

How can we face critical problems of humanity in our era?

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The scope of this essay is to present some ideas on how to tackle some critical problems facing humanity in our era. The author will discuss the following problems: (1) economic and political consequences of globalization; (2) discussion of the methods used by the European Union (EU) and the International Monetary Fund (IMF) to solve the economic problems of heavily indebted European countries (the case of Greece); (3) problems created by the massive movement of refugees and economic immigrants into the EU; (4) terrorist activities of fanatical Muslims in countries of the Western world.

1. Introduction

The author contends that globalization is the source of all of the critical problems faced by humanity in our era and the main reason of the complete spread of these problems all over the world. This thesis will be supported by arguments coming mainly from the theory of systems.

The order of discussion of the above problems is not related to their importance, but is the order of appearance of these problems after globalization was introduced into the world.

2. Economic and political problems of globalization

Most people agree that something is wrong with our global economic system, but there is no agreement on the cause. One thing is certain: the economies of the biggest rich countries are in a bad condition and most of them are heavily indebted, including the USA and almost all countries of the European Union. Since economic problems have historically always been the deeper cause of political instability, crisis and even war, the global economic system that is blamed for the economic crisis may also be blamed for the political instability and crisis.

Here we make a fresh approach to the global economic system and the economic crisis by use of the theory of systems. Our presentation is structured as follows:

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- (1) Review of fundamental knowledge from the theory of systems;
- (2) Application of the theory of systems to the global economic system and to the economic crisis;
- (3) Proposals for action, which will make the international economic system react to disturbances not only in a stable and desirable way, but also in a way fair to all;
- (4) Conclusions.

2.1 Review of fundamental knowledge from the theory of systems

2.1.1 Definitions of system and subsystem

A system is a group of elements, which are all forced by rules to work *in synergy* for the achievement of a specific scope or scopes (or goal).

The existence of rules is fundamental and distinguishes a system from any other group constituted of the same elements. A group of elements without rules is not a system and the absence of rules gives liberty to each element to pursue its own scope.

By the use of specific criteria, out of the elements of a system we can form what we call subsystems. No subsystem of a system contains all the elements of that system, because in that case it will be coincident with the system.

2.1.2 Examples of systems

The most perfect and complex systems are found in nature (human body, animals, birds, fishes, plants, trees, planetary systems, ...). Inspired by nature, engineers have introduced and greatly perfected the theory of systems in order to develop complicated devices like spacecraft, airplanes, automobiles, power plants, production plants, Equally inspired by nature, humans have also organized their societal life in systems (economic system, education system, social security system, transportation system, communications system, ...).

2.1.3 Frontier and environment of a system

A system is defined if and only if we can define a *frontier* that separates the system from its *environment*. The *environment* of a system is everything that is outside of the frontier but is nevertheless capable of influencing directly or indirectly the behaviour of the system by applying disturbances to it.

2.1.4. External and internal disturbances

External disturbances are disturbances that the environment applies to the system. *Internal disturbances* are disturbances that come from within the system itself (due to some of its own elements or subsystems).

2.1.5. Mathematical model and stability of a system

The *mathematical model* of a system is a system of mathematical equations (usually differential or integral equations) whose solutions describe accurately the *dynamic response* of that system when subject to various disturbances that vary with time. The mathematical model also permits

study of the *stability* of the system. A system is stable when, subject to disturbances, it can recover its previous state very fast, or at least in a reasonable time.

2.2. Application of the theory to the global economic system and to the economic crisis

2.2.1 *Elements and subsystems of a global economic system*

The global economic system is constituted from the following elements:

- 1) All natural resources
- 2) All capital
- 3) All labour
- 4) All companies
- 5) The ingenuity of all entrepreneurs
- 6) All consumers
- 7) All stock markets
- 8) All governments.

2.2.2 *Definition of a global economic system*

A global economic system is a group constituted from the elements mentioned in §2.2.1 and subsystems, which are all forced by *international laws or rules* to work *in synergy* for the achievement of the same goals, which are (typically) increase of global wealth and its fair distribution among all people on earth. Many such systems can be defined, which vary among themselves according to the international rules associated with each one.

