

## The new culture of the global structure of power

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**Abstract:** *At the very beginning of the 21st century, humanity has undergone great changes and has faced great challenges. These changes and challenges are visible on technological, economic, environmental, and political platforms. Humankind today has more power than it has ever had, and feels more insecure than ever before. This discrepancy between the feeling of power and the feeling of insecurity spurs a “new culture of the global power structure” which is increasingly seeking its new philosophical and cultural authenticity, ideological and political transparency, and a new strategy for the survival of humanity. The multilateral competition of neoliberal capitalism is no longer able to open wider perspectives for the development of a new global digital economy. Neoliberal capitalism is no longer able to respond effectively to the global political chaos that is increasingly visible and aggressive on the horizon of authoritarian populist rhetoric that threatens to grow into the mainstream of global social changes. By creating control networks through high-speed Internet connections with centralised crisis management centres, so-called “smart grids” are created, which include control of sets of high technologies and energy sources (the energy Internet (EI)), Internet of things (IoT), “Smart cities”, articulating a programme of “a new key of technological development”, a new concept of “public policy”, which requires a new concept of “responsible and progressive capitalism”, which articulates the vision of humankind in the 21st century.*

**Keywords:** *Artificial Intelligence (AI), The Internet of Things (IoT), The Energy Internet (EI), “Smart Grids”, “Machine Learning Algorithms”, “New Key of Technological Development”, “The Strategy of Creative Attractiveness”, “Progressive and Responsible Capitalism”.*

**Sommario:** *All'inizio del ventunesimo secolo, l'umanità ha subito grandi cambiamenti e affrontato grosse sfide, che sono visibili a livello tecnologico, economico, ambientale e politico. Oggi l'umanità ha più potere che mai, ma non si è mai sentita così insicura. La discrepanza fra le sensazioni di potere e di insicurezza promuove una "nuova cultura della struttura del potere globale" che è sempre più alla ricerca di una sua autenticità filosofica e culturale, di una trasparenza ideologica e politica, e di una nuova strategia per la sopravvivenza dell'umanità. La competizione multilaterale che caratterizza il capitalismo neoliberale non è più in grado di aprire prospettive più ampie per lo sviluppo di una nuova economia globale digitale. Il capitalismo neoliberale non è più in grado di trovare risposte adeguate al caos politico globale sempre più visibile e aggressivo sull'orizzonte della retorica autoritaria populista che minaccia di entrare a far parte dei normali cambiamenti sociali globali. Attraverso la creazione di reti di controllo grazie a collegamenti internet ad alta velocità con centri centralizzati di gestione di crisi, si creano le cosiddette "reti intelligenti", che comprendono il controllo di sistemi di tecnologie avanzate e fonti d'energia (internet dell'energia), l'internet delle cose (IoT), "città intelligenti", l'articolazione di un programma di "una chiave nuova di sviluppo tecnologico", un nuovo concetto di "politiche pubbliche" che richiede un nuovo concetto di "capitalismo responsabile e progressista" e che articola la visione dell'umanità nel ventunesimo secolo.*

**Parole Chiave:** *Intelligenza artificiale (AI), l'internet delle cose (IoT), internet dell'energia (EI), reti intelligenti, algoritmi di apprendimento automatico, chiave nuova di sviluppo tecnologico, la strategia dell'attrazione creativa, capitalismo progressivo e responsabile.*

## **New Technologies and New Changes**

The use of sensors, satellite images, texts, visual information and digital data from various sources, the storage of large amounts of data and the rapid processing of these data by various sophisticated analytical techniques, which can be quickly formed into commercial flows, make Artificial Intelligence (AI) (Stefanick 2020) a decisive factor in the new global structure of power in the 21st century.

In 2016 the Obama administration released the report "Preparing for the Future of Artificial Intelligence," along with recommendations for an "Artificial Intelligence Research and Development Strategic Plan" of federally-fun-

ded AI research and development. A year after the Obama initiative, Chinese President Xi Jinping announced a national effort “pushing for deep integration between the real economy and advanced technologies including the Internet, big data, and artificial intelligence” (Wheeler 2020).

Using automated AI algorithms, it is possible to perform analyses of a huge group of data and satellite images, which allows prediction of the interests and future behaviours of participants and their activities in many spheres of human endeavour.

In recent years, impressive progress has been made in AI, driven by an exponential increase in computing power and the availability of vast amounts of data, from software used to discover new drugs to algorithms used to predict our cultural interests. Meanwhile, digital technologies communicate with the biological world on a daily basis. Engineers, designers, and architects combine computer design, additive manufacturing, materials engineering, and synthetic biology to create a symbiosis between microorganisms, our bodies, the products we consume, and even the buildings in which we live. Technology has brought new products and services that increase the efficiency and satisfaction of our personal lives. Ordering a taxi, booking a flight, buying products, paying, listening to music, watching a movie or playing a game – all this can be done remotely. In the future, technological innovation will also lead to supply-side changes, with long-term gains in efficiency and productivity. Transport and communications costs will fall, logistics and global supply chains will become more efficient, and trade costs will be reduced, all of which will open up new markets and boost economic growth (Schwab 2015). The rapid development of AI & machine learning algorithms opens up great opportunities for development in the economic, financial, transport, health and security sectors and many others (West 2015).

