

Economic Theory

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**MODERNIZATION IN THE SYSTEM
«SOCIELTY – STATE – ECONOMY»**

Abstract

All common and contradictory in society, state and economy on the way to modernization transformation is analyzed; concerning all mentioned above, the role of personal-human factor in its transformation is defined. The influence of globalization on county development in cooperation with world and national is revealed. The role of state in unity of society and personality, its capacity to organize and implement the process of recourses usage and knowledge accumulation in combination of moral and mind, what can't be avoid without effective state and public control over processes of modernization is grounded. The public mood towards some constituents of social system of Ukraine is analyzed.

Key words:

Modernization transformation, national states, postmodern model, public conciseness, knowledge, mind, moral, human capital, social state, degree of state presence, state and public control.

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Part 1.

Feedback on the Methodology of Modernisational Transformation

Modernization as a phenomenal process of transformations in the society, state and economy, as follows from its name, has the basic meaning of making them modern. Formation of the present state of society, according to the founding fathers of the modernization theory, among who are W. Rostow and Sh. Ensenstadt, is characterized by ascension from its traditional order to the modern one having a capitalist system of economy. That system is functioning against a background of a considerable social differentiation of the society due to the blatant and constantly increasing inequality in the distribution of wealth, high communication, constant progress in science and education allowing, at the expense of technological and social innovations in all sectors of social, public and economic activities, overcoming the naturally existing in many countries traditionality with a simultaneous, though not always successful, aspiration to conserve and develop the cultural differences. Thereby a non-interrupted modernization is endured (from pre-modernity to post-modernity) whose main characteristics for the present time were justified by I. Wallerstein.

Modernization related transformations in the economy whose sense, in the classical interpretation of the modernization theory, corresponds to the activities of an economic system based on the domination of the globally triumphant (as more efficient in the long run) capitalist forms of economic management. The main feature of the latter are market relations, which have also become global and dominant not only in the economy and finances, but, very often, in the social sphere. At the same time, there are processes of the formation of global regional unions of states with restrictions of the authorities of the national states against the background of a stronger transcontinental influence of the corporations resulting in lower competition and strengthening of their influence on the policy of national governments. And, while the regional unions, on the one hand, restrict the powers of national states, on the other hand, the powers of national are restricted by the transcontinentalization. And the powers of the national governments, in the modern world, are also restricted «on the third hand» because of the higher communication in social and economic activities due to the emergence of a wide community involved in global networks, which make it possible to generate and exchange information and expand people's direct and indirect mobility. That changes the essence of the modernization projects in the modern society, state and economy, because the traditional cultural and behavioral values are affected by the increasingly active and aggressive exogenous influence. The traditional mechanisms of the propagation of values, in their turn, are being destroyed

by those very global nets due to «... sometimes even pathological combination of the real and virtual worlds in the mind of a network addict. The psychiatrists of the whole world realize this truly global invisible danger of «soft» mental and social degradation of hundreds million people, which is comparable to drug addiction...»¹.

Against the background of such transformations, implementing, under the influence of the electronic inventions, a post-modernization model of the development of a post-industrial society, «in the age of the global transition to a new civilization (characterized, among other things, by the appearance of synthesized forms of organic life without clear consequences for its natural forms, – V.H)», it is very important not to lose the intellectual and psychological potential accumulated during millions years of biological evolution and thousands years of human history. It will be very much needed in the large scale future changes...»², which, regardless their names, in their essence, will be very similar to the ongoing processes of the modernization of the life of society, state and economy, i.e., will be another modernization.