2.2.3 *Implications of the definition*

An imperative prerequisite of the above definition is the *existence of international laws or rules*, otherwise the above group is not a system but simply a group of elements, each one of which can pursue its own goal (cf. §2.1.1). From the mathematical point of view, it is not certain that we can define a model that describes the behaviour of a group of elements without rules, because the goal of each element may be obscure or not known at all.

2.2.4 *Behaviour of a system subject to disturbance*

The behaviour of any system under disturbances varying with time can be studied by use of an appropriate and sufficiently accurate mathematical model.

2.2.5 *Inexistence of an appropriate and accurate enough mathematical model of the global economic system*

To the author's knowledge, an appropriate and sufficiently accurate mathematical model of the global economic system does not exist because:

- Its elaboration is a job of many person-years and no body is willing to pay for it;
- It cannot be obtained by consolidation of national economic models because in many cases national economic models do not exist;

• Even if such a model were to be elaborated, it would be impossible to solve it because we do not yet dispose of a sufficiently powerful computer.

2.2.6 *Any global economic system is a system without an environment*

Any global economic system does not have an environment; its operation is disturbed only by internal happenings. It is known from the theory of systems that internal disturbances affect the nature and the coefficients of the equations (rendering the system unstable) much more easily than external disturbances. We all know that the global economic system was profoundly destabilized in 2008, and instability continues up to the present.

2.2.7 *Friedman's doctrine of the existence of economic laws like physical laws*

The actual global economic system is based on the doctrine of Milton Friedman and the economic school of Chicago: *economic laws exist in economics, like physical laws in physics; no intervention in the economy is needed or indeed permitted; the system is ruled by these laws.*

This doctrine is wrong for the following reasons:

(a) The universal physical system (to which the global economic system is compared) is, it can be said, made by God,¹ who implemented in it all physical laws; men just try to discover these laws. On the contrary, any economic system is a man-made system, in which laws (rules) must be implemented in order to guarantee the fulfilment of its aims and its stability. To make this clear, let us take the example of another man-made system: a motor-car is a system made by engineers, in which they implement by design, by manufacturing and by assembly the rules that constrain all elements and subsystems to fulfil the transportation goal; without these laws the components of a car do not constitute a car but just spare parts that cannot fulfil the goal. Without these laws each subsystem or element is free to pursue its own goals: imagine what will happen to such a car when one wheel turns left and the other wheels are turning right!

(b) The universal physical system is unique. On the contrary, for many years now, men have experimented with a variety of economic systems in their society, some of which have been proved better at fulfilling the goals and more stable than others. The free economic system of Friedman has been tested in many countries from 1960 to now and was found to be a catastrophic one, an unstable one that never fulfilled the goal of the general increase and fair distribution of wealth; it merely permitted the greedy, already richer and more powerful, to not only rob the wealth of the poorer and weaker, but also to render entire states poor and indebted, while staying free of debts and becoming richer themselves.

2.2.8 *Friedman's doctrine of the free market*

This doctrine is summarized as follows: *The free market is a perfect system in which acting individuals, motivated by their self-interest, produce the maximum benefit for all.*² Friedman's statement is equivalent to having a group of elements without rules forcing them to work in

¹ Setting aside for now the idea that our Universe (i.e., the one in which we live) is just one of all possible universes that exist in parallel.

² It has its roots in Adam Smith's monumental *Inquiry into the Nature and Cause of the Wealth of Nations* (1776).

synergy for the achievement of a common goal. However, a group of elements, each one pursuing its self-interest, is not a system and does not necessarily produce the greatest benefit for all. In fact, the result of the application of Friedman's economic system has been to render the rich people richer and the poor poorer. In order to make this clear, let us look at an example from real economic life: the owner of a company pursues the maximization of his benefit and to do so he pays his employees as little as possible; how can this behaviour produce the maximum benefit for his employees?

