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## CONTENTS

<b><i>I. Ilin, O. Leonova.</i></b> Trends of the Political Processes of Globalization.....	4
<b><i>R. Serderov.</i></b> On Internal and External Threats of Russia in the North Caucasus .....	23
<b><i>E. Ionova.</i></b> Geopolitical Aspects of Presidential Elections in Uzbekistan .....	30
<b><i>A. Niazi.</i></b> Islamic Banks Can Work in Russia.....	36

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## **TRENDS OF THE POLITICAL PROCESSES OF GLOBALIZATION**

There are many scenarios and options for the future global development, discussed by the international community nowadays. Numerous foreign experts try to identify new trends in the development of the political situation in the global world of the 21st century, not excluding the possibility of any projected scenarios in a situation of “global uncertainty” that is typical for our time.

Russian scientists are also actively engaged in the global political forecasting, which is reflected in materials of international congresses on global studies, conducted by the Faculty of global processes, Moscow State University of Lomonosov, as well as its numerous publications, involving well-known experts on globalization.

The analysis of these materials, as well as outcome of discussions, allow to ascertain the achievement of visible results in the forecast of the development of the globalization of the political processes.

However, analysis of the economic aspect dominates in numerous publications about the development of globalization, but the political aspect of globalization has not been analyzed properly yet.

Many of these issues are the subject of debate. The definitions remain controversial, not only of globalization as a phenomenon of development in the modern world, but also of the political globalization, as a special aspect of it. One of the main experts on globalization, A.N. Chumakov, gives the following definition of globalization: it is “a reflection of the dynamics of socio-economic and political change on a global scale” [Chumakov 2013: 29].

Insufficient development of theoretical and methodological basis of the political globalization becomes more and more obvious in recent years. The nature of the political globalization and its consequences, of the political processes of globalization (their genesis, nature, essence, evolution and consequences), national interests in the context of the globalized world is still not well understood today. The political globalization is a reflection of the dynamics of the political processes in the emerging global political system.

New features of the global geopolitical space are manifested in the 21 century in the transition from bipolar to multipolar, and from monocentric to polycentric: improving the dynamics of the globalized political processes; reconfiguration, fragmentation, hierarchy, changing the architecture of the world; formation of the new geopolitical axes; bloc, dispersion and exacerbation of rivalry of emerging centers of power.

In the 21st century, the scenario of a slow movement toward a multipolar polycentric world will be the most likely, according to experts. If the U.S. is forced to focus economic, military and diplomatic resources on confrontation with Russia on the one hand, and on the containment of radical Islam – on the other one in the next decade, then

a number of states, that have accumulated enough strength, will be able to claim the status of the power center in globalized world.

The major powers in other regions use every opportunity to realize their own strategic objectives to a greater extent, including the achievement of political autonomy, and control over the strategically important geopolitical space. There is no consensus of expert opinion on the causes of the globalized political processes still.

**Political processes of globalization** are the processes occurring in the context of the political aspect of globalization, as a result of which there is a structural transformation of the global political system and the emergence of new global political actors, increased political relationship and interdependence between them, forming the **global political architecture and hierarchy**.

The world political system is gradually evolving into the **global political system**, increasing the number of global political actors, and involving new participants in the political process of globalization.

The political processes of globalization have a dynamic non-linear nature of the gain and complexity of the political relationship between all elements of the emerging global political system.

**Development trends of the political processes of globalization** are related to their transformation, nonlinear, partial disfunction and bifurcations of political system of the global world. Nowadays there is a collision of old trends of the political development of the global world of the 20th century with the new trends of formation of a polycentric world. As the collision of old and new trends, so as transformation of the political system in the global one, create a new content of the political processes of globalization.

The modern world is global in economic, informational, environmental aspects, but it remains fragmented in political and socio-cultural sense still. Almost two hundred sovereign states interact with

each other, have certain conflicts of interests and goals, enter into conflict or, on the contrary, form coalitions and alliances. The whole range of these contradictory relationship is one of the causes of political processes of globalization.

Almost two hundred sovereign states interact with each other, have certain conflicts of interests and goals come into conflicts, or, on the contrary, form coalitions and alliances. The whole range of these contradictory relations is one of the causes of political processes of globalization.

Currently, analysis and forecasting of trends in the development of political processes of globalization are increasingly relevant and in demand. The most obvious and important trends are as follows:

## **1. “Global states”**

Some global state of the phenomena and processes are fixed in the emerging global world.

“Global status” is a qualitatively new state of the world political system, which is gradually evolving into global political system. The new “global status” means the transformation of the international system, a change in the nature and the content of global connections and relationships, changes in the geopolitical status of individual states and global actors. Globalization leads to structural changes in the world political system and the restructuring of the entire system of international relations.

The interaction of the political processes of globalization of different levels: global and regional, global and local, regional and local (which occur primarily in the economic, informational, environmental spheres, and in the last instance – in political one), is an example of “global state” of the world political system.

The world gradually becomes global-integral through their interaction and relationship.

## **2. The new structure of global peace**

The global world of the 21st century will be structured according to different principles, it will begin to line up another hierarchy, other principles will determine the geopolitical status of global actors.

The hierarchy of the global world are represented by the following structural elements: power centers, applicants for status of center of power, economic, political, military and civilizational poles, global power, regional power. This hierarchy of structural elements, or rather the struggle for a place in it, will determine the course of the global political processes in the world and future scenarios of its development. [Ilyin, Leonova 2013].

The global world is formed not as a community of equal nations, but as a rigid hierarchy of states and regional political systems.

The new configuration of the global world will arise gradually with the emergence of new economic, military and political poles, which will be characterized by “mobility patterns of the world system” and “variability of the rules” of its functioning [Grinin 2013: 73].

Structures of the global world will be moveable, and rules of functioning and principles of life will be volatile. The main significance will be not rules, not international law, but economic and geopolitical interests of global actors. The increase in scope of the globalization processes, the increase in number of global actors (TNCs, NGOs, terrorist organizations, criminal syndicates, etc ..) will strengthen this trend.



### **3. Changes in the geopolitical landscape**

The consequence of the formation of a new structure of the global world will be a change in its geopolitical landscape.

One of the important trends of the 21st century will be the “continental, and then transcontinental crystallization and consolidation of the global geopolitical space” in which the movement of the future will not occur in the form of a “clash of civilizations”, but in the context of “competition of civilizations”, natural in a market environment. “The consequence will be a transition from the current volatile-unipolar world with one main currency USD and one international language of “global English” to superlarge mutually competing five units: the Christian Democratic Confederation of North on the basis of the EU, Russia and the US, East Asia and China block, Arab-Muslim world, South Asia and India union, and Latin America, with no less currency and language.” It is not necessary to comment on the predicted composition of the “Confederation of the North”, given the “mobility patterns of the world system” of the global world [Segura Zaytsev 2011: 186–187].

