

Grzegorz W. Kolodko, *Global Consequences of Russia's Invasion of Ukraine. The Economics and Politics of the Second Cold War*. Cham: Springer, 2023, x + 174pp., open access ebook.

IN *GLOBAL CONSEQUENCES OF RUSSIA'S INVASION OF UKRAINE. The Economics and Politics of the Second Cold War*, scholar and former statesman Grzegorz W. Kolodko analyses the wide-ranging spillover effects of Russia's invasion of Ukraine. Kolodko identifies 'seven overlapping mega-trends' or 'epochal challenges' towards which our world is sleepwalking, including the Second Cold War, the new authoritarianism and environmental crisis, which are not lesser than the seven deadly sins of the Bible (pp. 2–3, 149). He argues that we can escape from the abyss only if we can change our economic, social and political thinking (p. 2). As the founder of the 'New Pragmatism' approach to economic thought, Kolodko offers his reflections upon the newly arising circumstances that are being unleashed by the interaction of these already existing mega-trends after the breakout of the war.

Throughout the 20 short articles compiled in this book, Kolodko sets himself at odds with the 'conventional wisdom' on diverse politico-economic matters. For instance, in the chapter 'Nothing Justifies Russia's Invasion of Ukraine', he argues that the war 'could have been prevented' (p. 11), agreeing with Henry Kissinger and John J. Mearsheimer that NATO expansion inevitably led to a Russian reaction (p. 12), while taking a positive view of EU enlargement as an economic project (p. 14). Furthermore, regarding sanctions against Russia, Kolodko questions whether the Russian public would turn against the Kremlin or the West upon the imposition of hardships. He thus challenges the effectiveness of the sanctions, especially those prohibiting 'normal Russians' from travelling to the West, noting that 'traveling to the West was very conducive to chang(e)' during the 'First Cold War' (p. 55). Indeed, Kolodko argues that sanctions have unintentionally supported Russia's ally China, strengthening both the Chinese yuan and its Cross-Border Interbank Payment System (CIPS) due to an accelerated flight from the dollar and the SWIFT system of international payments (pp. 56–7). He also ridicules symbolic actions, such as banning Russian athletes from

competitions or even ‘Russian cats ... from participating in European beauty contests’ (p. 69). Referring to a regulation approved unanimously by the *Verkhovna Rada*, the Ukrainian parliament, in June 2022, which placed a public ban on music ‘with lyrics written by a singer ... who is or was at any time after 1991 a citizen of a state recognised by the *Verkhovna Rada* of Ukraine as an aggressor state’, the author asks if this could now lead to fines being imposed on anyone broadcasting songs by famous Russian artists Alla Pugacheva or Buat Okudzhava (p. 70). In addition to criticising these symbolic actions, Kolodko also questions the moral standing of Westerners suddenly turning their backs on Russian oligarchs after having run ‘lucrative businesses’ from the 1990s right up to the beginning of the Russia–Ukraine War (pp. 57–9).

For the author, ‘the new arms race’, galvanised by the Russian invasion, will lead to ‘civilizational suicide’ (p. 124). Indeed, just six months after the COP26 conference in Glasgow in November 2021, the UN warned that going by the current trend, emissions were set to increase by 14% by 2030, rather than decrease. The author underlines that exposed to the effects of global ‘burning’, distressed societies increasingly turn to autocracy as a quick fix (p. 124). As such, in countries with weak political institutions, authoritarianism is becoming an alternative form of governance, as societies fed up with ‘a social mess and economic anomalies ... look to a strong centralised authority’ (p. 128). This tendency in various countries has been captured by opinion polls during the last few years. In this context, election results are more frequently contested, further undermining democracy, even in the United States (pp. 128–29). He also argues that ‘the waves of perturbations triggered by the war in Ukraine spreading around the world may further weaken democracy’ (p. 129). Kolodko foresees that global warming will increase ‘the temperature of social conflicts’, with potential negative consequences in domestic regimes as well as among nations (p. 128).

As Kolodko explains, under the current economic paradigm, the green transition affects profit and asset valuations (p. 136). Furthermore, despite the fact that financing the transition requires ‘trillions’, it is military spending that is gaining momentum (p. 137). Meanwhile, Australia and Poland have re-embraced coal, while the Russian gas that is simply burnt at source due to sanctions amounts to 1/20th of the EU’s annual gas consumption (p. 142). The Biden administration’s August 2022 Inflation Reduction Act, which mobilised US\$370 billion for the green transition over a decade, was a step forwards; the visit by US House Speaker Nancy Pelosi to Taiwan that same month, triggering China’s suspension of climate change collaboration, was a step backwards (pp. 133–34). Kolodko terms it a blatant injustice that ‘(a)lthough the poorer half of the world’s population generates only 10% of greenhouse gas emissions ... the countries they inhabit will bear as much as 75% of the costs of climate change’ (p. 140). This, in turn, was likely to trigger an exodus of one billion people by 2050, as he refers to the 2014 report by International Organization for Migration (p. 140).

Kolodko is of the opinion that globalisation is not in fact in ‘retreat’, as ‘coordinated and deepened economic cooperation’ can take place between regions, such as the EU and MERCOSUR (p. 89). Concurrently, he claims that the Second Cold War is ‘gaining momentum’ (p. 103), with ‘Sino-scepticism’ as a factor behind it (pp. 105–6). Although Kolodko anticipates that Russia will lose in Ukraine (p. 103), he appeals for ‘an even greater imagination’ (p. 19) about further catastrophes, including in Taiwan, and warns the US ‘not [to] provoke Taiwan to declare independence’ (p. 21), even while suggesting, sarcastically, that a war there ‘would still be useful’ for the arms industry as a testing zone, especially for ‘aircraft and warships’ (p. 113). In this regard, Kolodko questions the credibility of ‘preaching the beauties of democracy and human rights’ in Ukraine (p. 101). He argues that, to mobilise public money for militarisation, the media propagates ‘an atmosphere of a cold war amok or even (pre-)war psychosis’ (p. 113). Finally, according to Kolodko, the Second Cold War will not be won by the East or West, though China will emerge the ‘less battered’ (pp. 103–4).

For the future, the author envisages that a coexistence between the Atlantic and Eurasian ‘mega-systems’ is possible (p. 145). He urges the development of coordination mechanisms between these mega-systems, citing the example of the 1973–1975 Conference on Security and Cooperation in

Europe that produced a ‘Final Act’ addressing crucial issues and contributing to confidence-building within the Cold War political atmosphere (pp. 146–47). Furthermore, as Ukraine will need reconstruction, the author proposes a European fund, among other policies. However, he argues that Ukraine’s EU membership should not be rushed, and that institutional reforms, including ‘de-oligarchization’, must be completed first (pp. 97–9).

In sum, even though ‘Pandora’s box’ has been opened, with all the sins, ‘militarism and wars, terrorism and crime, pandemics and pestilences’ pouring out at once (p. 149), the author claims that people are unaware of what awaits them. Rather than focusing on the root causes of problems, populism paralyses rational vision. As an antidote, Kolodko offers his ‘new pragmatism’ as an example of ‘unconventional wisdom’, as he demonstrates throughout this book (pp. 5–7).

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