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GENESIS OF GLOBAL SYSTEMIC CONTRADICTION OF MODERN TIME

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Abstract

In this paper we show for the first time that it is a predictable sequence of historical events among which the formation of "debt pyramid" (ascent of debt) is a powerful driving force in the sphere of social, economic and legal relations that acts as a forerunner of the transformation of a local "creditors" - "debtors" contradiction into its global systemic form. Unlike many fundamental and profound works devoted to the theory of credit and money, a "debt" (a persistent historical phenomenon) is viewed as an immanent form of a systemic contradiction. The mechanism of unfolding of the "creditors" - "debtors" global systemic contradiction in its fundamental social, economic and legal forms today predetermines the process of transformation of a local phenomenon – the "debt", and the forming in this connection of local interests into a global phenomenon, a "unipolar world", and the forming in this connection of political and financial elites' global interests.

Keywords

Credit Trap – Credit Expansion – Consumer Society – Social Wave Resonance

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Introduction

The Glorious Revolution¹

According to J. Goldstone, with whom one can agree, "Revolution is a violent overthrow of power carried out by means of mass mobilization (military, civilian, or both combined) in the name of social justice and creating new political institutes"². It is obvious, however, that the phenomenon is richer than law. Each revolution is peculiar, each revolution is wayward, each revolution has its hidden motives. Of course, we are talking about social revolutions.

The Glorious Revolution (1688, England), the Great French Revolution (1789-1799), the English Revolution (English Civil War) (1642 - 1688), the Dutch Revolt (1566-1609/1621-1648), the American Revolution (1776-1787), the Russian Revolution (1905), the October Revolution (1917 - Russia), the November Revolution (1918, Germany). The list of "revolutions" and their names touching upon various eras of human existence from Antiquity, Middle Ages, Renaissance, Reformation, Modern and Contemporary Times, and to forecasts for the future of revolutions, can be infinite, to put it tentatively. The reasons creating conditions for a "revolution" are numerous, and there are many interesting and profound works as to their identification and analysis. These reasons are both systemic, and accidental. In the most generalized form, the set of "**structural**" reasons is usually construed as follows: "long-term and major tendencies undermining the existing social institutes and ties"; "demographic shifts ... scarcity of land and jobs, **rent is growing**, real incomes are falling ... **prices are growing**, taxes are undercollected or not collected at all"; "changes in the system of international relations"; "uneven or dependent economic development"; "new ways of exclusion or discrimination as applied in respect of individual groups"³.

Undoubtedly there is a causality in social conflicts including those developing into revolutions. This causality is a chain of cause-and-effect relationships of various events (sometimes accidental, at first sight), significant phenomena, large-scale and persistent phenomena transforming into socio-economic shifts in social being as a form of materialization of contradictions. We believe that revolutions occur when there is a high degree of concentration of **passional energy**⁴, special conditions must be conducive to an "outburst" of **passional energy** in case of social cataclysms. We refer to these conditions as to the "**social wave resonance**". But that we will discuss later. Elaborating the aforesaid we will specially mention a very significant phenomenon of General History, the Glorious Revolution, its hidden springs and financial secrets. Parliamentary differences about the political order of 17th century England. It was then that liberal Whigs and conservative Tories came into existence. During that period English politics was dominated by the Whigs who became initiators of the Glorious Revolution (1688-1689)⁵.

¹ Glorious Revolution is the name of the coup d'état of 1688 accepted in English historiography

² Jack Goldstone is an American sociologist, professor of the University of California, the researcher of the problem of revolutions as key conflicts of human history leading to essential change of society; J. A. Goldstone. *Revolutions: A Very Short Introduction* (Moscow: Publishing House of Gaidar Institute, 2017) y V. A. Korenyako, "Toward the Criticism of the Concept of L.N. Gumilyov", *Ethnographic Review* num 6 (2006): 22-35.

³ J. A. Goldstone. *Revolutions: A Very Short Introduction*...

⁴ L. N. Gumilyov, *Ethnogenesis and Biosphere of Earth* (St. Petersburg: Kristall Publishers, 2001).

⁵ R. Eagles, *History of England* (Moscow: AST Publishers: Astrel, 2010).

The scholars studying the history of England consider the Glorious Revolution as the turning point which thereafter defined the fate of not only Anglo-Saxon, but also of all western civilization⁶.

William III Prince of Orange (1650 - 1702), the ruler (*stadtholder*) of Holland, has gotten English throne (1689)⁷ owing to the Glorious Revolution, as the Whigs called him "into power". William III was married to princess Mary, daughter of James II, and had formal rights to the English throne as her husband. Among them were also those who on 30 June / 10 July 1688 had sent to his highness the *invitation* to come to England with troops. It is very important that the arrangement of the Prince of Orange with Prince George and Princess Anne (daughter of the King of England James II (1685-1688)) about taking his side was reached even *before the landing of the Netherlands troops* on the coast of England.

In 17th century the notion of "revolution" was assigned other meaning, it was a restoration of previous ways, rather than establishing new ones. It was its participants who were the first to call the coup d'état of 1688 the Glorious Revolution, as it was bloodless. Hence in English (and later also in world) historiography the assessment of events of 1688-1889 as the Glorious Revolution. This is also witnessed by the speech of Queen Elizabeth II on the occasion of 300th anniversary of the Glorious Revolution made in UK parliament in 1988. It is for this reason that the Whigs considered bloodless revolution of William III Prince of Orange as their unconditional victory. A number of parliamentary legislative reforms followed, which were what the Whigs counted on, and bloody battles in their [reforms'] defense. The main achievement in the sphere of politics and law was the Bill of Rights (1689)⁸, one of component parts of the British constitution, which legally confirmed *human rights* (we note, long before French Revolution) and defined the development of England as a *parliamentary monarchy*.

However, the Glorious Revolution, like any other revolution had also its own financial secrets⁹.

Secret one. In the sphere of finance, the granting of a loan by a syndicate of usurers, of a very large loan for the preparation and carrying out of military invasion.

⁶ R. Eagles, History of England...; L. V. Sidorenko, "Historical Consequences of the Glorious Revolution: Concerning the Question of Revolutionary Nature of Events of 1688-1689", Bulletin of St. Petersburg University. Series 2. History num 3 (2013): 82-91; L. V. Sidorenko, Theory and Practice of Revolution in the Context of Development of Parliamentary Monarchy in Great Britain of 17th-19th Centuries (St. Petersburg: Publishing House of the Russian Christian Humanitarian Academy, 2018); V. A. Tomsinov, The Glorious Revolution of 1688-1689 in England and the Bill of Rights (Moscow: Zertsalo Publishers, 2015); M. Khazin y S. Shcheglov, Stairway to Heaven. Short version (Moscow: RIPOL Classic, 2017); E. Cruickshanks, The Glorious Revolution. London (British History in Perspective) (New York: Red Globe Press, 2000) y M. N. Katz, Revolutions and Revolutionary Waves (New York: Palgrave Macmillan, 1999).

