

---

---

# COLD WARS: YESTERDAY AND TODAY

---

---

## THE COLD WAR AND COUNTERCULTURAL ORIGINS OF GLOBALIZATION

**Oleg Pakhomov**

*Arctic Studies Center Liaocheng University, China*

*This paper is an attempt to describe how the crises of nation-centric paradigm during the post-World War 2 period had led to the formation of neoliberal globalization. The United States and Soviet Union at least since the 1950s faced similar crisis of nation-state and national economy and most importantly the crisis of modern vision of human life and society. While this crisis development had its own characteristics in both countries defined by the historical legacy as well as by different patterns of capitalist and socialist modernization, it required a similar solution: a transition from nation-centric paradigm to globalization. To this end, it was crucial to reconsider the very foundations of social order that were formed during Roosevelt New Deal in the United States and Stalin's modernization in the Soviet Union in the 1930s. The challenge of the 1960s counterculture and 1970s economic recession in the USA had eventually led to formation of neoliberal and postmodern paradigms that laid basis for the capitalist globalization. At the same time, the Soviet authorities failed to reconsider nation-centric legacy of Stalin period in a proper way to promote its own version of socialist globalization that had eventually led to the collapse of the USSR and its integration into global capitalism.*

**Keywords:** *Cold War, capitalist/socialist modernization, counterculture, postmodernity, globalization.*

### **The Cold War and Countercultural Origins of Globalization**

After the end of World War II (1939–1945), the United States and Soviet Union faced similar domestic political, economic and cultural crisis that required transition from nation-centric development to globalization. The emergence of countercultural protest movement and its broad support by the American society during the 1960s, the intense political struggle among different nomenklatura factions in the Communist Party of Soviet Union during the post-Stalin period as well as the started economic downturn in both countries signified a gradual exhaustion of internal potential of socio-political order that developed during Roosevelt New Deal and Stalin modernization in the 1930s. In the present article we try to compare the development of national crisis in the USA and USSR within the context of competition between two alternative patterns of capitalist and socialist modernization during the Cold War. In particular, the article explains how the United States succeeded to move away from national paradigm to launch the American globalization based on neoliberal capitalism and post-modern understanding

*Journal of Globalization Studies, Vol. 12 No. 2, November 2021 103–118*  
*DOI: 10.30884/jogs/2021.02.05*

of human and social life. Meanwhile, the Soviet Union would never go beyond Stalin paradigm of nation-state and thus missed historical opportunity to promote its own version of socialist globalization.

### **The Crisis of 'Roosevelt New Order' in the United States**

On August 15, 1969 nearly half million young people gathered in Bethel, State of New York, to participate in rock festival 'Three Days of Peace and Music' also known as Woodstock-1969. It was not only an important event in the history of music, that later became one of the symbols of social movements of the 1960s, but most of all, Woodstock-1969 was a landmark event that marked a transition from modernity to postmodernity. In spite of the fact that two world wars of the twentieth century had already undermined the faith in progress, the Western society remained within paradigm of modernity except for a small social segment of another 'lost generation,' namely, intellectuals or artists. The counterculture of the 1960s was the culmination of a growing contradiction between increasing social expectations and disappointments in the core values of modern understanding of human and society within a nation-state. During 1960s, these disappointments as well as formation of new expectations relied on a wide social support and on a new economic basis that defined the transition of quantity to quality. Besides, the crucial importance of American counterculture for the formation and spread of the new worldview lies in the fact that May-68 in France, another major anti-establishment civil unrest of the 1960s, could not rely on sufficient political, economic and social resources to produce qualitative change in development of the Western societies.

After World War II, the legitimacy of the American political system largely depended on the government's abilities to provide economic and political stability within national boundaries. In this period, the economic policies in Western Europe and the United States relied on the perception that stability may be achieved through restraining free market mechanisms and free flow of capital because they could inevitably increase the competition which in the context of postwar devastations would lead to social and political instability (Keynes 1979: 52–53). Specifically, the central strategy of governments was development of national economies that relied mainly on domestic investment as the prime source of growth. This allowed providing full employment and preventing new Great Depression as well as intercepting the threat of communism and fascism in the Western countries (Brands 1994: 3–30). In the United States, this paradigm emerged in the 1930s as a system of governmental policies to cope with economic crisis during the Great Depression, known as Roosevelt's New Deal. The core of this system was social consensus that all conflicts between capital and labor should be resolved within the framework of trade unions where federal government was the supreme arbitrator that guaranteed implementation of agreed arrangements as well as social welfare programs (Cohen 2008: 251–290).

However, the economic stability created favorable environment for growing social needs that could not be satisfied within the framework of the New Deal. The growing income of households, abundance of consumer goods and construction of affordable housing as well as consumerism of the American mass culture led to growing individualized needs that came into contradiction with collectivists system of social values (Brode 2004: 88–91). They restricted opportunities to satisfy individualized needs which started to form the ethics of American households and labor ethics of American corporations and mass production (Marcuse 1955: 78–105). Affordable high education trained large amounts of young specialists with high expectations but limited opportunities of upward

mobility that could not be provided by national economy (Marcuse 2005: 76–86). Social pressure to comply with idealized image of an American household produced disappointments towards family institution and undermined traditional distribution of gender-related social roles (May 2005: 384–394). Besides, national economy and political system could not meet the growing pressure of demands from social/racial minorities who were excluded from post-war prosperity (Theonald 1963: 22–24).

The government's failure to satisfy the growing needs led to increasing frustration and created social basis for the protest movements. The first signs of economic recession became evident during the 1960s that marked the depletion of internal sources of growth and the started gradual decline of the postwar national prosperity. Simultaneously, the 1960s demonstrated increasing social criticism of the American way of life as well as claims to reconsider the generally accepted norms and values in favor of more individualized forms of social life. American society started describing itself in a self-criticizing manner as 'hedonistic,' 'conformist' or 'materialistic' (Fromm 2010: 78–208). The government's failed attempts to integrate new social sentiments into existing political and economic framework without radical changes produced an opposite outcome of widening countercultural protest movement and spontaneous diversification of claims towards the mainstream society (Roszak 1969).

