# Globalization and the Decline of the West: Eurasianism, the State and the Rebirth of Ethnic-Socialism

Matthew Raphael Johnson Johnstown, PA

Globalization is an economic movement aimed at the unification of peoples under a plutocracy. It is economic because it is driven by international trade and the constant search for new markets, raw materials and ever cheaper labor. Its arrogance has created a coherent and compelling body of writing that exposes its flaws. Russia serves as the instrument of the resistance against it, and therefore, she has been and will continue to be the target of globalist forces.

This paper argues that globalism is another word for western liberalism and "democracy." It is an inherently unjust regime of global rule that serves only the global oligarchy and insulates them from its consequences. It is presented as "inevitable" and as the result of impersonal forces. Neither claim is true, though the evils of globalization are not inconsistent with "rational" selfinterest as defined by economics.

The resistance to this movement as been a bizarre coalition of mutually conflicting movements and personalities. This paper argues that, in order for globalism to be successfully challenged, a strong sense of ethnic, national or regional identity must emerge. Elements of the nationalist and Eurasianist doctrine provide some ideas on how societies can remove themselves from the destructive agenda of internationalism. In Russia's case, these are popular and, to an extent, are already developing in public policy.

The analysis here will proceed in several distinct stages, making it easier to grasp the connections among the forces of globalization, capitalism, liberalism and oligarchy. The first section is a broad based understanding of globalization and its primary consequent, the creation of dependence. The second deals with two Russian authors briefly summarized, showing the very different arguments on Russia's place in the new "global order." Third, Eurasianism is described in general terms as a response to the terminal crisis of western capitalism. Finally, the Eurasian idea is described in some detail in accordance with the views of three major writers: NV Ustryalov, N. Alexeyev and Ernst Niekisch.

The overall purpose of this essay is to describe the problem, apply it to the Russian case, and, from there, describe the foundational ideas required to rebuild a strong and rational identity. Such an identity is absolutely necessary as a springboard for rebellion. The problem with "leftist" ideologies in the west is that, in dispensing with ethnic or religious identity, they are left with no real source of solidarity. This is the most severe problem with the university-based anarchist and communist groups in the west.

## The Issues: Globalization, Regionalism and Liberalism

Capitalism rejects global diversity because its ideology of mass production is founded on standardization. There is a set number of products that a firm manufacturers, and their maintenance requires modular parts and design. Each part, in other words, is identical to all others of its type and hence are easily replaceable. The economic imperative itself is centered

around efficiency because competitive markets, now saturated with debt, are becoming tougher to break. The capitalist ethos, based around the production line, leads to standardized tastes, possessions and priorities. Men are as replaceable as machine parts. However, they can only be such if they are identical in mental content. Therefore, the economic imperative of globalism implies a corresponding domination of the mass mind.

The dissolution of all value into a universally fungible and quantifiable cash nexus eventually takes over every aspect of life, stripping it of all unique attributes. In logic, this becomes the foundation of formal relations and external coherence being confused for "truth." In ontology, it descends to nominalism, where only the "individual" exists and therefore, no essential links among objects can be known. This is the elite consensus in the western world that desires its imposition elsewhere.<sup>1</sup>

Russia is in a unique position to check the insidious destruction of human thought. Given Russia's size, educational ability, nationalism and military history, she is both the natural center of resistance as well as a prime target for absorption into the nominalist matrix. Once weak, Russia is now in the top 8 most powerful economies in the world. Russia is regaining her proper hegemonic status in her near abroad, while it is the US that is desperately seeking to cling to its post-war imperial status.

There is no reason to believe that Russia and Ukraine will be anything other than appendages to western capital once they are absorbed by it. In the Eurasian Union, the Slavic states will be significant contributors and partners. The domination of the western world by a few banks means that, in the western orbit, the Slavic nations will be sources of raw materials and cheap labor. As the former Warsaw pact has been deindustrialized to the extent they have become part of the EU, any arguments as to this Union's benefits is absurd. No lesser light than Zbigniew Brzezinski argues incessantly that Russia, and only Russia, is the chief enemy of financial capital.

The Eurasian option for Russia, Belarus and Ukraine is rational not only due to cultural proximity, but also because Asia offers far more promising growth potential than the exhausted and deindustrialized west. The western world is on its last financial legs, offering almost nothing to the former eastern bloc. As a result, the US must compensate with threats, secret coup plots and media vitriol. The plain truth is that the west bought its faux-prosperity on debt rather than the actual creation of value. She reaps what she has sown.