The increasing use of AI and autonomous devices is changing the nature of decision-making, which raises a number of legal and political issues and questions regarding the ethics of the new culture of the global power structure. Humanity’s ability to use new technologies through which one can make decisions, reconsider and change his ability to consider and judge, all with the need to quickly anticipate the possibilities of solving problems, grows into a major determinant of the new culture of global structure of power in the 21st century. Artificial intelligence has moved into the commercial mainstream

thanks to the growing prowess of machine learning algorithms that enable computers to train themselves to do things like drive cars, control robots or automate decision-making (Abate 2019). “Consumer-generated information becomes the essential digital asset for the companies that deliver services to our computers and smartphones. It allows (among others) Google to refine our reaches and target advertising, Facebook to know who our friends are and target advertising, and Amazon to know what we buy and target advertising. The digital asset feeds software algorithms to enable artificial intelligence and machine learning” (Wheeler 2020).

A system of interconnected computers, mechanical and digital machines (The Internet of Things - IoT) that use unique identifiers (UIDs) and can transmit data over the network without seeking human-human or human-computer interaction, will be of particular importance in 21st century.

Thanks to the growing use of machine learning and the use of AI algorithms it is possible to quickly solve practical problems in industry, economics, transport, management and other fields of human activity (Shubhendu and Vijay 2013). Using the AI algorithm creates the ability to make quick and effective decisions in military operations, and in the prevention of conflicts. The time between decision and action is drastically shortened, which opens a certain advantage in the so-called “Hyper war”, where algorithms will have role of ammunition (Davenport 2017). AI & machine learning will have an extremely significant impact on the speed of warfare, the spread of cyber threats and the improvement of existing cyber defences. Preparing for hyper-war and defending critical cyber networks is becoming one of the state’s priority goals in this century. The dual-use nature of many AI algorithms will mean AI research focused on one sector of society can be rapidly modified for use in the security sector as well (West and Allen 2018).

By creating control networks through high-speed Internet connections with centralised crisis management centres, so-called “smart grids” are created, which include control of sets of high technologies and energy sources (energy Internet (EI), Internet of things (IoT), “Smart cities”), articulating a programme of “a new key of technological development”, a new concept of “public policy”, which requires a new concept of so-called “responsible and progressive capitalism”, which will articulate the vision of humankind in 21st century.

A special impact on the new structure of global power in the 21st century will have the development in the field of application of the fifth generation (5G) wireless information network. The 5G mobile network is expected to have a high download speed, as much as 20 gigabits per second, and lower latencies that will enable specialised and precise operations. A hundred times faster than our current mobile connection, the latest 5G technology will change the world around us. But it's not just about speed. The combination of speed, scale, responsiveness and a wider range opens up the possibility of digitising many industries, enabling the most complicated surgery on a patient hundreds of miles away from the surgeon, and a host of other options that have been unthinkable so far. It all sounds almost unbelievable, but with the introduction of 5G technology around the world, such operations could become quite a routine thing. With the growth of a large number of mobile phone users, aggressive investment and growth strategies of large technology corporations and the arrival of the latest 5G technology in telecommunications, user data are becoming a key factor in the development of the digital economy. Consumption of information is becoming a strong driver of market demand and economic growth (Golwala, 2019).

According to some sources, the global implementation of the 5G network is expected to provide about \$ 13.2 trillion in global economic value growth, and create about 22.3 million new jobs.<sup>1</sup>

All states will be strongly interested in supporting this programme, which will lead to a deeper, faster, cheaper and safer Internet globalisation of the world. The states which are able to be the first to fully implement the 5G network, on which the setting of standards and patents in the global supply chain will depend, will have a great advantage.

“China has assessed the economic potential of 5G networks. The country has reported more than 200 million 5G subscribers before the full deployment of the technology and anticipates growth in upwards of three million jobs over a five-year period. Chinese hardware manufacturers and software companies also predict generous earnings from a 5G enabled economy. Chinese telecom-

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1 “The Impact of 5G: Creating New Value across Industries and Society,” White Papers (Geneva: World Economic Forum, Published 7 January 2020), [http://www3.weforum.org/docs/WEF\\_The\\_Impact\\_of\\_5G\\_Report.pdf](http://www3.weforum.org/docs/WEF_The_Impact_of_5G_Report.pdf)

