constitutes measure of its reliability, an adequate theoretical basis for effective practical policy recommendations. This geostrategy is that of global domination of the USA, the Truman Doctrine, the declaration, that is, the planet zone of vital interests.\textsuperscript{35} In the 1970s the new-McCarthyism became the mechanism of global domination, the monopolization of US and its versions are the Enlargement, the NWO, the Capitalist Globalisation and geo-economics and geopolitics dubbing New Economy, New Participation Policy (NPP), namely World Governance. Among the top components of this mechanism, of monopolization are:

- First, geostrategic line of new-McCarthyism mechanism becomes New-McCarthyism Manifesto (NMM)\textsuperscript{36}, according to which the prosperity of the US

\textsuperscript{34} “Saudi Arabia, Persia and Iraq is the heart and the US blood and the Mediterranean sea is from the aorta that passes through will be blood for oil n reaches the different parts of the organization, US. It should therefore aorta that is ensured by any other competitor strength. All three roads which lead from the body of Europe and entering the aorta, Italy, Greece and Turkey, so we need to fence may not be possible in any power from the north to come down and cut the aorta.”

\textsuperscript{35} “Recommendation for assistance to Greece and Turkey”, (1947), The President of the United States, House of Representatives, 80\textsuperscript{th} Congress 1\textsuperscript{st} Session, Document No. 171

\textsuperscript{36} This serious document that is mainly used below is briefly as follows: "[...] The situation in the early 1980s resembles that of 1947. Then we reviewed for the first time our foreign policy and we moved from the policy of repression in the policy of containment of communism. In 1947 the focus of our policy was Europe where there were people who accepted us. Today, the focus is the Gulf where there are people who do not want us. The policy of containment expand in Korea and Vietnam. Defeated and early 1970s did the second review of our foreign policy, recognizing the USSR condominium with the US in the world. Since then the situation worse for the US, and in early 1980 we are forced to revise for the third time our foreign policy. And the question is in which direction the recognition of our reduced validity or repositioning of our standing in the world? Acceptance of reduced class would mean reducing our prosperity and that no American wants. It remains to this end, the repositioning of our prestige. Our prosperity, however, associated with energy sources and raw materials. And the problem is not the price, but the access to the sources. The seriousness of the access showed both the oil embargo imposed by OPEC as well as the Iranian-Iraqi war [...] Before course the use of
population is connected and is linked organically with oil from the Middle East and the Caucasus. Objective cutting edge of the same line is the access of US to the sources of oil, property-production of these and the main obstacle is the Soviet Union, the elimination of which must be done even with nuclear war, if in the meantime is not effectual the graduation of homonymous threat against it. The geostrategy, as it is formed, makes the war intimate and puts the militaristic approach to social consciousness, compatible with the fundamental properties of monopoly expansion and unipolar governance.

- Second, the geo-economic component of the above mechanism is the Euroatlantic fundamentalism spearheaded by the homonymous monetary synthesis product of the bankruptcy of the two governance currents of capitalism’s socio-economic affairs during the twentieth century, Neoclassicism and Keynesianism, along with all their variations. Recorded in this component are three principles to stabilize the economy, recourse to methods known from the 1930s, support for enterprises through the state budget to overcome the crisis, to rehabilitate and then return to private initiative, the American design style or programmatic agreements or programmatic contracts between the state and private sector. Similarly recorded in the same three principles for economic growth, for the next day of the crisis, the export orientation and avoidance of protectionism, complementarities and coordination in the framework of the EAS, interdependence and the homonymous solidarity to the limits of them. This kind of approach evaluates the particular case as a turning point, which defines crowning moment in the impairment of the capitalist culture and strengthening that of the Modern Era that succeeds. This process, which is directed against the Modern Age and the historical evolution, encloses and deconstruction of capitalism and the parallel salvage of the necessary and viable element of cultural creation of capitalism which is of historical gravity, formed deterministically, but is the basic prerequisite for progress towards the Modern Era. The rescue of viable part of the capitalist cultural creation is a key primary concern of the operations of social progress and reflected in the arrangements which launched the G20, oriented to address the economic crisis. The immediately above arrangements the G20 launches already give the measure of its importance and even more its dynamics. They move in the spirit of Modern Era, in which noted the start of rebuilding, restructuring and organic-functional rearrangement of elements of the global system, primarily of the EAS, as required nuclear weapons is a ranking of the nuclear threat. The logic of our position needs a bristled America with goals reminiscent of the last period of restraint [...]
by the verdict of history to do so. The move strengthens the strategic-historical assessment of Asia’s position in the global socio-economic developments. First on this issue, in terms of such futurological placement of developments, it was the materialistic conception of history. Examining it, under scientifically, philosophical and cosmo-theoretical specifications, the position of Asia in pre-monopoly capitalism concluded the fundamental, insightful conclusion that the future growth centre of the world is transferred in this continent. And the historic act verified this conclusion in the face of two major socialistic revolutions, the October Revolution and Xinhai (Chinese) Revolution, which occurred and prevailed in Eurasia and today collaborate as a unity in the Treaty on Good-Neighbourliness and Friendship Cooperation (FCT) between Russia and China. Product of the same school of thought is also the treatment of category Eurasia, the idea-prognosis and the constitution of this with Russia-China-India as a locomotive for global growth, connection of the specifications of Modern Era and the challenges that confronting the G20. In world-theory level indicatives are the associated with this positions, that the world can not be governed by a single system of values that of the West, as well as the FCT between Russia and China promotes more equitable world order.


