

Aleksander TATARKIN, Denis TATARKIN

THE LESSONS OF THE WORLD CRISIS AND THEIR REFLECTION IN ANTI-CRISIS PROGRAMS OF RUSSIA AND CIS COUNTRIES*

This paper analyzes causes and consequences of the world crisis, its systematic and permanent character is shown. The essence of the crisis and its characteristics in different countries and areas is reviewed. Projections and consequences for the Russian economy and the global community are made and estimated. Theoretical, methodological and practical advices on the formation of anti-crisis measures are formulated. The priority measures of conservation and expanded reproduction of the population and real economy support through balanced economic, social and pricing policies for the Russian Federation are substantiated.

Lesson One: Causes and mechanisms of world crises manifestation

The present stage of world economy development is characterized by *qualitative structural changes* which are rapidly driven under the influence, *on the one hand*, of a deepening conflict between the expanding integration of countries into the global community and new inter-state rules, norms of behavior and the desire of these countries to maintain economic independence, national sovereignty and identity. *On the other hand*, of a sharpening the contradiction between the volume of the world's financial resources and the production of goods, works and services. The systemic value of these contradictions is actively discussed and can be combined into the following:

- Aggravation of these conflicts reinforces imbalances in the global economy development and causes the emergence of global and national economic crises (political, economic, energy, structural, financial etc.);
- Accelerated development of the second contradiction – between the amount of financial resources and their commodity coverage – explains the beginning of any systemic global economic crisis from its financial segment.

The breakaway between financial and production sectors is huge and continues growing. According to rough estimates of experts, only 2–3 percent of total financial transactions are made for maintenance of the real economy sector. No one can be sure while saying if it's enough or not enough. Another thing is obvious. Using 97 percent of the financial resources for “self-maintenance” of the financial sector puts this maintenance onto a priority position which allows a limited number of “chosen individuals” to extract huge profits from it and through it bringing the rest of the economy and social life to the state of crisis.

A special impulse to the sharpening of contradictions and the widening breakaway between the financial and real sectors of the global economy was given by the deriva-

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tives (the sum of virtual financial transactions without actually providing goods flow) which especially increased in 2008 reaching 600 trillion USD while the production of world GDP was 55 trillion USD [1, p. 18]. Mikhail Dmitriev, President of the Center of Strategic Research, believes that "... the derivatives market is 20 times bigger than the world GDP" [2, p. 7].

These estimates provide a basis to assert that the world community faced qualitatively different conditions of the economic system functioning than at any previous stage of its development.

Where do these qualitative changes become apparent? And how do they affect cyclicity and systemacy of the crises?

First of all, in the advancing development of financial capital and the growing break-away between its volumes and volumes of commodity products which inevitably led to the formation of speculative (not secured by mass of commodities) capital whose growth was reflected in the structure of the global economy, deepening and strengthening the processes of its destabilization. With increasing of its volume, speculative capital is being more and more involved into the functioning of national economies, percolating through all areas and phases of the reproductive cycle. But since it is not secured by real resources, then is impossible to maintain sustained and balanced development of the real economy on its basis. The usage even of 10% of the global financial capital on real economy development is able to fully exhaust all possibilities of its commodity coverage, it stimulates a sharp rise in commodity prices and inevitably leads the economy to yet another financial crisis. The latter circumstance is especially important for understanding the depth and breadth of financial and economic crisis in Russia. On the one hand, any global crisis in frames of rapid growth of speculative finance capital *always begins with the financial crisis* which inevitably exacerbates the crisis in all other areas and sectors of the economy. The financial crisis that began in 2008 got very quickly into the industry and the real economy and, like a virus, has caused and exacerbated a number of negative processes – from reducing production and workforce, curtailment of production programs, conversion – and to bankruptcy and liquidation.

