### GEOPOLITICAL PROPENSITY TOWARDS CONFLICT IN CONDITIONS OF THE WORLD ECONOMIC CRISIS

TYMUR KALCHENKO, VIKTORIIA OLIINYK<sup>1</sup>

ABSTRACT. The article is devoted to understanding of the globalization processes, which today are accompanied by systemic crisis with unpredictable consequences, when the old Modern system is already anachronistic, but one that guarantees certain rights, provisions, principles, rules of economic behaviour, and the new Postmodern system is only emerging, acquiring indistinct, fuzzy shapes and horizons with a completely levelled role of states and hypertrophied corporate influence. Attention is also paid to the problems of further development of the global economic system with the emphasis on the primacy of conflict and turbulence of relations between different civilizational groups and, first of all, between two core geopolitically-oriented models - the Thalassocratic (Atlanticist) and tellurocratic with the identification of the main directions, problems and contours of mutual approximation and remoteness, depending on the possible vectors of the world system formation. It was demonstrated that today the choice of strategic orienting points for development is actualized, even in the inside of the system of the so-called «collective West», when its integrity loses potential, and some countries tend towards unspellable independent actions and development of independent strategies, including diametrically opposite ones and those that contradict the western-inspired logic. At the same time, it is noted that alternative tellurocratically designed models are gradually being formalized, the obvious representation of which is the People's Republic of China, which, having a number of unconditional advantages, may offer civilizational opposition to the geo-economic dominance of the USA and its satellites. Advantages and disadvantages of the economic model of the PRC with the identification of those that can significantly turn back its strategic dominance in the future are analysed - unevenness of development, average level of innovativeness, high level of resource consumption of production. At the same time, it is emphasized that under the conditions of global conflict, a large number of competitiveness levers, that are now being felt as those who have no alternative, will lose their own weight, and rather primitive factors of production will come to the fore. Possible configurations of the clashes of thalassocratic and tellurocratic models are shown and the reasons for PRC's wait-and-see policy towards rather aggressive USA actions in the area of China's geo-economic interests are named. In general, the article emphasizes the non-alternativeness of geo-economic changes and the need to develop adaptation strategies not only for the second echelon countries, but also for the countriessystems or civilizational groups that pretend to global leadership and have areas of their own interests and available tools for their implementation and protection.

KEY WORDS: globalization, system, world order, paradigm, Modern, civilization, crisis, conflict, development, competitiveness, orientation, thalassocracy, tellurocracy, collective West, interests, strategy, management, westernisation, diversification, alternatives.

<sup>&</sup>lt;sup>1</sup> **Kalchenko Tymur Valeriiovych** — Doctor of Economics, Professor, Department of International Management at Kyiv National Economic University named after Vadym Hetman. Sphere of scientific interests: global economy, geopolitics, global governance, history. E-mail: fabriano2018@ukr.net

global economy, geopolitics, global governance, history. E-mail: fabriano2018@ukr.net

Oliinyk Viktoriia Volodymyrivna — Ph.D., Associate Professor at the Department of International

Management at Kyiv National Economic University named after Vadym Hetman, Deputy Head at the Department
of International Management. Sphere of scientific interests: global economy, international economic activity,
international management. E-mail: oliinyk@ukr.net

#### Introduction

Despite the significant and fundamental global transformations, the primacy of the Atlantic valuable and economic orientation seems to be impregnable. However, it seems only at the first sight, not a professional one, because it was during a long time provided with the post-war status quo, when the role of the guarantor of economic development security was delegated to the USA, which gradually became the center of the so-called collective West, which divided the starting positions and the doctrines of its domination. circumstances where relations between countries have gradually outgrown the stage of internationalization (when it was still possible to rely on illusionary, but still existing principles, laws and regulations, which where articulated, for example, in the system of international law), a significant number of «Modern» values were rejected in favour of the so-called economic efficiency, and «double standards» that turned against the very initiators of their beginning dominated, the collective system of the West was in a stagnant phase.

This stagnation is caused not only by the inability to show the steady and convincing rates of economic growth year by year, not only by a certain starting point of competitiveness, but by ideological exinanition and a certain bewilderment before the direct challenges of modernity. The absence of a geo-economic strategy and the weakness of the response to tectonic shifts are therefore quite telling examples. Only the use of old geopolitical tools is observed, such as dictation, sanctions and specific mentoring. And this is happening in a situation where the socalled collective West is being in serious times related with the loss of internal levers of one's own economic life regulation. Id est, the liberal version of globalization, that is generated, propagated and dictated to them, has crushed the economic complex of the countries in the process of its implementation. In fact, the state became unnecessary, its social functions passed to corporations, which are completely indifferent towards what, where and how to produce and at the expense of what to achieve extra profits. As a result, control over the key levers of economic growth has been partially lost, resulting in the urgent search for new behavior pattern under the conditions of unpredictable globalization.