The presence of nuclear weapons can neutralize differences in the political weight between these countries and blocs, or deepen the hierarchical distance between them, if some of them do not possess such weapons.

### **4. The United States remains to be the center of power of the global world**

The U.S. will remain to be the center of power of the global world in the 21st century. Much have been written about the weakening of the U.S. hegemony in recent years, however, these projections were clearly premature. Although the US position will be weakened, no one can become the absolute leader in the new world. Today the United

States have concentrated the political, military, financial, currency, economic, technological, ideological and even cultural leadership in them . No single country or group of countries can take on such a burden because of the economic opportunities or political risks, or due to the lack of experience and the necessary alliances and ideological weakness. [Grinin 2013: 65, 73].

“The United States, despite all the manifold difficulties and debts have unsurpassed scientific, educational, technological, military and political potential, and will long continue to maintain global leadership” [Rozov 2010: 90].

The presence of nuclear weapons can neutralize the differences in political weight between these countries and blocs, or deepen the hierarchical distance between them, if there is no such weapons.

## **5. Desovereignization of Europe**

Economic desovereignization in Europe is a result of the project of European integration. This project conceived as a tool to compete with the U.S. and Japan, it has turned into a project, managed by the United States. As a result, “the major countries of Western Europe are increasingly becoming their vassals” [Osokina, Suvorov 2011: 184]. The process of political desovereignization of Europe is carried out, and the recent events have been demonstrated it, including the events in Ukraine. Considering the U.S. role in NATO, and their decisive voice in the North Atlantic Alliance, it is possible to speak of the military and strategic desovereignization of the European Union. It is safe to predict that such future awaits the other areas of American influence in the world.

## **6. Polarization of modernization and geopolitical strategies**

“Polarization of the two modernization and geopolitical strategies” is planned in the global world. There is an alternative of the two models in the “Far East Region”: Japanese and Chinese, Atlantic and some “alternative”.

Eurasian space is splitting up into Asia Pacific system, based on the strategy of modernization of the western Atlantic (where the US and Japan are the leaders), and the new continental system (where China is now the leader, but there is still a vacancy for Russia). Today, the polarization of the formation system occurs not only in the Far East, but throughout the global world, and the most polarize form is Eurasia. [Panarin, 2008: 62]

## **7. The instability and increased conflict potential of the global world**

The global world is characterized by a change of the hierarchical status of global actors and the instability of the hierarchical pyramid in the whole, in its political aspect due to the dynamics of the globalization processes. The former centers of power and poles of the global world will give the way to new and more dynamic, assertive and having the clear competitive advantages applicants.

The complication of the political process of globalization results in increasing the degree of instability. Subjective factors are becoming increasingly important, and not the personal preferences of political leaders, but the extent of passionarity in the fulfillment of the political order, the nature and methods of political governance.

The evolution of international relations and the global political system will be characterized by increasing instability and

unpredictability, which can only grow as a multi-polar system of the global polycentric world.

The generally accepted “rules of the game”, the principles and norms of behavior of global actors, as well as institutions and organizations, will be missing in the system, which would effectively regulate and control the interaction of the different poles and power centers of the global world. Increased conflict is a modern trend, and many regions of the global world have been involved in the conflict yet: Israel and Palestine, Iraq, Libya, Syria, Ukraine and others.

The vast majority of today's conflicts are associated with the struggle for the distribution of limited resources, energy resources basically. If the reason for many conflicts of the 20th century was a struggle for access to oil, then the reason for ones of the 21st century is the competition for access to areas for extraction of shale gas.

## **8. Ineffectiveness of international organizations**

International organizations such as the UN, the European Parliament, the OSCE, “Big Seven” and “Big Twenty”, the World Bank and the International Bank for Reconstruction and Development demonstrate the inability to respond adequately to the challenges of the political processes of globalization.

They were created in a different historical time, they were given other functions, not connected with the task of controlling and managing the political process of globalization. They were not prepared and not able to functionally meet the challenges that confronts them with the global world.

Current international institutions and structures that have proved effective in the past, are imperfect instruments in the present, when a new “global state” and change the format of the international political system began to manifest itself.

Today, international institutions of management and control on the development of the world political system lag behind the speed, dynamics and scale of development of the political processes of globalization. Their further degradation is possible.

The lack of effectiveness of international institutions indicates the absence of mechanisms to control the emerging political system of globalization, as Russian and foreign authors wrote repeatedly [Weber, 2009; Chumakov 2010; 2012; Drobot 2011; Ursul 2014; Martin 2003; Kiss 2014].

The most effective subjects of global management become centers of power of the global world in the absence of mechanisms for the global management and control over the political processes of globalization. Global political leaders will guide and supervise them in the extent to which the globalization processes are subject to the political influence of the subjective.

Self-regulation is a sign of the freedom of action and the right to defend its national interests. These freedom and rights are under the strict control of a single center of power of the global world today – the United States. The global world can become polycentric in the future, and the new centers of power will arise in it: in Asia, Latin America, Eurasia, maybe in Africa. Then, the global space will be shared into spheres of their interests, and the contractual process regarding the division of spheres of influence and the possibility to control them instead of global management will go between the centers of power.

According to the law of cyclicity of the global political development of the new centers of power with their game rules, they will impose them on others actors of the global world, standing on a lower level of the global hierarchy. Wars will be fought between the existing centers of power, and candidates for this status. The war would

take the form of regional conflicts, and will not be held on the territory of rivals, and it is obvious for today.

## **10. The new bloc. The era of new coalitions**

The phenomenon of the global regionalization, observed in the global world, leads to the formation of regional systems and subsystems of international relations objectively [Leonova 2013].

The process of maturity of these regional systems and subsystems will promote the formation of economic, political and military-strategic units, alliances and coalitions based on them.

The vectors of foreign policy will largely be determined by the economic interests of the state and will be a priority in comparison with ideological purposes in a fierce competition for scarce resources. The instability of the global political system will grow in conditions of increased conflictness in the global world. Geopolitical and economic interests will be very dynamic, unstable, rapidly changing, which will affect the rapid change of the priority vectors of foreign policy, partners, allies and enemies. Recently there has been an increase in the size of these blocks, by recruiting new members or partners (including observer countries, or the so-called associate members), which leads to an increase in the geopolitical space controlled by the unit.

For example, ASEAN was established in 1967, Initially, the five countries entered in the Association (Indonesia, Thailand, Philippines, Malaysia, Singapore). Then, Vietnam joined in 1995, Laos and Myanmar – in 1997, a little later – Cambodia.

Mercosur was formed in 1991, and Brazil, Argentina, Paraguay and Uruguay entered it initially. Chile and Bolivia joined the organization as associated members (1996), Peru (2003), Ecuador, and Colombia (2005), Venezuela became a full member next.

The process of enlargement of the European Union continues. Montenegro, Serbia, Bosnia and Herzegovina, Macedonia, Albania and others are in line for entry into it.