Presently, the modern society under modernization does not really control market and corporations, because «... in a market economy, organizations representing a certain interest act using rent-seeking methods, i.e. getting profit from its members from the society as a whole without offering anything for exchange... They will only abstain from such behavior only in case if, in the given society, their membership is so widespread... that they have to assume any negative externalities of their own actions»³. C. Crouch points out that success in the struggle for abstaining from getting additional profit at the expense of the infringement of the society's interests was ensured by the state on whose territory the corresponding organizations operated. In the modern transnationalized world «... the role that the giant firms are able to play (and they do – V. H.) in the global economy makes them extremely powerful lobbies threatening the equilibrium of both democracy and pluralism»⁴. That shows up especially strongly in the poor countries with weak and very often frustrated governments because «...representatives of the modern TNC are outside the lobbies..., they ... are inside the house where these decisions are made. They define standards, establish private regulating systems, work as government advisors, and they officers even occupy the positions of deputy ministers»⁵. The latter serves an example of how corporatism establishes control over the state, undermining its morale, while the society, agreeing with democratic election of the power, falls under the gov-

¹ Andreev I., Nazarova L. Electronic trap. Real pictures of the virtual world (Russian) // Svobodnaya Mysl. – 2014. – No 1. – P. 121.

² Ibid. – P. 126.

³ Colin Crouch. The Strange Non-Death of Neo-Liberalism» (Russian). – Moscow : Publishing House «Delo», 2012. – P. 194.

⁴ Ibid. – P. 198.

⁵ Ibid. – P. 198.

ernance of the corporately organized markets, which, as a matter of fact, are engaged in political activities. Such a situation is a serious failure of both market and state. Thereby the sense of modernization is changed in such a way that man's behavior in consumption society contradicts his positive evolution. Here, the most important is the fact that the social (none individualized) demands are satisfied secondarily. But satisfying such demands is one of the most important conditions of simultaneous modernization of society and economy, because the level of their satisfaction greatly affects the state of things in the society, state, and in economy, because, according to F. Bastia, the so called «abilities of collective improvement» are lost. In this context, F. Bastia pointed out that «...if the union of all individual improvements, especially with people who can transfer their increases in knowledge and experience to other people, did not guarantee the abilities of collective improvement, then people would have to refuse any philosophy and any science of morale and policy. Man improves thanks to his abilities to pass from mistake, that matter of evil, to truth, that accumulator of good»⁶. All that, in F. Bastia's opinion, is carried out thanks to science and experience.

It is very often considered that the state, as a whole institution or as a complex of institutionalized standards norms and organizations, in the end, is an incarnation of willpower, while such a state's property as «education» is a result of exogenous borrowings from people who act as «holders» and carriers of intellect, which can accumulate both in people and in the society as a whole, in so doing shaping the social conscience.

Thus the process of individual self-improvement and self-development is realized as «Man first passes, in his mind, from mistake to truth, and then, in his behavior, from evil to good, thanks to science and experience, and thanks to the discovery of previously unknown to him effects in certain phenomena and in his own actions»⁷. It is difficult not to agree with that statement, because any level of evil bringing about opposition, wars and victims, eventually ends with peace, during whose preparation and conclusion past mistakes are realized and the parties look for truth, which allows accumulating good. Thus righteousness and mind are combined and not only in the course of self-improvement, but also as a result of the government's efforts. «Growth of welfare state has led to the situation, when some professional services, especially in the sphere of education and health care were transferred the state sector, where they became accessible for most people and joined the rest of the public services»⁸. Thus, thanks to the state with its capacity to organization and promotion of knowledge accumulation, capital turns from the instrument of coercion and exploitation of labor into human capital, which, in many countries, has much greater accumulated value than the physical

⁶ Bastia F. Economic harmonies. (Russian). – Moscow : Eksmo, 2007. – P. 415.

⁷ Ibid. – P. 415.

⁸ Colin Crouch. The Strange Non-Death of Neo-Liberalism» (Russian). – Moscow : Publishing House «Delo», 2012. – P. 134.

capital. Besides, the latter, due to the crises, loses its value both over time and «over space».

In the process of the accumulation of human capital, on the individual level, the situation is quite possible, when, according to Schiller, an individual may have a propensity to prudent behavior, but, in the crowd, such behavior makes his or her stupid person unable to behave prudently. One can state that, to avoid the above situation, society and state should base their modernization on the interests of individuals living in the given society and functioning in the given state.