Globalization is a semi-totalitarian enterprise, since it affects all aspects of life. Relative to policy, joining the World Trade Organization requires a total overhaul of a country's internal structure. In a 2012 study, the World Bank lays out the nature of globalization relative to the WTO:

WTO accession is a comprehensive process that involves much more than commitments on tariffs on goods. WTO accession will impact on a wide range of policies and institutions, including tariff policy, customs administration, rules for using safety standards on goods in a non protective manner, rights of market access and national treatment for foreign providers of services, rules for the treatment of foreign investors in goods, constraints on trade distorting agricultural subsidies, intellectual property, rules requiring transparency in the foreign trade regime and even

<sup>1</sup> There can be no doubt of this, since it is official policy, largely endorsed by both major parties and major media.

government procurement.<sup>2</sup>

Free trade is depicted as a simple matter of efficiency or comparative advantage. Yet, as the above citation shows (and many more can be found), it is far more than that. "Free trade" is a dishonest label that veils the complete destruction of national independence. The elimination of national sovereignty is tantamount to the imposition of a global oligarchy that even the most powerful in the subject nations cannot hope to influence.

The result of even partial globalization is the absolute internationalization of national policy. These regulations serve only to secure the profits of investors. Classical economics is a classroom fetish, not believed by multinational business nor its allied organizations. Instead, the actual shakers of international finance drive to merge capital and the state, rendering the state a privatized security force for itself.

Economies that are dependent on global markets have lost all independence. This is particular galling when one considers how many lives have been lost in the decolonization process from Zaire to Ireland to Indonesia. The meltdown of western economies was based on the simple reality that all "value" was debt. Credit was artificially pumped into the stock market, completely distorting its value. Nothing of classical economic fantasy remains. Corporate capital has long graduated from purely theoretical models of the 18<sup>th</sup> century and realizes that total control is dependent on making the public private.<sup>3</sup>

The Russian political and economic recovery under V. Putin rests upon state directed investment. This has clearly been successful in Korea, Japan, China, and Taiwan, and more recently, A. Lukashenko's Belarus. The libertarian fiction of abstract producers and abstract consumers has no relation to any reality, except in that it continues to make war on identity and even the self. The domination of capital can only be measured by its actual performance, not ideal constructions that have no purpose outside of the university seminar.

Putin's basic economic idea has been to integrate certain economic sectors into the state as a means of providing market stability.<sup>4</sup> In the same report, the Bank states,

Economic modernization and export diversification are priorities in the Russian economic policy agenda, and several measures have been undertaken in recent years to promote other sectors of economic activity. A stable macroeconomic framework that Russia established is a necessary but not sufficient condition for dynamic exports. A governance regime that rewards productive investments over rent-seeking is also among the critical underlying factors. ...<sup>5</sup>

The problem with the World Bank's approach is that it begins from the point of view of private capital without regard to the state's significant role in investment strategy. Any long term development plan requires a highly stable macro-economy, something that the west cannot offer. Rent-seeking behavior, especially in Russia's regions, is a significant structural flaw, though one

<sup>2</sup> World Bank, 2012: 33

<sup>3</sup> The precedent for this is fairly well known. When the Medici clan took over Florence, they left the "republican" institutions intact. This was to give the impression of popular rule, permitting politicians to take the fall for the errors of the banking house.

<sup>4</sup> Cf this author's recent book, Russian Populist: The Political Theory of Vladimir Putin for a lengthy discussion of this strategy.

<sup>5</sup> World Bank, 20112: 16

that is equally problematic in the west. It is inherent in the modern state. Rent seeking uses public power for private gain and irrationally diverts investment funds from viable projects. The state however, need not be a rent seeker when it acts as the guardian of the national economy. As the government grows in scope, institutions guiding the economic system also grow more powerful. While the state is an important source of value in modern economies under extreme instability, its negative side is evident in practices that take advantage of the relative invisibility of administration. The state serves as a more stable source of investment, especially for developing economies. As the west continues its painful slide to complete insolvency, this fact becomes incontrovertible.

#### **Two Views of Russia**

The state remains essential in developing the mental and physical infrastructure to render even local trade efficient. Eurasianism is regionalism, a compromise with globalism that gives priority to cultural and historical continuity over abstract self-interest (almost always defined in financial terms). This continuity, however, goes beyond the nation and seeks complimentary partners in regional development.<sup>6</sup> It is far more cost effective for Russia to focus on areas that have a history of regular trade with Russia rather than the WTO.

The decline of Russia as a whole in the 1990s created a population understandably hostile to western capitalism. In the 1990s, privatization plans were manipulated and old state enterprises were distributed to those with political clout. The 1990s were a total catastrophe for Russia. Those responsible, especially in the west, have yet to be brought to justice. Russia's economy, constructed over decades of painstaking labor under harsh conditions, contracted by upwards of 15 percent yearly from 1992-1995 as the Yeltsin administration seemed either incapable or unwilling to stop the devastation. Russia went into default in 1997 as the currency became worthless.<sup>7</sup>

Not only was the economy in a tailspin, somewhat akin to Wiemar Germany in the 1920s, but the state itself collapsed. Taxes were collected more as an exception, and oligarchs, explicitly supported by the west, the ultimate rent seekers, used their connections to manipulate the vacuum. Rent seeking became a way of life. The re-establishment of state power, entirely attributable to Putin, forced at least some of these criminals to forge their own economic empires as protection, promising to be on their best behavior as Putin's popularity soared. Some fled the country, while others cooperated with Putin to save themselves.