Expansion of the Shanghai Cooperation Organization is expected, India, Pakistan, and possibly Mongolia will become new members.

The global world of the 21st century is an objectively existing phenomenon, fragmented into a large geopolitical space – regional systems, which are closely interconnected and interdependent. Economic, political and socio-cultural interaction between them will grow and develop rapidly in the future.

## **11. Geopolitical pluralism**

Geopolitical pluralism is increasing in the global world, differentiation of geopolitical positions and interests is enhanced in the regions: Latin America, South-East and North-East Asia and Africa.

Russia also increases its “geopolitical pluralism” in recent times, actualizing its priority relations in the post-Soviet space with the countries of Central Asia. Dynamics of relations between Russia and the countries of the Middle East and the Asia-Pacific region was consolidated.

At the same time the European vector of foreign policy remained the most important and significant for Russia for a long time. In recent years, our country began to show a clear interest in developing partnerships with the countries of Latin America and Africa, which was presented as a “return” of Russia on the continent.

Since the “reset” of relations between Russia and the United States is not entirely successful, there has been a change in Russia's geopolitical codes and reversal of its policy towards the East, primarily on strong partnerships with China. Enhancing cooperation with

countries that are not priority vectors of Russian foreign policy, increases the tendency of flexibility and multivariance of political processes of globalization.

## **12. The transformation of the national sovereignty of the state**

The future of nation-states in the global world causes a lot of discussion. The reduction of the sovereignty of a nation-state is inevitable as a consequence of the creation of new blocs and coalitions, many of which can generate their own supranational government. These processes lead to the transformation of national sovereignty, which will weaken because of partly delegated sovereign prerogatives to various intergovernmental, supranational and global entities and arrangements. [L. Grinin 2013; 74].

There is also an opinion that the decrease in the degree of sovereignty of independent states may occur in the future due to the weapons of mass destruction, integration of the armed forces of the West in the military organization of NATO and the U.S. monopoly on the actual management. The U.S. supervise the territory of their potential competitors directly, locating their military bases there. [Osokina, Suvorov 2011: 184].

## **13. The conflict between the national interests of the state and globalization. The problem of implementation of the national interests of the state in the global world**

Trends to reduce the degree of sovereignty of independent states is opposed to another trend of globalization of the 21st century – **a rising conflict between the national interests of the state and globalization**, which will be particularly acute in the political sphere.



At the end of the 20th century it seemed that the role of a nation-state began to weaken with the development of the economic dimension of globalization, the increasing economic interdependence of countries, the increasing role of trans-national corporations, the development of international financial markets, the internationalization of capital and business. Dismantling of a nation-state seemed inevitable and a matter of the nearest future. It became obvious, that there was a number of serious problems that could not be solved within the framework of intergovernmental structures (UN, OSCE, the European Parliament and so on). These were the issues and challenges that affected the national interests of a country and their decision was the prerogative of a nation-state.

Therefore, the expected decline of the state did not take place and it would be unlikely for the foreseeable future.

The trend of political development of Russia in the 21st century is a convincing proof. The strengthening of “vertical of power” and other political and administrative reforms have led to the strengthening of the role of the state in the economic, political and other spheres of social life. Examples of China, the countries of Southeast Asia, and a number of successfully developing post-Soviet states confirm this as well.

The problem of national interests in the global world remains a subject of debate and reflection. Obviously, states will not be able to abandon the defense of its national interests for the sake of the future of “the unity of mankind” in the near future. National interest is an objective limitation of the process of the political globalization. This obstacle may be removed, but gradually, as the search for a balance of national interests of each country and the global system of the political interdependence and subordination of the global world.

## **14. Relevance and competitiveness of authoritarian states**

The global financial and economic crisis has manifested another interesting trend of globalization – the relevance and competitiveness of authoritarian states. A number of authoritarian states have demonstrated their economic and political efficiency and have shown themselves worthy competitors of European democratic states in the course of the global economic crisis.

A kind of competition between traditional democratic states that have evolved within the liberal democratic model, and the countries which regimes are called authoritarian, occurs in the 21st century. Today, the latter demonstrate their economic and political effectiveness after a number of global financial and economic crises, and they are worthy competitors to democratic states with liberal economy. This trend has already been called “the great revival of the authoritarian powers,” and many analysts and experts wonder what is more effective in the context of globalization: democracy or dictatorship? Democracy has proved its effectiveness over the 20th century. But not only the liberal-democratic way of development is successful in the 21st century. The authoritarian regimes are prospective in the context of global development trends, where the state has a dominant role in the economy and politics. The promising prospects are opened to Russia, that has not been accepted into the “club” of democratic countries with market economies.

## **15. Changing the periphery's role of the global world and the efficient geopolitical strategy of developing countries**

Development of the periphery of the global world has accelerated as a result of globalization, especially its economic aspect. Moving the

poles of economic growth and the financial flows to the Asia-Pacific region, the periphery of the global world recently, is an obvious fact.

The growth of economic development and economic contribution to the world economy entails the increasing the political “weight” of countries of the global periphery in the global political system and status in the hierarchy of the global world. The geopolitical strategy of developing countries will be associated with the search for ways to grow and effective alternatives to the trends of industrialization. Most likely, this strategy will be formed as the anti-Western one.

The growth of economies of Asian and other countries in the periphery, and the growth of their political influence will lead to checking with them of new rules, regulations and standards of conduct of Western countries in the global world. It is possible that many of the political standards and norms of political development of the global world will be dictated not by Western countries led by the United States. Thus, not only the Western, but also other civilizations will be represented among the power centers of the global world of the 21<sup>st</sup> century. The dynamic growth of the economies of other non-Western countries and, consequently, their increasing political influence in a globalized world can lead to areas outside the U.S. interaction. These zones can emerge in Asia Pacific, Latin America and North-East Asia in the near future and will inevitably rise. For example, the SCO is an example of the area outside the U.S. interaction.

The expansion of the SCO is inevitable and new candidates for membership in the organization were announced at its last summit in Dushanbe on September 12 2014. The possible accession of new countries in the SCO, especially such geopolitically significant as India, Pakistan, Iran, will lead to the expansion of areas outside U.S. interaction. The trend of a new bipolar world will emerge with the expansion of such areas.

Competition of ideas, concepts and ways of development may arise between areas outside US interaction and the developed countries of the West. China, South-East Asia, India, Latin America demonstrate that the search for a unique way to the new world of the 21st century has a good prospect of success. Perhaps the scenario of globalization, sponsored by the US, will be rewritten in the near future.

## **16. Enhancing the role of the Ummah in the political processes of globalization.**

### **Transformation of the Ummah in a collective global actor**

D. Efremenko predicts that globalization is gradually “brings to an end the economic, cultural and technological dominance of European civilization, which has been lasted more than five centuries” [Efremenko 2009: 162].