munications companies, like Huawei and ZTE, have become global, low-cost alternatives for 5G equipment... In the U.S., the private sector has largely driven the capital investments in mobile infrastructure. U.S. companies have lobbied Congress for more spectrum – the airwaves needed for 5G networks and timely policy decisions that eliminate barriers to network buildouts. The Federal Communications Commission (FCC), the agency that has oversight of national spectrum assets, has responded by continuing to identify more spectrum available for commercial 5G to meet future demand. In 2019, the FCC announced the 5G FAST Plan, which includes policies and programs intended to deliver a range of spectrum assets, update existing infrastructure policies, and modernize outdated regulations that impact 5G delivery. Since then, additional initiatives have been announced by the agency, including a \$9 billion rural 5G fund, to expand services nationwide... Huawei has grown to be a leader in information and communication technologies (ICT) and most recently in 5G equipment and services. Despite the U.S. ban of Huawei in federal deployments as part of the 2019 National Defence Authorization Act and threats to withhold intelligence from countries that use Huawei equipment, many other governments have not necessarily followed suit. To date, only five other partners have followed the U.S. lead in banning Huawei equipment in their communications infrastructures: Japan, Taiwan, Vietnam, Australia and New Zealand. Other U.S. allies, including France, Germany, Italy, the Netherlands, and the U.K., are moving forward with their deployments with some restrictions, including the use of the equipment at the network's core" (Turner Lee 2020). Since many experts say Huawei Technologies Co. can covertly access mobile-phone networks around the world, the development of the 5G network become the "neuralgična tačka" of a new global structure of power in this millennium. (Pančevski 2020).

With the development of fifth generation wireless technology (5G), artificial intelligence (AI), cyber power grids, biotechnology, nanotechnology and surveillance technology, a high quality of new technological and economic integration between states and market has been noted (Schoff and Ito 2019). This new nature of global integration necessarily requires a balance of interests between the public and private sectors, between states and global participants. Commercial connections, high-tech exports, artificial intelligence, machine learning algorithms, the Internet of Things (IoT) and the existence of cultural

connections between peoples, open new needs for new spaces in achieving intensive cooperation between the technological, economic and security sectors in different countries, even when there are significant ideological and security differences between the strategic interests of these states. For example, when Japanese prime Minister Shinzo Abe returned from his summit meeting with Xi Jinping, where he signed an agreement for Japanese co-investment in BRI projects, there was a clear division among the national security, foreign policy, development, and business communities. Some absolutely wanted to implement that agreement, seeing China as a source of investment and a source of profits via joint investment in the developing world. Others clearly did not.<sup>2</sup>

The introduction of new technologies, from artificial intelligence (AI), biotechnology to smart manufacturing, and high tensions between elements of an inert global legal order and dynamic scientific and technological development, requires a new model of coordination between global participants as well as between public and private sectors. Through the interaction between the private and public sectors, in different countries, new forms of cross-sectoral cooperation are being created that incline to a strategy of “creative attractiveness” that produces less tension between participants than a strategy of “multilateral competition”.

As relations between the public and private sectors of global actors in the 21st century stand in a new environment, where the peripheral countries of Asia, Africa and Latin America are much richer than before, their populations are more educated, their cultural and political value systems closer to the cultural and political standards prevailing in the developed world, the space of these countries is less and less suitable for the strategy of “multilateral competition” or “strategic rivalry” of the great powers. The impossibility of strategic manipulation of the interests of these peoples makes the strategy of “creative attractiveness” more plausible and more attractive for these countries, with positive public perception and positive reaction to benefits of technological, economic, and political development that can be offered to these peoples. Many scholars and politicians argue that the world is no longer flat. The world in the 21st century has many hubs in domains such as financial flows, trade,

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2 <https://www.japantimes.co.jp/news/2019/12/23/national/politics-diplomacy/abe-heads-china-trilateral-summit-focus-falls-meeting-moon/>

Big Data management, and the Internet, which in turn gives rise to many different forms of possible cooperation and attractiveness among governments (Pisani-Ferry 2019).

### **From “Multilateral Competition” to “Creative Attractiveness”**

Opening a wider space to the needs of domestic producers and consumers and avoiding the forced imposition of a development strategy on countries in zones of influence, reduces political tensions between investor countries and the recipients of foreign investment. This provides a more relaxed relationship between the public and private sectors, and a balance between the principles of rationality and profitability is ensured, which increases the mutual interest and benefit for both the investor country and the recipient of the investment. For these reasons, the strategy of “creative attractiveness” makes conflict unfavourable, risky, and too expensive, both for the country of the investor and for the recipient of the investment.

This strategy is not designed to put pressure on the competitor’s state, but primarily to reduce its influence in the area of the interest by combining investments and loans under more attractive financial and political conditions, by providing attractive technical support, avoiding interference in the domestic politics of countries in the area of interest, and providing cooperation through multilateral institutions (Jones 2020).

The strategy of “creative attractiveness” opens a wider space for cooperation between the public and private sectors. This strategy motivates the government to provide support for the most dynamic domestic corporations, and incentivises the general internal innovative, technological, political and social attractiveness of the state in order to provide an advantage in “creative attractiveness” in the global market. In this multilateral creative attractiveness, the most dynamic technology corporations seek technological regulatory oversight by the state in the area of their data collection for artificial intelligence (AI) algorithms, and machine learning. The issue of regulatory oversight is growing into an important factor in the relationship between public and private sectors of state investor and state recipient countries (Nickelsburg 2020).

If competing countries have more to offer countries in which they expand their influence, there will be more intense competition for a higher degree of technological, financial and social attractiveness between them. This “attractiveness of competitiveness” will make relations between states more inventive and less hostile, with more common benefits and interests to both country investors and recipients of investment. This shared benefit enhances the internal cohesion of a strategy of creative attractiveness which makes relations between countries less hostile.

