



Yaroslavl — 2010

# STANDPOINT of the WEEK:

## Is the 'Moscow Consensus' possible?

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Editor in Chief  
Gleb Pavlovsky

Editorial Director  
Boris Mezhuiev

Editorial Office:  
1, Bolshaya Yakimanka ul.  
Moscow, 119180  
Phone: (495) 745-52-25  
Fax: (495) 725-78-67  
e-mail: info@russ.ru

## John Naisbitt: The West will have to negotiate with the rest of the world



*RJ* Dear Professor Naisbitt, in your opinion, what do you think the leading world states should do in order to establish new rules of managing world affairs, which would be acceptable to the entire world — in the political, as well as economic contexts?

My wife and I have published a book called 'China's Megatrends', in which we explain the new socio-economic model that is being realised in the country. This model has never been seen earlier in the history of the world, and we dub this a 'vertical democracy'. It is not clear whether such a model will ever be exported elsewhere, but it does happen to

work for the Chinese and it is a very effective and interesting model. Here there is certainly some food for thought, at a time when it is apparent that for many parliaments in the West, they are somewhat paralyzed by their dysfunctional state. This is particularly noticeable with respect to the United States, where Congress is also dysfunctional. Representative democracy, which is the system

The editorial board of *RJ* would like to draw readers' attention to an exclusive interview with **John Naisbitt**, a renowned American economist and futurologist, as well as the Head of The Naisbitt China Institute

that is mainly practiced in the West, in addition to countries such as India and Japan, has become virtually outmoded in the age of the information revolution. Owing to the information revolution and to the internet, we sometimes all know as much as the elected officials do themselves in terms of what is going on. In such a situation, the representation of the populace seems to have somewhat changed. Under certain circumstances, they actually appear to unintentionally limit the public will, instead of a means of expressing the will of the public. I think that **such democracies should be encouraged move towards a more participatory or direct form of democracy**, since the representative democracy model is becoming increasingly outmoded.

The question is also about whether or not China represents a model for the establishment of a more perfect world order.

*To be continued p. 3*

# THE WEST WILL HAVE TO NEGOTIATE WITH THE REST OF THE WORLD

John Naisbitt

*For the beginning see p. 1*

We know the Western model of a government-to-government aid to developing countries. We also know that generally, according to this model, these countries continue to be underdeveloped for decades. It is important to note that the aid that is given by China to developing countries, say in Africa for instance, is quite different from the Western model. Instead, its aid is aimed at building their infrastructure. They build highways and airports and other major infrastructural projects, rather than giving money directly to the governments, partly due to the risk that they spend this funding unwisely. The end-effect ends up presenting a win-win situation, as indicated by so many of the African beneficiaries. The mutual benefit in this relationship is that these countries receive much-needed infrastructure, while China is able to purchase natural resources from these countries at below-market prices.

In regard to the economic model that is being followed in the West, including the USA, I myself do not expect to see very great change at all in this regard. We can refer back to Aristotle on this point, as he had a great understanding about change and what was involved therein, noting that we should not confuse the distortion of things with things themselves. Likewise, we should not confuse all of the distortions in the market model with the model itself.



*RJ* Do you think that the West, which is trying to find an exit strategy to pull out of this crisis, is able to focus on its own problems and stop trying to even out the world, thereby considering such a change in approach as a contribution to a new political and economic reality? Or should it deny following along the lines of a neo-liberal economic model? Should the world remain divided or do you think that it should gain another chance to become an even playing field?

I do not think that the world has become an 'even playing field', so-to-speak. The premise is not one that I accept. A single glance at the map of the world is enough to realise that there remain huge differences between countries in economic, cultural and other spheres. This is not an 'even world'.

I think we are still moving toward a world where we will have a single unified economy for the whole world. However, this single economy will probably look something like the economic system in place within the United States. In America, for example, no one in the country seems to know what the GDP is of Texas, or the GDP of New York or Connecticut or Arkansas for that matter. As our economies become more and more integrated, it will become more difficult for us to be able to measure the GDPs of individual countries. The first signs of this situation are already apparent. To say that we actually know what the GDP of the United States is exactly is just fiction. The United States are already so economically integrated with the rest of the world, we simply pretend that we know what the country's exact GDP is. Another example of where this is happening is Germany, which is a great trader and is also highly integrated. China is also heading in the same direction, becoming integrated in the same way. **The West cannot avoid the emergence of such a unified economy nor the political and cultural diversity that exists in connection with that model in the form of different national states.** The West will have to participate in this new world and to negotiate the new principles for its own participation. ■

*John Naisbitt was speaking with  
Yulia Netesova*

**John Naisbitt** (born in 1929) is a renowned American writer, economist and futurologist. He is a founder and Director of the Naisbitt China Institute, as well as the Professor of Economics at the Nanjing University in China. During the presidency of Lyndon Johnson, Naisbitt served as Special Assistant to the President of the United States. Later on, he became increasingly interested in the extremely rapid economic development of China and

eventually founded the widely known Naisbitt China Institute.

Naisbitt's interests extend far beyond China and South-East Asia and even include Russia as well. He has delivered a series of lectures at Moscow State University, and more recently, in September 2009, he became one of the most enthusiastic participants of the international conference **The Modern State and Global Security**, which took place in Yaroslavl, Russia.

John Naisbitt has received honorary doctorates from fifteen universities around the world and he is considered to be one of the most authoritative futurologists today. His books have inevitably garnered wide influence, being ranked first according to different ratings systems, and have also become best-sellers, beginning with *Megatrends*. *Ten New Directions Transforming Our Lives* written in 1982, through to his latest book *China's Megatrends: The 8 Pillars Of A New Society* published in 2010.