40 […]. The Heads of State of Russia and China concur that development of relations of good neighbourliness, friendship and cooperation and the deepening of strategic interaction between Russia and China have extensive prospects and huge potential. The sides are determined to go on making untiring efforts to continually push forward and raise the level of friendly and mutually beneficial cooperation between the two countries. The Heads of State of Russia and China affirm their readiness to strengthen further the exchange of high-level visits and the regular meeting mechanism between the two countries, to raise the level of mutual trust in the political and military fields and to exchange views continuously on major bilateral and international issues. The foreign affairs, defense, law enforcement, economic and scientific-technical agencies of the two countries will all heighten their coordination and cooperation. Friendly exchanges and businesslike cooperation between regions of the countries will be strengthened. […]. JOINT DECLARATION BY THE RUSSIAN FEDERATION AND THE PEOPLE’S REPUBLIC OF CHINA (Beijing, China, December 2, 2002)


42 “Declaration of the Summit on Financial Markets and the World Economy”, ibid

4 Enlargement and South East Europe

4.1 Dissolution of the nation-state and de-Europeanism

Geostrategy developed in three dimensions, national-ethnocratic, the Europe-unionism, and the Atlantic. Europe and the Balkans dilated in the form of enlargement. This form occurs in SE Europe through EU mechanisms and NATO. These mechanisms constitute a system, which is composed primarily of the integration process of economic and political processes. Southeast Europe is traversed by the arrangements of the conditions created by the dividing lines in modern history. Here is the area of practical application of the concepts of “living space”, “zones of influence” and developed by the side of a geostrategy, a balance based on bipolarity to pass after 1989 in monopolization. The duopoly is maintained, in opposite class basis, in the twentieth century on the axis West – East. [...] Under this frame the dividing line of the modern world began from the borders of Russia in 1917 to anchor in the centre of SE Europe after the war where was faced with successive doctrines of “containment”, the “condominium” and the “repositioning of US standing in the world”, making regional security process derived largely of these realities. Economically Southeast Europe belatedly joined the European mainstream and the status remains fluid and under development. Greece was first incorporated the EU Cyprus and Bulgaria following, the former socialist republics of Yugoslavia are in search for their integration and Middle Eastern (ME) countries to be approached with suspicion and removed from the conditions governing the European balance of power. The same European integration removes the prospects of growth, removing production from SE Europe reducing the industries that already existed, moving the area to de-industrialization. Countries in the region converted from producer countries to consuming ones. At the same time created a network of complex networking infrastructure in preparation for the role of the region in the Modern Era. The socio-economic reality of the region formed within the geostrategy, where replacing the economy, which takes the main responsibility of destabilization and prolonged crisis. Under this geostrategy the area is limited or extended by the political and economic sense depending on the geopolitical and geoeconomic options of the geostrategic concept of Eurasia. This takes two main dimensions:

- First is the regional dimension of the exploitation of comparative advantages in the substance of supervision by the EU of IBRD and IMF. This