Political processes of globalization impact on the diverse and fragmented Islamic world, contributing to the strengthening of its unity. The need of finding adequate responses to the challenges of globalization promotes unification and synthesis of different currents of Islam. The development of globalization as a unity of the world system, and information and communication technologies is a factor that contributes to the formation of a kind of “Islamic International”. Tens of thousands of Islamic financial, political, cultural, spiritual and educational organizations, united by a common ideology, goals and vision of the global problems will join it. The ummah is transformed gradually into a quasi-political block or a coalition of states that actively opposed to a westernization and globalization in its western form. The Ummah becomes a powerful global actor in the 21st century, that will actively participate in the development of the global world and Western countries will have to reckon with its opinion. New

geopolitical perspectives and problems appear before Russia in this situation. One of them is the search for a constructive political interaction with the Muslim world.

The process of destruction of the moral traditions of Christian and Muslim civilizations, the erosion of moral standards, and replacement of ethical ideals have reached such proportions that it became one of the most important global problems of mankind. The traditional religions of the world civilizations may offer a way out of moral impasse in which mankind goes.

The global development is variably and contains many possible directions. This variability provides a large number of different global actors, seeking to realize their economic and geopolitical interests. The new vectors of development, the new measurements, the key problems and the bifurcation point constantly emerge in the global world. The global world is the order, structure, hierarchy, algorithms of actions of global actors, the relationships between them, values, ideals, objectives and prospects of development, which are constantly changing.

Maintaining the civilization and the geopolitical global balance between East and West is still depends on Russia. A strong Russia will support education in Eurasia. Weakening and especially the loss of Russia as a political subject of world-class offer the prospect of a direct collision of Western, Muslim and Pacific worlds in the struggle for the redivision of the ecumene [Panarin, 2008: 77].

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### **ON INTERNAL AND EXTERNAL THREATS OF RUSSIA IN THE NORTH CAUCASUS**

Protection of national interests and ensuring national security of the Russian Federation are directly connected with the development of the situation in all the Post-Soviet space. The North Caucasus is a kind of border areas, a strong point for protection of its vital national interests in the Caucasus, Caspian, and the Middle East regions.

You can take into account that Russia, as a Caucasian state, pursues its national interests, maintaining its territorial integrity. The Caucasus has become a region where a direct threat to the national

security of the Russian Federation is based. There are many ethnic and national, regional, religious and other contradictions and conflicts, real and potential, which are manifested here in the most complicated way. It is fraught with far-reaching, difficult to predict the negative consequences for all nations. It is necessary to distinguish between the territory and the space to a proper understanding of this problem. The space includes (from a geopolitical point of view) as the actual territory of a specific country, delineated clearly by national borders, and its interrelations with the neighboring countries and peoples. The territory is a natural location of the state, the material basis of political self-organization of the people. The principle of the territorial imperative is valid when the boundaries of the territory (the sovereignty and jurisdiction of the State applied to it) is inviolable, and the State has the right to defend it by all means. The notion of “space” has a special meaning in geopolitics and not always and not necessarily serves as a synonym for “territory”. The category of “space” is broader than the category of “State territory”. Its boundaries are not marked clearly, and not always and not necessarily fixed as the legal ones, and, accordingly, may be mobile.

We can not say that the territorial and geographical factor has lost its significance in general in the modern world, when determining the priorities of the national security of the state. Nowadays, the thought of the famous German researcher of the 19th century, F. Ratzel, remains significant, that the territory itself is a political force.

However, the forms and means of domination of one or another great power over other countries, peoples, regions have radically changed in the last few decades. If the seizure of the territory of other country has given such a result during the traditional geopolitics, then not political control over it is important, but management by other means and methods for today. The so-called “soft power”, acting in the



form of information warfare, ideological, cultural, financial, economic hegemony, belongs to them.

These realities have acquired special relevance and significance in relation to the North Caucasus, which turned into a qualitatively new geopolitical situation after the collapse of the Soviet Union, becoming a borderline geopolitical space of the Russian Federation. The basic characteristics of the region is determined by factors of location, physical and geographical, spatial, climatic and other peculiarities, that have influenced and continue to influence the socio-economic development, ethno-national structure, historical fate of peoples. Events and processes in the region have a significant impact on the development of the situation at scales far beyond the region.

A number of subspaces, overlapping and not always coincide with each other, as well as spaces of another level and composition can be distinguished from the geopolitical point of view – the economic, ethno-national, religious, socio-cultural, informational, and others. Their borders extend to the South Caucasus. The limits of the ethno-national, cultural and linguistic subspace has crossed the state borders of the Russian Federation and spread on the territory of South Caucasus states – a zone of vital interests of Russia, that are essential for ensuring its national security. They include the territories occupied by ethnic groups such as the Abkhazians in Abkhazia, Ossetians living in South Ossetia, Lezgins and Avars in Azerbaijan, etc.

The North Caucasus is a part of a single Caucasian region, which occupies a central place in the Black Sea-Caspian region, and it should be considered for ensuring national security of Russia. Both regions are characterized by a common set of specific features of the ethno-national, religious, territorial and geographical, historical, socio-economic, socio-cultural and other measures. The need to treat them as a single region in the geopolitical dimension, which occupies a strategic

position on one of the busiest crossroads of the world communications, is explained by these realities. The North Caucasus in the geopolitical dimension can be considered as one of the priorities of the foreign policy strategy of the Russian Federation in this context. The region has naval and land communications with the Middle East, Central and South-West Asia. It plays a special role in control and access to natural energy resources, having geostrategic importance.

It is also important that the geopolitical borders of the North Caucasus extend over the territory of the Middle East for a number of indicators. The North Caucasus republics is expanding ties with the countries of the region such as Turkey, Syria, Jordan and others, where there are diasporas of their peoples. These republics can be considered a part of the so-called Muslim north or a broader Islamic world, in the confessional terms. Despite the existence of the clear state borders, separating the region from the rest of the world, its geo-political boundaries are blurred and represent a kind of border zone. It can be seen as a part of a wider geopolitical space, where the interests of a plurality of neighboring states and the great powers are met. Russia provides access to an important transport communications on the Middle and Near East, the ability to maintain stable relations through the Black Sea and the Caspian Sea, both in Europe and Asia, and with the rest of the world, all through the region.