Thus an organic unity of social and individual interest is attained, because, according to P. Florensky, «if mind has nothing to do with being, then being has nothing to do with mind either, which is illogical. Then illusionism and all kinds of nihilism are inevitable ending up with slack. The only way out of that swamp of relativity and conventionality consists in recognizing that mind has to do with being and being have to do with mind.»⁹ And «whatever we think about human mind, we always have the possibility to state that it is a human organ, human's live activity and human's real power»¹⁰ And, thanks to mind, cognition is «live moral dialogue between personalities, each of who acts both as object and agent. As such, only personality is cognoscible and only by personality. In other words, essential cognition comprehended as an act by the cognizing agent, and essential truths comprehended as a cognoscible real object are the same in reality, though different in an abstractive mind»¹¹.

On the basis of the above statement, the act of cognition carried out by the cognizing agent based on his natural possession of his mind represents his cognitive activity, which is a real force identical to the productive force of man's labor, because, as was mentioned above «mind has to do with being and being has to do with mind». Due to such an interaction, in the society, social conscience emerges, which, in turn, develops under the influence of the cognitive activities performed by people, who live in the society (which is part of nature) and create states expressing the interests of the whole people by implementing their political will. In this case, the state is characterized by high moral values, education and well developed mind, because the latter, as stated above, «has to do with being and being has to do with mind» not only as human's organ, but also due to his or her live activities. In reality, such an interconnection is quite realistic, because state, as a rule, expresses the will and interests of the ruling class. In this context, it is important to consider, following the same methodological approach (and taking into account, that, beside society and state, there is the third by importance phenomenon, namely economy, which, together with society

⁹ Florenskiy P. Pillar and Affirmation of the Truth (Russian). – Moscow : Golden-Ship.ru, 2013. – P. 38–39.

¹⁰ Ibid. – P. 39.

¹¹ Ibid. – P. 39.

and state is in the process of phenomenological interaction and development¹²), the problem of mind and education and, correspondingly, the problem of the state's moral in the context of the interaction between capital (as market), state and knowledge (as a result of cognition). The process of the unification of all the three above mentioned phenomena (capital, state and knowledge as a product of human mind's activities, i.e. creative work) takes place in their non-contradictory interaction in case of the conversion of human creative capacities from the means of profit maximization into human capital raising the real production power of human labor.

Knowledge as labor's productive force is accumulated by the humanity and is most efficiently concentrated for the purposes of economic and social development, due to their badly organized and spontaneous character (according to Hayek) by the market forces competing against each other. At the same time, F. Hayek considers that both social activities and economic interaction of market forces do not exclude a «mental» origin of the interaction between the market agents¹³. However, F. Hayek himself always remained on Hume's positions of the secondary character of mind¹⁴, which allowed him to deny the «mental» origin of the interaction with all ensuing consequences to shape the managerial paradigm, first of all, in the economy. The erroneous character of the opinion of the limited creative power of mind was proven as early as in late XIX century by W. Jameson in his work devoted to the scientific foundations of psychology.¹⁵

F. Hayek's philosophy deals with the managerial aspect of the use of the knowledge resource for the purpose of modernization exclusively within the market and market relations. The knowledge resource, as is known, is multidimensional, and knowledge is, at the same time, a force, and a power, which may be both democratic and authoritarian, and in each case, it can both use knowledge and affect its formation as a development resource, which is impossible to use within Hume's interpretation of the power of mind, i.e. a mind that only can unite, move, increase or decrease the material. However, in the managerial context of modernization, J. Mill, a no less famous authority in justifying the dominant role of democracy and market forces (based on the individualization of the activities of market agents) proceeded from the following assumptions: «...the first element of good governance is the moral and intelligence of the people who form the society, the most important business where an outstanding skills would be manifested (which may be possesses by any form of governance) is the cooperation if

¹² Heyets V. Society, State, Economy: Phenomenology of Development, 2nd Edition, complemented and revised (Russian). – Moscow : Ekonomika, 2014. – 631 p.

¹³ Hayek F. The Fatal Conceit: The Errors of Socialism (Russian). – Moscow : Catallaxy, 1992. – P. 18.