Accessed Sep. 2015

44 Congress of Vienna, (Sep. 1814 – June 1815) and The Treaty of Berlin as the final Act of the Congress of Berlin (13 June – 13 July 1878)

dimension exceeds the limitations and narrowness of the nation-state, but also subjected to new restrictions by international institutions governance. The second dimension is that of globalization and its unipolar expression after 1989 and the multi-polar after the start of the new millennium. Globalization responds today to a reality which exceeds the regional development and is based on the logic of enlargement. The broadening instead of deepening lacks those governance mechanisms of the economy backs on mechanisms which already failed in managing the world economy, unable to solve all previous crises. Globalisation is a deterministic move, which does not delay is not suspended and is not reversed. The regional component outweighed by the universal and this is done after 1989 with capitalist conditions and is a reality and progressive movement. The intensification of production leaves open the economy management issues, which in terms of globalization requires methods and mechanisms, management and control, which the free-market can not provide.

The latter geostategy is twofold with first target-result the road of de-Europeanization that reaches the dissolution of European structures or prevents its completion and simultaneously dissolves the European production relations and deprives the historical role of Europe in shaping the geostrategic developments. Europe put forward as the spearhead of developments but in essence is the peak of EAU enlargement. The EU gained way resource to the Black Sea with the accession of Bulgaria and Romania, in an area that combines many international problems. The interests of these countries incorporated into the EU interests and simultaneously to US interests. The US concept of EU policy in the Black Sea arguably based on the need for access to Georgia and Afghanistan, mainly in Eurasia. In the direction of enlargement acting organic and complementary the

46: “The previous Greek presidency, five years ago, with the message “Bringing the BSEC closer to the EU” was instrumental in the genesis of the Black Sea Synergy by the EU and the institutionalization of the EU-BSEC relations. The strengthening of EU-BSEC relations although rightly remains a key pillar of Greece’s Black Sea policy should be reformulated based on modern developments in the Black Sea region. The main question remains unanswered regarding the prospect of Black Sea cooperation is not simply the “Europeanization” through its institutional links with the EU, but that the BSEC will contribute to the growth potential of its member countries and the need for political cooperation given the important security problems in the region.”, Manoli P. (2010), Hellenic Foundation for European and Foreign Policy, [online] Available at: http://blogs.eliamep.gr/pmanoli/i-ellada-sta-inia-tis-parefIndexias-sinergasias-en-meso-krisis/#sthash.yIHJw7.dpuf Last Accessed Oct 2015


EU and NATO, circumventing the Marshall and Rofe 2009 agreement, several times, leaving Russia to observe the expansion of NATO to the east\(^{49}\).

4.2 Objective procedures – Fundamental changes

The objective processes of European integration are complicated by the geostrategy, under the framework of governing the economy by Transnational Capital (TC) and its expression through the TNMCo. The geostrategy manifested on the ground of economy and alienates the economic systems, which already are ineffective at the globalized economy. The TNMCo is the core of geostrategy worldwide, which is distinguished by the regional conflicts, especially in the area of Southeast Europe at the expense of economic development of the region. In this substance developed a dialectical unity of juxtaposition and cooperation between the EU and Eurasia with main exponent Russia. The dialectic is based on common geographical and historical point of view, the area of the Black Sea region and Southeast Europe. The agreements between the two sides based on mutual benefit and complementarities. The TNMCo through the EU institutions seeking capital export and Russia seeks capital offering workforce. This procedure is contrary to the objective reality of socialist Russia and leads to such conflicts. The objective barrier of socialism rebound tries to outflank the Atlanticism in the AU and the WTO, giving European integration a secondary priority. On the political part of geostrategy, its geopolitical component the NATO-Russia relationship restores bipolarity as a unifying process in Europe, but with a basic priority of NATO enlargement eastwards. The objective procedures are organically tied with the fundamental changes that took place in Europe and particularly affected the SEE. These are concentrated in the dissolution of the USSR, with a corresponding impact on SEE countries; the EU enlargement to the countries of former Warsaw Pact and the simultaneous dissolution of the nation-state. Second fundamental change is the governance of the economy through existing international organizations or changing roles of international organizations or marginalizing others. In this line attempted marginalization of the Organization for Security and Co-operation in Europe and its replacement by NATO which is the eminently political body of Atlantic enlargement.