The boundaries of these spaces do not always coincide with the territorial boundaries of the North Caucasus. Each of them has more or less significant impact on each other and on the region as a whole. The geopolitical situation in the region is characterized by the presence of all sorts of socio-economic, ethnic, religious, territorial and other contradictions and conflicts. At the same time the so-called New Great Game was developed due to a combination of factors in the region, but with a different composition of the actors. The region has become the

epicenter of large-scale events and processes of world-historical significance. Issues relating to the provision of the economy with energy resources, affect more and more on the development of the modern world. The great importance of oil and gas leads to an exacerbation of rivalry and the struggle between the major powers for control of hydrocarbon deposits and pipelines. It is not surprising that the Caucasus-Caspian region as a whole, and the Caucasus, in particular, that was beyond the main centers of world economic and military and political power recently, has become one of the most important regions in geopolitical terms in the 1990s. Keen competition for the expansion of the spheres of influence has begun in the region between many countries in a major geopolitical shift, namely the United States, a number of Western European countries, Turkey, Iran, China and many others. All of them are competitors of Russia and seek to expand their political and economic influence in the region by pursuing their own interests. Focusing on ethnic and religious factors is a characteristic feature of the countries competing with Russia. This situation was created after the collapse of the Soviet Union, and many analysts have argued that the Caucasus, including the Russian North Caucasus, would be “Russian Balkans.” The revival of ethno-national, religious, territorial and other contradictions and conflicts in the Eurasian space from the Balkans to Afghanistan was a result of the disaster of the twentieth century, which led to the end of the bipolar world order. The conflicts have a significant impact on the geopolitical situation in the whole Black Sea-Caspian region and around the world. Ethnic tensions plays the role of an enzyme that increases the other contradictions. Two Chechen wars and Georgian aggression against South Ossetia in August 2008 indicate that fact, not to mention the wide range of events, which blew up the region in the late 1980s – early 1990s.

The key is the fact in the context of this particular situation that the boundaries between internal and external policies are erased more and more in the modern world. This global trend is found in the North Caucasus, and its geopolitical position is formed by a combination of internal realities of the region itself as an integral part of the Russian Federation – on the one hand, and external factors – on the other one.

The importance of the identification and analysis of sources of internal and external threats to national security, as well as the forms, methods and ways and means to neutralize them or resist them, has increased.

Security of the Russian Federation acts as a derivative of neutralization the centrifugal tendencies among the national subjects of the federation in the southern direction.

Consequently, it is necessary to consider the processes in the region in conjunction with the processes, occurring in Russia in general, and in the rest of the world. National security is the protection of the state from external threats, from attacks on its sovereignty, territorial integrity, interference of external forces in internal affairs. Military and political security were considered primarily as the main components of the concept of “national security” before. Nowadays, issues of security are related to the economic, technological, environmental, humanitarian and other aspects. National security is closely linked with the social, ethnic and political stability in the society and the state.

That inner state determines the most important parameters of national security of the Russian Federation after the collapse of the Soviet Union in many ways. In other words, the internal threats to national security, related to the state of the society and rooted in it, have acquired the key role. These threats can be caused by the state of the national economy, the degree of health or illness of the society,

erosion and undermining of the prevailing system of values, traditions, principles and national ideals. They, in turn, lead to the social and political instability, growth of organized crime, drug trafficking and terrorism, the aggravation of inter-ethnic, inter-confessional and other differences and conflicts. The complicated political situation is exacerbated by the growth of religious and political extremism, terrorist activity of radical religious groups. This trend is closely connected with ethno-nationalism, clan ethnographic model of power-relations, and attempts of criminal gangs to destabilize the situation in the republic.

Internal factors of conflict in the region are stimulated and heated by external forces. Therefore it is natural that the North Caucasus as a geopolitical space of the inner border of the Russian Federation includes the basic characteristics of the region itself in its relations with the countries of the South Caucasus and the Middle East. The trend of combining internal and external policy, which is observed throughout the world, is now found in the North Caucasus, due to discrepancy of the state borders and limits of the geopolitical space.

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## **GEOPOLITICAL ASPECTS OF PRESIDENTIAL ELECTIONS IN UZBEKISTAN**

Presidential elections, the fourth since independence of the republic, were held in Uzbekistan on March 29. As expected, the current president Islam Karimov has won, nominated by the Liberal Democratic Party of Uzbekistan. According to the majority observers, the elections have become uncontested as soon as Karimov announced the decision to run for president. The reason for such unanimity was not only an autocratic system of government in Uzbekistan, but also that his personality has been associated with the preservation of stability and order in the republic.

Islam Karimov has headed the republic for 26 years (he was appointed the First Secretary of the Communist Party of Uzbekistan in 1989), and managed to prevent a civil war in Uzbekistan in the 1990s. Thus Islam Karimov is perceived as a guarantor of stability in Uzbekistan not only in the country but also abroad.

The current president put forward a program “Tinchy bulsin” – “Let there be peace,” and received the full support of the electorate. Other contenders were not real rivals to I. Karimov. In general, the elections demonstrated that the majority of the population considered the preservation of stability and peace more important than any of the other principles of development of society.

The probability of destabilization increases due to rising threat of radical Islamism. They can be “both external (possible invasion of Afghan fighters) and internal (Islamist attempts to organize a public protest and a revolution after the death of Karimov).”<sup>1</sup> There is a danger

of revitalization radical Islamic organizations in northern Afghanistan, expressing direct threats against Tashkent.

“The Islamic state” becomes a factor that can influence the situation in Afghanistan and strengthen the terrorist threat to Central Asian countries. According to the National Security Service of Uzbekistan, there are about 5 thousand. members of a terrorist organization “Islamic Movement of Uzbekistan” (more than half are from Uzbekistan), fighting on the side of the Islamic State.

Afghan extremists have sent emissaries to Uzbekistan and other Central Asian countries for conducting propaganda. According to official statements of the NSS of Uzbekistan, the Islamic State planned attacks in March in connection with the presidential elections and the holiday of Navruz, their activity increased on the Uzbek-Afghan border as well<sup>2</sup>. According to the National Security Committee of Kazakhstan, the terrorist group from Syria, and Turkey (planning a series of terrorist attacks in Uzbekistan and Kyrgyzstan) has been neutralized as a result of joint actions of the law enforcement agencies of Kazakhstan, Kyrgyzstan and Uzbekistan<sup>3</sup>.

Measures to improve security in the country are taken, the state border is strengthened anti-terror exercises, and discussions with the population are held. In addition, the issue of amnesty for supporters of the Islamic State, who decided to return to Uzbekistan, is solved. This measure applies only to those who are not stained with the blood, and has repented of their deeds (according to unofficial data, there are thousands of Uzbek citizens in the ranks of the Islamic State)<sup>4</sup>.

The growth of terrorist threat in Central Asia may be instigated by Washington, according to some experts. Even in 2011, A. Magomedov, an independent expert on Central Asia, expressed the opinion that the United States would try to destabilize the situation in

Uzbekistan to create problems for Russia and China, after the withdrawal of their troops from Afghanistan<sup>5</sup>.

Nowadays official Washington claims that the stability and security of Central Asian countries strengthen the US security, contribute to global efforts in the fight against terrorism and extremism, and the independence of the region, its ability to protect the borders, communication with each other and with the emerging economies of Asia, promotes the stability the most. Withdrawal from Afghanistan does not mean reducing the importance and value of Central Asia to the US, interested in promoting their own interests and sustainable partnerships with the countries of the region.

The US intends to invest in the further development of the region, its political and economic stability in order to strengthen partnerships to ensure mutual security, establish closer economic relations and improve the management system and the human rights situation<sup>6</sup>.

