INTERNATIONAL RELATIONS, CULTURE AND GLOBAL FINANCE

Akis Kalaitzidis, EDITOR

Associate Professor of Political Science
University of Central Missouri, USA

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On June 12th 1987, President Ronald Reagan stood at the Brandenburg Gate in Berlin and issued a challenge to his Soviet counterpart, Michael Gorbachev, to “tear down this wall.” The Berlin wall then stood as the quintessential symbol of a bipolar world, a world divided between the capitalists and the communists. Reagan’s challenge was met by Gorbachev who presided over the dismantling of the Berlin wall and in the process the dismantling of the Soviet empire, forever changing international relations. That was then.

On September 11th 2001 a group of Arab students in the United States highjacked and flew planes in to the twin towers of the World Trade center in New York City and the Pentagon in Washington DC, an almost unimaginable feat of terror. The United states shocked the world in response by invading in 2001 not only Afghanistan, the state that provided the training bases for the hijackers of 9/11, but also Iraq in 2003, as a response to what the Bush administration termed the Global War on Terror.

Meanwhile the United States economic system underwent the largest crisis in its modern history, the largest since the Great Depression, when the housing market prices collapsed and the financial system nearly froze when several financial institutions collapsed. By 2009 the markets had been assured, at least partially, by the actions of the US and other first world governments, which provided much needed liquidity to financial institutions. Yet the unavoidable recession in the global economy hurt small countries suffering from sovereign debt crises not to mention the average American and European worker who felt the immediate effect of the recession.

Finally, in 2010 a revolt against the Tunisian government which ended with the ousting of President Ben Ali in January 2011 spread like wild fire through the Arab world in Egypt, in Bahrain, in Syria, in Yemen, and in Libya. The Arab spring as it has been termed is an effort from the grassroots to rid the arab world of its dictatorial shackles.

This book will argue that these events as disparate as they may seem are interconnected and can be explained by examining the nexus of international relations, culture and finance. The changing of the international system seemed
to open up the world to a new type of conflict, one that was vicious and
dehumanizing it reminded all of us of the negative side of nationalism and
ethnocentrism. The post-Soviet republics and some former communist states
collapsed under the weight of a corrupt culture and a stagnant economic system
and reverted back to ethnonationalism and civil strife, as in Former
Yugoslavia. Yet that was not the only or the most important change that
occurred with the collapse of bipolarity. The vacuum left by the collapse of the
Soviet Union created the US hy‌‌per-power which seemed poised to re-shape the
world in its own image and the attacks of 9/11 made absolutely certain that the
US would be at war against an ideology, if not a war tactic, for a very long
time. Suddenly the global war started by the religious zealots of Al Qaeda had
a transformational impact not only on the sole remaining superpower but also
upon the Muslim states of the world themselves from south-east Asia to the
Atlantic.

In the world which was radically transformed from a bipolar system that
was created in the end of WWII came to be added the woes of economic
hardship that spans the globe making individuals question their allegiance to a
state that can no longer provided for them not to mention the legacies of their
colonial past, thus the nexus of international relations, culture and the
economy.

In this book professor Kalatzidis provides a detailed theoretical analysis of
the interconnectedness of international relations, culture and ethnicity arguing
that this volatile mix is the cornerstone of International studies as a field of
politics today.

Professors Stivacthis and Habbger look at the impact of the OCSE as a
regional society in Europe. Their effort is to understand how the Western
European states managed the transformation of the former Soviet/communist
states in the East by attempting to transfer their cultural and moral standards to
the newly independent and changing states. Their arguments is that “the
‘civilizing’ process is like a process of socialization in which members of a
particular society see their own standards as constituting ‘civilized’ behavior.
In international society, a non-member state that becomes ‘civilized’ accepts
the norms and practices of the member states. States which are unable to
comply with the standards of behavior are ‘named’, ‘shamed’, and are
characterized as ‘backward’, ‘rogue’, ‘pariah’, etc.”