The American authorities believed that the major reason for conflicts in society lies in economy. The guiding principle of the postwar American leaders' policies was that provision of equal access to economic benefits for ethnic/racial minorities would decrease social tensions and lead to the assimilation ensuring cultural homogeneity of the nation. To this end, the programs of economic and social development during the 1950–1960s tried to adapt basic principles of the New Deal to new realities and provide equal rights or social welfare to discriminated minorities and thus integrate them into the mainstream society in exchange for their political loyalty. For instance, Civil Rights Act (1964) or Economic Opportunity Act (1964) as a part of John F. Kennedy's 'New Frontier', or 'War on Poverty' as a part of Lyndon B. Johnson's 'Great Society' all tried to use government spending to increase welfare programs and reduce economic inequality as well as ensure equal rights for minorities on the legislative level (Madden 1966: 57–58).

However, the more American economy sank further into recession the harder it was to process social contradictions within the New Deal's tripartite consensus between capital, labor, and government. Numerous attempts to adapt the New Deal legacy to new realities had a negative impact on economy and increased inflation. In particular, as consumer prices rose, the trade unions demanded to increase wages. In response to that, the industrial capital increased consumer prices to compensate wages costs. The actions of both parties had eventually led to rising inflation but allowed preserving certain balance between workers' standard of living and large corporations' profits. However, such a state of affairs put financial capital in disadvantaged position because inflation decreased the value of money. As a result, the investments in American economy slowed down and this led to further recession. Industrial and financial capital became interested in weakening the trade unions' influence in order to regain control over employment as a powerful tool to determine government policies (Kalecki 1943: 322–331). Besides, the recession produced a growing inequality among American workers that undermined their class solidarity and forced to move away from traditional understanding of class as a political and economic entity to a more cultural perception (Storch 2013: 128–173).

The countercultural movement offered an opposite way to solve the crisis of national economy. Instead of integration into the New Deal framework the counterculture

encouraged diversification of the growing social needs and expectations without their regulating them in any form. The legitimacy of the 1960s counterculture depended on its abilities to mobilize society for mass protest with involvement of as many participants as possible from different social background. The protesters demanded to re-distribute social product not only via government's social welfare programs but also on an ad hoc basis in response to the compensation claims by individuals or social groups from various backgrounds for discrimination and exclusion. The countercultural activists expected to rely on the received compensations as an economic basis and legitimate ideological platform for cultivation of even more individualized and arbitrarily defined needs as well as new compensation claims (Luhmann 1996: 216).

The arbitrary cultivation of social needs and claims obtained theoretical legitimation within the framework of post-modernism. The intellectuals, who actively participated in the 1960s protest movement, rightly pointed out that the main shortcoming of Marxism and structuralism (that had dominant position in social sciences) was ignoring the individual's personality. Particularly, classic Marxism failed to provide a convincing explanation of social contradictions that by the mid-twentieth century could no longer be reduced solely to class and economic antagonisms (Kellner 1984: 301–307). The proponents of structuralism also overlooked the problem of human factor and believed that they could identify universal patterns of individual and collective behavior (Dosse 1997: 343–363). Besides, anthropology lacked the research methodology of ethnic minorities in urban environment that resulted in the transition from the study of 'cultural stuff' to the study of ethnic boundaries constructed in the process of negotiations among individuals (Barth 1998: 15–16). And postmodernism offered a simple solution. If a unified description of society is impossible then it is crucial to include every possible description and observation as equal and provide free circulation of individualized narratives (Barth 1977). Michel Foucault suggested relying on the notion of 'discontinuity' that describes society as a free flow of fragmented objects and narratives (Foucault 1989: 23–85). Richard Rorty noticed that individual personality and not collective is the basis of any society (Rorty 1991: 175–196).

The crisis of the New Deal produced a neoconservative counter-protest against the challenge of counterculture. Unlike the US administrations as well as counterculture activists, the American neocons offered their own solution for the use of growing individualized social needs. Specifically, they were against further expansion of government programs of social welfare and demanded their reduction. They also rejected the claims of the New Left to provide compensations to discriminated minorities to solve economic inequality and exploitation. They suggested taking advantage of growing individualism as a new basis of American capitalism where every worker should adhere to 'traditional' labor ethics of free entrepreneurship instead of social welfare and trade unions. The participants of protest movement, according to neocons, were not innocent victims or fighters for social justice but represented a certain 'new class' that aims at seizing power and destroying the American way of life. To underline the primacy of society over state, one of the main neoconservative thinkers, Norman Podhoretz pointed out that counterculture is directed against the major values of the American middle class such as work, ambitions, discipline, monogamy and family (quoted in Marcus 2004: 139).

The crisis of the New Deal paradigm and contradiction between counterculture and neoconservative counter-protest considerably weakened the abilities of American government to cope with negative tendencies at the domestic and international level. During the 1970s, the US administrations took a number of unsuccessful measures to re-

consider the postwar policies that had eventually produced even stronger disappointments and alienation in American society (Wolfe 1976: 26–40). For instance, Richard Nixon was one of the first Presidents who tried to use countercultural rhetoric in political struggle proclaiming ‘New Majority’ as his electoral basis. The new concept was aimed at covering social expectations of American workers as individuals and not as participants of mass production process. However, the Watergate Scandal (1974) and Nixon's resignation as well as the on-going economic recession were not just the failure of consensus with the 1960s challenge but undermined faith in American democracy. Besides, the setbacks of American foreign policy from the Vietnam War (1955–1975), the 1970s energy crisis as well as the Iran hostage crisis (1979–1981) were expression of declining abilities of the American authorities to protect national interests in the international arena. It is noteworthy that one of the symbols of the American weakness during the 1970s was Jimmy Carter's ‘malaise speech’ performed in the twilight of his Presidency in 1979 where he admitted that no government programs or legislation could fix what was wrong with America as long as society lacks self-confidence and sense of community.