The US will cooperate with Uzbekistan and other Central Asian countries to maintain influence in the region, even if the situation in Afghanistan remains as acute as ever. The US will cooperate to prevent the activity of extremist groups in the region, using this as an excuse for the organization of modernization and supply of military units<sup>7</sup>.

There is an opinion that Uzbekistan is the only potential candidate for the role of a springboard for the U.S. Kazakhstan is a member of the Eurasian Union, Kyrgyzstan is on the way there. Turkmenistan is not going to turn into someone bridgehead – Gurbanguly Berdimukhamedov quietly engaged in the export of gas (including China), and does not intend to play in geopolitics. Tajikistan is highly dependent on Moscow (despite all the anti-Russian actions of Emomali Rakhmon), and tries to establish a strategic relationship with Iran.<sup>8</sup>



Uzbekistan always has a special place in the US foreign policy planning. First, the U.S. take into account its geographical location – the republic is bordered with all countries of the region. Second, Tashkent's attempts to distance itself from Russia have created a fertile ground for such plans. Apparently, Washington continues to believe, that the United States prevent the restoration of Russian influence in Central Asia, involving the republic in their orbit.

The US have the intention to gain a foothold in Uzbekistan, sending numerous missions to the country. About 60 U.S. government delegations visited Uzbekistan in 2014. The delegation from Washington, which included representatives from the State Department, Defense Department and intelligence agencies arrived to Tashkent in April this year. The purpose of the visit (according to official reports), was to reassure the governments of Central Asia that Washington would not weaken attention to this region.

Washington tries to involve Central Asian states for solving problems of the U.S. in Afghanistan. Issues related to Afghanistan were the focus of talks of the U.S. delegation, including the formation of a government of national unity, the security situation, the new NATO mission in Afghanistan, which provides assistance to Afghan security forces (no combat operations).

The American side called on the leaders of Uzbekistan, Kazakhstan, Kyrgyzstan, Tajikistan and Turkmenistan to expand economic cooperation with Afghanistan, to promote the development of education, assistance in the creation of infrastructure and energy supply. The representatives of CA countries expressed their concern about the overall situation in Afghanistan. I. Karimov suggested that the U.S. should not rush to withdraw their troops from the country (now the American military presence there counts 10 thousand people)<sup>9</sup>.

I. Karimov takes into account the strengthening of the contradictions between Russia and the United States with their European satellites, trying to maintain a balance in relations with both parties. Uzbekistan seeks to develop military-technical partnership through bilateral relations with Russia, buying military equipment and weapons of Russian production for its armed forces.

During the election campaign, Islam Karimov announced prevention of accession to any military blocs, the deployment of foreign military bases on the territory of Uzbekistan, and Uzbek troops outside the country to be the most important point.<sup>10</sup> Particular emphasis was placed on the strengthening of friendly relations and mutually beneficial cooperation with all countries, but above all – with the neighbors.

Security cooperation between Uzbekistan and the Russian Federation comes under the SCO. The SCO Regional Antiterrorist Structure is based in Tashkent. Meeting of the special services representatives of the Member States was held in early April of this year. The agenda included discussion of the cooperation program of the SCO member states to counter terrorism, separatism and extremism for 2016–2018 years. The question of the suppression of attempts by terrorist organizations use the Internet resources has taken a special place.<sup>11</sup>

Trade and economic cooperation is of great importance for the development of relations between the two countries, in addition to security problems. Russia ranks first among the trade partners of Uzbekistan (Russia's share is about 27% of the total foreign trade of the Republic). The trade turnover amounted to \$ 4.5 billion in the first nine months of 2014. The sanctions have opened for Uzbek farmers more opportunities to sell their products in the Russian market.

Uzbekistan is the largest country in terms of population of Central Asia, rich in natural resources and military potential. The results of the official visit of Vladimir Putin to the Republic in December 2014 show the interest of Moscow in the development of relations with Uzbekistan. A number of important agreements has been signed, Russia has written off the debt of Uzbekistan in the amount of \$ 865 million (Tashkent will repay only \$ 25 million).<sup>12</sup>

Among the documents were signed: the Agreement “On the main directions of development and deepening of economic cooperation for 2015–2019 years”, providing for the expansion of bilateral relations in industry, agriculture, finance and banking sectors, as well as cargo and transport; Program of Cooperation between the Ministries of Foreign Affairs of Uzbekistan, and Russia in 2015; Protocol between the Ministry of Internal Affairs of Uzbekistan and the Federal Drug Control Service of Russia on the exchange of research results of narcotic drugs and psychotropic substances confiscated from illegal turnover. The decision was announced to hold consultations on the free trade zone between Uzbekistan and the Eurasian Union. I. Karimov noted the stabilizing role of Russia in Central Asia, in the course of negotiations.<sup>13</sup>

The problem of migrant workers is very important for Uzbekistan. As you know, the lack of jobs at home is forcing thousands of able-bodied citizens of Uzbekistan to seek work in other countries, especially in Russia. Despite the sharp drop in the ruble exchange rate, around 2.5 million. Uzbek migrants work in Russia even now. Their earnings are transferred to the republic, it is an important tool of its economy.

It is unlikely that Islam Karimov supported by both Washington and Moscow at the moment, will change his foreign policy and give priority to one or the other side. However, the further development of

global competition leads to a narrowing of the possibilities of multi-vector foreign policy for countries such as Uzbekistan.

## Notes

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## **ISLAMIC BANKS CAN WORK IN RUSSIA**

A number of Russian financial institutions began to show interest in Islamic banking in the early years of zero, but overall the domestic banking system was indifferent to it in those years. Islamic banking was not considered even as a competitor, which could oust usurious and speculative capital. In addition, there were many concerns that Islamic finance can be used to fuel terrorism and religious extremism.

Those concerns exist for today, but gradually give way to a sober comprehension of the prospects of this non-traditional sector. It is developing successfully in both the East and the West. As experience shows, the work of Islamic banks and Islamic branches of conventional banks abroad is built on entirely transparent rules of business.

Militant jihadists receive significant monetary supply from other sources and other schemes. This may be an example of al-Qaida, the so-called Islamic State, a number of other major terrorist groups, as for small cells of extremists and single terrorists, they do not need a large sums of money usually.

Interest in Islamic banking has increased in Russia not only because of its rapid growth in the world and well-known difficulties in the national economy, but also in connection with public requests for ethical business. The Islamic experience of the issuance of loans to bypass usury “riba” attracts growing attention of Russian experts and the public, including the Russian Orthodox Church.<sup>1</sup>

Russian Muslims have shown a growing interest in Islamic financing, as evidenced by the increase in publications on this topic and materials posted on the Internet. The fundamental work of the Russian scientist R.I. Bekkin “Islamic economic model and Modernity” will be useful for readers, who are interested in the ethical economy. It makes serious corrections in the idea that there is no alternative to the existing global financial system. A detailed analysis of the formation of the Islamic economy and its individual institutions at the current stage is represented in the book.<sup>2</sup>

Usury is forbidden according to the religious and ethical norms of Islam. The value of money should not grow by itself in the Islamic system of credit, as it happens when they lent at interest, if a lender does not participate in the use of loans, he is not responsible for the results of his investment, and gets his profits guaranteed. Profit making

is justified according to modern interpretations of Sharia if the financier put on equal terms with the owners of other factors of production – land, property, equipment, physical and intellectual work. A financier actually becomes a businessman, a partner in the project.