Y. Fedorov, a Russian who has entirely accepted the western understanding of world history, writes in this vein,

Increasing globalization is forcing Russia to make some very serious choices about her political and economic systems and her national identity. Russia may seek to "participate in globalization" and gradually associate herself with the community of democracy. This, apart from anything else, will allow Russia to use effectively her still-strong scientific assets, technological achievements and high educational potential with a view to building a modern post-industrial economy and society. Such a choice would require Russia to reject her traditional suspiciousness (which

<sup>6</sup> There is no essential contradiction between regional integration and ethno-nationalism. In fact, one enhances the other.

<sup>7</sup> See Black et al 2009 and Ulatov, 2010, though these figures are very well known.

sometimes borders on paranoia) toward the outside world and accept democratic standards, values, political practices and institutions, thus establishing true (liberal) democracy.<sup>8</sup>

This very condescending argument accents the ideological component of globalization and underscores the utility of state-led regional growth. Its language is so cliched and standardized that one can be forgiven in suspecting it was written with an aim for acceptance into western academic or governmental society. In Fedorov's view, the ideas of "democracy" and "openness" are mere buzzwords that are explicitly connected to the economic interests of those who created the globalization project.

Fedorov describes the ideological foundation of globalization (whether knowingly or not) and is honest about globalism's end game. The Carnegie Institute, which financed the above study, argues regularly that there is a clear reciprocity between "democratization" and globalization, which again, connects vague political terminology with real economic interests. The main focus of western capital is that "openness" becomes universally conflated with cultural and ideological standardization. "Democracy" can then become universally conflated with securing the maximum return on investment.

In response to Fedorov, Mikhail Molochanov writes:

Russia's response to globalization—its "return" to the West—has been a tale of disaster. Other countries have fared better in meeting the challenge of globalization, although some have done even worse. In Russia's case, the country would most surely have been destroyed had it not been blessed with unrivaled natural resources, specifically oil, gas, and metals. Even so, the policies of the Washington Consensus, or what Stiglitz (2002) calls "market fundamentalism" (p. 134)—and what Russian scholars refer to as market Bolshevism—transformed Russia from a reasonably well-to-do country into an oligarchic dependency characterized by stark inequality, marked injustice, the loss of social capital, widespread poverty and a stunning demographic catastrophe.<sup>9</sup>

What western pundits never seem to grasp is that the market is the first casualty in capitalist societies once hey come to be controlled by a financial oligarchy. Fedorov seems to suggest that Russia a) has no interests as Russia, or b) that she has no interests that are separate from western capital. To overlook the extremely pointed and detailed ideological arguments for globalization and liberalism is dangerous. It leads the student to the illusion that globalization

<sup>8</sup> Fedorov, 2000: 1; the number of cliches in this statement boggles the mind. It is all based on the assumption that all countries are destined to follow the west in stressing industrialization and commodity production. Consumer preferences are all the same, and there is no good reason to actually argue for the moral supremacy of western capitalism. Further, Russia is "bound" to begin outsourcing the highest value-added manufacturers in the pursuit of mindless, post-modern pleasures. The one positive aspect of this drivel is its honesty: liberalism is a highly charged ideology seeking to forcibly impose its deterministic views on the world which are based on standardization, utilitarianism and mass market preferences. All of this is equivalent to "democracy" and "openness."

<sup>9</sup> Molochanov, 2005: 425; the contrast between the two authors is glaring. The first relies on cliches, abstract concepts taken as axiomatic and the basic ideological bias of western academia. The latter uses easily referenced information, concrete circumstances and actual consequences. Regardless on where the reader falls on these debates, such methodological distinctions are exceedingly significant.

just passively "happens," and that it is merely a better means to serve the consumer. Globalization, democracy and liberalism, taken as essentially one, makes up the elite "mental infrastructure" in the west and in privileged circles elsewhere. Few can reject it and remain respectable in western societies.

Fedorov above is factually and logically incorrect – Russia, as well as any reasonable society with any unity whatever, needs a powerful public sector so as to protect the national interest against being sold off to the most devious entrepreneur. The theory of markets assume legally equal entities entering into free contracts. The reality is that the actors in global finance are divided into those with immense resources and those without. Contracts under this duress have no moral validity.