¹⁴ Hume D. Enquiry Concerning Human Understanding (Russian). – Moscow : Progress, 1995. – 75 p.

¹⁵ Jameson W. Scientific Bases of Psychology. – Minsk : Harvest, 2008. – P. 387.

the development of moral and intelligence of the people themselves»¹⁶. Thus J. Mill, without denying the effect of market forces, but rather supporting it and without advocating the socialist system of management (opposed by F. Hayek) did not either advocate (as F. Hayek did) the efficient managerial system determined by market forces. In fact, he tended to a system dominated by people's mental activities and their moral values as opposed to selfish behavior based on individually organized cooperation which, as is well known, under market conditions, has both rational and irrational dimensions. During crises, which are usual in a market economy, the irrationality on the behavior of market agents sharply increases, which leads to the increase in the state's role. That is especially important taking into account the fact that A. Smith's state is a result of a social contract hence it should protect public morals, for which purpose it should promote the development of science, education and culture (which is often the case in reality).

As we can see, the founders of liberal democracy too consider the knowledge as a substance whose accumulation and assimilation raise the capacities of the productive force of human labor regardless the current form of governance, provided the society is guided by moral values (as pointed out by J. Mill), and not only by market selfishness. Thus, if, according to F. Hayek, the human activities are primarily guided by mental interaction (cooperation), which is the most efficient thanks to market forces, then, according to J. Mill, the first element of good management is the cooperation of human minds in organic combination with their ethic. As a result, a simultaneous unification and manifestation, in the form of governance, of both human moral and mind, in modern interpretation, are possible on the condition of the «enlighten» character of the predominant form of governance.

In sum, it follows from the above, that, while, for F. Hayek, the key role in the governance is performed by market forces, then, for J. Mill, any form of governance may be efficient, provided there takes place a cooperation based on moral values and intelligence, which should be characteristic for any form of governance, where they are present. Moral values and mind shape the ethic based foundations of the form of governance, which, unfortunately, have not properly developed in real practice that is dominated by selfish relations often leading to a variety of crises (which is testified by the recent global systemic crisis). The latter statement, in our opinion, is more expressive and exact, as the market forces, which presently dominate, are very often driven to absurd, that is, are completely irrational, that is why, «...capital is obtained through replacement and destruction of real economy ...enrichment leads to failures of the financial system of the real sector of the economy, which, in turn, leads to an intensive accumulation of property, ... because the main political measures in the sphere of economy (and also in the sphere of economic management, as mentioned below. – V. H.). Ef-

¹⁶ Mill J. S. Consideration on Representative Government. – London : Parker, Son, and Bourn, 1861. – P. 12.

fectively support that process»¹⁷. That means that it is exactly the form of governance that should be, first of all, characterized by co-existence and cooperation based on the morale and intelligence of the people, who, strictly speaking, are engaged in managerial activities in their predominant form. That form should be chosen due to intellectual activities of people united in a society as a result of their escape from the natural environment and unification in the institution of state as a result of their conscious choice based on their knowledge. That is, if we speak about modernization of a state, such a state first of all, should be characterized by «educatedness», which unites morale and intelligence in the people exercising the powers. At the same time, «educatedness» is not inherent for the state as such, because it is in the state's hierarchy, and state's hierarchy is will and power, so the state «consumes» «educatedness» not from inside itself, but from outside. That is why the state does not ensure «educatedness» automatically by uniting ethics and intelligence. The process is different because ethics as such is related to the sensitively conscious and non-verbal genetic layer of human intelligence and hence with the system of non-formal institutions, while morale is related to the verbal-and-theoretical layer and, correspondingly, to the doctrinal institutions. Obviously, one of the main guidelines of the state's modernization is exactly the adequate formalization of the non-formal institutions, i.e. bringing the state legislation, law, and morale into accordance with the society's basic imperatives, as well as subduing the upper class morale to the standards of the majority of the citizens. Actually, in this context, it is important to be based on the principle that the bulk of the responsibility for morale lays on the state as the institute acting from the position of the power of law on the whole and power of authority in particular (as well as the power of knowledge). So the state bears that responsibility both before the individuals who have chosen it and before the economic agents, because the economic activities take place within certain institutional and legal standards, which are institutionally conditioned and socially recognized in each concrete period in accordance with the moral imperatives of the society, where the state has been created, being that state the reality of a certain moral concept and its moral spirit¹⁸. Protecting the public morale, the state promotes the revival of and directly participates in the creation and support of people's intellectual activities through science and education. In so doing, it ensures the performance of the functions determining its economic and public institutional identity, including as regards modernization. In this context, it is not occasional that the cognition is based on the combination of the sensuous (moral) and natural ways of getting the knowledge about the outward material and spiritual worlds and about technological achievements of the material world and social innovations, which, as a rule, combine to raise the productive power of labor.