2.2.9 The shock doctrine

Friedman and the Economic School of Chicago assert that the economic system of the free market can best be introduced to any country when it is suffering a *true or fake crisis*; a shock must be given to the people of the country so that they do not have any strength to oppose the changes implemented. This is not new; the writer Loukianos (120–180 AD), already pointed out that we can control people in society either by giving them hope or by inducing fear to them.

The shock doctrine has been used to introduce the economy of the free market in many countries and has ended up in catastrophe. It turned out to be inhuman and wrong in real life (e.g., Indonesia, Brazil, Argentina, Chile, Bolivia, Poland, Russia, China, Sri Lanka, Thailand, the USA and in Greece nowadays).

A shock in the economic system is equivalent to a shock-disturbance applied to the system. A disturbance applied to any system displaces it from its stability point and makes it oscillate for a longer or shorter time before a new stability point is reached, if it is ever reached, and if the disturbance does not make the system permanently unstable.

2.2.10 Characteristics of the actual global economic system

(1) *An (almost) worldwide freedom in economic activities*, which is equivalent to:

- The inexistence of international economic rules;
- The impossibility of implementing national rules necessary to protect a national economy.

Under these conditions, the actual global economic system *is not really a system* and its operation is very easily destabilized by internal disturbances. In the sense of the definition of a system given above (§2.1.1), all the elements and subsystems of the global economic system should be forced by international economic rules to work in synergy for the achievement of a specific scope or scopes. Destabilization occurs very easily when any of the elements or of the subsystems of the global economic system works against one or more of the other elements or subsystems of this system.

(2) *Free movement of raw materials and goods* between countries.

This freedom permits big producers to invade the market of smaller countries with their products (e.g., West Germany invading East Germany after the currency union in 1990). The consequences of this invasion are:

- Destabilization of the local market and of prices;
- Destruction of the local production infrastructure;
- Increase of unemployment in the smaller country;
- Ineffective control of goods for compliance with safety standards.

(3) *Free movement of capital between countries.*

Under certain circumstances the free movement of capital can be harmful to the local economy, especially when capital is suddenly withdrawn from a country with a small economy.

(4) *Insufficient rules for the operation of the stock markets, providing opportunity for speculation:* Many entrepreneurs use their capital not for the production of new wealth, but for robbing the already existing wealth of others through “dirty games” in the stock markets.

Let us give an example of how the stock market operates under speculative conditions: A big investor influences the price of a certain stock by buying a large quantity and by spreading rumours, which pushes the price of that stock up; next day the price is higher, he sells what he bought with a profit, but the price of the stocks then drops and the company that issued them faces a lot of trouble. Further consequences are: Destabilization of the local stock market by fluctuation of the prices; robbing the existing wealth of others; capital and profit goes to a fiscal paradise without paying taxes; the country hosting that stock market does not benefit but only suffers damage to its economy.

Nowadays, big investors are so rich that, by playing the same game with the dollar or the euro they may destabilize the economy of the whole world in order to make profits and become even richer.

(5) *Free movement of labour*, which lets clandestine immigrants invade small countries in huge numbers. The evident consequences are:

- Destabilization of the remuneration of work;
- Increase of unemployment of the natives;
- Destabilization of the local social security system, because the local government is forced to give to immigrants free health care in hospitals in order to protect the health of all, and sometimes pensions as well, according to local rules;
- Reappearance of extinct diseases (e.g., tuberculosis disappeared from Greece more than 20 years ago; it reappeared among immigrants invading the country in a very aggressive form and may now spread all over Greece, putting in danger the health of all);
- Social problems caused by intolerance to cultural differences (immigrants abuse hospitality by refusing to respect the culture of the hosting nation and try to impose their culture on the natives);
- International operation of terrorist groups;³
- International operation of criminal gangs seeking profit from illegal activities.

(6) *Subsidizing* of companies by governments is not generally permitted under international rules, but no effective method of control is implemented worldwide, so many nations cheat.