Professors Staab and Wallace on the other hand looked at the impact of the
transformation of the international system by looking at the impact the changes
had in the domestic legal structure of the United states. By engaging in an
examination of the way the legal system has handled the “war on terror” in
general and the detainees that war has produced in particular. They argue that
“that the arguments made to‌‌gainst judicial reliance on foreign law are
overblown, ahistorical, and ill-advised. Part I examines the two major
criticisms lodged against foreign authority in constitutional cases. Part II
evaluates these criticisms and concludes that the arguments do not hold any
weight. Part III argues that the use of foreign authority in constitutional
analysis does not pose a threat to U.S. sovereignty and that the proposed Constitution Restoration Act violates separation of powers principles.”

Professor Simbar argues different US policies towards the Islamic world would be counterproductive. Where many Americans may see US policies animated by ideological consistency and even moral clarity, Muslims see double standards and moral bankruptcy. For example, Palestinians and occupied Iraqis have fed a deep cynicism about American politics. When speculating about America’s intentions, Muslim consider not only contradictions of word and deed but also the public statements of those who formulate contemporary US policy. In light of these perceptions, America should not be surprised that most Middle Easterners view incidents in Iraq as actually a campaign to subjugate. Arabs and Muslims, within the well-established tradition of Western imperialism. The US by calling for respectful dialogue and mutual engagement, can help to transform a legacy of pain, producing a deeper knowledge of what the “other” has to say, a more realistic understanding of present opportunities and dangers a basis for cultural peace.

Professor Matic argues that the Kosovo battle was fought in 1389 yet it is today the driving force in Serbian politics and defines both the nature of internal struggles and relations with the world. It has been raised to the level of a dogma and remains at the very core of the national interest. However it has never been opened to a public debate or any kind of evaluation. Everyone is expected to have internalized the myth and support it wholeheartedly. It is the embodiment of patriotism and even the family and closest friends are judged based on it. This “chosen trauma and glory” symbolizes deepest fears, humiliation and pride at the same time, long period of victimization, suffering and anticipated reward still being awaited. It informs the analysis of the past and explains current international developments and the position of Serbia.

The myth was reinvigorated once again in the late eighties and used successfully as the foundation of the policies by Milosevic’s regime. It was an instrument of the nationalist part of the elite to support the project of Greater Serbia, but then it was high jacked by Milosevic and his power apparatus. The sanctions in the nineties resulting in almost total isolation of the country facilitated further growth of radical nationalism and enforcement of a corresponding interpretation of patriotism. After 1999 it morphed into anti-Western, and in particular anti-American and anti-NATO positions disguised today as defense of Kosovo. Removal of Milosevic in 2000 was followed by coalition governments deeply divided over the course Serbia should take, which prevented radical departure from the policies and the mindset of the past. The electoral body remains ambivalent with a majority supporting today “Both, Kosovo and Europe”.

Abstract: What is terrorism? This essay utilizes the ‘critical terrorism studies’ approach, as well as political theory, to analyze two historic cases that are usually characterized as examples of terrorism in anthologies on the history of terrorism, namely John of Salisbury’s theory of tyrannicide and the Nizari movement. It argues, by defining terrorism as “the use of violence to create fear for political ends,” that John of Salisbury’s defense of tyrannicide may
instead be classified as a means to end violence without creating fear rather than terrorism. By contrast, the Nizari movement employed some aspects of terrorism, although maybe in a similar degree to the counter-acts employed by the Seljuk Empire perceived by the Nizaris to be a foreign oppressor. This essay also claims that the simple act of a political assassination does not qualify per se as an act of terrorism.

Professor Betina ask her readers to consider the important question: Koch What is terrorism? This essay utilizes the ‘critical terrorism studies’ approach, as well as political theory, to analyze two historic cases that are usually characterized as examples of terrorism in anthologies on the history of terrorism, namely John of Salisbury’s theory of tyrannicide and the Nizari movement. It argues, by defining terrorism as “the use of violence to create fear for political ends,” that John of Salisbury’s defense of tyrannicide may instead be classified as a means to end violence without creating fear rather than terrorism. By contrast, the Nizari movement employed some aspects of terrorism, although maybe in a similar degree to the counter-acts employed by the Seljuk Empire perceived by the Nizaris to be a foreign oppressor. This essay also claims that the simple act of a political assassination does not qualify per se as an act of terrorism.