Unfortunately, domestic literature in such geo-economic transformations are hardly reviewed (in most cases, the authors deliberately bypass this issue). Only in the works of Yu. Pakhomov<sup>2</sup>,

<sup>&</sup>lt;sup>2</sup> Pakhomov Yu.N., Krymskyi S.B., Pavlenko Yu.V. Puti i pereputia sovremennoi tsyvylyzatsyy. / Iu.N.Pakhomov, S.B.Krymskyi, Yu,V.Pavlenko. — K.: Mezhdunarodnyi delovoi tsentr, 1998. — 432 p. [In Russian].

O. Bilorus<sup>3</sup>, D. Lukianenko<sup>4</sup>, T. Kalchenko<sup>5</sup>, S. Radzievska<sup>6</sup> and some others this topic gets attention and is being developed. In most cases, it is reflected in the works of foreign scientists — U. Beck<sup>7</sup>, O. Panarin<sup>8</sup>, Yu. Yakovets<sup>9</sup> and others. We would like to investigate this issue conceptually, reflecting the

#### Main Part

The system of geo-economic interests of the late Atlanticism has surely changed and, although it does not definitively reject the previous directional signs, it has adhered to the follows:

- provision of closer cooperation and unity within one's own civilization, especially between its European and North American parts;
- integration into the Western civilization of the societies of Eastern Europe and Latin America whose cultures are close to Western ones;
- preventing of the overgrowing of local conflicts between civilizations into global wars;
  - limitations of military expansion of Confucian and Islamic states;
- temporary suspension of the dismantlement of Western military power and securing of military superiority in the Far East and South-West Asia;

<sup>&</sup>lt;sup>3</sup> Belorus O. Vosproyzvodstvennaia evoliutsyia i strukturnaia transformatsyia hlobalnoho kapytala / O.Belorus //

Ekonomichnyi chasopys-XXI-2014. — №07-08(1). — pp.4-7. [In Russian].

<sup>4</sup>Lukianenko D.H., Poruchnyk A.M., Kalchenko T.V., Riabets N.M., Tymkiv I.V. ta in. Hlobalna ekonomika: navch. posib. / D.H.Lukianenko, A.M.Poruchnyk, T.V.Kalchenko, N.M.Riabets, I.V.Tymkiv. — Kyiv: KNEU, 2017. - 164 p. [In Ukrainian].

Lukianenko D.H. Intelektualnyi kontekst protsesiv hlobalizatsii/D.H.Lukianenko//Nauk. visn. Dyplomatychnoi akademii Ukrainy. — 2015. — V.22(3). — pp.73-78. [In Ukrainian].

Lukianenko D. Intelektualnyi faktor hlobalizatsii/D.Lukianenko//Stratehiia rozvytku Ukrainy. Ekonomika,

T.V.Kalchenko // Sbornyk nauchnыkh trudov mezhdunarodnoi nauchno-praktycheskoi konferentsyy «Sovremennye issledovanyia osnovnykh napravlenyi humanytarnykh i estestvennykh nauk». — K. — 2017. — pp.122-125. [In Russian1.

Kalchenko T.V. Hlobalna ekonomika: navchalnyi posibnyk / T.V.Kalchenko. — K.:KNEU, 2009. — 364 p. [In

Ukrainian].

6 Radziievska S.O. Hlobalna ekonomika: navchalno-metodychnyi posibnyk dlia studentiv ekonomichnykh napriamiv pidhotovky usikh form navchannia/S.O.Radziievska. — K.: «SIK HRUP Ukraina», 2017. — 368 p. [In

Bek U. Chto takoye globalizatsiya? (Oshibki globalizma-otvety na globalizatsiyu) / U.Bek / Translated from German. — M.: Progress-Traditsiya. 2001. — 304 p. [In Russian].
 Panarin A.S. Globalnoye politicheskoye prognozirovaniye/ A.S.Panarin. — M.: Algoritm. 2002. — 352 p. [In

Russian].

Yakovets Yu.V. Globalizatsiya i vzaimodeystviye tsivilizatsiy / Yu.V.Yakovets — M.: PSC Publishing House «Ekonomika». 2003. — 411 p. [In Russian].

- use of difficulties and conflicts in the relationship between Islamic and Confucian countries;
- support of groups focused on Western values and interests in other civilizations;
- reinforcement of international institutions that reflect and legitimize Western interests and values, and assurance of non-Western states involvement in those institutions;
  - overcoming of the credit fatigue of key Eurozone economies;
  - exploration of the Arctic shelf;
- support of the American shale revolution; prevention of strong gas relations in all of the Atlantic;
  - control over energy markets;
- settlement of issues related to the opening up of financial services markets 10.

Historically unprecedented American power, the ways and goals of its realization, the positioning of the United States of America in the modern world, based on their broad-based advantages have become more than popular and high-demanded topics in current political literature, both in American and world one. «One and Only First Fairly Global State» (according to Zbigniew Brzezinski<sup>11</sup>) has been trying to redefine its historic purpose and strategy during a decade and a half, which is quite not an easy task, because one's status must be confirmed on an almost daily basis, which is not always possible in uncertain environment and turbulence.