Of course, a state may sharply restrict interactions between its own private sector and the private sectors of foreign states considered to pose a security risk, but this will always have a long-term negative effect, which will make the state much more restrictive toward such a policy. Banning equipment that poses a security risk might be justified in certain cases, but if such bans limit information and market access and development opportunities, then it could have long-term negative effects. If, for instance, Huawei’s 5G technology becomes the dominant standard in several countries around the world while a competing European-U.S.-Japanese consortium makes gains in other nations, each market will become smaller, less efficient, and less interoperable with the rest of the world (Schof and Ito 2019).

In this environment, cooperation between the public and private sectors even in the absence of mutual trust between these countries, is quite possible. For example, Microsoft, one of the most important American companies in the field of AI during the big trade crisis between the USA and China, leads one of the most important research projects for the Pentagon, worth more than 10 billion dollars, and runs one of the largest research centres in Shanghai at the same time (Escobar 2020). It seems that the strategy of creative attractiveness opens a wide space of technological, economic and environmental cooperation between states with divergent strategic interests, even in the absence of their mutual trust, which makes this strategy a highly stabilising factor in international relations.

Shifting international relations towards a strategy of creative attractiveness between the strategic interests of states in world markets does not eliminate the need for a certain balance between the strategy of multilateral competition and creative attractiveness, to reduce possible distortions and ensure the harmonisation of common interests. In the concept of the strategy of creative attractiveness there is a wider space for communication between

the states themselves, as well as between states and other global participants, which modifies the concept of international relations. In this new concept of international relations, the nature of relations between states comes down to the question of how to achieve and protect their interests and at the same time pursue a mutually beneficial relationship with partner countries in many areas. Building a new concept of international relations is centred on win-win cooperation and mutual respect, and working hard to create a community of shared future for humanity (Parenti 2018)

In the new concept of international relations the primary goal of the creative attractiveness strategy is to create a stimulating investment policy and risk avoidance for economic security, which requires opportunities to effectively respond to potential risk and possible market loss and strengthen long-term technological and economic competitiveness, without blocking access to new technologies and technological procedures through the suppression of incorrect and unfair methods access to new technologies and markets. This will require enormous investment in education policy, technological development, and healthcare, which would allow the state to take advantage of the promotion of technological development and democracy at the domestic level for the achievement of its interests and the creation of strategic attractiveness in foreign policy (Rapp-Hooper 2019).

The effectiveness of the creative attractiveness strategy will be significantly supported by a high degree of economic interdependence and interactions in technological processes that simply cannot be eliminated by strengthening industrial nationalism (“America First”, “Made in China 2025”) (Wong 2019).

This has obviously been confirmed during the current global Coronavirus pandemic. The scientific search for a vaccine necessarily requires global collaboration. Global regulation of restrictions on the movement of people is sought. It is also necessary to exchange information on the spread and suppression of the pandemic. It is necessary to establish global common logistics on the issue of restriction of international air traffic, transport, restriction of human rights and freedoms, and lastly global cooperation about the way vaccines are delivered in a time of crisis. Despite of the huge political tension between states, cooperation between them must take place, which is increasingly moving the international community in the direction of a new model of globalisation (Hutton 2020).

## A new culture of globalisation

At the very beginning of this millennium, most investments in scientific research were relocated outside the home countries of the investors. An increasing number of companies are investing in the research and development (R&D) sector, in countries where their sales and production are growing the fastest and where they have a wide and quality talent base with low labour costs and low production costs, as well as a favourable tax system. Countries with high research costs are trying to attract foreign investment in the R&D sector through tax breaks, which implies major changes in their financial and monetary policies.

As a corporation's technology platform becomes more profitable if it has access to a large amount of data and has the power to block access to that data, investment in the foreign R&D sector is particularly important for the further development of globalisation in the 21st century (Wheeler 2020)

The power of the corporation will require a stronger, though limited, regulatory function of the state, which makes the relationship between the public and private sectors the most complex factor of the new culture of global structure of power. By the end of 2020, the EU plans to have drafted new legislation that reportedly will require big companies to share data with smaller rivals. Also, under consideration is gathering the large amount of data produced by European industry into pools that can be shared among companies and economic sectors to aid in the development of AI, which would improve consumers' access to data and its use by third parties.<sup>3</sup>

The balance of power between the interests of the state (as a legislator), the public interest (as the interests of citizens) and the interests of corporations (the market) is increasingly growing into a defining feature of the globalisation of power in the 21st century, which will make the relationship between states (elites), society and corporations (markets) crucial in this millennium. Modern technology platforms such as Google, Facebook, Amazon and Apple are free to consumers and thus directly affect the economic, industrial, political structure of society because the benefit of broad access to these platforms is enormous. Hence the balance between the national security of the state (ruling

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3 European Commission, February 19, 2020).

elites), the public interest (the interests of citizens) and the private interests of the corporation (market) grows into a main component of the global structure of power in this millennium.

The technological attractiveness of the corporation and the national security interest of the state grow into a single homogeneous platform on which the data (data stored about individuals as a national good) needed for the functioning of AI algorithms and machine learning are efficiently collected. This platform is rapidly moving into the world of large financial transactions, which makes it a major determinant of the global power structure in this millennium (Bain and Wagner 2019).