Fedorov rejects the very concept of national interest. He conflates very complex and contested ideas such as "openness" and "identity" by surreptitiously presenting the ideological world of board-room liberalism as common to them all. In Putin's case, the concept of state-centric development, economic regionalization and social cohesion are tightly integrated. The historical record is that such societies are far better off and more economically rational than those adopting liberalism wholesale, as Russian learned to her unending mortification by 1995.

Most of the literature in this field, however, strongly suggests that Russia has strong technological sectors that are quite compatible with western competitors. Yet, a collapsing west makes it fairly easy for Putin to ensure that regional expansion (economically speaking) are done on his own terms, and aimed at the rising east. If anything, Russia would be wise to use its presence at western trade conferences to begin buying up cut-rate western assets as their economies fail under debt and self-doubt.

### The Resistance: The Economics of Eurasia

In the most general terms, Eurasianism implies that, first, Russia may well develop a regional program that splits the difference between the benefits of globalization and the benefits of nationalism. Domestically, and within the Central and East Asian markets, Russia is using its strong state sector to target investment in poorer regions of the country, especially in the far east. China's development strategy uses a similar approach to develop its western and northern areas. For Russia, Siberia remains a potential powerhouse which is only now beginning to develop. Secondly, Russian state-led investment and turn to the east ensured that her relative isolation from Europe made the EU's financial decline far less detrimental to Russian interests.

The main argument for the Eurasian or regional option is Russia's dependency. As the west orchestrates protests around the world against non-compliant governments, the EU option for any of the post-Soviet states is economically grotesque. Eurasia would place the three Rus' nations at the center of a huge, developing region that is just beginning to feel its power. As Europe falls, China and India rise. It would be the height of absurdity for Moscow to hitch its wagon to a dying colossus that increasingly relies on covert force and market manipulation to get its way.

Russia as a part of Eurasia will remove the western elite view that the Slavs are merely sources of raw materials and sex slaves. She is, in Eurasia, crucial to manufacturing, resources, high-tech equipment and, to an extent, ideological guidance in the Eurasian resistance. Any Russian leanings to the EU is somewhat akin to relocating a luxury car dealership in downtown Detroit. The most that Russia will get out of the EU and the Washington ideology is abject dependency, which then ties the Russian worker to the irrational boom and bust cycles of modern capitalism. Russia's banking sector will be internationalized and stripped bare, since she does not have the resources to resist, and western banks today will say and do anything to get their hands on any new supplies of liquidity. In the EU, any Russian inclination for national control over her resources will be pure fantasy.

The regional aspect of Russia's development is now just getting the scholarly attention it needs. In 2003, professor Gilbert Rozman convincingly argued that Russia's Eurasian strategy is designed as a hedge against the west. He writes

Russia needs to open the Russian Far East for regional integration and make use of its dynamism and vast natural resources. Initiatives of the past decade have demonstrated great sensitivity to the dangers of foreign presence, but little forward thinking on their positive contributions. Putin has advanced beyond Yeltsin, but there is still no vision of regionalism. A reorientation of Sino-Russian relations from strategic goals associated with multipolarity to economic cooperation in a multilateral context offers hope that a new approach is coming. Under the umbrella of globalization including closer relations with the U.S., Putin can more easily pursue regional integration as well. . . Clearly, Putin planned to take firm charge of managing all dimensions of regionalism, but it was less clear if he would encourage market forces.<sup>10</sup>

As a part of the Non-Aligned movement, Russia has a unique role as a partner with China in creating a multipolar world. Multipolarity is essential to the development of an alternative, mixed economic structure that can use the benefits of markets while avoiding their severe pitfalls. Recently, Putin challenged the EU to build not just a European market, but a Eurasian one as well:

We've been talking a lot about the resources of economic diplomacy, but fundamental changes have not been achieved. This is especially noticeable at the time when the world economy is experiencing the crisis and when protectionism becomes the norm. We must act livelier. One should not be ashamed of promoting the products of the Russian military-industrial complex. [The west] made this a part of their state policies a long time ago, and they carry it out very aggressively.<sup>11</sup>

Putin is not shy in showing skepticism towards any form of western integration. As the western crisis becomes more acute and the irrational conga-line of mindless consumption has reached its debt limit, Putin is arguing for a strong emphasis on a national and regional economic focus to restore balance. A Eurasian market will, if properly handled, help limit the power of western banks so as to foster the development of regional banks empowering areas other than Manhattan.