⁷ The King of England as William III since 13 February 1689. The King of Scotland as William II, since 11 April 1689

⁸ An Act declaring the Rights and Liberties of the Subject, and the Settling the Succession of the Crown (Bill of Rights)

⁹ L. V. Sidorenko, "Financial and Economic Consequences of the Glorious Revolution as its Main Results. Historical, philosophical, political and legal sciences, cultural studies and art studies", Questions of theory and practice In 2 parts. Part II: num 10 Vol: 24 (2012) 47-50 y V. A. Tomsinov, The Glorious Revolution of 1688-1689 in England and the Bill of Rights (Moscow: Zertsalo Publishers, 2015).

William III Prince of Orange had gotten the English throne thanks also to a considerable financial support of Amsterdam usurers, the descendants of Sephardic Jews who had moved to Holland from Portugal and Spain. The *loan* of only from one of them, the Jewish merchant Antonio Lopez Suasso, was two million guilders (hundreds of millions of \$ in today's money). Money for the coup was also appropriated by *Pope Innocent IV*, who provided a loan to the Protestant prince for overthrowing a Catholic king, as he was in a strong conflict with another Catholic king - Louis XIV, an ally of James II. The money was provided for the preparation and carrying out of a military invasion: to equip the troops and organize the landing of mercenaries on the coast of Albion (Greek name of the island of Great Britain)¹⁰ (Athelstan (895-939), who is believed to be the first King of the Anglo-Saxons (924-939) used for himself the style "Rex et primicerius totus Albionis regni" ("King and head of all kingdom of Albion"¹¹)). The loans were granted for carrying out a coup d'état with the aim of seizing power in England. The considerable money received by William III from creditors testifies to seriousness of their intentions and desire to achieve success by all means. Prince of Orange landed in England in November 1688 with the army of mercenaries (the English, the Scots, the Spaniards, and the Germans) consisting of 21 thousand infantrymen, 5 thousand horses, 3660 horsemen. The landing of troops was supported by the fleet of 350 transport and 53 warships¹².

Special attention should be paid to the meticulousness of preparation for military invasion. Prince of Orange had ordered in advance to make and provide for a wide dissemination of the Declaration of Reasons which forced him to appear in England with troops. Twenty-one editions of the Declaration of Reasons were printed in conditions of strict secrecy in printing houses of Amsterdam, the Hague and Rotterdam, in eight of them its text being stated in English, in others - in French, German, Dutch and Latin languages. The Declaration of Reasons played an extremely important role in the success of intervention. Today it is especially obvious and especially important. "The Declaration of Reasons has become the greatest and most resolute of propagandic moves of the early period of Modern Times"¹³.

Despite the humanism running through the text of the Declaration of Reasons (scholars doubt sincerity of the assurances and purposes stated by the Prince of Orange, believing that most likely that was subtle political, religious and psychological intention), the Dutch intervention in the Great Britain was actually a pure *y commercial undertaking*. By the design of syndicate members, creditors - the usurers, who provided very considerable loans to the [Prince of] Orange, *stadtholder* of the Netherlands, the ascent of William III to the English throne and his crowning were only a prelude, a necessary condition, the beginning, which later had to ensure favorable conditions of economic and financial expansion. No sooner conceived but done.

¹⁰ A. K. Krylenko, *Monetary Power - Secret Mechanisms of History* (Moscow: Encyclopedia of Russian Civilization, 2002).

¹¹ Anglo-Saxon Royal Styles: 871-1066. Available at: http://www.archontology.org/nations/uk/england/anglosaxon/01_kingstyle_0871.php

¹² V. A. Tomsinov. *The Glorious Revolution of 1688-1689 in England and the Bill of Rights*. (Moscow: Zertsalo Publishers, 2015) y T. S. Novashina, "Institutional Principles of Ensuring the Stability of National Financial Systems of EurAsEC Member States in the Conditions of Financial Globalization. Bulletin of Moscow University", *Scientific Journal. Series XXVII. Global Studies and Geopolitics* num 3/4 (2014) 95-104.

¹³ V. A. Tomsinov, *The Glorious Revolution of 1688-1689 in England and the Bill of Rights* (Moscow: Zertsalo Publishers, 2015).

Secret two. In the sphere of finance, the creation of a single Bank of England (1694)¹⁴.

There are testimonies that the creation of the Bank of England was in advance planned as extremely desirable¹⁵.

Charles Montagu (future Earl of Halifax), Chancellor of the Exchequer (1694-1699), the founder of the system of national debt (1692) insists on the need to create a single English bank¹⁶. The requirements of government for money (under considerable budget deficit) could be covered, C. Montagu believed, by means of bank loans. Did sovereigns ever borrow before? No doubt. So, the King of England Charles II borrowed 2,797,859 Dutch guilders from the Orange dynasty, the rulers of the Dutch Republic. Failing to repay the debt, Charles II signs a *secret treaty* in Dover with Louis XIV, whereunder he undertakes to support France in a war against the Dutch Republic.

Negotiations with the Parliament of England on establishing the bank were held by a thrifty Scottish merchant and adventurer William Paterson (1658-1719). Paterson was well prepared to the holding of these negotiations. Firstly, Paterson had previously been engaged in a dialogue with members of the Parliament of England (1692) and, in this sense, was familiar enough with some of them. Secondly, a considerable capital could be consolidated for this undertaking. Thirdly, inspired by the Netherlands model of banking system and advances of the Bank of Amsterdam (*Dutch: Amsterdamsche Wisselbank* - 1609), not without participation of secret creditors of the project of the Bank of England, Paterson *published the essay* "A Brief Account of the Intended Bank of England" (1694), to act as the *banker of the English Government*¹⁷. Paterson offered the government the loan of 1.2 million pounds sterling¹⁸. The royal charter was granted on 27 July 1694.

The loan was issued at the rate of 8% per annum in the form of banknotes and bills. The loan and interest thereon had to be repaid with gold or silver.