### **‘Reagan's Revolution’: The Synthesis of the New Deal and Woodstock**

The Presidency of Ronald Reagan (1981–1989) marked a discovery of successful way to combine the legacy of the 1930s and Roosevelt's New Deal with the 1960s counterculture into a coherent system of political and economic measures that later would lay the basis for the global world order after the collapse of the socialist camp. During the 1970s, the countercultural movement was gradually becoming more fragmented and commercialized (Barlow 2009: 305). At the same time, the neoconservative groups on the opposite, not only could radically reconsider the legacy of the New Deal as well as legacy of classic liberalism prior to the 1930s Great Depression but also unified their ideas into a certain ideological platform that Reagan relied on during his presidency and which he called ‘communitarian individualism.’ Already during his presidential campaign against Jimmy Carter in the year of 1980, he underlined the necessity to combine individualistic and collectivist sentiments in American society based on specific understanding of American nation and its role in the global world. ‘Communitarian individualism’ turned American nationalism into a certain postmodernist matrix that was supposed to integrate every possible individual perception of ‘America’ and ‘American dream’ depending on its economic efficiency and commercial success (Hechlo 1986: 31–63). In this sense, ‘Reaganomics’ viewed every citizen of the United States as a free entrepreneur whose patriotism was a manifestation of his/her ability to commercialize the widest possible aspects of social life and make profit on it.

The ‘synthesis’ of the New Deal and Woodstock into a new paradigm would be impossible without transition from nation-centered approach to globalization. The economic recession of the 1970s also marked the transition to a new economic cycle of petrochemical industries (Komlosy 2019: 70–71) and ‘Cybernetic revolution’ (Grinin and Grinin 2015: 127) that demanded establishment of a new international division of labor. The Sino-US talks about possible economic cooperation started by Richard Nixon in the early 1970s allowed laying groundwork for the development of global economy that had eventually turned this symbiosis between the United States and China into the core of capitalist globalization. China sought to overcome the crisis caused by the failed socialist modernization during the 1950–1960s. In doing so, China became a peculiar case of reaction of socialist countries, including the Soviet Union, to the deepen-

ing crisis of postwar national economies through a gradual integration into capitalist system. The United States also searched for the solution to domestic economic recession since the 1960s. The outsourcing of American industries to China allowed weakening capabilities of working class for collective actions. Besides, the overexploitation of Chinese labor made production process more flexible and that permitted to satisfy growing individualized needs of American consumers in post-industrial economy (Madsen 1995: 120–136).

The exploitation of the 1960s counterculture legacy permitted Reagan administration to develop an efficient mechanism to process the growing social discontent and disappointments. Reaganomics encouraged American people to express their individuality in different forms but at the same, the government could interpret the expression of individuality as ‘potentially offensive’ and discriminatory against other people’s individuality, social groups or America as a whole. As a result, the authorities could interpret any public action in either ways that allowed government, for instance, with the help of agencies like Federal Communications Commission (FCC), indirectly impose censorship and control information space. The contradiction between two opposite messages evolved into the so called ‘cultural wars’ that helped to manipulate the meaning of ‘American traditional values’ for the benefit of government and big business. It created a win-win situation for Reagan’s administration. On one the hand, the government would represent the involvement of wide public in ‘cultural wars’ and debates as an evidence of efficiency of American democracy. On the other, the growing diversity of political, economic or cultural narratives prevented society from development of unified agenda that decreased dangers of large-scale protest movements against neoliberal policies (Gerson 1996: 224–227).

Raegan nationalism laid emphasis on the importance of individual trajectories of social success. In case of a failed attempt, the national ideology would offer an opportunity for self-improvement, which was a modified version of the search for ‘a true self’ but this time with a clear criterion of commercial efficiency (Snyder 1995: 164–185). This helped to legitimize the transfer of responsibilities for growing social inequality from society and economic system to individual. For instance, one of the most representative examples of this paradigm was Steve Jobs – one of the symbols of synthesis between the 1960s counterculture and Reagan neo-conservatism of the 1980s, computer technologies with ideas of individual freedom and neoliberal economy. Steve Jobs turned the legacy of digital utopian ideas of New Communalists about personal computing and networking into a commercially successful business project after Apple Inc. introduced its ‘most personal computer’ Macintosh 128K on mass consumption basis in the year 1984. As famous commercial campaign ‘1984’ demonstrated, the Apple Inc. tried to use information technologies as a tool to augment and empower human intelligence as opposed to the aspirations of military industrial academic complex to replace people with artificial intelligence. Simultaneously, Steve Jobs stood in solidarity with Ronald Reagan stance against unions that he considered un-meritocratic and ‘the worst thing that ever happened.’ He also was a proponent of outsourcing the production facilities abroad to take advantage of the cheap Chinese labor where Apple factories later became the example of neoliberal dystopia. His efforts have not gone unnoticed when Steve Jobs received the National Medal Technology from Ronald Reagan in 1985.

### **Crisis of 'Stalin's Modernization' in the Soviet Union**

The role of state in the Soviet society was different than in the United States and this would define how the postwar crisis developed in the USSR. Unlike in the USA, where people started to perceive the presence of government only in the late nineteenth – early twentieth centuries after the introduction of federal income taxes, the Soviet Union relied on the political legacy of the Russian Empire where state traditionally had monopoly on economic coercion, appropriation of national wealth and its centralized distribution. Therefore, in contrast to the United States where the New Deal defined the role of government as a supreme arbitrator in relations between labor and capital, Stalin's modernization continued the Russian tradition that secured a complete dependence of society on state. It means that the crisis of Stalinist model of nation-centered development unfolded not as contradiction between state and society but mostly as contradictions within institutions of state in the form of a split of political and economic integrity.