On the other hand, the development of anti-crisis measures in these terms shall begin and be carried out with *the restoration of balance and not deepening of support offered to financial and banking sectors*. The protracted nature of the economic crisis in Russia could be explained, in our opinion, by three systematic errors which were put into the number of governmental measures. *First of all*, the crisis of 2008 has been wrongly assessed as a purely financial and therefore a short-term crisis. In fact, the crisis just began in the financial and finance-related market segments (mortgages, mutual funds) while later turning into a systemic economic crisis of long-term action. The structural flaws of the economy, power imbalances and shabbiness of the domestic food market, democratic decline in the reproduction of the population got under its influence.

Secondly, while developing and discussing anti-crisis measures, the priorities of pulling the economy out of crisis have been set incorrectly. Instead of supporting the real economy sector by limiting the sphere of speculative foreign and domestic capital influence, the emphasis was placed on the specific support of the banking and financial capital – the incubator of speculative capital. The result of this was exactly the one that should have been expected: a prolonged and profound decrease in production volumes in the real sector and a huge "squandering" of the budget. On various estimations, 500 billion rubles (about one-third) of the total 1.5 trillion rubles allocated to the banks in frames of the crisis management program of the Russian Government were used inappropriately [3, p. 50].

Finally, the *third* mistake was made while incorrectly identifying and using the mechanism of anti-crisis measures implementation. Instead of a market institutions and

mechanisms system based on the collaterals, guarantees and commitment plans, the priority was given to the use of administrative measures based solely on subjective assessments. Crisis time has shown that market processes are most effectively regulated and neutralized by market measures, not administrative ones. Administrative regulators were ineffective and wasteful, visibly stretching the time lag of pre-crisis levels restoring in the absence of plans, commitments and norms of responsibility for inappropriate use. There is no accident that projections of the current economic crisis are very controversial and are easy to refute or disprove. But, first of all, let us analyze the peculiarities of contemporary global economic crisis.

Lesson Two: Peculiarities of the current economic crisis

The study of any scientific or educational problem traditionally begins with elucidation of its essence and content. Economists, first of all, try to understand the essence of the product and its properties, the market's role in economic development. Lawyers begin their studies with the assessment of the nature of law and legal norms, their content and structure. Representatives of almost all social sciences examine the nature of the state's role in the socio-economic development from different points of view. In this sense, the economic crisis as an inevitable concomitant of a market economy is attracting interest of individuals representing different sciences, businessmen, governmental and political leaders. Problems regarding the phenomenon of the crisis as an inevitable concomitant of any market development (small-scale, capitalist, monopoly, state-capitalist) are posed and studied.

How far is it inevitable, objective and destructive?

The crisis in its classic sense is *a time period within which economic processes are restrictedly developed under the influence of overproduction of goods and services*. In other words, in pursuit of income, the amount of goods and services in the society is considerably larger than the solvent (provided with real money) demand of the population and the importing countries may require.

Karl Marx thoroughly researched the causes, nature and objective inevitability of economic crises in general and the crises of overproduction in particular in "Capital". He thought crises were the inevitable companions of the capitalist market economic system.

These crises should send a "signal" to governmental structures and businesses, what should be produced and in which quantity, how the sectoral and territorial structure of the economy should be, how far is the export of goods and services developed, how far optimal for the existing volume of production is people's income and price level of goods and services, what are the innovative features of the real sector and what are some other disparities in the socio-economic development. The economic crisis in these circumstances can be considered as the appropriate reaction of the economy on the governmental and business inactivity in restoration of the disturbed balance between supply and demand, between production and income. The capitalist market production, according to Karl Marx, "encompasses conditions that do not depend on the good or evil will and that allow the relative well-being ... just for a short time, and that is always just a stormy petrel of the next crisis" [4, p. 464].

The crises of overproduction and modern world economic crises have much in common: they both are the result of deregulation of economic processes, they greatly disturb the social and political peace in a society, and they require immense mobilization of forces, means and resources to restore stability. But these crises cannot be identified. World crises in their scale, nature of the flow, diversity of manifestation forms and consequences are not comparable with the crises of overproduction. Globalization brought crises to life in such areas which seemed to be hardly possible a few decades ago – demographic, environmental, energy, raw materials etc.