Upon creation of the Bank of England the King of England William III becomes a beneficiary, and a significant co-owner of it along with some members of Parliament. With a considerable debt to the creditors of Foggy Albion campaign outstanding, it was more than a generous gift. The Bank of England governed by magnates of the ruling political party of Whigs was in essence becoming the banker of the Government. With the purpose of overtaking the initiative, the Tory party had attempted to establish a new bank, the National Land Bank (1696). The Whigs, the beneficiaries of the Bank of England, took measures at once. In the next year the Parliament enacted the law forbidding the establishing of major banks in England. Under that law, counterfeiting banknotes of the Bank of England was made punishable with death penalty.

¹⁴ Bank of England Act 1694 (5 & 6 Will & Mar c 20). http://www.fox-notes.ru/comment/z_02012009_1.pdf

¹⁵ A. K. Krylenko, *Monetary Power - Secret Mechanisms of History* (Moscow: Encyclopedia of Russian Civilization, 2002).

¹⁶ R. Eagles, *History of England* (Moscow: AST Publishers: Astrel, 2010).

¹⁷ A Brief Account of the Intended Bank of England (1694).

¹⁸ Pound sterling, The name was finally assigned to the monetary unit of England since 1694 when Bank of England for the first time started issuing banknotes. As calculated by the inflation calculator (Bank of England) £1.2 million (1694) = £229 million (2018) [the calculation is made using the cost of living index]

English royal family has been a co-owner of the Bank of England up to year 1946 until it was nationalized by labor Government of the UK. There were reasons for doing that, the covering of which is beyond the scope of our study. We will only note that the holders of shares received very generous compensation in the form of 3%-rate state bonds. The swap of shares for bonds was carried out in the proportion of 1:4. The value of state bonds was 4 times the par value of shares. The Bank of England began to officially perform the functions of the banker of the government.

It was only after signing of Anglo-French peace treaty that Louis XIV officially recognized William III Prince of the Orange as the King of England (1697).

France no longer poses direct threat to the Dutch capital. The commercial project of Foggy Albion had entered its final phase.

The persistent and very expensive standoff of English and Dutch fleets came to an end. It significantly improved the financial position of the Dutch Republic. In 1698, England was officially declared bankrupt. The military budget proved to be an excessive burden. The external debt was 167 million guilders, official budget being 40 million guilders. Fugger, the largest banking family in 15th-17th centuries, refused to provide further loan to William III Prince of Orange. It was only in Amsterdam exchange that a loan could be obtained. The bankers and merchants who financed the Glorious Revolution moved to England where they received considerable preferences from the King¹⁹.

Working hypothesis

Especially standing out among main social and economic contradictions of modern era is the "creditors" - "debtors" global systemic contradiction²⁰.

We believe that the forerunner of the transformation of the "creditors" - "debtors" *local contradiction* into its *global system form* is the natural sequence of historical events among which we give central place to the three phenomena, three fundamental institutes which today are substantially defining the global systemic nature of the *unfolding* of this contradiction. And more exactly these are not the institutes as such, rather, international elites that possess enormous power, at least political and financial, which skillfully exploit the system power of these institutes for their own interests.

They are these institutes and events:

Bank of England (1694). There had been created a *financial institution*, - the bank, the creditor of government based on the principle of fractional-reserve banking. All banking systems of the world today are functioning on the principle of fractional-reserve banking.

Philadelphia Convention / The Constitutional Convention (1787). A new document, the US Constitution, has been drafted and adopted. The supreme law of a new nation. It

¹⁹ E. B. Sazayev y S. P. Makhov, A Fight of Two Lions. Anglo-Dutch Wars of 17th Century (Moscow: Veche Publishers, 2011).

²⁰ T. S. Novashina, "Financial Mechanisms for Resolving the "creditors" - "debtors" Global Contradiction", Bulletin of Financial Academy num 5 Vol: 59 (2010): 22-27 y V. I. Karpunin, "creditors" - "debtors": Genesis of Global Systemic Contradiction. Bulletin of Moscow University", Series XXVII Global Studies and Geopolitics num 2 (2013): 59-64.

was for the first time that at the legislative level the political foundations of a division unprecedented in history, was laid of society into two groups (two classes): the creditors (financial capital, holders of a public debt) and the debtors. This event occurred long before the world came to know the *Manifesto of the Communist Party* of K. Marx and F. Engels and, respectively, *Capital* of K. Marx. Long before the theory was developed of class struggle as a form of resolving the "*wage labor – capital*" systemic contradiction²¹.

Federal Reserve. Federal Reserve Act (1913). A financial institution had been established, the bank which had been given the authority to issue banknotes of the Federal Reserve System and the Federal Reserve Bank Notes (1915-1934), which were legal tender²². Given today the authority to issue fiduciary banknotes (1971), a lawful international means of payment. Given the authority of boundless and total control of capital flow and payment transactions made in US Dollars. Given the authority to issue the international reserve currency. The ground laying forms of the manifestation of global systemic contradiction must be a systemic, steady phenomenon, a phenomenon ongoing on a global scale. These forms undoubtedly exist. And these are first of all such phenomena like "consumer society" (the term was introduced into scientific circulation by Eric Fromm - 1920)²³, formalized and non-formalized political, politico-military, social, financial institutions, in particular, the "international financial government"²⁴ (for example, it is the Group of 30: Consultative Group on International Economic and Monetary Affairs, Inc ("G30"), as professor Katasonov, V.Yu. believes²⁵), the Bilderberg Meeting (1954)²⁶, the North Atlantic Treaty Organization (1949), the Trilateral Commission (1973).

We will proceed from the following working hypothesis:

Firstly. "The origination and formation of "*consumer society*" is a predictable historical form of unfolding of the "creditors" - "debtors" systemic contradiction²⁷.

Secondly. "Monte commune" - *ascent of debt* is a predictable historical form of unfolding of the "creditors" - "debtors" systemic contradiction.

The mechanism providing for the unfolding of the systemic contradiction consists of three ground laying and mutually causal components: institutional, instrumental and

²¹ T. S. Novashina, "Financial Mechanisms for Resolving the "creditors" - "debtors" Global Contradiction", Bulletin of Financial Academy num 5 Vol: 59 (2010): 22-27 y E. B. Sazayev y S. P. Makhov, A Fight of Two Lions. Anglo-Dutch Wars of 17th Century. (Moscow: Veche Publishers, 2011).

²² Federal Reserve Bank Notes had the inscription "shall be obligations of the United States and ... shall be redeemed in lawful money on demand at the Treasury Department of the United States"

²³ E.S. Fromm, Escape from Freedom. A man for himself (Moscow: AST Publishers: AST MOSCOW, 2006) y E. S. Fromm, To Have or to Be? (Moscow: Direct-Media, 2007).