Access to new technologies and a wide database (data on individuals stored as a national treasure) is a defining internal component of the digital global economy, working to create new digital sources that create new data needed to launch new products in a continuous process. Economic activities are increasingly driven by digital resources created, collected and processed by small microprocessor computers, which increasingly shifts the concept of power in the 21st century from military power to the ability to collect and use digital resources (Wheeler 2020).

This new concept of power provides a balance between the principles of innovation and the profitability of digital production only if a balance is established between creativity and access to data of the necessary quality. The absence of this balance can lead to a reduction in motivation for innovation, which will often lead to a conflict of interest between the public and private sectors. A reduction in innovation will occur even if only large corporations have access to digital data necessary for AI. Achieving a balance between the principles of innovation and profitability requires a new concept of public policy, which should not focus only on corporate size. The state has to secure digital assets and make them available to the most innovative corporations while protecting the privacy of the individual.

The growing importance of new technologies will encourage increasing efforts to gain significant technological and scientific knowledge, which will encourage the creation of special programmes for attracting talent and the creation of special programmes for collecting data important for industrial and scientific development. Scholarships and sending students to doctoral studies, cooperation with foreign universities and research centres, international

scientific conferences, entrepreneurship competitions and direct investments and acquisitions of foreign corporations, become important channels for collecting technological and scientific data of interest to the state and corporations in the strategy of creative attractiveness. China is positioning itself to become a competitor in the high-tech industries, including AI. According to a report issued by the Carnegie Endowment for International Peace, “China has eclipsed the U.S. as the world’s largest overall (public and private) R&D investor. The article also points to the Chinese government’s intramural funding in 2017 of \$64.4 billion, compared to \$47.1 billion in the U.S. (Turner Lee 2020).

In the upcoming era of high technology, AI and machine learning algorithms, globalisation through the strategy of creative attractiveness seeks to create a new talent management strategies, create common global standards for development and talent retention strategies, create joint coordination so that the best engineering talents can be exchanged between research centres, in order to create more promising innovative global competitive attractiveness of nations and corporations.

The state and the corporation will become increasingly interested in fostering a cooperative culture that supports innovation strategies and encourages collaboration among research institutions around the world. The harmonisation of intangible culture – such as risk, creativity and openness – is crucial for a new “creative culture of globalisation” in which research and the development of new technologies are dispersed globally. If corporations and states develop and optimise their global innovation networks, they will gain broader access to global talent pools, a wider information and knowledge base and deeper insight into the needs of growing markets. The globalisation of research and development in a new search for revolutionary innovation will allow corporations to gain a wider portfolio than they have in the past.

The globalisation of the R&D sector in the 21st century is breaking the technological monopoly position of the great powers, which will open space for less developed countries to participate in creating normative rules of international trade and financial and technological order, incorporating their interests and security in it. In this process of creating a new global multilateral normative order, the normative domination of large and powerful participants in the international legal system will be significantly challenged, which

will bring a new dimension of creative instability to the zone of global creative globalisation.

New technologies (cyber technology, biotechnology, AI, 5G) are becoming increasingly important sources of unequal attractiveness, which increasingly produces and enables the opening of invisible crisis situations which are difficult to put under political and legal control and are increasingly used in the process of escalating conflict and bypassing the role of international institutions in settling regional conflicts. This will increasingly require a new global legal and political architecture that could successfully control this form of indirect escalation of conflicts between large, small, liberal and illiberal global participants in international relations in a geopolitically divided 21st-century world.

“Current mechanisms are not responding to the expansion of conflict in the Middle East and North Africa. Countries hosting U.N. deployments have accounted for only 7 per cent of total global conflict deaths between 2013 and 2017, meaning that the vast bulk of conflict is not being met with a multilateral response. The presence of terrorism or external support for a proxy has hampered UNSC authorizations or willingness to engage. Even with authorization, U.N. forces lack the capacity to protect themselves and execute their mandates in these environments as highlighted by the Dos Santos Cruz report. Attempts by others, such as the African Union, to fold peacekeeping missions with U.N. political and financial support have floundered on questions of funding and adherence to standards, including on human rights. Without serious reforms, the U.N. will remain stymied from acting in critical cases” (Jones, Feltman, and Moreland 2029).

The renaissance of authoritarian populist regimes in many countries, which use technological development and digital infrastructure to prevent the promotion of democracy, transparency and accountability, could seriously jeopardise the process of creative digital globalisation in the 21st century. In such circumstances, recipient countries of investment capital become less willing to oppose the investor, which often encourages the development of authoritarian regimes in those countries, which becomes the main guarantee to a foreign investor that the debt will be paid properly. In these countries, the model of digital technological control could increasingly become part of the global authoritarian ideological struggle and censorship of democracy. In such circumstances, there is a risk that even some democratic countries may

become less democratic in the 21st century, thanks to a new wave of technological development. Regimes of authoritarian populism are indiscriminate and pursue certain policies that can undermine democracy. These processes, if they become dominant, could certainly change the nature of creative globalisation in the 21st century, which will further exacerbate the issue of the nature of “global governance and transnational cooperation” on the principles of transparency and accountability (Chhabra 2019).