The Soviet authorities proclaimed growing social needs as the primary evidence of efficiency of the existing economic and political system that legitimized the leading role of the Communist Party. Joseph Stalin in his well-known work 'Economic Problems of Socialism in the USSR' (Stalin 1972 [1951]) spoke about maximum satisfaction of raising material and social requirements of the whole society through 'unbroken process of perfecting production on the basis of higher techniques.' A balanced development of the national economy required from the Soviet leaders to have a clear understanding 'for what purpose the economic development is planned' (*Ibid.*: 41). Therefore, a clear vision of the national objective and proper functioning of the goal-setting mechanism (Borzenko 1963: 34–37) not only for the benefit of working class but for the 'union of classes in socialist society' within Soviet state became a new ideological platform of the Communist Party's leading role in the construction of 'socialism in one country.' The existence of a single national economic complex allowed regulating the development of social needs and their satisfaction while preserving the self-sufficient status independent from world capitalism.

The exhaustion of domestic resources for national development put the Soviet authorities in a difficult situation when they had to provide further growth of social needs and at the same time impose restrictions on their satisfaction. On the one hand, the nomenklatura depended on the ability of the Communist Party to preserve its leading role that helped them to secure their privileged status. On the other hand, the legitimacy of the Communist Party required fulfilling social obligations as an important evidence of its efficient role. However, Yury Yaremenko (the Director of the USSR Institute of Economic Forecasting) noted that starting from at least the 1960s the Soviet national economy faced the problem of exhausted internal resources of growth. Mass urbanization and migration from rural areas created work force shortage threatening a proper functioning of national economic complex. As a solution, the Soviet authorities started imposing restriction on social mobility to preserve sufficient number of people for unqualified work. As a result, the consumption level depended on the individual's position in social hierarchy. The growing unequal access to public goods and services came into conflict with its collective production by the national economic complex as well as with official declarations of national solidarity in 'the socialist state of the whole nation' (Yaremenko 1998).

The socialist globalization could potentially solve the problem of national growth limits. During the postwar years, the Soviet Union had better starting positions among the countries that had just gained independence. The Stalinist model of modernization

of national economy allowed constructing an independent and self-sustained economic basis that did not need to attract foreign investments. In order to confirm 'the national principle' of socialist foreign policy, in his speech at the 19<sup>th</sup> Congress of the Communist Party Stalin contrasted the Soviet commitment to the principles of national independence and national sovereignty to the bourgeoisie's intentions to 'betray the rights and independence of their nations for dollars.' For instance, Moscow international economic conference (3<sup>rd</sup> –12<sup>th</sup> April 1952) was one of the first practical measures to lay basis for the socialist international economic system and socialist currency union. Probably the largest opportunity was the economic union between the Soviet Union and China that could have become the core of socialist globalization. The USSR could provide PRC with necessary industrial infrastructure that could allow releasing domestic work force necessary for transition to post-industrial economy.

However, the Soviet leaders failed to move beyond the nation-centric paradigm and thus missed historical opportunity to promote socialist globalization. Stalin's model of national modernization and foreign policy suffered from internal contradictions because independent and self-sustained economic basis hindered the attempts to develop effective regulating mechanisms of international socialist solidarity. The promise of national sovereignty provided only a short-term advantage to the Soviet Union while in the long run it was unclear how to harmonize national interests within socialist camp when the threat of negative sanctions was one of the few remaining options. During the post-Stalin period, the intensified political struggle in the Soviet Union encouraged the nomenklatura to disproportionately weaken demands of international socialist solidarity in favor of the national sovereignty. The success in internal struggle depended on ability to gather as many supporters as possible and at the earliest time possible. Eventually, Nikita Khrushchev, the First Secretary of the Communist Party, managed to attract sufficient amount of supporters both inside and outside the Soviet Union to ensure victory in the struggle for power at the expense of splitting both the Soviet society and international socialist movement. For instance, at the 20<sup>th</sup> Congress of the Communist Party, Khrushchev proclaimed the diversity of ways of socialism and thus revoked the Soviet Union's status as an international standard of socialist construction. This legitimized the claims of other socialist states' leaders for a larger political autonomy, thus hindering further development of a proper system of international labor division. Besides, the criticism of Stalin reign would split the international socialist movement and considerably exacerbated the Soviet positions in Asia because 'De-Stalinization' in the Soviet Union could have easily turned into 'De-Maoization' in China (Kuzmin 1978: 143–147).

In response to the failed 'socialist globalization,' the Soviet leaders preferred to initiate integration into global capitalism. Already Joseph Stalin in the early 1950s assumed a peaceful co-existence of the Soviet-allied socialist states and of the capitalist bloc that marked a transition away from domination of contradiction principles between socialism and capitalism. Later, during Khrushchev (1953–1964) and Brezhnev (1964–1982) periods, this idea obtained a practical implementation as well as theoretical development in the economic and political treaties between the Soviet Union and capitalist states as well as ideas of convergence between the two systems. Warming of relations was the result of combination of international and domestic factors from both sides. The Soviet Union tried to take advantage of recently discovered oil and gas deposits in Siberia to compensate its lagging behind the West in economy and internal economic problems. The long-term contracts were supposed to ensure the inflow of



foreign currency necessary for purchasing Western technologies and consumption goods.

For instance, such agreements were initiated between the Soviet and Western Germany leaders starting from the late 1960s and embodied into the Treaty of Moscow (1970) and 'Natural Gas Pipeline Deal' (1970) followed by similar agreements with France and Italy. Helsinki Accords (1975) marked not only the economic integration of the Soviet Union into capitalism but also adoption of Western political discourse by taking international obligations of human rights primacy although without intention to implement them in practice but in exchange of agreements in military sphere and guarantees of territorial integrity (Bokarev 2007: 311–374).

