

CEIPAZ-Fundación Cultura de Paz Yearbook 2009-2010

Crisis and Change in the Global Society

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Crisis and Change in the Global Society is the title of Yearbook 2009-2010 published by CEIPAZ- Fundación Cultura de Paz in May 2009. In this edition the yearbook calls attention to the economic crisis and the big changes taking place in the international system. The crisis implies risks and opportunities for change in the international system, and these are the important topics that, from different angles, will be dealt with in this yearbook, with contributions from a prominent group of analysts who tackle the following questions:

The international economic crisis shows the failure of a political and economic paradigm based on market deregulation, and in spite of the rhetoric about the change of economic model, the global responses to the crisis do not appear to be dealing with its structural causes.

This crisis will have a strong impact on developing countries, which have less resources to protect the weakest sectors, thereby endangering the fulfilment of the Millennium Development Goals. As José Antonio Sanahuja, lecturer in International Relations, explains, the origins of this crisis do not lie so much in the collapse of the subprime mortgage market, as in a combination of global imbalances and asymmetries: firstly, the macroeconomic imbalances between the countries that accumulate savings (China) and those that spend in excess fuelled by cheap credit, the United States in particular, with its military ventures

in Iraq and Afghanistan. Secondly, are the imbalances between states, markets and societies in the exercise of power in the international political economy. In third place, the asymmetries between advanced countries, emerging economies and developing countries about voice and representation in international institutions. Fourth, the growing inequality in the global distribution of wealth and, finally, the imbalance between the consumption of resources and the biosphere's capacity to sustain the environmental burden of economic growth. It is a crisis of the model of economic growth, and therefore profound reforms in the regulation and governance of the international monetary and financial system cannot be avoided.

This economic crisis can also be an opportunity for change. As Federico Mayor Zaragoza, President of Fundación Cultura de Paz and former General Secretary of UNESCO, explains in his article for this yearbook "It is necessary to take advantage of the crisis for a radical change in direction and purpose. This entails measures on a national scale, realizing large public investments, facilitating financial aid to small businesses and offering social benefits to the unemployed and socially excluded. The objective of basic income should be contemplated. The adoption of measures on an international scale, such as the urgent restructuring of the United Nations is also important. "Crises are an opportunity to build a new world, and they're also an opportunity to place the human being and the ethical principles of justice and democracy back in the centre", Federico Mayor states in his analysis.

Therefore, **it's also an opportunity to rethink a development model based on unlimited growth and the use of cheap energy from fossil fuels** that is having irreversible consequences on the earth. Professor José Larios, specialist in environmental issues, explains that if current trends are to continue, some of the effects of global warming will be irreversible, such as the extinction of species, or the melting of the glaciers. Furthermore, the rise in sea levels could cause whole countries to disappear, displacing millions of people. For the moment, the measures adopted have been insufficient and old nuclear programmes, frozen in the eighties, have been recovered with a renewed ecological rationale. However, nuclear power is highly risky and it's lacks sound

economics, and it's necessary to foster more efficient renewable sources of energy that pose less risks.

Nevertheless, **the Middle East is increasingly pursuing nuclear power despite the risks this it entails it in this unstable and turbulent region.** The Gulf petro-monarchies and the Maghreb states, taking advantage of the start up of the Iranian nuclear programme, have embarked on a process of technological modernization in order to start generation of nuclear power from their own plants, thus enabling them to meet future increases of demand. For this reason they have signed agreements with France and the United States. Rosa Meneses, journalist in the newspaper *El Mundo*, explains that this situation is a source of concern, due to the very nature of nuclear power which is costly, non-ecological and it creates a new problem of nuclear waste disposal, which will undoubtedly cause new problems in the Arab states and Iran in the realms of finance, regional politics, security, the environment and development. A nuclear race in this area entails the risk of draining resources from social and development policies that should be urgently undertaken by these regimes. This will undoubtedly contribute to an unwanted proliferation in an unstable, highly militarized region with deep political and economic problems.

The crisis in the mainstream Western donors' approach for State-building in countries facing post-war rehabilitation or in the so-called "failed states" or "collapsed states" is the topic discussed by a number of analysts from the Australian Centre for Peace and Conflict Studies (ACPACS), including Volker Boege, Anne Brown, Kevin Clements and Anna Nolan. They critically analyze the discourse on "fragile states" and the redefinition of poverty and state weakness as threats to international security. It proposes a model of "hybrid political orders" in which the capabilities and traditions of local organizations are taken into account when creating institutions and providing governance, in order that they achieve the recognition and social legitimacy for governance.

This crisis is accompanied by important changes. Some of the most relevant are:

Changes in the balance of power between advanced and emerging countries, China and India in particular. China has achieved many years of strong economic growth and despite the international crisis, this country has become the world's third largest economy, after overtaking Germany, and it has the largest foreign currency reserves in the world. At the end of 2007 it accounted for 6% of the world economy. Xulio Rios, director of the Instituto Gallego de Análisis y Documentación Internacional, explains: "The world crisis can be an opportunity for China to set in motion the transformation of its economic model, redeploying production towards internal demand."

As far as India is concerned, it has become a regional power that has been gaining weight thanks to the agreement on nuclear power with the United States, preferential dialogue with the European Union for signing a free trade agreement, and its presence as a guest country at the latest G-8 meetings. Rubén Campos, specialist in South Asia and Southeast Asia, explains that India is the world's largest democracy, with a multi-ethnic population, and an economy with one of the highest growth rates in the world, solely behind China. Amongst the challenges it faces are the resolution of the Kashmir dispute and the fight against the rise of Islamic fundamentalism in the region. The 2009 election results will favour stability in the country and, therefore, in the region.