The financial crisis is a special and most parasitic type of crisis. Almost every global economic crisis usually starts with a financial crisis and ends with the stabilization. Its essence is not in excess of goods and services (their amount might be insufficient) but in excessive money supply which increases breakaway of prices and tariffs on goods and services from the actual production costs, this reduces real income and redistributes them in favor of the speculative capital owners.

Speculative capital provides its extremely profitable existence through two channels. *Stimulating the growth of prices on goods and services* of steadily growing demand through the use of market institutions and instruments (contests, trading, brokers etc.), *speculative capital creates "bubbles" of artificial increase in prices and tariffs thus ensuring the formation and appropriation of the "price rent"*.

Actively supporting the artificial growth of quotations of stocks and bonds on capital markets, often using state agencies and budget funds to achieve its goals, speculative capital creates "bubbles" of increased demand on companies' capital assets increasing their market value and earning income from the constant fluctuations of equity prices as a "course rent".

In summary, the financial crisis can be viewed as *a period during which the "bubbles" burst in the economy and the restoration of the balance between production and consumption, supply and demand, super profits of financial oligarchs and population's income is extremely painful and costly*. The prices no longer put pressure on the rising cost of goods and services production. Rental income of speculative capital owners takes on a more or less perceived value in public opinion of 15 – 25 – 30 instead of 200 – 300%. Public life is beginning to stabilize. The population and managers start counting money again, track and manage costs, focus the production on solvent demand. The executive discipline increases, unemployment decreases, manufacturing is developing more actively and social issues are being solved. The hosts of speculative capital, shaking the "soap foam" off them, start frantically looking for "breaches" in the economy for profitable investments again. Life eventually comes back to normal state and "black weekdays" of the crisis are gradually being forgotten. And it all goes on until the next crisis...

The paradox of the current financial crisis in Russia, in our opinion, is not in danger of its possible "heating" from abroad but in the weakness and vulnerability of domestic financial markets to speculative attacks made by international financial institutions. According to various estimates, more than one half of the domestic financial sector has speculative roots, which increase the risks concentration by multiple times – credit, interest rate, currency and other risks [2, p. 7; 5, p. 33]. Moreover, and unfortunately the researchers do not pay enough attention to this, the consequence of the global financial crisis could become and is becoming the aggravation of crisis processes in such industries and fields of national economy as energy, agriculture complex, demography, ecology and some others.

Lesson Three: Prognostic estimations of the crisis and its theoretical foundations

Prognostic estimations of the global financial crisis that began in 2008 were given and continue to be given by many experts and agencies including international financial institutions designed to comprehensively monitor the development of socio-economic and financial processes in a globalized world.

In November-December 2008 and in January 2009 the International Monetary Fund (IMF), for example, has repeatedly expressed its projections on the prospects of the global economy and the economies of individual countries for 2009-2010. In particular, the initial estimates of the fund made in 2008 had to be adjusted in January 2009. Ac-

According to a statement of its former chief Dominique Strauss-Kahn, the fund was forced to drastically reduce projections of the international community economic growth for 2009-2011. Responding to a question, if such projection revision does mean deterioration in expectations of U.S. and European economies, he said: “<...> the first half of 2009 will be bad, the second one may show some improvement but the recovery process can only begin in 2010” [6, p. 2].

In March 2009, the World Bank on behalf of the Chief Bank Economist on Russia, Zeljko Bogetic, made a statement about the possible development of the crisis processes in the global and Russian economies [7, p. 7]. According to the projections of the bank, the world economy should have been significantly degrading performance of their development compared with November-December 2008 and January 2009 projections. The decline of GDP manufacturing in 2009 was projected at the level of 1.7 percent (0.8 percentage points above December 2008 projection), becoming the most significant reduction in global GDP over the entire postwar history. The main features of the global crisis as mentioned by Zeljko Bogetic include:

- A deep and prolonged recession – all the developed countries of the world community should overcome it;
- Significant slowing of economic growth in developing countries and countries with economies in transitional state could be explained by almost six fold reduction of foreign investments volume;
- Oil prices in 2009–2010 can fluctuate within 45–48 USD per barrel and could rise up to the level of 75 USD per barrel only after 2010;
- For Russia, the present crisis is much more dangerous than the crisis of 1998 both by depth and duration.