4.3 Dynamic of the developments

Today, Europe is changing with these changes are, among others, political and economic. The dynamics of changes linked to the prospect of Europe and particularly in Southeast Europe by eliminating dividing lines and the expansion

in the wider area of SE Mediterranean. This dynamic of dilatation is at a turning point and need to be realistic interpretation of the forces engaged and phenomena in progress. The realistic interpretation developed in the three dimensions of time with the third being the provision of movement at the turning point. The first level of scientific subtraction approach is at the level of geostrategy and balance of powers and the historical movement compared to global governance more broadly. The relative study of the historical development is focused on the main element of geostrategy were developed in the region, which results in a bipolar fluctuating system of power balance. The dynamics of geostrategy is the strongest indicator but changes in individual indicators of which consists, particularly those of politics and economy. Moving on to another level of scientific subtraction will conclude that the most volatile index is that of policy with the EU enlargement to the countries of the former USSR and the expansion of the new NATO eastward. Rhetoric strengthens the doctrine of monopolization at this level of subtraction and lies towards the west and transfer the dividing line in the ground of socialism. This labelling is inconsistent with the economic index and concerns the position of capitalism facing its survival. Towards this direction the highest reserves of the system sacrificed, the individual forms of production relations, national and those of integration, to generally survive the capitalist relations of production on a global scale. At the same time small business, private property and the nation-state are dissolved, namely the foundations of the capitalistic system, for the over-concentration of capital in TNMCo. The relative expected prosperity impacts the increase in unemployment in almost all EU countries with the system have not the appropriate tools for trend reversals. The over-concentration capital is unable to absorb the growing labour force, a trend which is reinforced around the area of the wider SE Europe including the ME in the broad sense. Under these conditions the region of SE Europe expands with the simultaneous dissolution of the bonds and the prospect of its development. The supranational entity of this geostrategy, under the weight of the past and the pressing need for survival today, crushes the development of specific areas. In the opposite direction moves the other pole of the geostrategic balance. The Eurasia having the legacy of the pragmatic approach of things and based on its own strategy wraps recourse to internal sources of growth and the strengthening of political, economic and strategic relations between the traditional equal partners, the Eurasian countries. Realistic depiction of this assumption is the NATO-Russia relationship and addressing as “equal partner”. The move is undoubtedly the

50 For historical analysis considered the Congress of Vienna in 1815, the Crimean War in 1848, The Russian-Turkish War in 1877-1878, the First World War in 1914-1918, Helsinki Final Act in 1975 and the dissolution of the USSR in 1989
52 Herald Tribune/Kathimerini 4.12.1996
assumption of equality as a move in the direction of progress and the reality that this progress lays on the East-West cooperation to a new qualitative level.

5 Eurasia – New Economy

5.1 The roads to the sources of the Middle East and the Caucasus and Eastern Europe

In Asia today realities are formed that can not be ignored. To date, Europe and the US grew faster than Asia, the trend reversed and China is now the stronger world economy.\(^{53}\) In Asia, moved\(^ {54}\) the centre of global growth and further according to the law in world politics, since this region, Eurasia, representing 80% of world production, matter of course and the homonymous interests. At the same time emerging the role of the Eurasian countries into the world economy and governance as opposition to the unipolar governance sought the US, a role diffused in several countries, creating the conditions for multipolar global governance, based on the principles of equity. This confirms the dynamics of reality over the possible, that is, can not be what it seems, but what is done. This reality is consistent with globalization. The dynamic that developing in Eurasia is a product of historical lawful global growth differs from geostrategy, who evaluates global economy with regional economic terms. The Eurasia was deemed as the next level of Enlargement subject to subjective perception\(^ {55}\) that real socialism has been overthrew and has collapsed. Conversely, historical-economic creation of Eurasia takes the historical legitimacy of the Russian Federation as the successor to the USSR and the People's Republic of China. Cooperation between the two countries takes the institutionalization\(^ {56}\) of the signing of FCT, which is today one of the leading institutions of global governance. The FCT integrates the

\(^{53}\) “For the first time in more than 140 years, the US has lost the title of the world's largest economy - it has been stolen by China, according to the IMF” [online] Available at: http://www.bbc.com/news/magazine-30483762 Last Accessed Sep 2015