In the political dimension, the Soviet leaders focused on maintenance of national status quo between different nomenklatura factions inside the Communist Party at the expense of diminishing domestic resources. In the attempt to respond to Stalin's call about the necessity of material and cultural requirements in planned development of national economy, before the start of the 21<sup>st</sup> Congress, the CPSU initiated the so-called 'all-people's discussions' (*vsenarodnoye obsuzhdeniye*) that were supposed to provide the Soviet authorities with a clear vision of further development of national economy. However, after calculations of all 'requirements' it became evident that the resources available in the Soviet Union were not enough for their satisfaction (Vikentiev 1963: 23). As a result, the Party had to balance between different organizational interests from directors of major factories to sectoral ministers as well as military industrial complex and necessity to fulfill obligations of social welfare. Eventually, various groups of interest had gained more autonomy and could come up with new requirements for allocation of resources in their favor (Yun 2014: 502).

The Communist Party leaders tried to take advantage of the nomenklatura's interest to preserve a privileged status in the Soviet society and to maintain control and discipline over its members. For instance, Mikhail Suslov (the Second Secretary of the Communist Party) in his work 'On further perfection of ideological, political and educational work' (October 16, 1979) set two mutually exclusive goals for the Party officials. On the one hand, he called for self-criticism with respect to red tape and on the other – he required following the established rule and procedures (Suslov 1979: 17, 23). In such a situation, any choice could be equally wrong or right depending on interpretation by the Party's leadership. This allowed arbitrary decisions on possible further sanctions (negative or positive) according to the then-existing situation. In particular, the Central Committee could punish any member of the Party for 'formalism' and represent it as a proof that the Party is a guardian of Soviet people against red tape. At the same time, the accusations in 'voluntarism' in implementation of 'popular initiatives' emphasized the Party's role as a primary duty-bearer of the nomenklatura's interests against the Soviet society.

The nomenklatura, for its part, also tried to maintain the status quo between the Party's controlling functions and its weakening position. Both an excessive strengthening of the CPSU's control function and centralization and its excessive weakening and decentralization equally posed a threat to the nomenklatura's privileged positions in the Soviet society. The leading role of the Communist Party permitted the nomenklatura to secure privileges and monopoly on the distribution of national wealth but at the same time, the CPSU was the major force that could revoke these privileges. For this reason, the nomenklatura sought to find a proper balance between centralization and decentralization that helped to preserve economic and political stability at the expense of declining flexibility and adaptability of the Soviet system. As a rule, most of the economic

reforms expressed one of these positions of the nomenklatura and their practical implementation immediately activated an opposite reaction compromising all attempts to modify the Soviet system. For instance, the attempts to construct National Automated System for Computation and Information Processing (OGAS) in the 1960–1980s aimed at centralizing decision-making process met resistance on the part of the nomenklatura against an excessive growth of the CPSU control functions (Scrhoeder 1973: 11–38; Fedorenko 1974). The 1965 Soviet economic reform failed for the opposite reasons. The reform sought to institutionalize the growing fragmentation of national economy through partial implementation of market mechanisms (Vorobiev 1992: 103) that again came into conflict with the nomenklatura's interests since commercialization could potentially weaken the Communist Party's privileged status.

The relations between the state and society developed in a similar manner to preserve the existing national status quo. Despite the split in the Soviet society caused by criticism of Stalin's cult of personality at the 20<sup>th</sup> Congress (1956), the Party leaders not only refused to re-consider Khrushchev's 'secret speech' but took a rather ambiguous position that did not prohibit and at the same time did not encourage criticism towards Stalin. This ambiguity allowed the Communist Party to use social polarization to secure its status of a supreme arbitrator and exploit social contradictions to prevent collective actions against the Soviet authorities. Cultural life of the Soviet society developed as a conflict between 'liberal' and 'patriotic' intelligentsia that represented different forms of criticism towards the legacy of Stalin period. Roughly speaking, the first group of intelligentsia with liberal attitudes presented Stalin as an extreme example of violation of human rights. The second group of intelligentsia with patriotic attitudes like the participants of 'village prose' movement underlined the anti-Russian character of Stalin's policy, including collectivization that severely damaged Russian peasantry. The Communist party, depending on the situation and balance of interests among different nomenklatura factions, could not but carry out repressions on their own initiative or based on mutual denunciation by opposite camps of intelligentsia in a way to prevent one of the sides to gain monopoly position in influencing social sentiments of the Soviet people and development of Soviet culture. For instance, the Party could anytime accuse the 'liberals' of the anti-Soviet propaganda or of the attempts to undermine the Soviet state. The 'patriots' could easily be accused of 'idealization of pre-revolutionary Russia' or 'departure from the Marxist class positions.'

### **Perestroika: The Disruption of National Status-Quo**

The vast changes at the international stage destructed national status quo in the Soviet Union. Unlike in the previous period when the nomenklatura could rely mostly on diminishing resources of the Soviet economy, in the mid-1980s situation drastically changed because 'Reaganomics' provided opportunity to rely on resources of newly emerging American capitalist globalization. This weakened the role of the Communist Party as a main guarantor of the nomenklatura's privileged status because from now on the satisfaction of 'growing material and cultural requirements' no longer depended on the exhausted national economy but on the degree of integration into global capitalism. Besides, 'Reagan's revolution' also disrupted the international status quo between the United States and Soviet Union. During the post-war period, the competition between two superpowers was not aimed at mutual destruction but at preserving the international balance when both sides tried to take advantage of domestic contradictions or foreign policy setbacks to improve negotiating positions. In this sense, the increasing energy

export in the Soviet economy and growing dependence of the USSR on international loans from capitalist countries at least since the 1960s, did not yet imply the requirements of political change in the Soviet Union. However, starting from Reagan Presidency in the early 1980s, the logic of globalization demanded not just weakening of the Soviet Union in an attempt to improve negotiating positions but the integration of the Soviet economy, as a whole or in parts, into the capitalist system.