The promotion of the doctrine of «American world leadership» essentially marks the beginning of a new era, a new time marking in USA foreign policy, when all that happened before became merely a prelude to modern American foreign policy. In the early 1990s, the leadership elite became fully aware of positive fallout for the USA from the collapse of the bipolar world model and the opportunities that could lead to the creation of some world-wide global power brokers under the auspices and control of Washington, the so-called «world government.»

The American monopolistic groups and unions were supposed to carry out this work through their representatives in the leading political parties — the Democratic and Republican ones. The latter, in general by demonstrating unity in achieving the strategic goals within the doctrine of «American world leadership», but having different approaches, competed before American voters in determining the means and methods, ways and means of implementing this doctrine.

Z.Bzhezinskiy.- M.: Mezhdunarodnyye otnosheniya. 1999. — p.7. [In Russian].

<sup>&</sup>lt;sup>10</sup> Kalchenko T.V. Sovremennye transformatsyonnye praktyky hlobalnoi ekonomyky / T.V.Kalchenko: Monohrafyia: *Palmarium Academic Publishing*. — 2018. — p. 67. [In Russian].

<sup>11</sup> Bzhezinskiy Z. Velikaya shakhmatnaya doska. Gospodlsvo Ameriki i ego geostrategicheskiye imperativy / T.P. Puscian].

## Opportunities and Risks in Implementation of the Western Consolidated Development Model

Disputes in foreign policy have gradually transformed into different interpretations of particular provisions of the doctrine. From the point of view of USA foreign policy formation, the dynamics of changes in its emphasis under the influence of inner-party disputes are of interest. In any case, such a doctrine of USA geo-economic leadership has not been considered unilaterally, because any hegemonism needs some support.

In this context, at least a temporary union was much-needed, and a united Europe could become the sole guide of USA interests. Of course, it was not about equal rights to participate in the project. Europe was offered the role solely of a bridgehead to American interests, and only some economic and military benefits could offset the probable risks and threats.

The transatlantic geopolitical alliance of united Europe and USA has long been the cornerstone of the West civilization geopolitical strategy: USA and EU on most issues relating to world politics have started to act from a unified position, although USA leadership remains evident. However, in recent years, the transatlantic differences between Americans and Europeans have become very noticeable. Europe is developing into more powerful geopolitical actor, and in the transatlantic alliance, European politicians are seeking to play an increasingly independent role.

The process of European integration is going on slowly and contradictory, however, it is clear now what unprecedented opportunities it opens for Europeans in the fields of economy, politics and defense. The creation of the European Union and the introduction of a single European currency made it possible to bring together the core indicators of the economic and military development of European countries and the USA in many ways. At the beginning of the new century, the comprehensive economic strength of Western Europe was substantively comparable to USA indicators: 19.8% of world GDP versus 21% in the USA. In terms of population, Europe surpasses the USA by 40%, the part of EU in world exports (37%) is increasing steadily and already far exceeds the USA part (16.5%). The EU and USA jointly produce almost 60% of world industrial output, with a daily turnover of 2 billion US dollars. Whereby, the turnover of transatlantic trade amounts to approximately 370 billion US dollars per vear<sup>12</sup>

<sup>&</sup>lt;sup>12</sup> Kalchenko T.V. Krizis atlantizma kak rezultat protivorechiy SShA i stran Evropeyskogo Soyuza /T.V.Kalchenko // Sbornik nauchnykh trudov mezhdunarodnoy nauchno-prakticheskoy konferentsii «Sovremennyye issledovaniya osnovnykh napravleniy gumanitarnykh i estestvennykh nauk». — K. — 2017. — p.123. [In Russian].

The growing strength of united Europe gives rise to many differences in current Euro-Atlantic relations. Even in the fully controlled Westernized territories, the movements and policies that proclaim the goals not of incorporation into the global economic area, but of upholding of purely internal tasks of economic development and sovereignty began to rise. The political systems of Germany and France, which today pretend to create an alternative center of strength, became out of control. Even such Eastern European states, such as Hungary, Poland and Czech Republic have started an independent behavior.

Furthermore, the USA and the European Union have serious economic contradictions: the euro diverts significant financial flows from the USA market, complicates the American budget deficit, becomes a strong competitor of the dollar in international payments, weakens America in its desire to dictate fixed prices for oil and other commodities. The current area of the Common European Currency is the world's largest zone of rich countries-consumers of expensive goods of the world market. Having concluded association agreements with 80 countries, the European Union is in continuous commercial expansion: looking at the considerable size of the euro area, many companies in Latin America, Asia, Eastern Europe and North Africa are seeking to reduce their part of the dollar in operations by expanding the network of contracts in the euro. These trends indicate the end of the «dollar era» as the only global currency.