Professor Hanish argues that Iraq is a home for some of the oldest ethnic minority such as the Chaldo-Assyrian people, who are also Christians. This ethnic group is scattered around many areas in Iraq, whether in the Arabic controlled area or in Kurdistan region of Iraq. The largest concentrated of the group is in Nineveh province in the north under the Arab control. It extends to Duhok province in Iraqi Kurdistan region. The nature of the new Iraqi Constitution of 2005 and the inability of the Iraqi government to secure the Chaldo-Assyrians are encouraging many of them to seek special administrative system for their territories. They are seeking autonomy (self-rule) for their districts based on ethnic principles. A historical background of the Chaldo-Assyrian People in Iraq is presented and a brief overview of the Chaldo-Assyrian demographic presence in the Nineveh Plain is presented. A case for an autonomous region for them and its location is suggested with a counter argument. It is suggested that autonomy for them to be within Kurdistan region because the experience of 15 years of Kurdistan region has transferred it to a developed level, comparing to the rest of Iraq. Article 35 of Kurdistan Constitution guarantees ethnic, cultural and administrative rights to the Turkomans, the Arabs, “the Chaldeans the Syriacs the Assyrians,” and the Armenians, including autonomy, wherever any of those components represent a majority of the population. Joining Kurdistan region in a referendum would guarantees their autonomy but not if they continue being part of the Arab area.

Professor Sheiknehin argues that over the past few decades, Islam has emerged as a political force on the international scene and this paper analyses the factors leading to, and the implications of, this heightening of the profile of a religion. In the political sphere, there is a wide range of emphases both in which an Islamic society might be realized, and the ways in which such a society might conduct its relations with non-Muslim world. Within these
different emphases are some radical tendencies. A cluster of fringe groups, broadly referred to as Islamists, have appropriated the rhetoric of Islam, applying to a promised Islamic reality to be realized once Islam is fully applied. His article is driven by the concerns to address these issues. Areas that are covered include an examination of the challenges of Islamism to the Muslim world, the use of Islam as a political tool on the international scene, and its regional articulations.

Igor Delanoë argues that since the collapse of the Soviet Union, Tel-Aviv faced the immigration of more than a million of former soviet citizens in Israel. The question of the influence of this immigration on the cultural, economic and religious life of the Hebrew state has often been raised. Nevertheless, this community also acts upon the foreign policy of the state of Israel. Considering the weight of this community over the Israeli political life and the strategic return of Russia in the Mediterranean Sea and in the Middle East since 2000, the Russian-Israeli citizens are at the centre of geostrategic issues. Indeed, the Kremlin adopts a double position: the perpetuation of the fruitful links developed since 1991 with Tel-Aviv and, meanwhile, the development of a bilateral cooperation with States which are clearly hostile to Israel. Nevertheless, Moscow and Tel-Aviv have strengthened their links during the last year despite the Georgian crisis in August 2008. The purpose of this paper is to deal with the real influence of the Russian speaking community in Israel on the Russian Israeli relationships.

Professor Swayer in his article attempts to establish a link between literature and culture by arguing that “the Postcolonial theoretical perspective posits that literature is more than just a product of culture, and that there’s an important level of interactivity between the text and the audience. The elements so crucial in shaping the emerging nation—the profound level of hybridity, the entrenched slavocracy and traditional reliance on the European Other, and the interdependence of abolitionism and the independence movement—all find expression in the literary works of that turbulent period.”

Professor Schuller focuses on Europe’s position regarding Christian minorities in the Ottoman Empire at the end of the nineteenth century. Based on the articles and speeches of the Egyptian nationalist leader Mustafa Kamil (1874-1908) it will try to analyse different aspects of this relationship and its reception by the Muslim majority. On the one hand, by using the Copts it will be shown that Europeans were ready to use Christian minorities in order to strengthen their own position in occupied territories. On the other hand regarding the Armenians the question of religious prejudices as a factor in international relations will be examined. The idea is to demonstrate that while claiming impartiality most Europeans had a negative image of Islam and its adherents. Kamil’s work will be used to exemplify that while Europeans – like Gladstone - were ready to support independence movements or nationalist feelings coming from a Christian corner they negated the Muslims capability of any self governance. Still it will also be made clear that while favouring Christians the Europeans did never see them as equals but more or less instrumentalised them in order to hinder the upcoming of a national spirit. Here
again Kamil will be used for examples as his speeches clarify the existence of such a feeling and the quest for national unity regardless of religion.