The decline of the GDP manufacturing was estimated by the World Bank at the level of 4.5 percent while the Ministry of Economic Development of Russia estimated 2.2 percent. The Chief Bank Economist was comforted by two things: margin of safety in the form of a stabilization fund and an incredible amount of tolerance of Russian population to the lack of professionalism in the country management, Russia has enough resources to survive the crisis and keep the chances of further development.

The reality of 2009 has forced the World Bank to clarify the projections of socio-economic development of Russia in 2010 and 2011. After the fall of GDP in 2009 by 7.9 percent, the Russian economy should have had recovered and already in 2010 ensured the growth by 5 to 5.5 percent. This growth should have been much higher than expected in developed countries and than the indicators of the Ministry of Economic Development which were put into the federal budget for 2010 and 2011 – 1,3–3,5 in the current year and 1-3,6 percent in 2011.

In 2010, according to the analysts of the World Bank [8, p. 6], “the effect of the low base” should have worked well, by which the economic growth is compared with the first disastrous quarter of the last year. In 2011 this is not going to happen, therefore the economic growth will be lower. According to estimations, our country has a chance to regain pre-crisis level of economic development under the influence of three factors in the next year. *First*, the steadily increasing prices for oil and other mineral resources. *Second*, the governmental policy to increase wages and pensions extends income and consumer demand for goods and services. *Thirdly*, it is predicted that rather low inflation would do a certain contribution to the economic development.

With all the contradictory prognostic estimations of setting the Russian economy on a trajectory of stable, balanced, innovative, progressive and people-centered development, the difficulties depend on many factors. Among these, the top priorities are restructuring and accelerated modernization of the economy on a totally new technical and

organizational basis, preparation of innovation-oriented managers and professionals, organization of permanent monitoring of social development and the impact that various external and internal processes and circumstances have on it.

In the list of priorities that can ensure sustainable development of the Russian economy, there is a need to emphasize one thing – neither representatives of international organizations nor of individual countries authorities' or let alone the majority of the population is still not able (often because of the reluctance and fear to face even more serious consequences of the crisis) to objectively evaluate the depth and magnitude of the global financial and economic crisis as a systemic and long-term one. You can mute individual seats in a single location, area or sphere, but immediately or within a short period of time they appear again (and already appear!) in another sphere – energy, agriculture, environment, education and upbringing etc.

That is why prognostic estimations of the global crisis and measures to neutralize it are often limited to specific tactical and point-targeted organizational and economic measures. Countries' efforts to neutralize the current crisis look more like a "firefighting" on a particular facility without removing and neutralizing the causes of such fires in the future.

The current global economic crisis, in our opinion, requires a serious and a deeper theoretical and methodological analysis for two reasons. First – its source and cause are not only and not financial imbalances and "soap bubbles" of development [9, p. 18-20] but the crisis inability of liberal market model of development in individual countries and the international community in general.

The task of government, together with the science, business and community representatives is seen as a serious re-evaluation of theoretical and methodological model (and, moreover, the scenarios) of socio-economic development of both individual countries and the international community in general. This re-evaluation should start with a public revision of theoretical slogans of the "resignation of the state from the economy", "priority development of the financial sector", "self-regulation of the market", reducing government spending on social development, shifting to public spending on housing, education, health care, pensions and other postulates and dogmas of the liberal market as eternal and not requiring revision.