At the same time, many analysts are prone to consider the economic differences between the USA and the EU as contradictory to effective market economies, which in many ways stimulates the economic growth of Western countries. According to expert opinion, these contradictions contribute to the solving of structural problems in the development of the most prospective sectors of the economy of both countries (information and military technologies, aviation and automobile manufacturing, etc.). Even in the inefficient sector of the European economy such as agriculture, which is being subsidized, disputes between the USA and the EU are occurring, for example, over the need for appropriate labelling of so-called genetically modified products, which is the problem of the last importance, but which is not threatening the strength of the American-West European economic relations<sup>13</sup>

Apart from economic disputes, there are some military and political disagreements. In recent years, the USA Congress has formed an anti-European lobby. There is only one motive for this one: the control over

<sup>&</sup>lt;sup>13</sup> Kalchenko T.V. Hlobalna ekonomika: navchalnyi posibnyk / T.V.Kalchenko. — K.:KNEU, 2009. –p. 113. [In Ukrainian].

European policy is wildly expensive for American taxpayers. For example, during the military operations in Iraq and Kosovo, the volume of attack by the USA and Western European countries was in the ratio of nine to one. American troops in Europe for 2 billion US dollars more expensive than if they were located in the USA. American military experts emphasise that the USA spends 4% of its GDP on defense, while France and Great Britain spend 3.1% and Federal Republic of Germany 1.7%. European members of NATO spend only 60% of the American military budget on military needs<sup>14</sup>

At the same time, the fear of turning Europe into a true global contender is growing in USA. Washington does not want to see Western Europe (as well as Japan) as strong as to enable it to challenge American leadership. That is why the United States seek to maintain its geopolitical advantage over Western Europe.

Finally, it is important to note a number of Euro-Atlantic

disagreements in the area of international problem solving:

— in the event of international conflicts and problems uprising, Europeans prefer to act through international organizations, the USA prefer to act unilaterally;

- Europeans estimate international collisions from the regional point

of view, USA from the global one;

- Europeans prefer to use political and economic opportunities to resolve conflicts, the USA do not exclude a military solution of

problems.

However, all these disagreements of the Euro-Atlantic Partnership are now relegated to the background due to new trends in world politics. According to published in 2009 report of the British International Institute for Strategic Studies, the part of America in joint configuration of «global power» is shortening, however, American leadership may still be effective if supported by reliance on allies, first and foremost on the EU. Whereby, London experts recommend the US to conduct such filigree diplomacy that would reduce the number of challenges to America from the rest countries of the world, because the USA can no longer serve today as a model for imitation, at least because the idea of private capitalism is losing its attractiveness under the conditions of the current economic crisis.

Thereby, Western experts advise Americans to listen more to the views of the allies, without focusing on the disagreements. That is why favourable trends have emerged in transatlantic relations between the USA and Europe, and the formation of cooperation has become a common strategic aspiration of the parties.

<sup>&</sup>lt;sup>14</sup> Waters M. Globalization. Fifth Edition. — London: Routledge, 2018. — 675 p.

#### EU mission is a global or regional union?

By and large, the emerging trends in Euro-Atlantic relations suggest two main scenarios.

The first scenario is increase of EU dependence on the USA. There is a real tendency to replace the deepening of European integration with its expansion, which makes the process of European integration controversial and multi-layered. For example, some experts believe that 35-40 countries (including Ukraine and Georgia) will be included in the EU within a certain time. Such a considerable increase in numbers can lead to a deepening within the EU of existing contradictions and to new conflicts. The escalation of contradictory tendencies is very advantageous for the USA, which can always pretend to be the arbiter in the resolution of European conflicts and thus keep the whole process of integration under Atlantic control.

Taking into account the speed with which European leaders are promoting the technical and organizational aspects of unification, it has not yet been possible to transform the EU into a truly capable political unit. The EU machinery, its methods of forming public opinion and decision-making are all stuck at the level of ordinary interstate diplomacy. Europeans themselves chastise the current EU project, emphasising that while purely bureaucratic structures are being created, national states are intended to replace them with «the power of technocracy».

The principle of separation of powers in the EU was actually abolished in favour of the Brussels authorities, thus forming the basis for mass dissatisfaction with the united Europe project as a whole. Whereby, the EU system suffers from the same disadvantage as the global governance system: it stumbles every time the governments fail to reach agreement. No one can force all 27 countries to act simultaneously. Evidence shows that no European reform project that has not received the support of transnational corporations has not held yet.

European economists are also discussing such a pessimistic scenario: if some European country will not stand the economic jump in production, its economy will be inevitably wrapped up in crisis. In the past, national banks were able to mitigate such strikes by devaluing the national currency and supporting export industries. With the introduction of the euro, this buffer is gone. Instead, the dating of many countries of poor regions will be relevant. However, if such assistance is common within national states, to organize it at the European level will be very problematic.