Speaking in a major international economic conference in June of 2012 in St. Petersburg, Putin said,

I want to emphasize that today Russia has sufficient reserves at its disposal and a

<sup>10</sup> Rozman, 2003, 1

<sup>11</sup> Pravda, July 2012

whole range of anti-crisis rapid response mechanisms, including subordinated loans, state guarantees and programs to stimulate demand and provide employment support. The entire arsenal was tested and proved to be effective in 2008-2009. And we are prepared to use it promptly and in full in the event of any negative trends in the world economy. . . Most of the recent crises arrived in Russia from external sources. And naturally, we could not do anything about these factors.<sup>12</sup>

Putin argues that Russia's trade and budget surplus can not only create a social safety net for the disadvantaged, but for the economy as a whole by stimulating domestic demand. In 2014, this surplus has shrunk, though that is no fault of Russia's. Most significantly, Putin demonstrates that the west can never be a reliable partner to Russian development. Western capitalism, irrational and reckless, is no model for anyone. In the same speech, Putin continues:

It is impossible to become truly competitive in the international arena without honest domestic competition, without the rule of law, without truth and justice in relations between business and the state. Competition in politics and the economy is the main engine of development. So I ask the Government of the Russian Federation to conduct a major revision of the practice of antitrust legislation and competition support.<sup>13</sup>

This argument derives from the popular trauma of the early 1990s. The reference to antitrust legislation argues for the state's in ensuring a manageable private sector elite.<sup>14</sup> The west is controlled by finance capital, since they both approve corporate investments and forward money to the state. This leads to irrational investments, since financial elites are ensured state protection. For economists, this creates the dilemma that self-interest brings corporate capital to act in socially irrational ways. Since economics is institutionally separate from history or ethics, the fact that Goldman-Sachs sends millions in campaign contributions to both parties is not seen as an economic problem. Capital, now concentrated beyond the wildest dreams of Marx, is more powerful than the state. Capital today has complete dominance without responsibility. The desperate American need for cheap credit means that major financial conglomerates negotiate with "public authorities" from a position of strength. The taxpayer is relegated to a bovine mass occasionally milked for bailout funds.

The implosion of western prejudices and biases in the realm of ideology and economics is forcing the thoughtful to discover alternatives. The west is quite weak in that regard. Political science has ensured that "socialism" became identical to "Marxism," conveniently forgetting that the several centuries, the main impetus for anti-capitalist reform came from medievalist, Christian and national sources. Other forms of socialism have been quietly dropped out of the

<sup>12</sup> V. Putin's Remarks at the St Petersburg International Economic Forum, June, 2012, accessed from public Kremlin archives: (http://eng.kremlin.ru/transcripts/4056)

<sup>13</sup> Ibid.

<sup>14</sup> This is to say that private sector power can never become more powerful than the public sector. Economically speaking, this is because, while utilizing the state as its private bodyguard is in the interests of financial capital, it is irrational and destructive. In western writing, there is a strange and unexamined bias that only the state can be tyrannical, practice censorship or oppress people. The reality is that private capital is in a much better position to do just that.

curriculum.<sup>15</sup> Russia is in no such position. The next section will deal with three Russian writers that might give some clues as to conceptualizing the future.

## The Eurasian Ideology and Russia's Development: Ustryalov, Alexeyev and Niekisch

The Eurasian idea is the most rational and efficient model for Russian economic growth. Three controversial writers, almost totally unknown in the west, described an alternative method of social reconstruction combining both leftist criticisms of capital and rightist affirmations of ethnic identity. NV Ustryalov (d. 1937), N. Alexeyev (d. 1964), and the German-born Ernst Niekisch (d. 1967) compliment each other in advocating for a regionalist identity as a means of anti-capitalist resistance. One not need subscribe to the entire menu of National Bolshevism to comprehend the importance of their ideas. Relegated to obscurity decades ago, the failures of western regimes now can revitalize their significance.

Ustryalov wrote when the chaos of World War I changed the European psyche forever. Liberalism and democracy could not be less appropriate when a population is desperate. The only thing that can save Russia, for the time being, is a strong state. Hence, he guardedly backed the Red government for this reason.

His version of a nationalist and civilizational order is holistic, as most Eurasians argue. Philosophy and economics are part of a broader whole. Professional scholars have a choice: can either aim at the truth as Savonarola did, or take the more lucrative root of accepting and assuming the justice of the (ideal) present order. No discipline, academic or technical, can exist outside of truth. Truth is opposed to self-interest, ideological justifications and private interests masquerading as "universal laws." Significantly, similar to the ideas of V. Karpov, Ustryalov stresses that society cannot be considered merely the sum of private interests. This sum cannot qualitatively change into the whole.