The assessment of the global economy of the recent years can only be based on the constant expansion and deepening of financial institutions liberalization and excessive expansion of the boundaries and possibilities of market agents. The role of governmental control and regulation was limited to political, legislative, organizational and financial measures to "expand the market space" and "giving freedom to market institutions" while removing everything that prevented them from functioning in the interests of maximizing profits. This fact is recognized also by the President of the Davos Economic Forum, Klaus Schwab – he noted, that "nothing "can substitute a reasonable competitive fee <...> profit <...> as the main driving force of business" [3, p. 1].

In the terms of an erupted crisis, everybody without exception turned to the state, requiring "drastic measures" from it to restore order, rescue of business and rehabilitation of market values. "The global players, – as claimed by Hans-Rudolf Merz, the President of the Swiss Conference at the Economic Forum in Davos, – must adopt themselves to a new system of supervision and regulation" because the traditional (universal) "standards of behavior were sacrificed to the profits" [10, p.1]. The French President Nicolas Sarkozy is even more emphatic; as the EU-chairman during the second half of 2008, he urged everyone to totally review the existing global financial system and gradually move "to controllable capitalism". He said: "We have to find a new balance between state and market <...> and work out means of regulating the economy in the era of globalization". In his view, the dominant thesis in the world that "markets are always right" is "crazy"

and the principle of laissez-faire is left in the archives of the XX century giving way to "controllable capitalism" [11, p. 1–2]. The interview of the IMF Managing Director, Dominique Strauss-Kahn, in the newspaper "Handelsblatt" (20th of April, 2009) has the same mood: "I would not like to say that we are experiencing the end of the market economy. It would be a strange proposal. But we definitely are at the end of the notion that the market can regulate itself" [12, p. 6].

What do these statements illustrate? And how do they confirm the idea regarding the end of the market self-regulation era?

Such a "reflexive" response by the representatives of the liberal advocates of market economy to the crisis events taking place can be explained, in our view, not only and not by their desire to maintain the market order and market values at any price. This desire is still here and it remains here. In terms of the global crisis a new understanding was formed, that in the difficult times for market values the state should and must take responsibility also for the market risks of private companies and for the preservation of market values for the keeping social and political peace. In other words, we recommend the state and the society to add to the functions of a "night watchman" in the context of sustainable development, to add the function of an "armed guard" and "the guarantor" of market orders in conditions of uncertain development, obliged to compensate the losses of market agents in terms of crisis.

This "reflexive" position of liberal market values representatives indicates, in our opinion, *on the one hand*, the recognition of the increasing threat to liberal market values from the population of the whole world community and not just the wage-workers of individual countries, from which it could be possible to "buy off" with the proceeds from the exploitation of developing countries and the development of state social functions. *On the other hand*, there is an understanding of the need to "sacrifice" some of the postulates and values of the liberal-market development in the interest to preserve the foundations of its political and ideological principles and axioms.

Proposals on the "pendulum" character of the socio-economic development of Russia in general were already spoken and are being expressed as the most objective and balanced reaction of the scientific community and governmental agencies on the optimal use of market-based, state-public and collectivist sources and factors of socio-economic development. In fact, the conditions of stable and balanced development allow limiting governmental regulation to establishing and maintaining legislative and other most conducive conditions for the socio-economic development of all market entities. These ones in this period are gaining macroeconomic conditions and opportunities to fully take the initiative and be creative for stable self-development and solving problems of technological, organizational and structural flexibility manoeuvres.

At the first signs of failure in a stable and balanced development, the pendulum shifts to strengthening the supervisory and regulatory role of the state and partial restriction of freedom of market agents. Through the actions of market and direct influence, the state supports macroeconomic stability and balance providing socially-oriented economic development. Already now, for example, the international community feels the sign of an impending food crisis which is largely reviewed in the scientific papers, a system of state support for national agriculture and especially agricultural producers is now being developed [13].