The work of Islamic banks is built on the scheme of share participation in the income statement and is similar to the activities of investment funds. Banks can get the goods for the client in installments and resell it with the a predetermined margin, which is not subject to revision for the entire period of the contract. Banking costs are also included in the fee. Such transactions are called Murabaha. Another scheme – “mudaraba” reminds trust financing when a depositor invests surplus funds in the enterprise via bank and makes a profit on a par with the bank. The income is distributed in agreed proportions.

The bank acts as the manager – when working with an investment, or the client – if the project is funded. The bank can purchase the equipment and real estate, pay for transportation and other expenses to support the enterprise. The owner of the capital bears the losses in the event of failure, and the manager does not receive remuneration.

Another common type of contract – “musharaka”. Participants invest their capital and share profits according to the stipulated proportions. It is paid not once, but regularly. Losses are distributed proportionally to the partnership shares in the invested capital. Moreover, Islamic banks provide pre-financing – salaam, mostly in the agricultural sector, conducted leasing transactions – Ijara, perform a number of other operations.

The main thing is that the bank and its customers are partners in the system of Islamic finance. Capital claim to part of the profit and the profit margin is calculated from particular terms of the deal. Acceptance of the project risk on the lender or the investor is implied. Revenue is

determined by the final result. Only the lender often bear financial losses on failure. Thus it is recognized that the losses incurred by the borrower and lead to unproductive expenditure of physical and mental energy and time are no less weighty than the money lost. In other words, the possible risks and losses do not mix and are a function of a particular resource: the money for the financier and human energy – for the entrepreneur. Deposits are replaced by transfer of funds under the management of banks, which are divided between them upon receipt of income, as opposed to the conventional system of payments on deposits. The work of the islamic bank is similar to the activities of a joint venture open fund.

It finances its assets emitting contracts on deposits, which are sold as “shares” for investors. Formed portfolio of assets is owned by customers. Since the profit of the bank or investor is not guaranteed initially, but it is derived from income, the bank or the investor can count on income only if the money is invested in the real economy and create real added value.

Another basic principle of Islamic banking is the prohibition of intentional unjustified risks beyond chance. Any random act for profit is prohibited, such action is referred to as “maysir” Unearned income obtained without labor or capital investment is also considered maysir. Therefore, Islamic banks do not engage in risky speculative operations in the financial market. “Gharar” is also prohibited. It is the uncertainty, the lack of completeness of the information about the subject of the agreement that led to an unreasonable risk. Thus, Sharia prohibits commercial transactions, where the condition is: the exchange of money and goods in the future at a price fixed at the date of the transaction; Trade in goods which is not available at the seller, and which he does not own – such as futures transactions (except salam

contract and its varieties); the contract where one or both parties are misled.<sup>3</sup>

Islamic banks carefully examine the proposed projects, transactions are made longer than usual, the performance of the contract is accompanied by close supervision of the financial organization. Despite this, the Islamic banking system shows a stable development in the last decade. Its attractiveness is growing not only among Muslims.

Islamic banks operate, not only in countries with a predominantly Muslim population, but also in Europe, USA, Australia, Canada, India, South Korea, Hong Kong, Singapore, Sri Lanka and the Bahamas – in more than 70 countries. Transnational corporations “IBM”, “Alcatel”, “General Motors” and “Mercedes” use the services of Islamic banking and the leading Western and Asian banks, “Deutsche Bank”, “Nomura Securities”, “Citibank”, “Hong Kong and Shanghai Banking Corporation”, “Chase Manhattan”, “JP Morgan”, “ABN Amro”, “Societe Generale”, “Goldman Sachs”, “BNP Paribas” and others have Islamic department services.

A compound annual growth in global Islamic assets was observed at an average level of 17% in the period from 2009 to 2013 according to the latest report of the company Ernst & Young” on the competitiveness of the global Islamic banking. Islamic assets in commercial banks were estimated at \$ 778 billion in international markets in 2014. Six emerging markets – Qatar, Indonesia, Saudi Arabia, Malaysia, UAE, and Turkey – controlled 82% of the international Islamic banking assets worth \$ 753 billion in 2014. In Malaysia, Islamic banking is growing twice as fast as traditional. The same high level is also observed in Indonesia. It is expected that the assets of the six leaders of Islamic banking will show a compound annual growth of about 19% per year over the next five years and reach \$ 1.8 trillion by 2019.<sup>4</sup>



The Islamic financial system in Iran, which is not ranked among the countries analyzed “EY”, is managed by the state. According to analysts of “Thomson Reuter”, Iran is the largest market for Islamic finance today. 48% of the global Islamic financial assets are a share of Iran, in comparison with 16% share of Saudi Arabia, which is the second. Total assets of the global Islamic finance exceeded the level of \$ 1.6 trillion at the end of 2014.<sup>5</sup> Assumed they can grow to 2 trillion by the end of 2015.<sup>6</sup>

The sector's share of Islamic banks is about 90% of all Islamic financial institutions. It is their most productive part and develops extremely rapidly, it is able to meet the growing needs of complex corporations and individuals to date. The market of Islamic bonds (sukuk) is developing rapidly. Another part of Islamic finance is represented by the assets of Islamic insurance companies, investment funds and stock markets.

The presence of the Islamic financial industry can be quite useful and timely for the Russian economy and the social sector. They suggest its involvement in the development of the domestic industry, railroads, small and medium business, science, close to the production, projects to support the poor.

The relevant committee of the State Duma, as well as experts from the Ministry of Finance, Central Bank, VTB Bank, the Association of Russian Banks and the Association of Regional Banks of Russia have begun a serious review of the operations of Islamic finance in Russia. Perhaps the state and private capital will attract Islamic finance from the various countries of the Muslim world as well as domestic investment, accumulated Russian Islamic banking in the near future.

It is possible that Russia's own Islamic bank will start full operation in the future. It is necessary to change the legislation and the

availability of necessary experts. In particular, it needs to amend the Federal Law “On banks and banking activity”, which prohibits banks from engaging in the production and trading activities.

A small number of highly skilled professionals available. Training the required number of specialists is carried out both in the secular as well as Islamic educational institutions, including foreign ones. It is hoped that soon the Islamic banking as a promising segment of socially responsible investment, will take its rightful place in the Russian economy.