Ustryalov stresses the important point that economic development, of itself, does not bring happiness. If anything, it creates chaos, dislocation and the retreat to fantasy, Utopianism or escapism. GDP growth is a good thing in the abstract, but it is rare that rising incomes translate into well adjusted and satisfied citizens. Revolutions have a tendency to arise during times of great growth and prosperity. Several things occur in these times: classes benefiting from such development demand power commensurate with their new wealth; expectations of the whole society rise far faster than any agency can maintain, and finally, the dislocation and confusion of rapid development destroys old social ties.<sup>16</sup>

In his National-Bolshevism, Ustryalov struggles with the real ideological agenda of the Red state. In general, he leans to the view that Bolshevism is not the same as communism or Marxism. He argues that the Red government is, in a sense, a strongly nationalist one, dedicated to improvement of labor and the maintenance of the empire. He did not believe that the "revolutionary" elements of Bolshevism would last long. Soon, the ethnic and imperial idea will come to the surface. The real argument is that, after the slaughter of World War I, the Civil War, the war in Ukraine and the complete eradication of the old royal state, Russia will desire, and her rulers will provide, some semblance of the old order. Here, given the chaos, expectations are not

<sup>15</sup> This author's personal opinion is that the single greatest nightmare for the American political elite is the development of a religious, national, agrarian and idealistic socialist party. Socialism was promoted and encouraged in academia so long as it remained atheist, materialist and internationalist.

<sup>16</sup> Cf Ustrialov, Национал-большевизм, 1926

rising, but falling. In this case, it is much easier to rule the population. He writes,

Russia must be made powerful again. Revolution is incapable of this. The nature of the communist economy will not increase Russian power. The workers, now realizing how destructive violence can be, will demand concessions from the government while retaining her older, organic nature. The new government can keep to its stated purpose, but it can do so under the rule of a national dictatorship. From here will spring all that is needed for the revitalization of the country. It does not matter that these measures are of "bourgeois" origin.<sup>17</sup>

Many in the National Bolshevik and related Eurasianist movement were convinced of just this. The Leninists might use the slogans of Marx, but in actually ruling the country, only traditional forms can really be used. Some discovered this in Stalin's dictatorship, others abandoned the idea altogether. Others argue that people like Ustryalov or Alexeyev sought to rationalize a fait accompli. Regardless, they show the nature of extreme possibilities in times of dislocation, confusion and inexplicable decline.

In his "Bread and Faith," (1933) Ustryalov argues that the "advanced" economies show as much brutality as "primitive" ones. The former might be more sublimate and use more pretentious vocabulary, but oppression is the same whether it is by the bow and arrow or the judges' gavel. His problem with socialism was that it must necessarily derive from the distorted capitalist relations that proceeded it. If Marx is right, and man is distorted and scarred from capitalist oppression, then their usefulness in social reform is non-existent. Ideology is really a means to provide quick answers to probing questions. The initiated vanguard might know the details, while the herd is satisfied with symbols. Severe contradictions are covered over with pseudo-intellectual cliches.

He argues that the post-World War I world is the very nature of revolution. Bolshevism, as he sees it, is a form of national socialism that alleviates the suffering of the proletariat while retaining the traditional content from which all legitimacy proceeds. He states,

Judging by the signs of advanced decay and crisis tormenting "civilized humanity," confusion and chaos indicates the total exhaustion of the old bourgeois order and the requirement of a new life. Solving these psychological problems is the task of strong, new states. They must discover the ways to have the suffering people accept new systems, systems more appropriate for this age. . .Chaos creates more public anxiety. The result is that man seeks out stable anchors, looking for a system of life and thought he realizes that the world of formal legality and abstract freedom is useless. Man seeks bread; intellectuals give him a rock. Chaos lends itself to results, not theory. Present

<sup>17</sup> The original text reads: Нужно озаботиться добычею новых горючих веществ.

Нужно сделать Россию сильной, иначе погаснет единственный очаг мировой революции.
Но методами коммунистического хозяйства в атмосфере капиталистического мира сильной Россию не сделаешь. И вот пролетарская власть, сознав, наконец, бессилие насильственного коммунизма, остерегаясь органического взрыва всей своей экономической системы изнутри, идет на уступки, вступает в компромисс с жизнью. Сохраняя старые цели, внешне не отступаясь от «лозунгов социалистической революции», твердо удерживая за собою политическую диктатуру, она начинает принимать меры, необходимые для хозяйственного возрождения страны, не считаясь с тем, что эти меры – «буржуазной» природы. Вот что такое «перерождение большевизма».

dictatorship seeks to solve these problems, especially by appealing to youth in its ideological pathos. . . The result is the violent, intolerant and acerbic ideology of the new systems.

The point here is that in times of severe crisis, "democracy" leads to the sophistical manipulation of an exhausted people who care little for freedom, since liberty is useless without security, food or some expectations for a future. What truly matters here is how significant such an approach is for the second decade of the 2000s. Man is irrational at the best of times. When society crumbles around him, anything is possible.