The *second* reason and the source of crisis is seen in the following: the crisis covering the whole world community sets in front of the individual countries and of humanity not only the problem of theoretical and methodological "purification and renewal", but also a practical task of adjusting the course of country and world development. Its foundation and driving force should be the universal values of "do not kill", "do not steal", "help your neighbor", respect to the results of labour and diligence and others as refer-

ence points, benchmarks and criteria for assessing the socio-economic, public and the world development in general. No doubt, such a reorientation will require both time and extra effort and also tremendous costs. But the result of such a "purification and renewal" will pay off a hundred times. In the changed and changing conditions, the endeavour to keep all habits and customs of "wild capitalism" by all possible ways and means seems anachronistic.

Today, in an age of mass globalization and strong acceleration of scientific and technological progress, the enormous increase of the information amount and social pretensions of the population, the life without governmental regulation is simply impossible. So, getting over the crisis requires not only the denial of some axioms of liberal market theories, but, more important, the formation of a fundamentally new model of market economy in which one could organically connect and interact with the institutions of private initiative and enterprise with the state providing their direction in the interests of social development rather than the individual (group) enrichment. In this suggested model, the role of the state and state regulation is designed not to restrict freedom of private initiative and freedom of entrepreneurship. The state should, *firstly*, create and form the most favorable macroeconomic conditions for their full implementation for sustainable, balanced and socially oriented economic development, being the national "coordinator" of sustainable anti-crisis development; *secondly*, to provide constant and strict control and supervision of the socio-economic development, making adjustments (if necessary) up to the introduction of direct state regulation for a certain period, until the end of crisis or, for example, until the restoration of impaired balance etc.; *thirdly*, the proposed model of market development should be based, in our view, on the constitutional recognition of social justice, social indicators as priority criteria of the whole social development according to which the work of public authorities and administrations should be evaluated.

Regarding the implementation of the named scenario, some vertically integrated companies with state participation in Finland, Sweden and the Netherlands are already acting this way. Also we have a lot of discussion about corporate social responsibility, social partnership etc. Something is even done, for example, by Gazprom and UMMC-Holding. This is also evident from some suggestions made by Vladimir Putin in his speech at the Economic Forum in Davos: Putin presented to the world community a new architecture of international development, cooperation and mutually beneficial integration [10, p. 2]. Some separate sections of the Russian anti-crisis program were developed in this direction and already adopted by the Government.

Lesson Four: Studying the anti-crisis actions

In the present context of development it is essential to carry out continuous and comprehensive monitoring on national and international levels of socio-economic and socio-political development of individual countries and the international community as a whole to identify trends and processes that hamper the development of the global community and individual countries due to their neutralization. The composition of international and national monitoring groups should include representatives from the legislative and executive authorities, different areas of business, science and social organizations. The objectives of this body should be, at *first*, conducting continuous and comprehensive monitoring of external and internal processes and their possible impact on the processes of socio-economic and socio-political development, and *secondly*, preparation and public discussion of recommendations and measures for sustainable and balanced development, opportunities for neutralizing negative processes in the development of individual countries and the international community in general, and *thirdly*, to objectively inform the public and especially the media about changes, reforms and possible (rec-

ommended) socio-economic development scenarios of countries and the whole world community.

World crisis allows us to consciously evaluate the socio-political and socio-economic situation of Russia and of the Russian population. There are reasons to believe that on the wave of super profits gained from the sale of energy by the state corporations / companies and artificially created high and ultra-high ratings of managers on all levels, our “founding fathers” and “the leaders” organized the social development in the wrong direction of admiration for the liberal-market values, arranged a nationwide competition to build consumerism, the growth of profits by all available means and the imposition of other attributes of the “wild” capitalism. The absence of a national development program has allowed the subjective circumstances to take away the power structures together with the Russian population in the opposite direction from those existing problems in society, mainly the challenge of restructuring and modernization of the economy, increasing its level of innovation, reducing social tensions and a dangerous differentiation of society in terms of income and certain others.