strategy of the joint course of the two largest countries of Eurasia in world affairs, based on the principles of peaceful coexistence, reciprocity, solidarity and equity and its dimensions surpassing strategy, stems from it and extending between the others and in economy. The economic dimension is expressed by the creation of the Asian Infrastructure Investment Bank (AIIB), which came to cover the failure of the World Bank and the IMF to meet the demands of the dynamic emerging Asian economy. This deficit emerged from the transition of global developments in the geographic area of Asia and highlighted the need to create an institution which would give equitable management of the members and at the same time would be able to orient to the size of the economies of the Asian countries. In short it highlights the importance of the Asian economy in world affairs. These developments led the United States to turn foreign policy toward Eurasia entering the top NATO-Russia relationship. The resurgence of the countries in the political, economic and strategic affairs, led to containment of enlargement, both economically with the EU and politically with NATO. The EAS reintroduced the doctrine that if we can not reach the sources is sufficient to control the roads leading to them and subdue the region of SEE in the subjective perception of creating the “bridge” by rendering in to the logic of region. In the interim period, a system is developing in the SEE region that captivates it in the specific and excludes it from the general. The specific is to create links between East and West for the benefit of more than the two poles and their cooperation and complementarities at the economic level. Geo-strategically the space positioned as a mechanism of absorption of contrasts between the two sides, with corresponding effects on the security of the region. Security is the one that determines the economic growth which inhibited as long as the system of two factors determines the course of Southeast Europe into a new situation, not inappropriately at the expense of both poles. Diffusion of the problems and be absorbed by the first containment line the region “bridge” will soon pass and will spill in the interior of both Europe and Asia. In practice today in this region manifests the crisis of the system expressed in economic crisis, security crisis and recently in immigration crisis and all that accumulate in the aggravation of the economy. The general is the economic aggravation of the region and the short-and medium-term policies, which appear under the pressure of geostrategic options and reinforced by population pressures. At the heart of these lies a chronic crisis in the region that will not be appeased, but is shifted each time oriented towards, the respective geopolitics, which will tend to reconcile the problem of the distribution of goods on a global scale. The contradiction emerged of unipolar globalization and from the defence of regional interests, organized in local and regional basis, dissolves the nation state and removes its historical role in securing a status in globalization. The prospect of positive survival of the nation-state takes the form of immediate survival in the region of SE Europe, and deprives from the content of the area the mechanisms appropriate to absorb the beneficial advantages of the obtained form.
5.2 New World Economy brings prosperity to Eurasia

The current global product contains a scientific-technical integration rate, which increases as grows the Scientific-Technical Progress (STP) while the larger the percentage of integration so the production cost is reduced. The cost of the product sought in the cost of raw materials and structural change in the workplace, relegating the economy at the level of primitive capital accumulation. The direction that has taken the world today is that of scientific-technical content of the product. [...] This relies, on behalf to the STP extends the scientification and the related standardization of social production and increasing scientific-technical content of the social product, utilizing the historical stock of world creation. The scientific-technical content of the social product is one that reduces the cost of the product and not the cost of labour, which was not immediately perceived by the western intelligentsia. Initially considered that the overproduction that took place in People’s Republic of China (PRC) were due to the overpopulation and cheap labour force. That is not verifiable because the same is not done with the armies of the unemployed and cheap labour in other countries. Then revised the initial estimate and the related literature was directed to ancient value system of Chinese cultural heritage. The economic thought was led to believe that takes place today in the countries of Asia a configuration of economic system that opened to markets but not only based on traditional economic theories nor in that of the free-market economy but includes many other elements like about "Asian values" theory of Shen. Nobody thought nor time to “search” the real elements and analyze in depth the inherent characteristics of the Chinese economy, the quality equation and its quantitative results, because he had to accept the damned and obscurantist view that this was a product of socialism. China is reshaping its economic model and this configuration, as it is obvious moves to larger premises, breaking the shackles of tradition, but also incorporates it not as a dead past but as a living being, from which it derives guidance and directions, increasing economic performance and simultaneously diffuses this abroad, redefining its position in the global economy. The reforms began with the gradual abolition of such forms of agriculture cultivation as “people's communes” production teams, etc., and move mainly to family forms of work in the village. Simultaneously, step by step was conducted price liberalization, fiscal decentralization, increased autonomy for

state enterprises, as well as significant increase in the private sector, development of stock markets and establishing a modern banking system. At the same time was carried out “opening outwards”, i.e. attracting foreign direct investment (FDI) and boost foreign trade, which began to play the role of “locomotive” of economic dynamism. China has combined the best advantages of the socialist means of production which includes the integration of the STP in the resulting product. Benefited from capitalist globalization through the global economy and turned outside sources in internal, namely overthrew the Basic Law of the imperialist monopoly capitalism so as to work in its favour. Funds and technology transferred to China in order to exploit cheap labour force and to convert the internal resources to external. But just the opposite is happened and the external means converted, in China, internal and the generated goodwill was not exported, but remained in the country and distributed in socialistic terms. Applies here the law of primacy of higher culture, according to which even the conqueror loses its own characteristics and eventually absorbed by the conquered. In this economy needs to reorient the global economy because this is now the reality and content of the New Economy’s relationships formed in Asia and it is up to the scientific community to study the new phenomena.