(7) *Privatization* is an essential characteristic of this system: Politicians sell almost all natural resources to big companies with, often, unknown owners. Politicians also sell state companies to big private companies, usually for a fraction of their market value, because they claim that the state is incapable of operating them profitably (they openly admit their incompetence!). Most of these transactions are accompanied by gifts of many millions of currency units given under the table to corrupted politicians.⁴ Sometimes, hidden behind the

³ Cf. S. Galam, The sociophysics of terrorism: a passive supporter percolation effect. In: *Complexity and Security* (eds J.J. Ramsden & P.J. Kervalishvili), pp. 13–37. Amsterdam: IOS Press (2008).

⁴ These sales were especially prominent in the formerly socialist countries of eastern Europe, in which all large enterprises were state-owned, after they abandoned the socialist system in the early 1990s.

buying companies are the governments of enemy countries that are trying to invade the selling country via control of its economy.

Privatization makes the acquiring companies extremely rich and powerful, not least because they can evade taxation by taking advantage of the inexistence of international economic rules. Consequently, privatization does not bring any real net benefit to a state and to its people. The State is left poor with no other resources but the taxes collected from the poorer people. Becoming poorer, the State is forced to borrow more and more and, finally, becomes heavily indebted (the debt of the US federal government is more than 16 billion (10^{12}) US dollars and that of the EU as a whole is close behind).

2.2.11 Interconnected and interacting economies before and after globalization

In Figs 1 and 2 we present schematically the interconnected and interacting economies before and after globalization. The height of each quadrangle is proportional to the gross domestic product per capita (GDP/c) of the state. The width of each quadrangle is proportional to the population of the state. In the example presented, state A has a smaller population but a higher GDP/c, whereas state B has a much bigger population, but a much lower GDP/c.

Let us point out that, before globalization, protective “valves” were opened or closed according to bilateral agreements. They were used to regulate or even stop the flow and protect the economy of each state. After globalization, the inexistence of such protective valves leaves the economy of a smaller country A at the mercy of a larger country B and leads to the fast equalization of the GDP/c of states A & B: The state B sucks the richness of state A. Let us point out that the GDP/c of A diminishes very much, so much that the citizens of state A become really very poor, whereas the GDP/c of the citizens of state B increases by so little, given their very high numbers, that practically they do not have any substantial increase in their wealth; however, the citizens of state A are destroyed financially and their sacrifice is of no help to the citizens of state B. In other words the economy of state A is destroyed by state B without any real improvement in the economy of state B.

Interconnected and interacting economies before globalisation

(protective cocks were used to stop or regulate the flow)

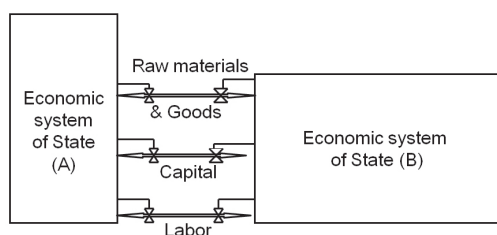


Figure 1. Representation of interconnected and interacting economies before globalization.

Interconnected and interacting economies after globalisation

(elimination of protective cocks)

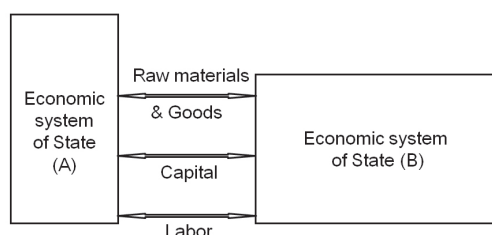


Figure 2. Representation of interconnected and interacting economies after globalization.

2.2.12 *The economic crisis*

The economic crisis is due to the facts presented in the preceding sections regarding the actual global economic system. Supposedly remedial contradictory measures taken by or imposed on several indebted countries did not actually solve the problem, nor even confront the symptoms of the crisis, but destroyed the economy of these countries and indebted them more to powerful “owners of money”. A typical recent example is Greece. Its case will be discussed in §3.

2.3. Proposals for making the international economic system react to disturbances not only in a desirable and stable way, but also in a way fair to all

The above-presented ideas make clear that it is absolutely necessary to face the economic crisis by measures that introduce rules to render the global economic system *a real system*.