²⁴ V. Yu. Katasonov, Global Financial Distemper. How a Cartel of Central Banks Blows Up the World. (Moscow: Knizhny Mir Publishers, 2018) y V. Yu Katasonov, Behind the Scenes of International Finance (Moscow: MGIMO, 2013).

²⁵ V. Yu. Katasonov, G30: The Force Governing All Financial World. Available at: <http://pravosudija.net/article/vyu-katasonov-g30-sila-upravlyayushchaya-vsem-finansovym-mirom>

²⁶ D. Estulin, Secrets of Bilderberg Meeting (Minsk: "Potpourri", 2009).

²⁷ T. S. Novashina, "Financial Mechanisms for Resolving the "creditors" - "debtors" Global Contradiction", Bulletin of Financial Academy num 5 Vol: 59 (2010): 22-27 y E. B. Sazayev y S. P. Makhov, A Fight of Two Lions. Anglo-Dutch Wars of 17th Century (Moscow: Veche Publishers, 2011).

procedural²⁸. This triple system unity, constituting the necessary and sufficient basis of functioning of social and economic mechanisms, gives rise to the corresponding diverse historical forms of *social*, *economic* and *political* being of the "creditors" - "debtors" systemic contradiction.

The historical stability to one pole of the "creditors" - "debtors" systemic contradiction - the social group of "creditors" is rendered first of all by the availability of an institutional factor in its social form - the "financial government", the availability of an instrumental factor in its economic form – the "credit expansion" (*ascent of debt*), the availability of a procedural factor in its legal form – the unrestricted "right of emission" of national, and then also of the global means of payment, world reserve currency – the US Dollar.

The historical stability to another pole of the "creditors" - "debtors" systemic contradiction - the social group of "debtors" is rendered by the availability of an institutional factor in its social form – the "consumer society", the availability of an instrumental factor in its economic form – the "credit trap" (*ascent of debt*), the availability of a procedural factor in its legal form – the "right to a loan".

The ascent of debt

Debt: The First 5,000 Years. This is the title of a fundamental work devoted to the history of development of debt relations in human society, by an anthropologist, professor of the London School of Economics D. Graeber²⁹. There are not a few historical artifacts preserved through the centuries and allowing us today to comprehend in all variety of forms this grandiose historical phenomenon – the "debt". These are the world-famous code of laws carved using cuneiform script into a basalt (diorite) stele (which is kept in the Louvre, Paris), of the period of reign of Hammurabi I in the time of flourishing of ancient Babylon kingdom (1792 - 1750 BC), in particular, specially governing among other things, the "debt relations". The *Code of Hammurabi* is the code of laws of the old Babylon period enacted under the king Hammurabi I (1750s BC). One of the most ancient legal monuments in the world. The first translation of the "code" into Russian language³⁰. Based on the artifacts known today it is possible to assume that the direct predecessor of Hammurabi Laws is the "code of laws" (clay plates) from the city of Eshnunna (an ancient city in Mesopotamia) drafted about 1790 BC. We note in the context of our study that the Eshnunna "code of laws" includes among other things the description of legal relations of "loan", "usury" and "debt slavery" (articles 19-24)³¹. These are also written sources of later time (Bible. Old testament. Richest collection of clay tablets with a cuneiform script), disclosing numerous forms and essence of "debt relations" that have existed as early as the time of "tablets" of Hammurabi I and characteristic for the period of flourishing of second Babylon kingdom during the reign of Nebuchadnezzar II (reigned in 604-562 BC). There were borrowed material goods. They borrowed to pay taxes in time, to live up to a new crop, to go "over *three seas*" and to bring exotic overseas goods. Loans were also

²⁸ T. S. Novashina, "Financial Mechanisms for Resolving the "creditors" - "debtors" Global Contradiction", Bulletin of Financial Academy num 5 Vol: 59 (2010): 22-27 y V. I. Karpunin, "creditors" - "debtors": Genesis of Global Systemic Contradiction. Bulletin of Moscow University", Series XXVII Global Studies and Geopolitics num 2 (2013): 59-64.

²⁹ D. Graeber, *Debt. The First 5000 years* (N.Y.: Melville House, 2011).

³⁰ A. G. Gusakov, *Laws of King Hammurabi*. Separate print from the "Reporter of St. Petersburg Polytechnical Institute for year 1904" (St. Petersburg, 1904).

³¹ "Toward a Life Cycle Analysis of the Russian Revolution", *Kritika* Vol: 18 num 4 (2017): 741-783.

taken in grain, and in dates, and in silver ingots, and in "currency" coins. Took and paid back. They were obliged (by law) to repay. The law was severe. And it predetermined unconditional discharge by the borrower of the debt obligations that he assumed.

Overall it is the world history of the development of "grain" and "monetary" civilizations. These relations were an attribute, a major component of an efficiently functioning economic system of society.

We note specifically in the historical context under consideration the ascent and the taking of "debt heights" in the economies of medieval European cities. The main impulsive cause of debt economy. The debt economy of city-states was born on the expansion, on conquests and robberies, on wars with neighbors. In 14th and 15th centuries rarely there was a year when Florence and Pisa, Venice and Genoa would not participate in military campaigns, and not only against neighbors.

From the point of view of understanding deeper the Russian history of great significance to us is the *nature* and *sources of financing* of the aggressive policy of Genoa. For example, on 8 September 1380 - the famous Battle of Kulikovo. Mamai (died in 1380) was a Tatar general (*Russian: temnik, Tatar: tumenbashi*, commander of ten-thousand strong troops) under Khan Berdi Beg (also Berdibek) (1357-1361). He was married to his daughter. Not being a Chinggisid, but owing to family relationships, [was] the de facto ruler of the Golden Horde. Mamai waged continuous wars within Russian lands. He managed to inflict great losses to Ryazan (1373 and 1378) and Nizhny Novgorod (1378) principalities. But when he attempted to invade the limits of Moscow principality his squadron was defeated on the river Vozha (1378), and the army of Mamai was crushed completely in the Battle of Kulikovo. A historic fact. In the battle as a part of Mamai army took part the "contract infantry" (mercenaries), considerable in their number. There are strong reasons to consider Mamai as placeman of Genoa, which *financed* many "robbery campaigns" of Mamai, and with his help established *full control* over the Golden Horde, through the territory of which passed a considerable part of the total length of the so-called [Great] Silk Road³².