¹⁷ Derivatives are Destroying the Real Economy / Mixednews. – 14.11.2013. – <http://mixednews.ru/archives/44097>

¹⁸ Hegel G. W. F. Elements of the Philosophy of Right (Russian). – Moscow : Mysl, 1990. – 526 p.

State activities and the restriction of the state's contrariness representing the interests of the ruling class, and, in earlier periods, of the absolute power of a monarch or ruling class, including the despotic forms, has been one of the most important tasks in any time. It is exactly because of that reason, that A. Smith's moral philosophy¹⁹ (deepened by J. Mill with his conclusion on the necessity to combine morale and intelligence for any system of governance, in parallel with the market environment) is a result, first of all, of the state activities directed, among other things, to ensure the satisfaction of social needs whose extent serves as a measure of morale and intelligence of the system of governance.

An individual, relying on the accumulated knowledge, on the one hand, constructs his rational behavior aimed at attaining his objectives, but, on the other hand, should not cross a certain moral line, beyond which the aspiration to get profit and accumulate wealth maximizes, because «...the possibility to overcome the strongest aspiration of self-affection: a more powerful force and more stimulating motive act in this case. That force is intelligence, our conscience, our own observer in our soul, a man inside us, a big judge and valuer of our behavior»²⁰.

As we can see, A. Smith places intelligence in the basis of the statement on individual behavior determined by the fight against selfishness. In A. Smith's interpretation, intelligence is a result of «educatedness» transformed from «enlighten despotism» to «socially organized market economy» based on freedom and democracy with the recognition of the need to solve the problem of social inequity and provision of socially significant services and goods and with the government promotion of the development of science and education. As a result, both society, state and individual understand the benefit of the fact that knowledge is that social good, the responsibility for whose supply, in most cases, lies with the state, if not completely, then in the interaction with private initiatives and private expenditures on education and science. History knows a huge amount of examples when, due to the government's efforts, it was possible to attain breakthroughs in technology, while market could only use them, to get profit, much later. Here lies the deep contents of socialization (may be also interpreted as modernization) of modern social and economic life both in the state and in the individual sense, which is the basis of human morale and intelligence on the way to Mill's understanding of good governance, where, at a certain stage, «enlighten despotism» played a role, and, presently, it is an «enlighten state», which should solve the dilemma of modern socialization in all its manifestations, because «...the world is in the midst of several epic transitions. Economic growth patterns, the geopolitical landscape, the social contract that binds people together, and our planet's ecosystem are all undergoing radical, simultaneous transformations, generating anxiety and, in many places, turmoil... Ultimately, however, the path

¹⁹ Smith A. The Theory of Moral Sentiments (Russian). – Moscow : Respublika, 1997. – 352 p.

²⁰ Ibid. – P. 150.

to sustained growth requires not just new policies, but also a new mindset»²¹. Which means that, without Mill's morale and mind, successful future is doubtful, because the modern market deepening, on the global scale, its dominance exerting «...far reaching influence destroys democracy, very unequal societies have higher alcohol and drug addiction, higher crime, lower morale, higher teenage pregnancy and lower literacy than those with lesser inequality»²².