Change of direction in the USA after the arrival of Barack Obama to the Presidency with regard to the neoconservative policies of unilateral use of force of the Bush years. Caterina Garcia, lecturer in International Relations, examines the internal determining factors of Obama's international policies, rooted in the institutional system, the political culture and the complex legacy left by the Bush era. Amongst the most complex challenges facing him are the change in strategy in Iraq and Afghanistan, the Israeli-Palestinian conflict, and the nuclear proliferation agenda of Iran and other Middle East countries.

Change in strategy in Irak and Afghanistan: both wars have been two notable failures affecting the whole world, of which the principle causes are rooted in the political decisions adopted by the United States over the last few

years. Army Reserve General Alberto Piris explains, the solution to both of these conflicts continues to be very complex, due to the region's geopolitical situation and vast energy resources. The withdrawal of US troops from Iraq will not signify the end of US presence in the country, given that it is an area of high strategic value for the United States due to the oil fields and bordering countries considered hostile up to now, such as Iran and Syria. **“Something different must be done to what has been done up to now in Afghanistan”**. **This country is in a “downward spiral”**, states General Piris. Although a change in strategy has been considered for Afghanistan, none of the proposals are good. The military presence of the coalition is part of the problem and not of the solution. The idea of Taliban participation in the Kabul Government brings to mind the long history of friendly dictatorships, from the Indonesia of General Suharto or Somoza's Nicaragua, and they do not prove to be very hopeful solutions.

Change in Russia: between Putin and Medvédev. This is a tough trial period marked by the conflict in Georgia, the grave financial crisis and the tension in hydrocarbon supply. Russia's economy suffers from an excessive dependency on energy that accounts for 25% of the GDP. The price of oil, one of the pillars of Russian growth, has dropped more than 50% in just a few months. Moreover, it has also suffered an unprecedented stock exchange crisis that has forced various closures of the Moscow stock market, and there has been a dramatic flight of capital. It is estimated that nearly 25% of foreign investments have abandoned Russia, half of those during the Georgian crisis.

Other trends that complete the international panorama are:

Israeli military intervention in the Gaza strip is ensconced in a continual search for Palestinian politicide by the Zionist movement and in a decade of global war against terrorism. Jose Abu Tarbush, lecturer in International Relations, explains how power inequality between Israel and Palestine has meant that Israel, as an occupying power, has imposed the rhythm of negotiations at all times, suspending them indefinitely, seizing more territory,

expanding its colonization. In the wake of the bombing of Gaza, the prospects for achieving a peace settlement in the region are ever further away.

In Latin America, the Union of South American Nations (UNASUR) is consolidating its position and becoming a good mechanism for the prevention and resolution of conflicts, in contrast to the organization that habitually played this role, the OAS (Organization of American States). Andrés Serbin, executive president of CRIES (Coordinadora Regional de Investigaciones Economicas y Sociales explains that the positive intervention of UNASUR in the Bolivian crisis of August, 2008 reveals the potential of this regional organization, as well as the key role of Brazilian leadership in the area.

Violence from organized crime extends its network from Mexico to Central America and supposes a challenge to the region's governability. Diverse studies show the direct link between the escalating violence in the area and the increase in illicit activities connected to drugs, arms and human trafficking. Manuela Mesa, director of CEIPAZ, explains how institutional weakness has allowed the drug trafficking networks to infiltrate the State structure. Central America needs to formulate a political agreement allowing the combination of a regional security project with the interests of each country in the field of public security.

COMMERCIAL INFORMATION OF THE BOOK

CEIPAZ Yearbook 2009-2010, Crisis and change in Global Society

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SUMMARY OF THE PUBLICATION

Introduction

INTERNATIONAL TRENDS

- Great crisis, great opportunity.* Federico Mayor Zaragoza
- Global imbalances: the impact of the crisis on developing countries.* Jose Antonio Sanahuja Perales
- Governance and citizenship in hybrid political orders: a change of perspective in the notion of "State-building".* Volker Boege, Anne Brown Kevin Clements and Anna Nolan
- Climate change: main debates, main answers.* José Larios

REGIONAL PERSPECTIVES

- United States: The challenges and proposals for change in foreign policy.* Catherina Garcia
- Iraq and Afghanistan after the Bush era.* Alberto Piris
- The Near East and the nuclear race.* Rosa Meneses
- The Israeli-Palestinian conflict in the wake of Gaza.* José Abu Tarbush
- Russian foreign policy: Medvédev: a tough trial period.* Francesc Serra
- China in the face of the international financial crisis.* Xulio Rios
- India as an emerging power: global ambitions, regional challenges.* Rubén Campos
- Multipolarity, leaderships and regional institutions: the challenges facing UNASUR in the prevention of regional crises.* Andrés Serbin.
- Transnational violence in Central America: Challenges and risks.* Manuela Mesa.

CEIPAZ

Centro de Educación e Investigación para la Paz of the Fundación Cultura de Paz studies and promulgates, from a multi-disciplinary perspective, the connection between conflicts, development and education. It analyses the principle trends in the international system, the roots of armed conflicts and the main proposals for their peaceful settlement. It promotes education for peace, development and interculturality as a tool for social transformation based on solidarity and social justice.

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