In his General Theory of Eurasianism, N. Alexeyev writes,

Eurasianism seeks the defeat of the West from the outside, by creating another civilization – the spirit of westernism has become our own. Russian elites have absorbed western concepts, as in the Imperial era, now even the people have been caught in the snare of western materialism, mechanization and atheism. . . Eurasianism understands that the Eurasian world is rapidly developing. Now, the Eurasian movement wants to make that development greater and more focused. This is done by aligning it with the primordial features of the Eurasian world. Production and development are not ends, those are spiritual. Labor is sanctified when man co-creates with God.<sup>18</sup>

This is a statement of a Christian communitarianism. The Eurasian idea described here is partly centered on considering the region of Eurasia as a specific field for development. This makes it a bulwark against the imperial ideology of western patricians. The constant movement, confusion and epistemological fragmentation of the west (especially in its cities, then and now) is not contributory to happiness nor sanity. To elevate labor<sup>19</sup> to an ethical category approaching the noble will not come from the west. Ustryalov's argument was that a strong state incorporating most of the old empire is required to protect economic recovery from the predators.

All of this investigates a new way to apprehend economics, production and importantly, human need. Rights are not abstract, but tightly bound to society and one's specific contribution within it. As Ustryalov reminds us, times of chaos are also times when stricter, centralized and ideological governments are required. Relativism, as Ustryalov remarks, can never give a solid anchor for a struggling population.

These functional vocations, important in any social reconstruction, develop great social significance. Part of this concerns labor representation in government. They can contract with capital and implement technical standards, required training and needed services. Property is a function of labor because capital is a derivative of labor. Corporate representation, a philosophical concept from Hegel and Proudhon, is the organization which transforms labor from an aspect of self-interest to an ethical concept of service. It prevents proletarianization and its cousin, the "mass man."

The identity-less, rootless and culture-less mass of modernity helped create modern totalitarianism. It should always be kept in mind that almost every player in World War I had an elective legislature: Russia, Austria, Serbia, England and Germany all had responsibly

<sup>18</sup> Alexeyev, 1935, quoted from Dugin's Теория евразийского государства, my poor translation.

<sup>19</sup> Labor here refers to all its forms: intellectual, technical, academic and financial. The essential distinction is its closeness to real social value.

parliaments of various kinds, and in each case, it was their "representatives" who clamored for war. The one exception was Austria, the state most responsible for the outbreak of hostilities. Furthermore, modern science furnished the weaponry making this war the bloodiest by far up to that time. Nor was nationalism even an issue, since almost all combatants, except Serbia, were multinational empires.

Ideology, the state and aggregated mediocrity justified social dependence on the state. Previously, it was the neighborhood, parish and commune. Localism prevented massification. Modernity, using nominalism to delegitimize social institutions both formal and informal, created the existential man without vision, moral psychology and worst of all, left him frightened of a freedom that is unfairly tied to one's highly limited and jumbled store of personal ideas and prejudices.

Alexeyev argues that labor is a whole; it is of both national and regional significance. The corporation encapsulates that whole as the hypostasis of an idea. Labor is based on culture in that it is reflective of social priorities. It also rests on one's vocation and talents purified and rationalized the tradition of the craft. Only then can rank and hierarchy be justified, since trade standards become the sole criterion. Only in this context can rights, duties and rewards be allotted rationally. For Alexeyev, rights refer to free opportunity to act, while their corresponding duties require compulsion; the legal ideal is the relation between the two.

Niekisch's main political argument is that liberal democracy is the political "front" of finance capital and oligarchy. It is, simply, the rule of the wealthy where the powerful promote those who exchange some power in exchange for the acceptance of any blame. Amateurs speak of the "Reagan recovery" or the "Clinton boom" as if American presidents are responsible for interest rates, public confidence, international trade flows or corporate investment policy. References to "the people" are demagogic, since no such mass abstraction exists. The networks created by the consolidated, titanic banks in the capitalist world have long dispensed with markets. They rule largely by lending to large, established institutions (as opposed to small entrepreneurs) with the obvious irrational results of further consolidation.

Niekisch was, as Dietmar Gottfried has argued, purely a man of the left. In a way, all three writers treated briefly here were. Such labels derive from the stage-managed faux-debate in the western world. What Niekisch has in common with all Eurasian and National Bolshevik writers is the fact that, given the chaos of the early 20<sup>th</sup> century, the state remains the strongest possible protection against complete and total disintegration. Disillusioned with the west after the travesty of Versailles, he looked to Russia, and saw the new regime there as an embryonic form of national socialism, or a form of proletarian revolution that cannot dispense with the traditional cultural norms any healthy soul is attached to.<sup>20</sup>

Economics is not a science, but an ideological construct that explains and affirms the present rule of capital. Darwinian survival, and not Smith's theoretical model of Perfect Competition, drives capitalism. On the other hand, socialism, quite similar to capitalism, merely deifies the ruling party as the oligarchy that controls all economic decisions from one place. Deification is not all that far off, since the entire social world changes at their command.