2.3.1 *A global economic system with rules*

To be effective, these rules must be implemented *globally and internationally*, even in the so-called fiscal paradises that give refuge to nonproductive capital, which is used only for speculation. Also, a powerful *International Economic Authority* should be introduced to monitor the fair operation of the international economy and force all to follow the international rules. In particular, there is a need to:

(a) Introduce rules that *regulate* the flow of raw materials, goods, capital and labour worldwide and protect the weaker and poorer from the greediness of the stronger and richer;

(b) Introduce strict rules in order to give to the stock market their real character: *a place where healthy companies find capital for their expansion in exchange for shares in their ownership*;

(c) Stop speculation via short-term transactions on stocks by introducing a tax on the difference between the selling and buying prices of all stocks *proportional to the duration of time that these stocks have been kept in the hands of the buyer*, starting by applying a 100% tax if the stocks are kept for few days and going down to perhaps 10% for one year or more. If this tax does not turn out to be effective for stopping speculation, the operation of the stock market must be suspended indefinitely;

(d) Introduce strict rules that do not allow the greedy “golden boys” to concoct false growth indicators for their companies in order to get huge bonuses;⁵

(e) Monitor more strictly the operation of banks, to prevent them risking the money of their depositors in loans to countries, companies and persons that are unlikely to ever pay them back;

(f) Stop privatization and keep the essential part of the national wealth (such as basic infrastructure) under state control, in order to secure the prosperity of the state and of its people.

In the absence of the above, the actual global economic system is not a stable and a fair one, and any country is justified in taking measures in order to secure its economic survival and prosperity for its people (Switzerland has taken such measures).

The international community recently started to understand the need for rules, but we are very far from introducing all those needed to make the global economy a global economic *system*. On the contrary, the big countries remember the need for rules when their own economies face problems and then accept just those rules that are suitable for their protection.

⁵ To say nothing of the numerous cases in which bonuses are awarded to managers departing because of some scandalous piece of mismanagement.

2.3.2 Active control of the global economic system

Engineers use *active control* in order to obtain the desirable response form systems subject to disturbances. The *International Economic Authority* could actively control the global economic system; this does not even require knowing a mathematic model of the global economic system,⁶ but only the measurement of its response in regular intervals of time and the application of adequate *regulation forces*.

2.3.3 Example of how a country can defend its economy in the absence of international rules (§2.3.1)

In the actual global economy, the free market is the most powerful. Not even a government can go against the market. It is, therefore, preferable to exploit the weak points of the free market. No one can blame the government of an indebted country if, instead of begging the owners of capital for loans, it uses the stock market to invest all its money in certificates of deposit (CDS), then spreads rumours of an imminent default to increase their price as high as possible, and finally declares default, thereby gaining profits from the free market. After all, it is the government that holds the key to declaring default in order to produce the event at the moment that is most beneficial for it. And by doing so it will make the state richer and the capitalists poorer: That will serve as a lesson to them! Moreover, the government of a state may somehow defend the economy of its country by suspending the operation of its stock market (cf. recent examples in France, Belgium and Italy) or even by shutting it down altogether.

2.4 Conclusions

Our global economy is without rules and, consequently, it is not a real system, nor it is stable, nor does it fulfil its goals. To overcome these deficiencies it is necessary to introduce international rules and an International Economic Authority, which:

- (a) Will guarantee the respect of these rules by all;
- (b) Will penalize and reverse any operation that does not respect the rules;
- (c) Will monitor the response of the global economic system and will apply *regulating forces* to keep it stable and fair.

In the absence of the above, any government is justified in either introducing protective measures in order to secure its economic survival and prosperity for its people, or exploiting the free market by all means in the same way as anyone else, even by producing the collapse of other (greedy) economic entities (states, banks, companies, investors).

3. Discussion of the methods used by European Union (EU) and the International Monetary Fund (IMF) to solve the economic problems of heavily indebted European countries (the case of Greece)

The manifest and inherent greed for profit of several of the world's biggest banks made them continue for many years to give loans to heavily indebted countries, in spite of the fact that they knew that these countries will never be able to pay back the loans, if for any reason the annual increase of the GDP of the country would slow down. Moreover they knew that these loans

⁶ It could even be in principle unknowable, as when evolutionary computation is used to construct it.

were not used productively to increase the country's wealth, but rather to keep the incumbent government in power.