Incessant aggression fell as heavy burden on the financial system of city-states. Loans. Constant loans. In particular, according to the data of Tuscan archives only the debt load over a hundred years grew a hundred times (!), from 50 thousand florins at the beginning of 14th century to 5 million florins (!) in 1427³³. Florin (ital. fiorino) is the name of gold coins, the minting of which was started for the first time in Florence (Latin: Florentia) in 1252. The florin was minted from almost pure gold weighing 3.53 g. 5 million florins weighed 176,5 tons of almost pure gold. For example, gold reserves of Britain (own gold) were 310.3 tons in 2013, according to professor Katasonov, V.Yu.³⁴. That was enormous money for the economy of a medieval city. Since then a unique expression was coined in Italian language - "Monte commune" (*Italian, literally "common mountain"*)³⁵. The cities "were bogged down" in debt. We note specifically that citizens themselves were the source

³² I. F. Afremov. Battle of Kulikovo, with restored plan of the Battle of Kulikovo on 8th day of September 1380. (Moscow, 1848) y Soviet Encyclopedia of History. In 16 volumes. Volume 9 (Moscow: Soviet Encyclopedia. 1973-1982, MALTA – NAKHIMOV, 1966).

³³ Ya. Reuven, The Laws of Eshnunna (Jerusalem: The Magnes Press, 1969).

³⁴ V. Yu. Katasonov, Behind the Scenes of International Finance (Moscow: MGIMO, 2013).

³⁵ N. Ferguson, The Ascent of Money. Trans. from English (Moscow: AST Publishers: CORPUS, 2013), 83-84 y R. Wade, The Russian Revolution, 1917 (Princeton, NJ: Princeton University Press, 2017).

of formation of city budgets, including, and first of all, of military budgets. Instead of paying, for example, real estate taxes, wealthy citizens *obligatorily* lent money to the magistrate. The granting of loans did not depend on their desires, i.e. it was not viewed as usury. It was a special financial policy of the cities. Money was lent at interest. The source of payment of interest was various minor proceeds into the city treasury. Whereas the obligations, as they only tended to continuously "build up", were, speaking in modern language, sold in secondary market for real money. This is how treasury bonds appeared for the first in the history, though in the *form* of entries in impressive magistrate books in leather cover.

It is an exclusively significant *historical phenomenon*. And we draw special attention to it. The "debt", and from legal point of view, the *right of claim*, turned into a perfect, sometimes very effective *tool of power*. At least, of economic power, political power, religious power, *financial power*. An example of that is the centuries-old heroic chronicle of Medici family of Florence³⁶.

Later, in the process of development of world civilization, governments building up enormous *debt obligations*, had, on the one hand, *provoked*, on the other hand, *created conditions* also for systemic social cataclysms - social revolutions (direct and reverse cause-and-effect relationships). It can be said about both English and Dutch revolutions, and about the [Great] French Revolution, and about the [Great] Russian Revolution. Owing to the limitations of narration opportunities imposed by the format of a journal article, we will dwell only on one historical phenomenon, the key phenomena accompanying the formation and unfolding, and thereby also revealing the essence of, the [Great] French Revolution. To justify our choice of this grandiose historical cataclysm, we emphasize that in a considerable extent these events (their deep properties, their essence) predetermined many subsequent historical phenomena in the future. Whether it be "mental fermentation" of Northern and Southern societies, and, as a result, a burst of energy of passionaries in the form of Decembrist Revolt on Senate Square (St. Petersburg, Russian Empire, on 25 December 1825). Whether it be no less dramatic events of the [Great] Russian revolution. And many other phenomena.

Economic and financial position of France (1788 - 1789). Harsh crop failure. A huge damage to the fields provoked by weather cataclysms. Crisis in agriculture. And at the same time a significant increase in all feudal requisitions and rents (king and state, feudal lords, the clergy). Tax crisis. Huge deficit of state budget. Financial and budget crisis. The passional outburst of national indignation is a harbinger of catastrophic events.

In the passional theory of ethnogenesis, the passionaries, the people who have innate ability to absorb from environment more energy than required only for individual and specie self-preservation, and to release this energy in the form of purposeful actions for a cardinal change of the environment surrounding them³⁷.

³⁶ Medici was a family, the representatives of which had from 13th to 18th century repeatedly become governors of Florence. They were the first significant bankers of Europe Great patrons of Renaissance. To Medici belonged four Roman Popes - Leo X, Pius IV, Leo XI, two queens of France - Catherine de' Medici and Marie de' Medici. Undoubtedly, Medici made an invaluable contribution to world culture, politics, finance.

³⁷ L. N. Gumilyov, *Ethnogenesis and Biosphere of Earth*. (St. Petersburg: Kristall Publishers, 2001) y V. A. Korenyako, "Toward the Criticism of the Concept of L.N. Gumilyov", *Ethnographic Review* num 6 (2006): 22-35.

From our point of view, an outburst of this sort of *passional energy* should in the case of social cataclysms be assisted by special conditions. We refer to these conditions as to the "*social wave resonance*".

The social wave resonance arises when the "wavelength" of each of four social "waves" coincides (nature of social "waves" is an increasing turbulence in the sphere of the political, ethical, economic, and *financial relations*).

In wave theory a "wave" as energy phenomenon is characterized by a number of intrinsic notions: "wavelength", "wave frequency", "wave amplitude", "wave phases", "energy of a wave". The *wave resonance* leads to an increase in amplitude.

An *increase in amplitude* is only the *effect* of resonance, and the *cause* is the *coincidence of external* (excitation) frequency with *internal* (self-resonant) frequency of an oscillatory systems. To understand the processes that we describe, important discoveries have been made within the modern theory of dynamic systems (theory describes such phenomena as chaos, synergy, accident, bifurcation and so forth). In particular, the mathematical theory of Kolmogorov-Arnold-Moser explains that no *resonance* may occur though intrinsic parameters (numbers) are *coinciding* or are close. On the contrary, resonance can *show up* in a system where intrinsic parameters are *not coinciding*, and only meet certain resonance relations or synchronism conditions³⁸.

As a result of coincidence, social "waves" get into the zone of energy resonance. Which leads to a *substantial increase in amplitude* of a resonant "wave" (combined social "wave"). A peculiar integration of energy of separate social "waves" occurs, peculiar for synergetic effect. Possible result is a social storm sweeping away all on its way. Social "waves" is a consequence of the *unfolding of social contradictions*: "political contradiction", "ethical contradiction", "economic contradiction", "*financial contradiction*", which received the same energy "wavelength" owing to the historical conditions at hand. In connection with the aforesaid we will make a special remark. Revolutionary "waves" are discussed in the works of other scholars as well, for example, in the latest work of Michael David-Fox³⁹ devoted to the centenary of the Russian revolution (1917-1921). However, Fox considers revolutionary waves from the point of view of the "theory of life cycle" and the revolutionary wave as such forms "groups of revolutions with similar purposes"⁴⁰. Whereas we use other methodology - not the "theory of life cycle" – the obligatory sequence of events in time (the "theory of life cycle" as a method of analysis of social phenomena has the right to exist), we use "wave theory" – imposition of social waves (of at least of four waves) in the zone of energy resonance. It is our hypothesis; however, it is also Fox's.