The political corruption of authoritarian populist regimes and an increasingly restrictive approach to civil society institutions will often lead to the privatisation and sale of public media to foreign corporations, to avoid public criticism of the non-transparency of government and public sector work in these countries. In such circumstances “economic power and political influence are mutually reinforcing and secure – especially where wealthy citizens and concerns are allowed to make unlimited donations in the election campaign. This is where the balance of the control mechanisms essential for democracy breaks down. Nothing can stop the power of the rich any more. This is not only an ethical but also a political issue. The new culture of globalisation is increasingly seeking progressive reforms of capitalism, which must begin with stopping the influence of money on politics and reducing inequality in the distribution of property (Stiglitz 2019).

The new culture of creative globalisation will increasingly require a proactive form of regional diplomacy, with the aim of turning neighbourhood areas into zones of common destiny. In this direction, the strategy of technological and economic creative attractiveness will be increasingly used to promote a whole range of multi-application projects that provide greater impact to the country that provides investment in the region and better prosperity to the country receiving investment. The strategy of integration of neighbouring countries into the central network of compatible economic sectors of different countries in the region will become one of the main determinants of the new investment policy in the 21st century, which will make international relations extremely dynamic, complex and more flexible.

Identifying consumer needs and desires, striving to be the first to sell new products and services, closely monitoring your customers and competitors, using a second-mover strategy to keep risks low, use own research to drive innovation and advanced change, developing original products and services

through new technologies, and encouraging a cooperative culture that supports the corporate innovation strategy and encourages cooperation between local government and the corporation (Chesley, Everson and Garvey 2016). These processes make up creative globalisation based on the strategy of creative attractiveness in the 21st century, where the interests of the state (elites), society (individuals/groups), and markets (corporations) enter a new symbiosis and new balance. This symbiosis and balance between the interests of the state, society and the market urgently need an internal reform of capitalism, which will open space for political resistance to the alliance between large corporations and illiberal bureaucracies which has caused confusion and conflicts between the state and society.

### **The Concept of “Progressive and Responsible Capitalism”**

Slow economic growth, growing inequalities, financial instability and environmental catastrophe are problems that have arisen from the market, and that is why the market will not and cannot just overcome them. The state is obliged to regulate the market in such a way that the environment, health, jobs and other important areas for humans are protected. The state is also responsible for what the market cannot provide (active investments in development, technology, education and human health). Without a balance between the interests of the state, the market and society, inequality and poverty among people become even more certain through advances in robotics and artificial intelligence.

In order to strike a balance between the state, society and the market, new economic, social and psychological changes in society, new alliances, new investment incentive models, new standards and new harmonisation of standards and performance indicators of corporations in the process of “creating common values” are needed. This requires a qualitatively new attractiveness between the state, society and the market, which implies the creation of a new model of “creative and responsible capitalism”.<sup>4</sup>

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**4 Davos Manifesto 2020: The Universal Purpose of a Company in the Fourth Industrial Revolution:** i.) A company serves its customers by providing a value proposition that best meets their needs. It accepts and supports fair competition and a level playing field. It has zero tolerance for corruption. It keeps the digital ecosystem in which it operates reliable and

Creative globalization, which is based on the strategy of creative attractiveness, seeks a new model of “progressive and responsible capitalism” as a new agenda based on a balance between the interests of state, society and market.

The model of progressive and responsible capitalism, as a new investment and development project with a new concept of public policy, requires the internal reform of capitalism to strike a balance between the interests of the state, the market and society through “creating common values”. In this project, the purpose of corporate operations can no longer be just to make a profit but above all to “create profitable solutions” for companies, shareholders, employees, and the whole community, which often leads to conflicts between the public and private sectors, most often caused by the conflict between the principles of rationality and profitability.

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trustworthy. It makes customers fully aware of the functionality of its products and services, including adverse implications or negative externalities. ii.) A company treats its people with dignity and respect. It honours diversity and strives for continuous improvements in working conditions and employee well-being. In a world of rapid change, a company fosters continued employability through ongoing upskilling and reskilling. iii.) A company considers its suppliers as true partners in value creation. It provides a fair chance to new market entrants. It integrates respect for human rights into the entire supply chain. iv.) A company serves society at large through its activities, supports the communities in which it works, and pays its fair share of taxes. It ensures the safe, ethical and efficient use of data. It acts as a steward of the environmental and material universe for future generations. It consciously protects our biosphere and champions a circular, shared and regenerative economy. It continuously expands the frontiers of knowledge, innovation and technology to improve people’s well-being. v.) A company provides its shareholders with a return on investment that takes into account the incurred entrepreneurial risks and the need for continuous innovation and sustained investments. It responsibly manages near-term, medium-term and long-term value creation in pursuit of sustainable shareholder returns that do not sacrifice the future for the present. A company is more than an economic unit generating wealth. It fulfils human and societal aspirations as part of the broader social system. Performance must be measured not only on the return to shareholders, but also on how it achieves its environmental, social and good governance objectives. Executive remuneration should reflect stakeholder responsibility. A company that has a multinational scope of activities not only serves all those stakeholders who are directly engaged, but acts itself as a stakeholder – together with governments and civil society – of our global future. Corporate global citizenship requires a company to harness its core competencies, its entrepreneurship, skill and relevant resources in collaborative efforts with other companies and stakeholders to improve the state of the world. (World Economic Forum, / <https://www.weforum.org/agenda/2019/12/davos-manifesto-2020-the-universal-purpose-of-a-company-in-the-fourth-industrial-revolution/>).