Niekisch's view is that the egocentric individual so enshrined in western ideology is an abstraction. While isolated and pampered American professors speak of the "artificially" and "invented tradition" of nationalism, they retain their beliefs in abstractions such as the state, the

<sup>20</sup> Gottfried, 2012. It should be noted that national-socialists are not required to venerate Hitler. Socialists are not required to venerate Stalin, so the same flexibility must apply to this left-style nationalism.

"world community," "international justice" and the isolated consumer acting "rationally." The truth is that no individual exists outside of his community. This includes language (broadly speaking), religion, customs and moral ideas that make any civil or economic life possible. The context is the nation, which in turn, is part of a larger civilizational order of complimentary nations. Nations retain autonomy, but the civilizational market becomes the locus of trade, finance and philosophical views.<sup>21</sup>

Firms should be owned by labor itself, or, apart from that, at least some substantial labor partnership with private ownership and the state. Markets can work, but it is the structure of the firm and the nature of the work itself that requires reform. Profit too, is legitimate, but that does not imply it is the sole incentive for labor.

#### Conclusion

The Russian meltdown of the early 1990s forces those interested in Russian history and social ideas to study and understand appropriate ideas by which this damage can be reversed. It is not just the economic destruction and the impoverishment of entire continents, but also the mental and emotional decay such suffering engenders. Warfare brutalizes a population, destroying once unexamined moral habits and replacing them with sheer instinct. Therefore, reconstruction is holistic, and cannot be relegated to formal political or economic institutions.

The Eurasian movement, the Non-Aligned coalition, ethno-nationalism, regionalism and the mass renunciation of the failed Washington Consensus are only just beginning to challenge this Faustian *beau monde*. To grasp the economic options of Putin's Russia and its relation to China and Eurasian space in general is essential in crafting an alternative to global oligarchy.

The Eurasianist movement has plenty of eccentrics. Some of its advocates promote ideas that should never even be considered. But this eccentricity is compensated by the undeniable fact that a strong, centralized and ideological power is absolutely essential for reconstruction. Such power is not good in itself, but, given the alternatives, protection and regularity become the highest priorities.

<sup>21</sup> A very good and sympathetic introduction to the movement can be found in Wilberg, 2011

# **Bibliography:**

Ahrend, R. Can Russia Sustain Strong Growth as a Resource Based Economy? CESifo Forum. February, 2008

Dugin, А. Николай Алексеев: Теория евразийского государства. Международное Евразийское Движение, 1999 http://evrazia.info/article/197

Fedorov, Y. Democratization and Globalization: The Case of Russia. Democracy and Rule of Law Project 13, Global Policy Program: The Carnegie Institute for International peace, 2000

Molchanov, M.A. Russia and Globalization. Perspectives on Global Development and Technology, Volume 4, issue 3-4, 2005

Putin, Vladimir. Address at the plenary session of the XVI St Petersburg International Economic Forum, June 2012. http://eng.kremlin.ru/transcripts/4056

"Putin Makes Global Proposition to Europe." Pravda.ru, July 10 2012 http://english.pravda.ru/news/russia/10-07-2012/121609-putin\_europe-0/

Ustrialov, N. Национал-большевизм. (Reprinted on the e-journal "Russian Literature," first compiled 1926) http://www.rulit.net/books/nacional-bolshevizm-read-252152-136.html

\_\_\_\_\_. Хлеб и вера. Final Chapter in his "Германский национал-социализм", 1933 http://lib.ru/POLITOLOG/USTRYALOV/hleb.txt\_with-big-pictures.html

Alexeyev, N. The Spiritual Background of Eurasian Culture. Trans, M. Johnson, Young Eurasia (originally published in the Eurasian Chronicle, Berlin, 1935) http://yeurasia.org/library/classical\_eurasianism/николай-алексеев-духовные-предпосыл/

Rozman, Gilbert. "When Will Russia Really Enter Northeast Asia?" in Wolfgang Danspeckgruber and Stephen Kotkin, eds., The Future of the Russian State: A Sourcebook (New York: Columbia International Affairs Online, 2003)

Stiglitz, Joseph E. Globalization and Its Discontents. New York: Norton.Washington D.C.: United States Institute of Peace Press, 2002

Taylor L. Economic Openness . Problems to the Century's End, Wider, Finland, 1988.

Ulatov, S. and Brian Pinto. Financial Globalization and the Russian Crisis of 1998. The World Bank Europe and Central Asia Region & The Managing Director's Office. Policy Working Paper 5312, May 2010.

World Bank in Russia. Russian Economic Report Moderating Risks, Bolstering Growth, 27, April, 2012.

Wilberg, P. National Bolshevism. NPP, 2011 http://nationalpeoplesparty.files.wordpress.com/2012/05/national-bolshevism.pdf

Gottfried, D. Um der Nation willen des Kommunismus fähig: Der Nationalbolschewismus des Ernst Niekisch. Teleopolis, 2012