6 Reorientation of the Economy

6.1 Two “worlds” joined

The course of unipolar globalization has changed dramatically in the 21st century when the first global settlement that of Russia's re-capitalization received its historical legal form, the socialistic. Today we have two dominant systems that of the capitalist and the socialist. Socialism is by nature international and global system, while capitalism acts contradictory. Integrates the global economy and simultaneously divides it on behalf of the interests of TNMCo. The new phenomenon of the era is the relationship East – West, on a new basis, the relationship of capitalism and socialism, a relationship that is both cooperation and confrontation relationship. It is cooperation of two different cultures and different aspects for the word affairs. This cooperation is based on the principle of complementarities with the West have high technical and technological base, and the Eurasia has the specialized human power. The objective basis of this relationship is the commodity production which first was raised by Aristotle but not solved, Ricardo solved it incompletely and Marx completed it, implemented this with New Economic Policy NEP. Version of NEP is the international policy of the Russian Federation and the People's Republic of China policy, expressed in the recent rhetoric in one “State-two Systems”. The commodity production

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becomes expanded reproduction and the ex-economic management of the economy methods through international institutions replaced with scientific economic ones. New institutions take their place in world affairs and define the terms of cooperation, which are terms of peaceful coexistence, reciprocity, solidarity and equity. Confrontation and cooperation simultaneously highlights the direction of world affairs in the transitional period. The economy reoriented towards international cooperation and whoever “does not follow” lives, not just behind but beyond. The reorientation takes the direction of the content of two institutions emerging in Asia. The content of FCT and the initiative “One belt one road” of the PRC president Xi Jinping, is different, this, from today’s practices to which international agreements were mainly for parties. But things with these two top acts go against the tide and to the status quo and do not bow to it, but stand with special sensitivity and attention and highlights the historical optimism and highly necessary realism, in correspondence with the transitivity and the criticality of the current era. In corroboration of this realism, the placement of such issue supports the accuracy of these initiatives, since these practices which they constitute expressed the essence of their potential prospects. While the dialectic of their development is such that makes historical lawful both, not even the absolute similarity of perceptions but also and the opposition to the geostrategic governance (management) of the economy. In this deteriorating situation, the first one the FCT comes as a basis for mutual cooperation and not based on competition with the internal logic of the validation of the equitable management, commensurate with the seriousness of the problems. Became act in the statement of PRC against the Russian embargo and the conclusion of economic agreements that will counterbalance its effects[^1]. Recently it is confirmed by the common understanding of the problem in Syria. The second of the above institutions, the initiative of the Silk Road’s revival with a new global dimension will primarily benefit small states[^2] participating in this initiative, with developing economies.


[^2]: […] Moody’s predicts that the Silk Road Economic Belt will benefit predominately smaller states with underdeveloped economies, low investment rates, and low per-capita incomes. In particular, Moody’s expects Central Asia to experience a boost in bilateral trade flows, and be amongst the greatest beneficiaries of infrastructure development. However, there are still a great many questions to explore and challenges to overcome in order for the New Silk Road to be comparable to the Ancient Silk Road in terms of importance and impact magnitude [online] Available at: [http://www.chinausfocus.com/finance-economy/one-belt-one-road-a-new-source-of-rent-]
Such action is an expression of collective and equitable development to reduce interest rates for investments, increase investment and income growth. This strategy encourages all interested States, and it shapes the identity and the course of world development by outsourcing the endogenous forces and avoids damage to the interior of the system itself, namely the PRC. With the knowledge and justification, that it has as after-effect, fundamental attributes to show a similar character to that of capitalism, in commodity stage, when the fundamental method of the socio-economic governance of affairs was free-competition, as the more complete and more developed form of economy’s management, to project itself today as a matter of principle, as rescue responsibility and not responsibility for the survival of one or the other system.