Most banks of the EU were quite importunate in tempting companies or persons to accept loans, without even investigating if, realistically, the loans could be paid back. These activities were the fruits of globalization and encouraged the greedy "golden boys" in the banks to construct false growth indicators for the companies in order to get huge bonuses, and enabled many individual persons to have an easy and luxurious life using the effectively borrowed money. As a consequence, the foundation of Western finances started to turn to sand, because the financial situation of many banks, companies and entire countries was in the red.

After the bankruptcy, in 2008, of a very big USA bank, Lehman Brothers, and the decision of the USA government not to come to its aid, the problem propagated to several of the most heavily indebted countries of EU. Practically almost all EU countries had the problem, but the bigger and more influential ones (Germany first) relentlessly brought attention to the problem of countries like Greece, in order to hide their own problem.

In order to face the economic and financial crisis of countries like Greece, the authorities of EU decided to draw on the IMF. Hereafter I will discuss the specific case of Greece, which in 2007 was already heavily indebted. Most (approximately 70%) of this debt was held by Deutsche Bank (DB) and the Banque Nationale de Paris (BNP).

From 2005 to 2007, the annual increase of the GDP of Greece was around 5.5%, but after the bankruptcy of Lehman Brothers in 2008 and the propagation of the economic crisis to the EU, it started diminishing and even became negative.

At that moment, the Hellenic government, instead of having secret discussions with the above banks for rearrangement of the debt, involved what is known as the "troika"—that is, the International Monetary Fund (IMF), the European Commission (EC) and the European Central Bank (ECB)—to find a solution to the problem, and it was done not secretly, but with huge advertisement! It should be pointed out that participation of the ECB in this troika breaks the rules of the EU. Unfortunately, breaking rules in the EU is very common,⁷ because the only defence against it is to appeal to the European Court of Justice, whose decisions, anyway, always come too late to be useful.

The troika's decisions, imposed mainly by Germany and secondarily by France, disregarded the general rule, according to which banks giving loans assume the risks of their investment decisions. They included in their method of rescuing these banks not only the sacrifice of Greece, but also the defamation and humiliation of Greece's citizens. Many EU newspapers and magazines supported that behaviour, the German ones leading the campaign. One German magazine even exceeded vulgarity by depicting the (stolen) statue of Venus of Milos with its finger raised against Greece. Others presented the Hellenic people as lazy, in spite of the fact that official EU statistics show that Hellenic people work more hours per week than the citizens of any other EU country. The author does not doubt that the mastermind of this campaign was the Minister of Finance of Germany, who was trying to focus the spotlight on the financial problems of Greece in order to hide the financial problems of Deutsche Bank. As these lines are being written, we all know that this campaign was unsuccessful and financial problems

⁷ See B. Connolly, *The Rotten Heart of Europe*. London: Faber and Faber (1995) for examples.

are knocking on the door even of Germany, because it became public knowledge that Deutsche Bank in 2015 not only marked losses amounting to approximately 6.5 milliard euros, but also is over-indebted—for every euro of its own capital it has given out loans amounting to 44.5 euros. Given the fact that more than 70% of all transactions of Germany are made through Deutsche Bank, and that Germany carries out transactions all over the world, the collapse of this bank would have a very serious impact on the economy of the whole world.

Let us come back to the economic crisis that followed the bankruptcy of Lehman Brothers: the EU authorities, instead of already facing the problem by 2008, did nothing until 2010 and thereafter started to make contradictory announcements, in order to give time to the banks holding the debt of Greece to sell the bonds in the stock market. Moreover, they imposed on the Hellenic banking system the obligation to buy this debt. Some of the people occupying leading positions in the EU, in the USA and in other countries, earned some millions playing in the stock market against Greece. The Minister of External Affairs of the USA was even so naïve as to openly tell the Prime Minister of Greece that she gained some hundred thousand dollars in this game. By doing so they destroyed the Hellenic banking system, and the private sector of the Greek economy, which were up to that moment very healthy.