Hazal Papucular focuses on the guiding principle of Italian foreign policy in the interwar period, which was the Mare Nostrum (Our Sea) policy through which the domination over the areas that had been formerly ruled by the Roman Empire was regarded as the foremost aim of Fascist Italy, in order for a national regeneration after the ‘mutilated’ victory in the Great War. In the light of this imperial goal, Italy posed serious threat to the sovereignty of many countries situated in the Eastern Mediterranean and the Adriatic region, throughout the interwar history. Turkey was one of these countries that felt the keen Italian threat. Obviously, the threat perception of Ankara on the basis of Rome was not a groundless concern in the sense that the Italian disappointment about the Great War had been related mostly to the Southwestern Anatolia. Therefore, on the basis of Mare Nostrum policy, Italy tried to achieve what it could not succeed previously, through the use of various techniques. The threat that Turkey perceived from Italy especially through the fortifications on the Dodecanese Islands became so influential for Ankara that the whole interwar Turkish foreign policy was formulated vis-à-vis Italy to a large extent. This means, Italy became the determinant actor in most of the decisions, initiatives and the orientations of the Turkish foreign policy of the time, like the realization of the Balkan Entente, the efforts for a Mediterranean Pact, the Tripartite Alliance of 1939 etc. abstract

Professor Mulcachy reviews the major themes that have informed cultural policies given the legacy of coloniality. These conceptual concerns include: (1) cultural renaissance, Quebec; (2) cultural reconstruction, Mexico; (3) cultural revivalism, the Islamic world. Finally, some concluding observations will be offered about cultural nationalism and the politics of identity with particular reference to Puerto Rico. What should be clear is that these cultural policy issues are found not just in what were imperial dependencies, but also in regions that have been absorbed into modern states as a part of their nation-building experiences. In sum, the experience of coloniality is not restricted to the former colonies of the so-called “developing world,” but can also be found in the “internal colonies” of developed countries, as well.

The term coloniality is used to denote not simply political or economic dependency, but a particular form of dominance that creates an asymmetrical relationship between the cultural “hegemony” and the meaningful “other”. Consequently, the experience of coloniality necessitated a re-imaged public culture to counter the suppression of marginalization. The related cultural policies seek to assert influence over the discourse that defines national identity. In essence, such cultural policies have as a central goal the determination of who controls the definition of their identity: having a voice in telling their stories and creating their own creative distinctiveness.

Professor Ben-Meir focuses on the situation in Morocco arguing that In a speech on November 6, 2008, the 33rd anniversary of the Green March, King Mohammed VI of Morocco announced a national regionalization plan that includes the Western Sahara. Morocco’s intention is to regionalize (or
essentially decentralize) decision-making authority and management in regards to socio-economic development, but also political affairs, the judicial system, and other important responsibilities and institutions. Morocco’s regionalization project expands to the whole of the country the basic terms of the Kingdom’s 2007 “autonomy within Moroccan sovereignty” proposal to the United Nations Security Council as a way to resolve the Western Saharan conflict. This essay describes the king’s “roadmap” to regionalization and its principle elements, including devolution, deconcentration, and the democratic participatory method, or delegation. The essay also provides recommendations to strategically implement Morocco’s regionalization model. Potentially, regionalization could establish the necessary conditions to finally resolve the Western Saharan conflict, but only if it genuinely advances the political, social, economic, and environmental fulfillment of the people there. The principles, objectives, and actions that make up the king’s roadmap are highly conducive for sustainable development and democracy-building. How the plan is implemented, however, will primarily determine if regionalization will create broad-based development for the people and end the Western Saharan conflict. Successful resolution of the conflict will most likely enable a significantly more productive Maghreb Union, involving greater cooperation on matters of security, development, the environment, and others, among Morocco, Algeria, Tunisia, Libya, and Mauritania.