The difficulties of European growth are huge, and seeking help from an Atlantic partner is common practice. All of this allowed Zbigniew Brzezinski to state confidently the following: «Europe, despite all its

economic power, significant economic and financial integration, will remain de facto under the military protectorate of the United States ... Europe will not be able to become America in the foreseeable future ... Integration that is made by bureaucratic methods cannot give rise to the political will, necessary for true unity. There is no striking force of imagination (despite the periodic rhetoric about Europe that will be equal to America's strength), there is no passion that creates a nation-state.»<sup>15</sup>

The second scenario is the EU as a strong and independent USA partner. If the Europeans manage to make full use of all the chances of integration, the result will be a strong politically united Europe on the geopolitical map of the world, which will mean a fundamental change in the global distribution of geopolitical forces. There are many supporters in Europe of such scenario.

If Europe wants to play any prominent role in the multipolar world and experience a «new age of empires», the only alternative for it is to

take decisive and bold steps towards further integration.

However, the political elite of a united Europe is not yet ready for such a sharp geopolitical turn. The experienced German leader, Helmut Kohl, warned: «European unity is a matter of life and death; this affects

whether there will be peace or war in the 21st century.»

The modern paradigm of global development as an intermediate stage of future inter-civilizational conflict and the organization of a new alternative world order in the initial stages of its own formation actively used, as mentioned above, a liberal ideology (see Table 1), whose real goals were to hide the real motives of Western expansion for some time, which first of all lied in the fact of discrediting any alternatives (including civilizational ones), secondly, of completing the full Westernization of the European continent and of drawing a number of countries into the orbit of American influence, thirdly, of freezing for a longer period then existing order of things from strictly centralized control system. Instead of the expected productivity, in the late 1990s early 2000s, alternative world-building projects, not to mention real economic processes, began to emerge and be actively debated.

At the same time, the thalassocratic project which seemed to be forgotten has gradually became ideologically colored (see Table 2). It is the dichotomy of land and sea that has caused the turbulence of the modern stage of economic development, since Atlanticism, being proactive, needs territory and periphery, while continentalism has gradually realized its importance, formed an intermediate doctrine and is ready to implementation.

<sup>&</sup>lt;sup>15</sup> Kalchenko T.V. Sovremennye transformatsyonnye praktyky hlobalnoi ekonomyky / T.V.Kalchenko: Monohrafyia: *Palmarium Academic Publishing*. — 2018. — p. 78. [In Russian].

Table 1

# PARADIGMAL CHARACTERISTICS OF THE INTERNATIONALIZATIONAL AND GLOBAL PHASES OF ECONOMIC DEVELOPMENT

Paradigm of internationalization	Global paradigm			
Bipolarity	Unipolarity simulator			
Periphery of conflicts	The centrality of conflicts			
Project flexibility	Localization of the project			
Structural crises	Systemic crisis			
Regional protectionism	Protest protectionism and self-sufficiency			
Westernization	Civilization crystallization			
Hierarchy	Networking			
Materialization	Virtualization			
Cooperation	Collaboration			
Art	Creativity			
Nationalism	Cosmopolitism			

Source: developed by the authors.

#### Chinese global leadership is an illusion or a fact?

The dominance of the People's Republic of China that embodies this, albeit a modernized land-based doctrine vector, becomes unconditional. Although there are still some protectors to the global dominance of this system country, which is still quite dependent on a number of factors of USA geo-economic presence, strategically China is either willingly or forcibly condemned to be a global leader and, above all, an ideological leader. It is supported by large-scale credit lines, technical support, alternative infrastructure projects and the retained hierarchy of power that not only generates but also controls the corporate sector. China is positioning itself as the supreme arbiter that is still above the fray, in every possible way encouraging both its own allies and competitors to take active action against the USA. However, the major priority remains unchanged, it is to obtain the status of hegemon of world

economic development in the conditions of non-involvement in the global conflict, remaining in the twilight and implementing its doctrine

of gradual enslavement of exhausted by wars space.

Certainly, unlike the liberal global project, Chinese globalism will be based on the principles of centralism, reporting and planning. It probably may not be more social, but under the implementation conditions, it can guarantee some orderliness and stabilization of development in the event of an Atlantic project collapse. However, of course, such a project will only be possible to implement under certain conditions. Even in the PRC itself, its full distribution is not observed today, because inequality and diversity of economic structures, internal contradictions and complexity of organizing equal dialogue between different nations living inside this country remain.

Table 2
COMPARISON OF TWO ALTERNATIVE
MODELS OF GEO-ECONOMIC DOMINATION

Catagoni	Orientation					
Category	thalassocracy	tellurocracy				
Type of economic management	cattle husbandry (for the pre- industrial phase) financial and investment business (for industrial and post- industrial phases)	arable farming (for the pre- industrial phase) industrial and agrarian business (for the industrial phase) and mixed economic systems (for the post- industrial phase)				
Type of economic policy	aggressive protectionism under the guise of open economic doctrine	moderate protectionism				
Social philosophy	consumption in bulk and value impersonation	satisfaction of material and spiritual needs				
Strategic development priorities	competitiveness as the primacy of adaptability	personification of uniqueness				
Reproduction mechanisms	redistribution and appropriation-expropriation	added value formation				
Types of elites	cosmopolitan oligarchic groups	controlled oligarchy				

Source: Developed by the authors.