³⁸ M. G. Yumagulov. Introduction to the Theory of Dynamic Systems (Moscow: Lan Publishers, 2015).

³⁹ Michael David-Fox is a historian, professor of the School of Foreign Service and Department of History of Georgetown University; Academic Supervisor of the International Centre for the History and Sociology of World War II and Its Consequences of the National Research University Higher School of Economics.

⁴⁰ M. D. Fox, "Lifecycle of the Russian Revolution: Experience of Theoretical and Comparative Study. Part 1", Emergency Store num 2 (2018): 51-76; M. D. Fox. "Lifecycle of the Russian Revolution: Experience of Theoretical and Comparative Study. Part 2", Emergency Store num 3 (2018): 55-82; M. D. Fox, "Toward a Life Cycle Analysis of the Russian Revolution", Kritika Vol. 18 num 4 (2017): 741-783 y R. W. Goldsmith, Premodern financial systems: historical comparative study (Cambridge: Cambridge University Press, 1987).

Revolt. Storming of the Bastille (on 14 July 1789). The beginning of chaos⁴¹. The new power (the [Great] revolution has "made a gift" to France of four "redivisions" of this power), being so bold (on the verge of recklessness) and taking responsibility (on the verge of what is possible) for further destiny of the nation, in order to manage the chaos which has occurred and is increasing, with increasing resistance, and, as a result, a growing internal and external aggression, builds a *debt pyramid* unprecedented for the French economy. As a rescue facility. As a desperate act of hope. But the laws of monetary circulation are relentless. The result is inflation, very high inflation. Sometimes even hyperinflation, it is when money "loses" all its functions. The monetary system of the state collapses and ceases to exist. Economic and social disaster approaches.

John Maynard Keynes, commenting on Lenin, V. I. concerning the role of monetary circulation in the crash of capitalism, notes that "Lenin is said to have declared that the best way to destroy the capitalist system was to debauch the *currency*. Lenin was certainly right. The process engages all the hidden forces of economic law on the side of destruction, and does it in a manner which *not one man in a million is able to diagnose*" [emphasis added]⁴². The approaching collapse of the French economy with its destroyed monetary system could only be prevented by restoring the functioning of that financial system. Under the Decree of Napoleon Bonaparte of 18 January 1800 (on 13 February; 16th of Pluviôse, Year VIII) the Bank of France (Banque de France) was created to store gold reserves and issue currency. Issuing function was transferred to the bank in 1803. To strengthen the Banque de France and monetary circulation in France Napoleon handed over to the bank in 1806 the deposit - the contribution received by France from Austria under the peace treaty signed by Ch.-M. de Talleyrand-Périgord on 26 December 1805 on behalf of France (Peace of Pressburg (*German: Preßburger Frieden*), which amounted to *40 million florins in gold* (As to the *amount and currency* of the contribution, differing data are published in historical literature. We suggest to use the primary source⁴³) (the sum and procedure of payments is stipulated in the "Separate article" of the treaty: *forty million francs (value of metal)* with a lump sum payment of eight million (in metal) and the balance with bills with subsequent deferment of payments with bills by a year⁴⁴). The epoch as the largest unit of historical time, in its aggregate incorporates variety of ethnicities and civilizations, the epoch of the formation and development of monetary relations gave rise to a special, unique phenomenon in human society – the "monetary civilization"⁴⁵. Within this historical time the *capitalism*, as a special system of monetary relations, having put at the forefront the greed for gain, (as the human driving force of economic relations), gave rise to a *systemic contradiction*. In modern world this systemic contradiction has acquired the properties of the "creditors" - "debtors" *global systemic contradiction* with its dominant pervasive forms⁴⁶.

⁴¹ S. G. Vereshchagin, "Policy of Taxes in France before the Great French Revolution of 1789", Law and Politics Publishers num 3 (2010): 564-570.

⁴² N. G. Mankiw, *Macroeconomics*. Trans. from English (Moscow: Publishing House of Moscow State University, 1994).

⁴³ De Clercq. *Recueil de traités de la France*, Vol. 2. 1880 y E. V. Tarlé, *Napoleon* (Moscow: Academy of Sciences of USSR, 1957).

⁴⁴ De Clercq, *Recueil de traités de la France* [Collection of treaties of France], Vol: 2. 1880.

⁴⁵ V. Yu. Katasonov, *Capitalism. History and Ideology of "Monetary Civilization"* (Moscow: Institute of Russian Civilization, 2013) y Ya. Reuven, *The Laws of Eshnunna* (Jerusalem: The Magnes Press, 1969).

⁴⁶ V. I. Karpunin, "Methodology of Studying the "creditors" - "debtors" Global Systemic Contradiction", *Bulletin of G. V. Plekhanov Russian Academy of Economics* num 3 Vol: 69 (2014): 19-26; V. I. Karpunin y T. S. Novashina, "Phenomenology of Power - Genesis of the Forms of

The historical phenomena that we mentioned - "Monte commune", the Glorious Revolution, the Bank of England, the Philadelphia Convention, the Federal Reserve System, their cause-and-effect relationships make clear to us the genesis and nodal counterpoints (*Latin: punctus contra punctum*) of the unfolding of the "creditors" - "debtors" contradiction.

One of the most active participants of the Philadelphia Convention, the right-hand man of G. Washington (it is the signature of G. Washington that is subscribed under the text of the Constitution of the United States of America), a consistent, very productive adherent of the British financial model, the adherent of its adaptation and use in the New World, A. Hamilton expressed his special attitude to the notion of the United States government debt - "The US debt, external and internal, is the price of American freedom"⁴⁷.

The United States government debt was recorded for the first time on 1 January 1790 and equaled \$52,788,722.03⁴⁸.

As of 01 June 1914, soon after the beginning of functioning of FRS, the size of debt was \$2.9 billion. As of 30 January 2019, the size of debt exceeded \$22 trillion (!). The trend is obvious. The United States government debt increases steadily and impetuously, showing record increase as ratio of GDP during wars (Civil War (1863), World War I (1918), World War II (1948))⁴⁹.