The concept of creating “common values” is closely related to the development of a new concept of entrepreneurial skills, and a new concept of normative rules and public finances, which makes the concept of progressive and responsible capitalism extremely complex and difficult to understand.<sup>5</sup>

The concept of progressive and responsible capitalism leads to conflict between democratic governance in the internal relations of the state and respect for international technological, environmental, health and labour standards, as well as transparency of the strategic interests of participants in international relations. Balancing the concepts of public policy, democratic governance, and respect for international legal constraints in international relations is the essence of a new culture of the global power structure which is created on the strategy of creative attractiveness as a balance between the public and private sectors, creating the possibility for resolving this conflict.

Ensuring this tripartite balance among state, market and society creates the conditions for maintaining social peace, the survival of the state and individuals (groups), and providing conditions for the profitable business of corporations, which leads to the creation of their common values and common interests that serve their survival. The goal of this tripartite balance and attractiveness of interest among the state, society and the market, is to create value that serves not only shareholders but all employees, customers, suppliers, local communities and society as a whole. The best way to understand and reconcile the different interests of all stakeholders is through democratic control of the relations between the political power of the state and the economic power of rich people. “Progressive capitalist reforms must therefore begin by stopping the influence of money on politics and reducing inequality in the distribution of property.”

The concept of attractiveness of interest between the state (elite), society (individuals/groups) and the market (corporations), i.e. between the public

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5 The Accountable Capitalism Act, 115th Congress (2017-2018) S. 3348 is a proposed federal bill introduced by Senator Elizabeth Warren in August 2018. It would require that employees elect 40% of a board of directors of any corporation with over \$1 billion in tax receipts, and that 75% of shareholders and directors must approve any political spending. Corporations with revenue over \$1 billion would be required to obtain a federal corporate charter. The Act contains a “constituency statute” that would give directors a duty of “creating a general public benefit” with regard to a corporation’s stakeholders, including shareholders, employees, and the environment, and the interests of the enterprise in the long-term (Wikipedia)

and private sectors, will affect the shortening of the time from innovation to the application of new technologies for broad needs.<sup>6</sup> The shortening of the time between inventions and the application of new technologies significantly increases the need for new investments that open up new creative research, new markets and new forms of consumption. It is a cumulative process that opens wider spaces for new innovations and seeks new changes in production relations, which gives rise to the need for new legal regulations that facilitate technical progress, education and investment in infrastructure and the welfare of the nation. “The well-being of a nation stems from the ability of its population to understand the world around them. This is achieved through education and social organizations, which enable large groups of people to cooperate with each other for the good of all of them. Social cooperation and markets play a decisive role and serve their purpose only if they are based on the rule of law and when the state is subject to democratic control. In other conditions, people can become rich by exploiting others. Instead of achieving prosperity through their true ability, they collect rent. In doing so, they are supported by an undemocratic state that encourages the pursuit of profit and destroys the fundamental sources of welfare production” (Stiglitz 2019, 3).

### **The New Technological Key to the Development**

The concept of „progressive and responsible capitalism“ requires new relations between the state, society and the market, which requires a “new technological key to development” to achieve the goals and interests of the participants, which are related to technological and economic development. The new technological key to development seeks social stability, reduction of environmental pollution through increased use of wind and solar energy, the interconnection of energy systems to reduce carbon dioxide emissions and to create economic incentives for investment in other renewable energy sources such as wind turbines and DC photovoltaic networks.

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<sup>6</sup> The time between the invention and the widespread use of new technologies has been shortened from 80 years for a steam engine, to 40 years for electricity, to 20 years for IT (Information Technology). Today, the time lag from innovation to widespread application of new AI-related technologies is only 10 years.

The new technological key to the development of progressive and responsible capitalism requires the functional integration of all energy sources into a single energy network. It seeks freer access to a new talent profiles, more flexible mobility of experts and easier access to technological equipment. The concept of the new technological key to development requires also new technical and market standards, seeks to develop new research programmes at universities and companies specifically related to the development of quantum secure communications and AI, which will have the greatest significance for the growth of attractive advantages of national corporations, thus favouring the technological and market creative competitive attractiveness of a state in world markets.

This key also seeks to improve applications and connect high technologies, AI, the energy Internet (EI), the Internet of things (IoT), looking for new ways of managing technologies, innovation and the security protection of smart grids. It seeks an energy Internet eco-system through which all aspects of energy production, transmission and consumption are controlled, which will have a decisive role in the new global creative integration of the world in the 21st century. The new technological key of development is based on a series of principles that derive from the concept of mutual respect and dialogue between state, society and market. This is the core of the new culture of creative globalization in 21st century.