6.2 South-Eastern Europe – Form and Content

In the substance of globalization and the decline of national forms and other subjects of historical legitimacy and hence the retreat of other hypertexts with regional and federal character, for the benefit of the TNMCo, with its corresponding geostrategic, the resulting situation will be deteriorated. Contrast is created between capitalist globalization and the dissolution of any national, federal and regional form. The capitalism today has turned into its opposite, transnational monopoly capitalism, trying to prevent the planned management and resorts to a geostrategic vision of TNMCo and competition in the sphere of economy’s management, which deterministically can not coexist. The geostrategy that elevates the TNMCo in the position of management of global economy and “hopes”, without any scientific evidence, the free-competition to provide a solution to the general crises which are continuously emerging and are more acute neither has nor be able to have the ability to resolve the above contradiction. The solution presupposes the putting on an objective basis and similar practice, based on non revocable realities rather than unenforceable volition’s theories. Southeast Europe at vortex of history is now at a turning point of opposing forces that will determine the path to the New Economy. The form and content will determine the path to prosperity and economic growth. The format is known and has been designated as a “bridge”, “road” to the SERM, “networking”. Content is under development and may be established regardless of the stenosis caused in the frame of globalization. The condition for a positive perspective in the development of SE Europe is to assess the capabilities of countries in the region, mobilization and rallying of forces in the substance of awareness of the possibilities and the world environment. Awareness of the closer reality rather than the wider unseen policy is the primary and necessary element towards the deeply divided Europe. One of the realities ignored stands in foursomes which defining the very region of Europe, the borders of which are defined by two war zones, those of Ukraine and

the Middle East. Among these battered borders the Europeanism struggling with the nation-state, wrestling with the EAS and socialism. The nation-states themselves search out, with lack of self-awareness, their identity and at the same time the economic policy that will lead to exiting the crisis, while the left character politics relying on state factor and the ideology is opportunistic, since they ignore the objective element of the dissolution of nation-state and overestimate statehood when the supranational element has imposed. The lack of self-awareness has resulted in the creation of illusions that the preconditions exit the crisis is the improvement of economic magnitudes. The practical effectiveness of the configuration of the region’s content could be realized by reorienting their economies and to organize the internal dynamics rather than for the benefit of one or other major economic space or as a supplement or “bridge” transfer of energy and raw materials. Instead of a formation of geopolitical coexistence of heterogeneous states, which are mainly interested in their own geopolitical environment, with constant changing relationships, in the substance of a unipolar or bipolar globalization, the aim is the creation of a uniform economic policy, which is no necessary to bring about uniformity or the equalization of individual states, but the coiling of heterogeneous forces to create a strong region that will constitutes more important element of the globalized economy. A prerequisite for this to happen is to have objective national entities, with national policy of power, which allows a nation-state to move under its own options. The movement of the nation-states to one or the other pole for economic survival in a state sui generis economic hostage dilates or shrivels the states and simultaneously leads deterministically, only in shrinkage and the decline in the long term, whether in the short or medium term improves their economic position. The modern economy increases the trading needs, providing the opportunity for the TNMCo to exercise control, within existing state structures and organization, in countries and whole regions, which are converted into compact spaces, of which benefits only the strong economies. As imperialism benefited the subordinated, over-dominated entities, turning the autonomous groups to sovereign states, so the pressure on regions will activate forces that will orient towards new forms of economic development where it manifests a carefully and documented identification of interests of the respective collective subjects, acquiring special gravity et pars et totum. The world naturally is more complex and the movement is shaped by different forces involved and participate existing international organizations or mechanisms that are under development. The said elements defining the given conjuncture give their own gravity in geostrategic arrangements. The same forces that lead to US – Russia – China cooperation, despite the dispute between them, are the same forces of the economy, leading to the New Era. Cautious approach of the above highlights the dynamic development of new positions created in the case
of China, where the axiom applies, one state two systems, in case of Russia routed approach to development in the budget and internal resources with high levels of STP and corresponding level of skilled workforce available. The formal documentation of the above delivered by the position that the world can not be governed by a single system of values, crises spawned an institution, the G20, triggered a treaty, the TFC and a new mechanism, the complex mechanism, G20-TGFC-UN, capable of meeting the needs of today's complex era of a globalized economy and together represent movements necessary to the objective sense, irreversible with historical legitimacy and assurance that the new institutions and mechanisms they produce, are political and economic factors, with reserves capable of managing the crisis and the problems it generates.

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