Realization of these problems requires, at a minimum, the formation of a socially oriented economy for the entire population, not only for officials and oligarchs, improving the well-being of the entire population by the state control over prices and tariffs and not supporting their increase in interest of payouts of millions of bonuses to officials of state corporations and managers of partially state-owned companies. Finally, the crisis does not only show the falseness and danger of inflating financial “soap bubbles” in the economy through an artificial increase in share prices of companies, financial and banking institutions, but also put the society and its public institutions in front of a need to seriously and effectively concern the fate of the Russian population, the creation of decent living conditions, the development of real economy, strict monitoring and control of market institutions and agents.

A separate question regards the liability of civil servants and officials designed to meet a stable, balanced development and adoption of professional measures to address imbalances in a timely manner. It seems that *any untrue and, even more, misleading information about the development coming from an official who is responsible for the state of affairs in this area of work, as well as failure to take timely action to neutralize the negative processes of development, should be considered as professional incompetence* with all the consequences of such evaluation.

In the complex of measures that could affect duration and depth of the global crisis in individual countries, we will identify an order of precedence in measures to provide state support for different population groups and sectors of the economy, the sequence of their “pull out” from the crisis.

From the depths of history and until now a common human commandment is still on the front burner – if there is a fire, first of all you save the children, the elderly and women. In terms of an “economic fire – a crisis” – this rule does not lose its relevance. And the pulling out from the crisis, providing state support is necessary in the first place for this category of citizens and the entire population: to maintain and to expand jobs, including also through public works, rigid control over the timely payment of salaries, pensions and benefits, to create additional or specialized centres of social support in large settlements, including for psychosocial rehabilitation for those citizens who are in need of it.

Secondarily, the real economy is to be pulled out from the crisis – material production as the foundation and generator of social development. Hopes for “self-preservation” and “self-healing” of the real sector institutions, like the other postulates of the liberal market theories, are history and past tense now. In the current environment, even the most orthodox liberal-market economy countries actively involve the potential and pos-

sibilities of the state to overcome the crisis. Especially since this measure is necessary to be actively used in Russia and other countries with economies in a transitional state. Not the oligarchs need the public support in the first place, not the representatives of state-owned corporations, but innovative oriented commodities and enterprises which are actively working to preserve and expand employment opportunities, particularly knowledge-intensive, and therefore highly paid. And they, unfortunately, have received nothing but promises from the state to date.

But in order to turn these strategic priorities into locomotive engines of the social development in general, at least a "clean up" in the real economy should be performed, a "clean up" of excessive "manacles" of intermediaries, regulatory and administrative bodies. According to the estimates, the "mediation fees" in metallurgical engineering industry, petroleum trade, community facilities and services, agroindustrial complex, energy and some other areas increase the price and tariff component by two or more times.

The uncontrolled increase in the number of managerial and supervisory bodies in Russia is legendary. Such legends confirm an increasing "pressure" of administrative costs on pricing and financial components of the real sector. An important task is seen in a fundamental change of the public attitude towards the real sector, small and medium businesses by lowering taxation and administrative burdens on their production activities. The ongoing crisis should be a "starting line" when the authorities need to move from talking and promises to an actual release of the real economy from all that hinders its lasting stability, balanced and effective development. The sooner and faster this is done, the faster and with fewer losses we will be able to free ourselves from the crisis and minimize losses and damages.

And only after this, and sometimes in the name of this, the state support could be provided to the banking and financial sectors, major monopolies of the commodity sector and other spheres of social development. But again, under strict governmental control, to be used as the state aid for development rather than for extraction of additional income through speculation on exchange rates, drive up the credits interest rates, massive lobbying of long-term benefits (up to 2020 and more) on prices and tariffs of natural monopolies with state participation through the legislative and executive governmental bodies, payout of not crisis-sized bonuses and rewards at the state (national) expense.

Lesson Five: What does the global crisis teach us?