The US military budget with a fantastic government debt and deficit of state budget signed by 45th U.S. President D. Trump for fiscal year 2019, of about \$716 billion, the *structure of military budget*, reveal true intentions of the ruling elite - from Monroe Doctrine, to Truman Doctrine, to Carter Doctrine, to global influence and global supremacy. The spiraling debt of the United States has transformed from a local (national) into a *global form*, in order to serve interests of the ruling elite of the USA.

We have already stated our position and emphasize once again that it is a predictable sequence of historical events among which the formation of a "*debt pyramid*" is a powerful driving force in the sphere of social, economic and legal relations that acts as a forerunner of the transformation of a local "creditors" - "debtors" contradiction into its global systemic form.

The "debt pyramid" acts as a starting point of the formation and development of one more historical phenomenon of "*consumer society*", the economic form of which (in the process of unfolding of the "creditors" - "debtors" contradiction) is the "credit trap".

Manifestation of the "creditors" - "debtors" Global Systemic Contradiction", Bulletin of G. V. Plekhanov Russian Academy of Economics num 3 Vol: 93 (2017): 3-18 y T. S. Novashina, "Financial Mechanisms for Resolving the "creditors" - "debtors" Global Contradiction", Bulletin of Financial Academy num 5 Vol: 59 (2010): 22-27

⁴⁷ A. Tishakov y A. Khatypova, "Role of US Public Debt in Global Capital Flows", World and National Economy num 4 Vol: 19 (2011). Available at: <http://www.mirec.ru/2011-04/rol-gosdolgs-usa>

⁴⁸ The United States government debt consisted of the debt of Continental Congress and the \$191,608.81 borrowed by the Secretary of Treasury Alexander Hamilton from New York banks to cover expenses of the new government

⁴⁹ A. Tishakov y A. Khatypova, "Role of US Public Debt in Global Capital Flows", World and National Economy num 4 Vol: 19 (2011). Available at: <http://www.mirec.ru/2011-04/rol-gosdolgs-usa>

A few non-standard thoughts concerning "consumer society"

While observing the multiformity of social and economic life of modern individual, recognizing the fact characterized by world philosophical thought as the phenomenon of pervasive transformation of the wise man (*Homo sapiens*) into a "consuming" man (*Homo Consumens*)⁵⁰, trying to understand sources and explain impetuous celebration of a unique phenomenon in the life of mankind – the "consumer society"⁵¹, we will state the following, taking into account the special subject of our study.

The dialectics of the phenomenon of "consumer society" is very complex, inconsistent, and often is also irrational. Irrationality (incognizability, incomprehensibility through obvious forms) manifests in such, seemingly absolutely distant from this subject, phenomena as an immutable requirement (repeated by governments of all suits as a mantra, as a spell) of obligatory continuous maintenance of "economic growth" expressed in some depersonalized cost indexes - GDP. And an alleged increase, thereby, of living standard of fellow citizens, by means of "increase of consumption" of *cost indicators*. Cost indexes are *irrational by their nature*. If one were to argue on "doubling" the GDP, for example, in relation to the Russian economy, then one must transit to the planning of mainly *natural indicators*. One should elevate *quality* of products manufactured by national economy to the highest pedestal of state, corporate and civil responsibility, to introduce and use everywhere the single *national product quality control system*. It is in growth of quality, increase in production of quality products and services, in their affordability, and not only in growth of cost indexes of GDP, that we can declare principles and prospects of a real increase of living standard of the population. Is it not what all governments, at least verbally, in a declarative manner, are aspiring to?

It is an ever-increasing debt that acts as the quintessence of relations in this social and economic system - "consumer society". Or, speaking figuratively, using linguistic symbols - "Monte commune". Both the citizens of one or another sovereign jurisdiction, and the governments of those jurisdictions become hostages to the debt system. One should understand of course that the governments is one thing. In the end, in general systemic sense, the *victims of expansion* (whether they do realize or not their true status, the status of "victim"). The eventual creditors, the holders of debt, are absolutely another thing. The holders of debt are unconditional *beneficiaries of expansion*. They are makers of the destiny of global economy, and, as a result, of each of us. Such are vicissitudes of the dialectics of debt.

Our task seems to us to be in the comprehension and objective scientific interpretation of the events of life of the society around us. The science of economics, economic theory is, we believe, and we think we are not mistaken much, common sense by 95 percent, which is given a "complex" form by means of special terminology. The *terms framework* of science is a specific professional language, which is used by all specialized sciences without exception, whether social or natural, or economics, physics or mathematics.

⁵⁰ V. I. Lukyanenko; M. V. Khabarov y A. V. Lukyanenko., "Homo Consumens - the consuming man", Epoch of Globalization Vol: 2 num 4 (2009): 149-160.

⁵¹ The term of "consumer society" was for the first time introduced into scientific circulation in 1920s by German social psychologist, philosopher Erich Fromm while studying persistent phenomena of social life

One cannot do without it, as "language" is not only the communicative function that the language bears in itself and in which all of us are undoubtedly naturally involved, but is also, first of all, the *function of thinking*. It is convincingly shown to us by the terms and tool framework of mathematics. Mathematics is a specific language of thinking and cognition of the world around us. Of the world that is both apparent and not. The language as such allows us to look deeper and farther than our sense organs can do it directly. The language as such allows us to comprehend the essence and nature of things that are not observable directly. The language as such allows us to express in multifaceted manner our emotions and feelings, making human communication most valuable.

The comprehension and interpretation of the reality around us, of the reality of our being is also the job of artists, though their language is different, and at times quite considerably, from the language of science. Under artists in a wide context we understand all of painters, sculptors, poets, writers, and musicians. The music, just like science and mathematics, has its own poetic and deep philosophical language. Music is harmony and melody. Should there be required an epigraph to this narration, an epigraph disclosing the essence and depth of dramatic nature of the issues touched upon, one could not imagine anything better than to offer a piece of music for this role. Only what piece and of what composer. To us, the answer is obvious. It is certainly Sergey Rachmaninov⁵². And his last composition. "*Symphonic dances*". Initial name of this composition was "Fantastic dances", however, the changed name "Symphonic Dances" is better, as it is deeper. However, we cannot invite you for this purpose to a symphony concert in the conservatory, and therefore we will use epistolary genre. Characterizing the creative work of F. Dürrenmatt⁵³, Surkov, E.D.⁵⁴, meaning first of all the big moral problem of mankind, - "Monte commune" – the ascent of debt, exposed in his tragicomedy *Visit of the Old Lady* ("*Der Besuch der alten Dame*")⁵⁵, has extremely precisely, from our point of view, at the level of intuition and subconsciousness, but at the same time with philosophic depth and artistic accuracy, captured the essence of the tragedy of the being of man occurring in the World: "*An artist is not able either to get into those spheres where driving forces of modern disintegration are forming, or interfere in an inevitably increasing chaos of general destruction. The mankind is ripe for a catastrophe. Cultivating it daily, it is even powerless guess its look*"⁵⁶. And now in an extremely short summary the plot of the tragicomedy F. Dürrenmatt *Visit of the Old Lady*. The residents of the city, "tempted" with a mind-blowing affordability for a burgher of getting financial benefits today in exchange for formally put signature under the "debt obligations" assumed by them, that they don't know how and when will be able to repay, get into *debts* ("You know that affairs of my father-in-law fell into disarray. He *got into debts* up to a throat!")⁵⁷. The debts of citizens become of menacing sizes. The