Today, China has maximally diversified trade, investment and technology relations, defending national interests and consolidating on still undeveloped territories of the African, Latin American and partly European continents (see Table 3).

 $$Table\ 3$$  Turnover between the PRC and the rest of the regions of the world, %  $^{\rm 16}$ 

	Share in the total turnover of the PRC			Share in the export of the PRC		Share in the import of the PRC			
	2013	2014	2015	2013	2014	2015	2013	2014	2015
Asia	53,47	52,85	52,50	51,34	50,73	50,22	55,89	55,38	56,54
Africa	5,06	5,15	4,5	4,2	4,53	4,84	6,02	5,9	4,16
Europe	17,55	18,01	17,5	18,37	18, 73	17, 62	16, 62	17,15	17, 26
Latin America	6, 28	6, 12	6, 00	6,06	5,82	5,72	6,53	6,48	5,95
North America	13,84	14,19	15,25	18,0	18,19	19,38	9,11	9,4	10,41
Oceania	3,69	3,62	3,25	2,02	1,99	2,2	5,57	5,59	4,74

At the moment, in order to strengthen the competitive position, the following tasks remain fundamental for the PRC:

- 1) minimization of the trade balance surplus;
- 2) assurance of international financial stability;
- 3) reasonable reforming of the world financial and economic system. In order to overcome such problems, three key strategic guidelines for China's development were articulated:
  - 1) diversification of export channels and markets;
- 2) increase of the research intensity of goods, reduction of their sensitivity to price competition;
  - 3) concentration on the needs of PRC's domestic market.

However, let's agree that these orienting points, despite their relative simplicity, are not easy to implement. Indeed, firstly, the Chinese economy is already experiencing a recession and can be easily destroyed by any external financial interventions, secondly, the scientific base of the PRC is only in the initial phase of its formation and cannot pretend

<sup>&</sup>lt;sup>16</sup> China Statistical Yearbook -2015. Foreign Trade and Economic Cooperation. 11-2. Total Value of Imports and Exports of Goods. — Access mode: <a href="www.atats.gov.cn/tjsj/ndsj/2015/indexeh.htm">www.atats.gov.cn/tjsj/ndsj/2015/indexeh.htm</a>

to pioneering achievements for a strategic breakthrough, thirdly, the diversification of distribution channels can be carried out relatively easily (remember China's credit and technical and resource assistance channels), but in most countries there is relatively little consumer demand and, in addition, exchange parity will be absent (for example, as in trade between the USA and Europe).

Of course, there is a significant disagreement between the declared and implemented strategies of the PRC. Despite the obvious benefits of wait-and-see and conservative policies, China still does not lose the opportunity to use situational benefits from being drawn into global Western-style processes. This surely gives a number of strategic advantages, but at the same time it is accompanied by risks and the opportunity to deviate from a consistent backbone path. Active participation in global investment and technological processes, large-scale corporatization (even regulated one) and indirect service to the interests of the Western elite cannot, over the long term, affect the steady growth of the Chinese economy, despite a significant export restructuring.

In addition, the latter has a number of significant problems that in the most direct way will be the target of economic attacks and adventures. For example, China's economic growth is accompanied by a significant increase in energy consumption. In terms of energy consumption in 2010 PRC was ahead of other countries, including the USA. In the same year, China consumed 2.43 billion tons, and in 2014 it reached 2.97 billion tons. For forty years from 1973 to 2013, China's unit weight of world primary energy consumption increased from 7.0 to 22.4, that is, a quarter of all countries' energy consumption. China's energy structure is significantly different from the energy structure of developed countries. This is due to significant coal reserves (5.5 trillion tons) and low environmental standards<sup>17</sup>.

In addition, the massive transformation of China's economy has been accompanied, due to unresolved energy problems, by environmental crises, including the depletion of resources and pollution. Social imbalances, interethnic and inter-civilizational contradictions are also being updated. The catalysts can be both natural causes and purely external interventions that focus on the creation of a number of conflict lines on the borders of the People's Republic of China, which would not allow it to claim the role of not only a global but also a regional leader, drawn into a number of small and secondary conflicts (between Japan and the PRC, between India and the PRC, etc.).