Baris Cayli asserts that emergence of the civil society reaction against the Mafia is not solely based on reactions of the ordinary people against the oppression of the Mafiosi in the southern part of Italy but also it is a condemnatory response to the lack of responsible state mind to protect its citizens against the subordination by the different Mafia groups at the first stage and politicians’ colluding network with the Mafiosi at the second. Accordingly, I argue that the fight of the civil society against the mafia should be concerned as a proof how the Italian state has been unsuccessful in the combat against the Mafia associations. Thereof, this article suggests that a moral resistance was revealed by both contribution of the individuals and civil society because of the combining factors of the Mafia oppression and state absence in the region. To discuss these arguments, the paper has divided into three main sections. First, I will summarize the social and political situation in the country to make clear the situation from the political-criminal nexus and state failure. Afterwards, I will turn to the emergence of the civil society struggle against the Mafia. Finally, I will introduce a new phrase; F.I.G.H.T (Futuristic Investment to Get Healthy Transformation) to define the emergence of the anti-mafia grass roots, its targets and the process that they have been following to accomplish their goals.

Professor Felsen begins the section of the impact of the financial structure on the international system by looking at the impact the global hedge funds had in the global financial crisis. He underlines the reasons why these funds remained unregulated for so long and they nearly destroyed the financial system as we know it today. He argues that the reasons why these funds remained unregulated was that they were able to convince officials in most advanced industrial societies that they pursued efficiency-enhancing strategies
and that they could regulate themselves. In addition he argues they were able to benefit from “regulatory capture” by which they so called regulators were in essence promoting the interests of the hedge funds and finally, these hedge funds were able to benefit from “self-capture” in the regulatory community, or the awareness the regulators had of the limitations of their strategies to regulate the sector.

In addition to these reasons professor Felsen identifies several factors that influenced the regulatory regimes set up for Hedge funds and those include successive US administration policy interests, the lobbying that the hedge fund industry engaged in and finally the absence of a financial regulatory contagion to bring about a change in the global financial system.

Professor Leen argues that like a tsunami, we are facing a hype among governments to socialize the losses of banks and (partly) nationalize them. It almost looks as if socialism, at least for the important problems of the world, is working again. In this paper, however, we will look for the liberal (in its European meaning of the word) answer. In other words, we answer the question why socialism will not work: empirically, economic-theoretically, and ethically.

Empirically, the development in Eastern Germany as compared to that of he Czech Republic after the fall of communism is almost a controlled experiment that shows the differences in the results of socialism versus capitalism. Despite massive support, the former East Germany is not doing better, even worse, than the Czech Republic, who just allowed the market to work.

Economic-theoretically, to solve the financial crisis we do need the use of all the knowledge we do have. We need the knowledge creative bankers do have or do discover if only pressed to use it. Hence, not central but decentralized decision-making is the answer to the credit crunch. Besides that, where does all the money of government intervention come from? We do see the life giving rain but we do not see the drought it creates elsewhere.

Ethically the more governments decide, the less there is for individuals to decide. This counts also for what to do with the property of the individual banker and investor. Given the self-evident individual right to life, liberty, and property, the policy is immoral.

How would the liberal answer to the crisis have looked like? First, the best rule to regulate banking is the free market. A policy for which there will never be an equivalent in government regulation. If government guarantees had not backed the loans, many of the homeowners would not have gotten a loan by the financial sector in the first place. Second, many banks would have gone broke. As against the assumption behind the too-big-to-fail doctrine---not all banks would have disappeared in a black whole. We would have had a smaller but viable banking sector together with the sound financial incentives at work of profit and loss.

Professor Leen in his second contribution to this volume argues that the European Commission wants to reform the budget of the European Union. New own resources are high on the wish list. The article gives the rationale and the historical background to the debate on the reform of the EU revenue system.
and discusses the proposed new own resources. Too many ad hoc assessment criteria do plague the current debate: the contours of a systematic onset to the problem are given.

The status quo of the current budget is, from the point of view of the legitimacy of EU policies (based on subsidiarity and proportionality), and therefore the existing fiscal sovereignty of the Member States, to be preferred. Only seigniorage, the monetary gain from the creation of the Euro that flows to the European Central Bank, comes into account as a new own resource.