The disruption of national status quo exacerbated struggle between various factions of the nomenklatura to ensure better conditions in global capitalism. Commercialization of Soviet life and information campaigns during Perestroika developed in a way to underline that processes occurring in the USSR were a part of Reaganomics where struggle of the nomenklatura against the 'totalitarian' past was a special case of return to the mainstream of the world civilization leading to the American dream. The nomenklatura was generally interested in developing a proper ideological platform that would not only exploit the internal contradictions of the Soviet society but also more importantly would appeal to the audience in the United States and Western Europe. As Leonid Grinin rightly points out, giving away national sovereignty occurred on a completely voluntary basis in exchange for real advantages of capitalist globalization (Grinin 2012: 8–13). To this end, various factions of the nomenklatura had to compete each other to give a tangible proof of their commitment to 'universal human values' to negotiate for better positions and legitimize their place in global capitalism. The Soviet nomenklatura needed only several years of Perestroika (1987–1991) to make a short move from active involvement of dissident activists in political struggle to declaration themselves as true dissidents with 'liberal' or 'patriotic' attitudes who had eventually defeated the 'Evil Empire.'

#### **The New World Order: From Dawn till Dusk**

President George H. W. Bush in his famous speech on January 17, 1991 proclaimed the advent of the 'New world order.' Although the speech concerned the start of airstrikes against Iraq during the Gulf War (1990–1991), it had a much deeper meaning and wider implications. After the collapse of the Soviet Union and socialist camp in 1991, the United States became the only dominant power that could set international rules both on regional and on the global levels within unipolar world and as Bello Taiwo notes, expand American globalization agenda beyond its shores (Taiwo 2017: 30). The status of the only superpower was a result of efficient reforming of political, economic and cultural aspects of American society in response to the crisis of modern vision on the human dimension between the late 1940s and early 1990s.

The social turmoil of the 1960s was one of the signs of self-negation of modernist vision of human life and society on a mass scale. Both the United States and Soviet Union in capitalist and socialist forms shared the similar illusion that the solution to social problems lies in industrial development with mass production of standardized goods, rationalized localization of social classes within production system under control of centralizing and unifying institutions. As Zygmunt Bauman puts it, modernity was pre-occupied with 'orderly, manageable society, to make human affairs regular and amenable to planning and control' (Bauman 2000: 110–112). Although the horrors of WWI (1914–1918) and WWII (1939–1945) cooled down the illusions in progress, the development of computer technologies and the economic boom during the post-WWII era restored, even for a little while, the faith in modernity. Paradoxically, it was a successful modernist developmental paradigm during the post-war years that produced social movements of the 1960s and broke these illusions.

For instance, in the United States the economic growth of the post-war period sharpened the contradiction between collective production and individual consumption that could not be resolved within the then-existing framework of national economy. Economic prosperity cultivated diverse individualized expectations that came in contradiction with social morale as it failed to establish meaningful interconnections between personal and collective identities. In the Soviet Union the centrally organized socialist modernization state succeeded in mobilization of broad masses into political process that produced misbalance between increasing social expectations and opportunities to satisfy them within existing economic and political framework that in turn posed a threat to legitimacy of the Communist Party and integrity of the USSR.

The formation of global capitalism strengthened economic interdependence but sharpened political contradictions. Single capitalist economic basis and absence of major deterrents represented by the socialist alternative gradually allows the global players, especially the United States, to comply with norms of international order as well as social obligations in every nation-state. This marks a transition from international law to the law of the strongest that defined realities of the world politics since the 1990s. On the one hand, the growing international political instability and declining trust towards global institutions no longer pose a threat to existing world order because it is impossible to break alliances in favor of the opposite camp. On the other hand, the hierarchical organization of global capitalist system where national economies occupy unequal positions in the global labor division, forces national governments to find ways to more and more exploit economic potential of their populations and take increasingly aggressive forms of international competition.

The dependence of national economies on international markets allows the United States to influence domestic and foreign policies of other nations. The integration of major ex-socialist countries such as China and Russia into global capitalism developed in the way to secure mechanisms of neutralization of their national sovereignty. Thus, China fulfilled its obligations before foreign investors to destroy political autonomy of urban trade unions and rural collective farms to secure provision of disciplined work force for Western companies that culminated in Tiananmen Square protests (1989) (Zhun 2013). In return, the United States accused China of human rights violation and thus legitimized imposing of international sanctions against the PRC while the latter had to accept this state of affairs because the national economic development had already become depended on foreign investments and access to foreign markets. The similar mechanism was applied to Russia. The competition between the nomenklatura factions to ensure better positions in global capitalism required implementation of mass privatization and deregulation during the 1990s in the shortest possible time that had eventually put the post-Soviet elites in a deadlock. On the one hand, the mass privatization produced a high degree of social inequality that made it impossible to legitimize its results inside the country. On the other, privatization had been marred with numerous violations and cases of criminal behavior that gave American and European authorities freedom to make arbitrary decisions about possible sanctions against the Russian oligarchs who just like their Chinese ‘colleagues’ had to accept it because of national economy dependence on energy export (Mccauley 2013: 31–87).

Neoliberal capitalism, being an external projection of Reaganomics, permits to involve new markets in the global economy but at the same time secures its internal logic.

With growing discontent with the American foreign policy at least since the late 1990s, there have appeared claims to move from unipolar to multipolar world order. This may indicate the United States' declining ability to define global agenda but at the same time, the idea of multi-polarity allows neoliberal capitalism to gain stronger and more diversified foothold to adapt to regional and local conditions. For instance, the growing claims to a right to become another center of global neoliberal order varied from Munich speech of Vladimir Putin (2007), BRICS formation (2009), and Chinese Belt and Road Initiative (2013) (Li 2019: 31) with new global financial centers (Zhao and others 2013) to promise that neoliberal globalization with the 'Chinese characteristics' can bring social justice and efficiency (Long and Ping 2012). In doing so, the numerous calls to move from Pax Americana to 'cosmopolitan civil society' (Beck 2003: 15–29; 2006: 133) or growing interests towards non-Western theories of international relations are attempts to provide a scientific basis for the widest possible involvement in development and promotion of global capitalism (Buzan and Acharya 2010; Qin 2008: 13–23; Zhao 2009: 1–5).