<sup>17</sup> National Bureau of Statistic of China [Electronic resource]. — Access mode: http://stats.gov.cn/engliash/statisticaldata/yearlydata/

#### Conclusion

In summary, a rather difficult and rather turbulent situation has emerged, when the old ideological and economic leaders, having lost their integrity, want, but can no longer keep the global economic system under control, and the new ones, while demonstrating their potential and ambitions, do not yet have the control and power tools, assuming a wait-and-see attitude. Of course, as long as the remnants of development controllability and orderliness remain, no one can take decisive steps, but when it comes to indispensable interests or spheres of influence, everyone will be forced to act — and the collective Atlantic West and the Tellurocratic East, impersonated by the People's Republic of China. It is when that decisive line in the disputes will be drawn not simply by the economic, but by the civilizational global conflict, way too long-drawn-out to erase the past post-war paradigm and the placement of forces on the map and decisive for each of its participants, because it will be not just about new opportunities for coexistence and struggle, and about survival competitive and development. Unquestionably, there is a clear planetary conflict, a land and sea conflict. According to A.S. Panarin, if the order of Land bears the features of something predetermined, rooted in the presence of nature and because of this it requires only the Socratic method, the Sea itself does not contain any presence. It is an empty and voluntary force, where everything that arises is connected with its origin of inventive subjectivity, ideas and tactics of which can be changed instantly. The sea knows its own emptiness and cannot reproduce its own existence, except piracy against land. Sea's goal is to grind the Sea's monolith to make it more vulnerable<sup>18</sup>.

We can't but agree with this statement, but in the process of implementation, there are possible intermediate scenarios of conflict, which do not contain significant geopolitical features. In particular, this refers to internal civilizational collisions and disputes that were discussed during the analysis of the Western Model of Globalization. The tellurocratic version, however, has not yet reached such a complete stage, when the internal conflict entity is being identified, and therefore today has an undeniable advantage — the initial phase of the life cycle of global domination, and as concerns its yet weak economic and technological basis, there is an undeniable fact that the consequences of a massive collision will be so impressive, broad-based and horrifying that it will be about reproduction of only simplified forms of being, where competitiveness will be determined not by status, creativity and

<sup>&</sup>lt;sup>18</sup> Panarin A.S. Globalnoye politicheskoye prognozirovaniye/ A.S.Panarin. — M.: Algoritm. 2002. — p. 246.

innovativeness, but by the simplest factors of production and resource base. And those regions, system countries or civilizations that manage to retain control of at least some of them will be in the most favourable position. One must admit that countries with large territories and demographic resources a priori have a more favourable position. In this case, for example, the USA, which is one of the largest countries in the world, also at first sight seems to be a powerful player, but only one thing is missed — the internal mobilization and consent of citizens to withstand temporary or long-term difficulties and disasters, and India, Iran, China and other possible USA competitors, already accustomed to living in a difficult environment, are accustomed to such environmental conditions, so by and large they have nothing to lose. That is why, in our opinion, despite all the pros and cons, the future of world development belongs to the Thalassocratic model and to those countries that embody its basis in part or in full. Surely, its dominance is still in the future, as humankind is now only at the initial stage of a systemic crisis, when the comfort is still familiar, the conditions of market struggle are understandable, somewhere the international law is still used, but all this is held only by the conditional consensus of the elites who have not yet found the best option to get rid of the distant atavism of the post-war world order, which today do not guarantee them a stable income and do not have the potential for self-reproduction, but still remain valid. In the future, in the event of a peaceful or conflict scenario implementation, in any case, a large redistribution of global power is expected, and its trajectory will depend not so much on the deployment of forces in the global geo-economic arena but on the degree of exhaustion of the Modern paradigm. And in this context, in order not to play by someone else's rules, it is necessary to develop the own ones or make a claim about one's own uniqueness and civilization code, which will be understood to everyone not so much by economic content, but first and foremost by ideology. In our point of view, a thalassocratic model of global leadership can become an orienting point that will allow humanity to see the «light at the end of the tunnel» and to provide clear and transparent rules of economic behaviour for many years ahead. And who will impersonate this model — China, Iran, India ... it depends on the environment that will result from certain transformations.

#### References

1. Bek U. Chto takoye globalizatsiya? (Oshibki globalizma-otvety na globalizatsiyu) / U.Bek / Translated from German. — M.: Progress-Traditsiya. 2001. — 304 p. [In Russian].

2. Belorus O. Vosproyzvodstvennaia evoliutsyia i strukturnaia transformatsyia hlobalnoho kapytala / O.Belorus // Ekonomichnyi chasopys-XXI − 2014. − №07-08(1). - pp.4-7. [In Russian].

3. Bzhezinskiy Z. Velikaya shakhmatnaya doska. Gospodlstvo Ameriki i ego geostrategicheskiye imperativy / Z.Bzhezinskiy. – M.: Mezhdunarodnyye

otnosheniya. 1999. — p. $\overline{7}$ . [In Russian].

4. China Statistical Yearbook -2015. Foreign Trade and Economic Cooperation. 11-2. Total Value of Imports and Exports of Goods. — Access mode: www.atats.gov.cn/tjsj/ndsj/2015/indexeh.htm

5. Ekonomichna hlobalizatsiia: [pidruch. dlia stud. vyshch. navch. zakl.] / [A.S.Filipenko, V.S.Budkin, D.H.Lukianenko et al.], edited: A.S.Filipenko: Kyiv.

nats. un-t im. Tarasa Shevchenka — K.: Kyiv. un-t, 2009. — 543 p.