The context of the above formulated statement about the closeness of socialization to modernization may and should be doubted in the part that any socialization could be compared with modernization. For example, can the Stalinist industrialization be simultaneously considered socialization? Besides, if a state is to modernize in accordance with people's needs, then how does it fit with the statement about the insufficiency of social capital for carrying out modernization? An example may serve the fact that socialization in the modern transition society (in the process of the formation of a socially oriented market economy) led to the situation where the society incurred considerable social losses, and, in essence, the market oriented transformation itself appeared to be not only lacking any social orientation or at least neutral, but often a socially aggressive market model with a high degree of appropriation, and uneven distribution of profit and wealth. It was not accidental, that appropriation of the state took place not only in the form of primitive plundering of its resources, but also through the establishment of monopolistic control both over most of the country's resources and over the authorities in order to accumulate even more wealth. The consequence was a horrifying differentiation of people's living standards and lifestyle causing extreme popular displeasure, which testifies about irrational behavior of market agents in the society under transformation with threatening consequences for the country (which was discussed above).

At the same time, individual's rational behavior, in the presence of a social state, should rely on the laws, standards and traditions as well as habits again based on the intelligence. That is a consequence of the use of the accumulated knowledge about the past, the present and even forecasted future not only in terms of acquiring scientific knowledge about the material world, but also about possible change on the ontological model in the future as the latter is based «... on the aspiration to risk minimization and absolutisation of untouchability, before our eyes, is turning into its antithesis»²³. Correspondingly, the task consists in creating «...a new social ontology (based on social protest activities **V.H**)...», look-

²¹ Klaus Schwab (Founder, Executive Chairman, World economic Forum). The Global economy in 2014. Project Syndicate / 13.01.2014. <http://www.project-syndicate.org/commentary/klaus-schwab-warns-that-the-world-is-entering-an-era-of-diminished-expectations-and-increased-uncertainty>.

²² Graham Peebles. Inequality and the Inevitable Collapse: graham@thecreatetrust.org.

²³ Sergeev K. What Is Impossible to Speak About: the Phenomenon of «Unspoken Requirements» and Modern Risks in the Modern Society (Russian) // Polis. – 2013. – No 4. – P. 42.

ing at it from a distance as at a possible concept, and not as at an inevitable mental reality. One should not fear the clutter of the approaching events, but start thinking about it»²⁴. If we do not think (with our mind) about the future ontology, we may expect the absence of such a proper state at all or its individual elements, such as the standards shaped on the basis of traditions and habits, as well as the experience of past generations, which is part of the same process of the accumulation of knowledge producing good governance based on morale and intelligence. Otherwise there develops a despotic state constantly changing its character and even in its liberal form able to expand with the official support in the form of various kinds of directives, instructions, and standards etc., which are compulsory or even forcibly enacted. Such an expansion may have a modern form and be embodied in a single person or in a group of people or the state with its institutions, which hardly share the popular habits, morale, and traditions (despite the fact that the latter are usually more stable to changes, as they had been naturally shaped based on the accumulated knowledge and experience).

The state with its institutions, under the influence of the economic groups enriching themselves from the public funds, fail to exert a proper influence on the process of socialization, but only increase people's protest activities and aggressiveness, which may cause a change of the current ontological model, as was mentioned above.

The mechanisms of education, i.e. transfer of knowledge through a social system of the support of traditions via private and public educational institutions, are self-reproducible. Thus man socializes²⁵ in the modern sense thanks to the development of the system of institutions and institutional actions, traditions, habits, customs and laws. All that is a result of the accumulation of knowledge constantly turning from creative to everyday, which makes it possible for man to socialize. His behavior becomes a process of modernization, both economic and social, where the state can and should be active showing high moral standards in performing its functions based on knowledge and retaining and developing individual and collective national differences. Such differences serve as a guarantee of national identity in the constantly globalizing world by keeping national social traditions against the background of the general economization of most spheres of human life.