We repeat that the mentioned above prognostic estimations made by the IMF, the Russian Ministry of Economic Development and the World Bank according to their own methods and, with regard to the analyzed factors, evaluate changes and the processes in the world and selected countries rather contradictory. But in terms of the global crisis, when every country is trying to "shake off" the manacles of the global recession on their own, ignoring the interests of other countries and often even at the expense of their interests, much depends, *firstly*, on the opportunity to develop an anti-crisis package of measures to prevent any risks together with taking into account the interests of the world community. The importance of this fact raises in connection with the adjustment of economic development rates in the leading countries. Nobody is willing to say what will happen in individual countries and regions, while everybody agrees that each country will consistently defend the economic interests of their own by all available means.

Secondly, it depends on the sequence of anti-crisis measures implementation in individual countries. The list and the set of these measures is virtually a template for all countries. But the consistency and completeness of implementation differ considerably. The latter circumstance may be a decisive factor in the operational "pulling out of the crisis" with smaller losses. Any mistakes in the choice of priorities, the completeness and

consistency of anti-crisis measures for the pull out of various economy sectors can stretch the state of crisis in the countries even over 2011.

A stable and steady functioning of any complex system, which is the national economy, while minimizing the risks, requires coherence of all its parts in the dissected whole. Stability of the system with minimum risk is determined by the ratio of order and disorder, its violation leads to a disruption in the operation, loss of development orientation and system crash.

A comparative evaluation of the stability of national economies can be illustrated through the approximation of state ownership share to the golden ratio (see Table 1): the closer this share is to 62 percent – the more socially oriented evolves such economic system. If the share of state ownership tends to 38 percent, it can be argued that such economy is characterized by a liberal market orientation. Such an assessment of stability of national economic systems involves the use of relevant political, public, nonprofit and other institutions to maintain sustainability of social development in general.

Table 1

Countries	Public domain / state-owned assets, %
The USA	32
Japan	35
The UK	40
Canada	43
Germany	48
Italy	51
Finland, France	52
Sweden	62
China	66
Russia	From 10 to 29 (according to various estimations)

The data inside the table allow us to assert that the economic system in Sweden is a socially oriented economy in terms of state ownership and the most consistent stability (the share of governmental property is 62 percent), almost near is the economic system in China (the amount of state property is equal to 66 percent). Japan can be considered the most stable economic system with liberal market economy, with 35 percent of governmental property, while England has 40 percent. Russia, with its economic system oriented to permanent and uninterrupted reforms without a clearly defined strategic goal, is doomed to be far from the stability point of the entire economic and social system: *Russia left the socially oriented area and simultaneously “slipped” past the liberal market being on the backyards of global development now.*

And if the macro-economic disaster in Russia has not occurred yet, it is mainly because of two reasons: firstly, everyone has to pay very high prices for the stability support: market agents, public (budgetary) organizations and regions with municipalities, but the main thing – the people! To pay for the rich ones to become even richer, to pay for the officials do not feel uncomfortable in market conditions. The second reason is the longsuffering angelic patience of the population, which allows market-based experiments of a rather dubious nature to be carried out on themselves, ideological essence of such experiments can be expressed by the words “not for public advantage, but to enrich the moneybags”. But the patience is not unlimited. And this should also be taken into account by everybody, regardless of social status, if you still keep at least a bit of responsibility for the fate of the fatherland.

And finally, we refer to another wise truth: neither the society nor the public can be threatened by any shocks, threats and crises if there is a clear understanding of the

management responsibility for the fate of the people. "Do not be afraid to make mistakes – repeated Theodore Roosevelt, 26th U.S. President multiple times – be afraid of repeating your mistakes" [14, p. 682]. In modern conditions, the united, synchronized actions of government, science, business and public institutions could be considered as the guarantee of not repeating the mistakes in the name of sustainable, balanced and socially oriented development of Russian society and each of its members, and not certain groups or factions. A permanent Council of representatives of these groups to monitor the effect of various factors (internal and external) on the socio-economic development of Russia is required. We cannot rely on monopolistic opinions of the officials, even of a very high rank. Too many people are forced to "pay" and pay a high price for their mistakes or unthought decisions.

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