6. Evoliutsiia svit-systemy hlobalizmu (Stratehichni imperatyvy svivrozvytku): kolektyv.monohr. / [O.H.Bilorus, O.V.Havryliuk, D.H.Lukianenko et al.], scientific advisor and editor: O.H.Bilorus. – K.: KNEU, 2014. – 432 p. [In Russian].

7. Kalchenko T.V. Hlobalna ekonomika: navchalnyi posibnyk / T.V.Kalchenko.

K.: KNEU, 2009. — 364 p. [In Ukrainian].

- 8. Kalchenko T.V. Kryzys atlantyzma kak rezultat protyvorechyi SShA y stran Evropeiskoho Soiuza / T.V.Kalchenko // Sbornyk nauchnыkh trudov mezhdunarodnoi nauchno-praktycheskoi konferentsyy «Sovremennye issledovanyia osnovnykh napravlenyi humanytarnykh i estestvennykh nauk». – K. – 2017. pp.122-125. [In Russian].
- 9. Kalchenko T.V. Kytaiskaia tsyvylyzatsyonnaia model ekonomycheskoho lyderstva / T.V.Kalchenko / KANT Nauchnyi Retsenzyruemyi Tsytyruemyi Zhurnal. No.4(29). 2018. pp.286-289. [In Russian]. 10. Kalchenko T.V. Sovremennye transformatsyonnye praktyky hlobalnoi

- ekonomyky / T.V.Kalchenko: Monohrafyia: Palmarium Academic Publishing. 2018. 132 p. [In Russian].
- 11. Lukianenko D.H. Intelektualnyi kontekst protsesiv hlobalizatsii D.H.Lukianenko // Nauk. visn. Dyplomatychnoi akademii Ukrainy. — 2015. — V.22(3). — pp.73-78. [In Ukrainian].
- 12. Lukianenko D. Intelektualnyi faktor hlobalizatsii / D.Lukianenko Stratehiia rozvytku Ukrainy. Ekonomika, sotsiolohiia, pravo. — 2014. — No. 1(7-9). - pp.10-13. [In Ukrainian].
- 13. Lukianenko D.H., Poruchnyk A.M., Kalchenko T.V., Riabets N.M., Tymkiv I.V. ta in. Hlobalna ekonomika: navch. posib. / D.H.Lukianenko, A.M.Poruchnyk, T.V.Kalchenko, N.M.Riabets, I.V.Tymkiv. — Kyiv: KNEU, 2017. — 164 p. [In Ukrainian].

14. Meri T. China passes the EU in High-Tech exports / T. Meri // Eurostat

Statistic in focus. -2009. - No. 25. - p.1-7.

- 15. National Bureau of Statistic of China [Electronic resource]. Available at; http;//stats.gov.cn/engliash/statisticaldata/yearlydata/
- 16. *Pakhomov Yu.N.*, *Krymskyi S.B.*, *Pavlenko Yu.V.* Puti i pereputia sovremennoi tsyvylyzatsyy. / Iu.N.Pakhomov, S.B.Krymskyi, Yu,V.Pavlenko. K.: Mezhdunarodnyi delovoi tsentr, 1998. – 432 p. [In Russian].
- 17. Panarin A.S. Globalnoye politicheskoye prognozirovaniye / A.S.Panarin. M.: Algoritm. 2002. — 352 p. [In Russian]. 18. *Radziievska S.O.* Hlobalna ekonomika: navchalno-metodychnyi posibnyk dlia
- studentiv ekonomichnykh napriamiv pidhotovky usikh form navchannia/S.O.Radziievska. - K.: «SIK HRUP Ukraina», 2017. – 368 p. [In Ukrainian].

19. Sheiko A. Natsionalna stratehiia innovatsiinoho rozvytku Kytaiu / A.Sheiko.

– Kyiv: Dilo, 2013. − 157 p. [In Ukrainian].

- 20. *Vlasov V.I.* Hlobalistyka: istoriia, teoriia: monohrafiia: in 2 vol. / V.I.Vlasov: NNTs «IAE», DNSTBN AAN [scientific editor: O.H.Bilorus and V.A. Verhunov, NAS of Ukraine]. — Vinnytsia: PJSC «NILAN-LTD», 2012. — Vol.1. - 570 p.
- 21. Waltz, K. Globalization and American Power / The National Interest. -
- Spring. 2005. pp.49-56. 22. *Wang, X.* China's International Economic Development 30 Years/ Wang Xiuli. China International Economic Cooperation
- 23. Waters, M. Globalization. Fifth Edition. London: Routledge, 2018. 675
- 24. Wilson, M.G., Whitmor, e E. Seeds of Fire. Social Development in an Era of Globalism - N.Y., 2009. - 345 p.
- 25. *Yakovets Yu.V.* Globalizatsiya i vzaimodeystviye tsivilizatsiy / Yu.V.Yakovets M.: PSC Publishing House «Ekonomika». 2003. 411 p. [In Russian].

The article was received by the editorial board on 12.04.2019.