⁵² Sergey Vasilyevich Rachmaninov (1873-1943) was a greatest Russian composer. He lived in emigration since 1918. "Symphonic dances": "Midday", "Twilight", "Midnight", Op. 45 (1940) is the last work of the composer. Recognized by many as the greatest of his creations. Place of death: Beverly Hills, Los Angeles, California, USA.

⁵³ R. Friedrich Dürrenmatt (1921 - 1990) is a Swiss German-speaking prose writer, playwright and publicist. One of the biggest writers of Europe

⁵⁴ E. D. Surkov, (1915 - 1988) is literary, theatrical and film critic, an honored worker of arts of Russia (RSFSR). 1970.

⁵⁵ F. R. Dürrenmatt, *Collected Works*. In 5 volumes. Vol. 4: *Plays and Radio Plays* (Moscow: Progress, 1998).

⁵⁶ E. D. Surkov, *The Road to Brecht*. In: Brecht, B. Treafter: *Plays. Articles. Statements*: In 5 volumes (Moscow: Iskusstvo Publishers, 1965).

⁵⁷ A. P. Chekhov, *A Dreadful Night*. Works in 18 volumes. Complete works and letters in 30 volumes (Moscow: Nauka Publishers, 1975).

residents, members of magistrate have already been put before a moral dilemma and a legal collision before. The *life*, in literal, physical sense of this word, of one of citizens (a villain and a liar, and in legal sense a perjurer) in exchange for *money*, very big money. Finally, the winner is ... Is it not a picture of today?

Instead of a Conclusion

The extremely important historical phenomena to which we have drawn attention - "Monte commune", the Glorious Revolution, the Bank of England, the Philadelphia Convention, the Federal Reserve System, "Credit expansion", "Credit trap", "Consumer society", their cause-and-effect relationships, make clear to us the role which is played by the credit (credit expansion) in the process of transformation of a local phenomenon – the "debt", and local interests related to them into a global phenomenon, a "*unipolar world*", and the forming in this connection of global interests of political and financial elites, first of all of the USA.

Mindful of a massive and deep impact of *geopolitical* and *geo-economic* factors on the process of unfolding of the "creditors" - "debtors" global systemic contradiction it is advisable for ensuring national security to create protective mechanisms aimed at combating the factors destroying the nationhood. To a certain extent this can be viewed as a step in response (in the field of theory and comprehension of the problem) to the publication in the United States (2016) of the monograph *War by Other Means. Geoeconomics and Statecraft* by Robert D. Blackwill, Jennifer M. Harris⁵⁸. We will note based on systemic vision of the problem at hand and under consideration by us, the most important, paramount of these protective mechanisms. It is the mechanism of providing for the conditions of formation of national elite in the sphere of politics, science, culture, corporate and public administration. The development of this mechanism demands a systemic fundamental thinking. The designing of this mechanism is a task extremely responsible and most difficult. The designing of this mechanism touches upon deep foundations and the widest front of entire range of human activity per se and of all vital beautification of the nation. For example, India, China, Russia, USA are multiethnic nations. And this ethnic diversity significantly influences the formation of a single community of people.

Wherever a representative of a multiethnic country could be, for example, of the Russian Federation, he/she must be a person Russian by spirit, a person Russian by language, a person Russian by mentality, wherever he be employed, whatever he be engaged in detail, he must get such a charge of moral energy and national consciousness that it will be impossible not to be proud of that he was born, grew up, lives in Russia. It may even be that he lives beyond its limits, it is not what matters. In essence it does not matter. As the world on planet Earth is the world in the soul of each of us. It makes a representative of any nation strong and generous in understanding of its national unity, it unites people and contributes to universal peace and prosperity. An amazing example, by its profound philosophical and inner humanistic meaning, is the fact of creation of a unique Russian-British Festival Orchestra (London. July 2019), The new musical collective is named in honor of composers Benjamin Britten and Dmitry Shostakovich.

⁵⁸ R. D. Blackwill y J. M. Harris, *War by Other Means. Geoeconomics and Statecraft* (Moscow: AST Publishers, 2017).

The Orchestra comprises 86 young musicians representing leading conservatories of the two countries. The honorable presidents of the Orchestra are His Royal Highness Prince Michael of Kent, the head of Dmitry Shostakovich Foundation Irina Shostakovich, an outstanding Russian conductor Yury Temirkanov.

The nurturing of an intellectually and spiritually rich person possessing highly professional competences – of future national elite, an elite capable of both to realize new realities, and to respond in a worthy manner to new challenges, is an immensely difficult intellectual and extremely responsible moral task. Morality is a special property of human personality. This property in fact makes a person the person. Here is how it was perceived by great Kant: "Two things fill the mind with ever new and increasing admiration and awe the starry heavens above me and the moral law within me" (Immanuel Kant. Epilog. Critique of Practical Reason (*Kritik der praktischen Vernunft*). The main ethical work of I. Kant. Published in 1788). We note specially, it was translated into Russian only in 1879. According to Kant, it is not the aspiration to happiness, rather, the aspiration to *worthy of happiness*, that is the quintessence of motives of human behavior, the great creative force. It is achieved by means of fulfilling a *duty*, a *debt owed*. The duty is an *internal reasonable coercion* to do moral acts. The main attribute of a duty is the *lack of self-interest*. Unlike its opposite – the *usefulness*, perceived as the benefit by sensual experience. We all miss this comprehension today. *It is the comprehension of this extremely simple truth, in practical implementation of this philosophical paradigm in life, that is the quintessence of nurturing the national elite, it is what our historical mission is.*

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