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## **CONTENTS OF "RUSSIA AND THE MOSLEM WORLD" BULLETIN FOR 2015 № 1 (271) – 12 (282)**

### **№ 1**

*Ahmet Yarlykapov.* Adat, Shariah and Russian Law in the Modern North Caucasus: Results and Prospects (4–8); *Jamilya Aliyeva.* Specific Features of Politicization of Islam in Modern Daghestan (8–12); *S. Akkiyeva.* Kabardino-Balkarskaya Republic (13–18); *Lola Dodkhudoeva.* Tajikistan: Socio-cultural Code of the Epoch and Popular Islam (18–25); *Elena Ionova.* Domestic Political Situation in Uzbekistan (25–35); *Boris Volhonsky.* Hydroresources as a Factor of Geopolitics in South and Central Asia (35–53); *Sergei Abashin.* Migration from Central Asia to Russia: Model of a New World Oder (53–65).

### **№ 2**

*Mikhail Khazin.* Discourse over the Map of the World (4–9); *S. Pasandide.* Salaphites and Struggle against Radicalization in Russia (10–13); *E. Shcherbina.* Monitoring the Situation in the Karachayevo-Cherkesskaya Republic (13–16); *Aider Bulatov.* Salaphism as Ideological and Political Movement in Muslim Ummah of the Crimea (16–21); *N. Rakityansky, M. Minchenko.* Political and Psychological

Dynamics of Re-Islamization of the North Caucasus (21–39); *Nazgul Mingisheva*. Modern Muslim Movements and Groups in Post-Soviet Kazakhstan: Certain Aspects (40–48); *Elena Ionova*. Foreign Policy Priorities of Turkmenistan (48–57).

### **№ 3**

*R. Usmanov*. Globalization and Ethno-political Process in Modern Russia (4–12); *Vladimir Bobrovnikov*. Muslim Traditions, Law and Society in the Russian Caucasus (13–27); *L. Khoperskaya*. Monitoring of Ethno-political Situation in Kyrgyzstan (27–43); *G. Lukyanov*. Geater Activity of Supporters of Radical Political Islam in the Middle East as a Threat to Security and Interests of Russia in Central Asia after 2014 (44–52); *E. Kasayev*. Qatar – an Active Sponsor of the “Arab Spring”. Preconditions, Consequences and the Russian Factor (52–60).

### **№ 4**

*D. Sidorov*. Problems of Traditional Islam in Russia. Islam and Muslims in the Destiny of Russia, Their Role and Development Path (4–13); *M. Basnukayev*. The Place and Role of Islam in Regions of the Russian Federation, Transcaucasus and Central Asia (13–22); *E. Kukva*. The North Caucasian Region as an Area of Socio-cultural Risks. Social Risks at the Present Development Stage of the North Caucasus (22–27); *E. Ionova*. The Political Situation in Kyrgyzstan (28–33); *A. Niazi*. Turkmen: Ethnos and Faith (34–38); *Aleksei Malashenko*. Will It Be Possible to Conquer the “Islamic State”? (39–50).

## **№ 5**

*A. Niyazi*. From Different Interpretation of Freedom to Collision of Anti-Culture (4–9); *E. Ionova*. Policy of Turkmenistan in the Sphere of National Security (10–19); *S. Filatov*. Kabardino-Balkaria in Search of Religious Peace (19–32); *G. Rudov*. Ferghana Valley: Reasons for Crisis Phenomena and Ways of Their Neutralization (32–44); *A. Saidov*. Islamic Factor of Legitimation of Power in North Caucasian Republics (44–53); *O. Khlopov*. Reasons for and Consequences of Falling Prices of Oil: U.S.A. and Saudi Arabia Interests (54–61).

## **№ 6**

*Damir Mukhetdinov*. Russian Muslims: Call for Conceptualization and Contextualization (4–17); *Shamil Kashaf*. Interaction of the State and Muslim Religious Associations in Social and Political Reality Facing Challenges to Russia's Identity (18–31); *Elena Ionova*. Strategic Course of Dushanbe (32–39); *Elena Drinova*. Political Modernization and Islamic Parties: Thorny Path to Non-liberal Democracy (39–53).

## **№ 7**

*Damir Mukhetdinov*. Russian Muslims: Call for Conceptualization and Contextualization (Conclusion) (4–17); *Alexander Brega, I. Kopylov*. Transnationalization of Political Elite and the Influence of This Process on the Sovereignty of a State (18–25); *Mukhtar Yahyaev*. Islam in the Political and Socio-cultural Processes in the North Caucasus (26–32); *Vladimir Ivanenko*. The Afghan Knot: Conceptual Features of U.S. Strategy in Afghanistan and Eurasia (33–44); *Kamaludin Gajiyev*. Fundamentalism at the Crossroads of Western and Islamic Values (44–57).

## **№ 8**

*Mikhail Delyagin*. What We Do Not Know (4–12); *Leonid Isayev*. “Islamic State”: Another Version (12–22); *V. Kim*. Extremist Potentialities of Religious Fundamentalism: from Its Sources to Our Days (22–35); *I. Fedorovskaya*. Azerbaijan and the European Union: Zigzag in Relations (35–39); *Guler Kalay*. Geopolitical Processes in the North Caucasus and Their Influence on Geopolitical Situation in Karachayevo-Circassian Republic (40–47).

## **№ 9**

*V. Sidorov*. Certain Aspects of Modern Economic Relations in Central Asia (4–12); *N. Belyakova*. The Crimea and Russian-Turkish Relations (13–20); *A. Ismailov*. Formation and Development of Civil Society in Kazakhstan (21–24); *M. Konarovskiy*. Afghanistan and New Uncertainty. Challenges to Russia and Central Asia (25–35); *K. Syroyezhkin*. Behind the SCO Summit in Dushanbe (35–50); *K. Popov*. The Place of Uzbekistan in U.S. Central Asian Policy (50–63).

## **№ 10**

*A. Manoylo*. Color Revolutions and Hybrid War (4–13); *A. Buttaeva*. Qualitative Characteristic of the Islamic Renaissance (13–21); *S. Novoselov*. From the “Father of All Turkmen” to “Patrons” – What has Changed? (21–30); *A. Khazanov*. Eastern Policy of Russia in the Late 20 – Early 21 centuries (30–50).

## **№ 11**

*A. Niazi.* Islamic Values for the Sustainable Development: the Issue of Culture and Progress (4–12); *I. Babich.* Muslims of Moscow: the Foundations of Religious. Tolerance as Elements of Civil accord in Russian Society (12–28); *Gabriel Pirický,* The Ismailaga Community: Shifting Religious Patterns in Contemporary Turkey (28–71).

## **№ 12**

*I. Ilin, O. Leonova.* Trends of the Political Processes of Globalization (4–23); *R. Serderov.* On Internal and External Threats of Russia in the North Caucasus (23–29); *E. Ionova.* Geopolitical Aspects of Presidential Elections in Uzbekistan (30–36); *A. Niazi.* Islamic Banks Can Work in Russia (36–43).

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