However, the slowdown in the world economy revealed limitations of economic, political as well as intellectual capacities of neoliberalism. At least since the financial crisis of 2007–2008, it became evident that global neoliberal capitalism has reached its limits of growth in a similar manner as the post-war economies during the 1950s–1960s and now it is the time for the neoliberal paradigm to radically reconsider its foundations. However, the main advantage of neoliberalism that helps to preserve internal logic during external expansion and diversification appears to be its main disadvantage. It forces neoliberal capitalism to ensure continuation of 'normal' operations despite the exhaustion of internal resources for growth. The neoliberal mindset on commercialization of as many spheres of life as possible leads to more arbitrary cultivation of new social needs (national, ethnic, racial or religious), expectations and claims to get included into global agenda come into conflict with the absence of sufficient economic resources for their satisfaction. The declining ability of the United States and of national and global economies in general to meet these growing requirements exacerbates international competition. The success in this competition depends on readiness to violate international norms and on the abilities to adopt increasingly aggressive neoliberal policies on global, regional or national level. In this sense, 'the New World Order' declared by President George H. W. Bush in 1991 has finally reached the greatest forms of development and turned into 'the New World Order of the Strongest' in the war of all against all.

Ironically, the crisis of the neoliberal paradigm and disintegration of global capitalism in the 2010s develops as a return to exactly what it fought against during the period of its formation in the 1960s, namely, to neglecting and simplification of human factor. The mainstream culture around the world pressures individuals to discover, develop and commercialize new aspects of their personality without having clear understanding of its internal logic and interrelation between growing individualized identities on local, national or global levels. In response to the growing inability to give an adequate assessment to human factor in all its diversity as well as its social, economic and political implications forces the neoliberal paradigm to rely on technologies of social control. For instance, the on-going artificial intelligence hype shares similar illusion of the 1940s–1950s that computer technologies can substitute human and control diversity of human life with the help of big data algorithms. The countercultural movement was the

reaction against this neglecting of individual personality and managed to develop its own alternative approach to augment human intelligence instead of attempting to control or substitute it with artificial one. The experience of Cold War between the United States and Soviet Union clearly demonstrates that attempts to ignore human dimension or put diversity of social life into the Procrustean bed of externally imposed standards and algorithms may again have disastrous consequences.

#### REFERENCES

- Barlow, K. 2009. *The Labour Movement in Britain from Thatcher to Blair*. Frankfurt am Mein: Peter Lang.
- Barth, F. 1998. *Ethnic Groups and Boundaries*. In Barth, F. (ed.), *The Social Organization of Culture Difference* (pp. 9–38). Long Grove, IL: Waveland Press.
- Barth, R. 1977. *The Death of the Author*. Transl. by Stephen Heath. New York: Hill and Wang.
- Bauman, Z. 2000. *Liquid Modernity*. Cambridge, MA: Cambridge University Press.
- Beck, U. 2003. *Rooted Cosmopolitanism: Emerging from a Rivalry of Distinctions*. In Beck, U., Sznaider, N., and Winter, E. (eds), *Global America? The Cultural Consequences of Globalization* (pp. 15–29). Liverpool: Liverpool University Press.
- Beck, U. 2006. *The Cosmopolitan Vision*. Malden, MA: Polity Press.
- Bokarev, Yu. 2007. *The USSR and Development of Post-Industrial Society on the West 1970–1980*. Moscow: Nauka. *Original in Russian* (Бокарев Ю. П. СССР и становление постиндустриального общества на Западе. М.: Наука).
- Borzenko, A. 1963. *The Problem of the Objective in Social Development*. Moscow: VPSH i AON. *Original in Russian* (Борзенко, А. В. Проблема цели в общественном развитии. М.: ВПИИ и АОН).
- Brands, H. W. 1994. *The Devil We Knew: Americans and the Cold War*. New York and Oxford: Oxford University Press.
- Brode, D. 2004. *From Walt to Woodstock: How Disney Created the Counterculture*. Austin: University of Texas Press.
- Buzan, B., Acharya, A. 2009. *Non-Western International Relations Theory: Perspectives On and Beyond Asia*. Routledge.
- Cohen, L. 2008. *Making a New Deal: Industrial Workers in Chicago, 1919–1939*. Cambridge: Cambridge University Press.
- Dosse, F. 1997. *History of Structuralism: Vol. 1 The Rising Sign, 1945–1966*. Translated by Deborah Glassman. Minneapolis and London: University of Minnesota Press.
- Foucault, M. 1989. *Archaeology of Knowledge*. Translated by A.M. Sheridan Smith. London and New York: Routledge.
- Fedorenko, N. 1974. *Optimal Functioning System for a Socialist Economy*. Moscow: Progress.
- Fromm, E. 2010. *Sane Society*. London: Routledge.
- Galbraith, J. K. 1998. *The Affluent Society*. Boston and New York: A Mariner Book.
- Gerson, M. 1996. *The Neoconservative Vision: From the Cold War to the Culture Wars*. Lanham, Md.: Madison Books.
- Grinin, L. 2012. New Foundations of International System or Why Do State Lose Their Sovereignty in the Age of Globalization? *Journal of Globalization Studies* 3 (1): 3–38.