However, the rapid spread of the Internet and its use to monitor and control the new technological key to development can be used for cyber attacks on logistics and infrastructure, which can produce major disruptions in the global market and security platforms. Due to high technological delicacy this can often lead to mutual doubts between participants and to the theft of commercial and intellectual property, which can in turn lead to industrial espionage, all of which may result in disagreement and confrontation between states and corporations. Many states would like to make their relations so good, and so strong, that attacks cannot have serious effects (Clarke and Knake 2020).

How “quantum secure networks” can be used to defend intelligence-gathering and government secrets, on the one hand, and for the use of energy Internet applications on the other, leads to the need to develop a new software programme for Internet security based on the widespread use of “quantum communication” methods. These delicate soft touches between creative techno-

logical integration and potential security/political conflict might be new neuralgic spot in the new culture of the global structure of power in the 21st century.

One of the most important determinants for solving the problem of creative technological integration and potential security/political conflicts in a model of progressive and responsible capitalism are faster and cheaper access to sources of technological knowledge and the easier and faster involvement of talents and educated people in scientific and technological research and in the implementation of research projects, intellectual property protection and quality control, locating and retaining top talent in intensive fields. This concept of solving this “neuralgic problem” requires new regulatory, infrastructural and cultural conditions leading to faster innovation and integration of business processes, and wider and stronger connectivity of industrial, academic and cultural communities. This will create a welcoming environment for highly qualified migrants – professionals who could effectively mobilise in the space of the new creative globalisation.

Investment in the R&D sector is one of the determinants of the technological key to the development of responsible and progressive capitalism and the new culture of the global power structure in the 21st century. Investments in the R&D sector function as a platform for the exchange of technological resources, including universities as science incubators, numerous local technology companies, and local authorities. From these platforms come new ideas and solutions for numerous consumer demands, whose interests and needs become the driver of a new form of innovative global production. Placing investments in the R&D sector in other countries is becoming increasingly important for every country in the world’s global market. Investments in the R&D sector in foreign markets will increasingly mean the creation of a higher degree of technological interdependence between the countries where the technological research institutions are located and the countries of the investors. This connection between investing in the R&D sector in foreign markets and the talent base, technology incubators, and local authorities will form an increasingly important dimension of the new culture of the global power structure. Any exclusion from this investment cycle will significantly affect the technological attractiveness and ability of the state in the global markets.

The technological key to the development of responsible and progressive capitalism especially includes the availability of electricity (extensive networks

of hydropower plants, thermal generators, windmills, solar generators), drinking water production, acceleration of the Internet in rural areas and areas with high population density. The energy concept of global development will increasingly articulate the so-called “Arctic policy” by encouraging the development of geothermal and wind energy production in the Arctic, which will lead to the opening of new market spaces and new relationships between global participants. The search for reliable and renewal sources of energy leads the further activity of the state far beyond its borders, which could constitute a new incentive to a global strategy of creative attractiveness in 21st century (O’Hanlon 2019).

The new technological key to the development of responsible and progressive capitalism will enable an increasingly direct global connection between the interests of the state, talent, and corporations. This tripartite global relationship (state-talent-corporation) seeks a new form of social consciousness that suppresses the neoliberal concept of capitalism and the concept of neoliberal geopolitical power, making the new culture of the global power structure even more complex, dynamic and difficult to understand. The broad dynamics of the model of progressive and responsible capitalism with the strategy of creative attractiveness will require additional regulation of relations between markets (technology firms) and the state, and regulation of relations between state and society.

### **The New Concept of Public Policy**

Due to the increased power and the growing sense of insecurity of human beings, the 21st century is a century of intensified state intervention not only in sectors where its presence is naturally expected. Civil wars, violence, organised crime and corruption, accompanied by global climate change, shortages of drinking water, the collapse of health systems, large-scale migrations, unemployment, ageing societies, global pandemics – all these demand a new concept of public policy.

The new concept of public policy in the model of progressive and responsible capitalism seeks to improve the information of citizens (voters) to be able to opt for a model of public policy (state) which will be able to offer them an

adequate, realistic and long-lasting solution for survival. Citizens are looking for a public policy concept that can accompany a new global economy and society in which the problem of individual (group) survival will be effectively addressed through a new redistribution of the tax burden between labour and capital, which will necessarily lead to a new redistribution of income between rich and poor. This concept of public policy is focused on the relationship between democratisation of society and new technologies, artificial intelligence (AI), entrepreneurial skills, public finance systems, shortening the path from invention to market, and faster adaptation to new market conditions, which increasingly leads to the need for neoliberal capitalism reform.

The new concept of public policy is increasingly looking for a new investment and development project, which is a mixture of philosophical, democratic, economic, political and strategic goals of the state, society and corporation, which radically changes the character of international relations. As the design and concept of a new international order remains on a multilateral approach but with bilateral decision-making, it will produce high-vibration political tensions in the 21st century. The neoliberal concept of an unregulated global economy proves incompatible with the concept of global democracy, which cannot function without the assistance of a national democratic state. Thus, the new concept of public policy necessarily enters into a dialogue with the concept of democratic governance, whereby the strategy of creative attractiveness can offer an appropriate investment and development project in which the concept of the new global economy and global democracy could reach a certain degree of compatibility.

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