As regards the state, the morale in the activities of people and organizations that represent it is related not only to the protection of human rights and freedoms, but also to the fact that the liberal-and-democratic doctrine of the state and economic organization, with low morale, leads to a huge stratification. That is

²⁴ Sergeev K. What Is Impossible to Speak About: the Phenomenon of «Unspoken Requirements» and Modern Risks in the Modern Society (Russian) // Polis. – 2013. – No 4. – P. 42.

²⁵ Heyets V. Institutions of Socialization in Ukraine and CIS Countries: Tendencies and Key Differences (Ukrainian) // Ukrainskyi Socium. – 2011. – No 2. – P. 7–34; No 3. – P. 7–34.

on the one hand. On the other hand, as Vandana Shiva writes, economic growth, which is extremely wished by economists, businessmen and policy makers, destroys life²⁶. And that, as professor M. Chossudovsky from the Center of Globalistic Studies in Montreal argues, is not due to the development of the real economy, but due to the formalized thievery, manipulations and speculations making it possible for the rich to enrich even more.

On the way to solve the constantly reproducing contradiction between poverty and wealth is the doctrine of «social state», a notion, according to Lorenzo von Stein (mid-XIX century) related to the ideology that equality and freedom should be attained and the disadvantaged should be ascended to the level of the rich and strong, because the well know axiom about conscientious individual and market agents is quite limited because of the persistent propensities to getting privileges for raising incomes and wealth under massive imperfect competition on the markets and irrational behavior of the market agents (especially under the modern conditions, when transnationalization decreases the competition and promotes monopolism). In such a situation, individualization of the behavior of economic agents leads to the rupture of the ties between morale and intelligence, and, in case of the refusal from social state, it will be replaced by the concept of the survival of not only the stronger ones, but also the more clever one, which involves manipulation and direct theft and raises the social protest activities leading, as K. Sergeev argues in the above mentioned article, to the idea of non-judicial punishment of the guilty, which is often the case presently. All that together has caused the existing systemic crisis, the fight against which has not been very successful so far, because, as M. Faber and many others consider, the global economy is today worse than it was in 2008²⁷. And, as Christine Lagarde argued at the Davos Forum in 2014, now it is still early to speak about a revival of the world economy. It is not excluded, that the beginning of a stable and long recovery has been postponed until the 30th of XXI century, when the technologies of the VI and VII technological waves will be massively used. These technologies have still unclear consequences for the modern society, as they, according to modern assessments, may cause a lot of troubles threatening man's existence not only with unclear consequences and «achievements» of future social technologies, but also with radical changes in human mind. We will dwell upon these issues later. It is not excluded that «Karl Marx was right speaking that as long as capitalism flattens out, crises will be increasingly ruinous and the last eventual crisis will lead to the final collapse, whose consequences will be so destructive that the very foundations of our capitalist society will be undermined»²⁸. That is especially strongly manifested in selected

²⁶ Vandana Shiva. How economic growth has become anti-life // The Guardian. – 02.11.2013.

²⁷ Faber Mark. Global Economy Today is Worse than in 2008 (Russian). – <http://smart-ab.ru/company/aforex/blog/150141.php>.

²⁸ Faber Mark. Marx Was Probably Right (Russian). – <http://mixednews.ru/archives/44105>.

emerging markets, where economic agents operate in a non-equilibrium system of coordinates, which is the reason why the population is often against capitalism (see Table 1), though the ideology of the reforms in the former socialist countries was based on the concept that the capitalist system of economy is the best and «...at the same time, the most advanced type of social (economic, societal and, at the same time, political) development and type of society representing for the states and peoples of different civilization as a model and example of existence»²⁹ with a simultaneously shaping, under that influence, unrealized dream of attaining the living standards and social relations characteristic for the consumption society of the developed countries. In reality, the result appeared to be quite different from the desirable. But the main thing is that, no matter how successful the market reforms in transition societies may be, attaining the living standards of the developed countries is impossible because the planet's natural resources today and especially tomorrow are clearly insufficient for that purpose either with the current technological paradigm or even with the future one.

(To be continued in next issue)

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²⁹ Гранин Ю. Меняем «бусы» на нефть // Свободная мысль. – 2014. – № 1. – С.190.