- Grinin, L., and Grinin, A. 2015. Global Technological Perspectives in the Light of Cybernetic Revolution and Theory of Long Cycles. *Journal of Globalization Studies* 6 (2): 119–142.
- Hechlo, H. 1986. *Reaganism and the Search for a Public Philosophy*. In Palmer, J. L. (ed.), *Perspectives on the Reagan Years* (pp. 31–64). Washington DC: Urban Institute Press.
- Kalecki, M. 1943. Political Aspects of Full Employment. *The Political Quarterly* 14 (4): 322–331.
- Kellner, D. 1984. *Herbert Marcuse and the Crisis of Marxism*. Berkeley and Los Angeles: University of California Press.
- Keynes, J. M. 1979. The Origins of the Clearing Union, 1940–1942. In Moggridge, D. (ed.), *The Collected Writings of John Maynard Keynes*. Volume XXV. *Post War Activities 1940–1944* (pp.1–144). London and New York: Cambridge University Press.
- Komlosy, A. 2019. Crises, Long Waves and World-System Analysis. *Journal of Globalization Studies* 10 (2): 55–76.
- Kuzmin, V. 1978. *China in Strategy of American Imperialism*. Moscow: Mezhdunarodniye otnosheniya. *Original in Russian* (Кузьмин В. В. Китай в стратегии американского империализма. М.: Международные отношения).
- Li Xing. 2019. *Understanding the Multiple Facets of China's 'One Belt One Road' Initiative*. London: Palgrave Macmillan.
- Long, C., and Ping, Y. 2012. China Model in Globalization Process. *Journal of Globalization Studies* 3 (1): 67–78.
- Luhmann, N. 1996. *Protest: Systemtheorie und soziale Bewegungen*. Frankfurt am Main: Suhrkamp.
- Madden, H. C. 1966. *The War over Poverty*. In Everett, R. O. (ed.), *Anti-Poverty Programs* (pp. 45–63). New York: Oceana Publications.
- Madsen, R. 1995. *China and the American Dream: A Moral Inquiry*. Berkeley: University of California Press.
- Marcus, D. 2004. *Happy Days and Wonder Years: The Fifties and the Sixties in Contemporary Cultural Politics*. Rutgers University Press.
- Marcuse, H. 1955. *Eros and Civilization: Philosophical Inquiry into Freud*. Boston, MA: Beacon Press.
- Marcuse, H. 2005. *The New Left and the 1960s*. In Kellner, D. (ed.), *Collected Papers of Herbert Marcuse*. Vol. 3. London and New York: Routledge.
- May, E. T. 2005. Vision of Family Life in Postwar American. In Jabour, A. (ed.), *Major Problems in the History of American Families and Children* (pp. 384–394). Boston: Houghton Mifflin Co.
- Mccauley, M. 2013. *Bandits, Gangsters and the Mafia: Russia, the Baltic States and the CIS since 1992*. London and New York: Routledge.
- Qin Y. Qing. 2008. *Zhongguo guoji guanxi lilun yanjiu de jinbu yu wenti* [Study of International Relations Theory in China: Progress and Problems]. *Shijie jingji yu zhengzhi* [World Economics and Politics].
- Rorty, R. 1991. *Objectivity, Relativism, and Truth, Philosophical Papers*. Vol. 1. Cambridge: Cambridge University Press.
- Roszak, Th. 1969. *The Making of Counter Culture: Reflections on the Technocratic Society and Its Youthful Opposition*. Garden City, N.Y.: Doubleday.

- Satoshi, O. 2016. *Nihon no kokusai kankei riron: riron no yunyū to dokusō no aida* [International Relations in Japan: Between Import and Originality of Theory]. In Satoshi, O. (ed.), *Nihon no kokusai kankei riron: riron no yunyū to dokusō no aida* [International Relations in Japan: Between Import and Originality of Theory]. Tokyo: Keisō shobō.
- Schroeder, E. G. 1973. *Recent Developments in Soviet Planning and Incentives, in Society Economic Prospects for the Seventies*. A compendium of Papers submitted to the Joint Economic Committee Congress of the United States, June 27: 11–38.
- Snyder, A. A. 1995. *Warriors of Disinformation: American Propaganda, Soviet Lies, and the Winning of the Cold War: an Insider's Account*. New York: Arcade Publishing.
- Stalin, J. 1972 [1951]. *Economic Problems of Socialism in the USSR*. Beijing: Foreign Languages Press.
- Storch, R. 2013. *Working Hard for the American Dream: Workers and Their Unions, World War I to the Present*. Chichester: John Wiley and Sons.
- Suslov, M. A. 1979. *The Party's Common Cause*. Moscow: Politizdat. *Original in Russian* (Суслов М. А. *Дело всей партии*. Доклад на Всесоюзном совещании идеологических работников 16 октября 1979 г. М.: Политиздат).
- Theonald, R. 1963. Poverty in the Affluent Society. *Challenge* 11 (4): 22–24.
- Taiwo, B. 2017. Nowhere to Hide: Nation States' Security and Stability in the Age of Globalization. *Journal of Globalization Studies* 8 (2): 27–41.
- Vikentiev, A. 1963. *Development of the USSR Economy and the Problems of Proportionality*. Moscow: Izdatelstvo ekonomicheskoy literature. *Original in Russian* (Викентьев, А. И. *Развитие экономики СССР и проблемы пропорциональности*. М.: Экономиздат).
- Vorobiev, Yu. 1992. *Lessons of the Year 1965*. Moscow: Institut ekonomiki RAN. *Original in Russian* (Воробьев Ю. Ф. *Уроки реформы 1965 года*. М.: РАН).
- Wolfe, T. 1976. The 'Me' Decade and the Third Great Awakening. *New York Magazine* 23 (August): 26–40.
- Yaremenko, Yu. V. 1998. *Conversations on Economy*. Moscow: Statistics of science and education Centre. *Original in Russian* (Яременко Ю. В. *Экономические беседы*. М.: ЦИИХ).
- Yun, O. 2014. *Planning. History Lessons and Future Prospects*. Moscow: RGNF. *Original in Russian* (Юнь О. М. *Планирование. Уроки истории и перспективы*. М.: РГНФ).
- Zhao, S.X., Lao, Q. and Chan, N.Y.M. 2013. The Rise of China and the Development of Financial Centers in Hong Kong, Beijing, Shanghai and Shenzhen. *Journal of Globalization Studies* 4 (1): 32–62.
- Zhao T. Y. 2009. *Huai shijie yanjiu: Zuowei diyi zhexue de zhengzhi zhexue* (Investigations of the Bad World: Political Philosophy as First Philosophy). Beijing: Zhongguo Renmin Daxue Chubanshe.
- Zhun X. 2013. The Political Economy of Decollectivization in China. *Monthly review*. May: 17–36.