After that, the troika decided to impose an Agreement Memorandum on the Hellenic government in exchange for new loans that would help the country's economy! This was really stupid: everyone knows that no heavily indebted country or even company ever solved its financial problems by increasing its debts; such action rather accelerates its financial death. Moreover, the method of internal devaluation applied by the IMF to isolated countries was selected for application also to Greece. The economic genius of the IMF (!) disregarded the fact that Greece was an open economy, because it belonged to the EU. Consequently, every tentative internal devaluation was neutralized by measures taken by other players in the European economy that tried to face the hostility of the troika's measures and survive economically.

Failing to solve the problem by application of the 1st Memorandum, the troika imposed a 2nd one, and latterly a 3rd one, always failing to solve the problem and trying to justify the failure by saying that the measures were not applied correctly by Greece. Not only does the troika not understand that its method of internal devaluation is not applicable to open economies, but it also disregards the circumstance that the measures needed for implementing the internal devaluation bring the economy to stagnation (practically, all money circulating in the country is taken in order to pay the interest on the loans; that is, the blood of the economy is absorbed and, consequently, the economy stops producing wealth). Mathematically it is very elementary to understand this: Let N be the quotient of loans to GDP: $N = \text{LOANS}/\text{GDP}$. In a heavily indebted country, it is desirable to diminish N in order to make people regain confidence in its economy. But we cannot achieve this by increasing the LOANS. We can only succeed by cutting out as many nonproductive expenses as possible and, mainly, by increasing GDP; the GDP can never increase if we absorb in interest payments all the money generated by the local economy.

It is hard to believe that the troika ignores this elementary mathematics. It tries to cover the truth by insisting that the economy will recover if it is restructured! What is meant by restructuring is: not to change the existing procedures used by the Government by new, less costly ones, but to take measures that leave people jobless or condemn them to destitution.

Behind the action of the troika is hidden very dishonest behaviour alongside the interest of some big countries applying pressure to Greece to privatize all its wealth, which they then rush to grab. Not to be disregarded is the dishonest personal behaviour of the Minister of Finance of Germany, who pressed the Hellenic government to accept that all the wealth of the country goes to a fund based in Luxembourg, of which he happens to be the general manager. He is not only supporting the German economy but also boosting his personal wealth!

Here is a concrete example of the dishonest behaviour mentioned above: FRAPORT, a German company owned by the Federal Republic of Germany, bought for almost nothing the privilege to operate for 40 years all 15 tourist airports of Greece (only the airports of Athens and Thessaloniki were not included, but in reality Athens airport is already exploited by a German company, which is moreover supported by the German Government in its arbitrary act not to repay to the Hellenic state a debt, higher than 300 million euros, accumulated by nonpayment of VAT). The result is practically equivalent to a monopoly situation, but is nevertheless disregarded by the European Commission, in spite of the fact that monopoly situations are not allowed by EU legislation! Moreover, by controlling all the tourist airports of Greece, Germany controls the premier economic activity of Greece, namely tourism.

The above example is sufficient to evince the dishonest behaviour of the troika, acting not to solve the economic problem that it was called to solve, but to promote the economic interests of specific countries.

The implementation of the troika's decisions resulted not only in the destruction of Greece's economy but also in the political destabilization of the country: many people have become jobless and are condemned to total poverty; they have nothing more to lose and are now always on the streets, protesting or begging. Comparing the whole situation to the conditions that preceded the great revolutions of history (the French revolution of 1789, and the Russian revolution of 1917), it is to be feared that the stubborn behaviour of the troika may very easily change protest into revolution.

One and only one conclusion is to be drawn from what was presented above. The big countries, when they can, try to promote economic crises in smaller and weaker countries and then use their power in order to penetrate the economy of the smaller countries and grab all their wealth. After that, recovery of the smaller countries is impossible; they become economic slaves of the big ones. In the EU this came about as a result of the abandonment of that article of the Treaty of Rome that stipulated that all decisions in the EU are to be taken on the basis of unanimity. When smaller countries agreed to the change of this article, they signed their economic and political death warrants because they were left without any means to defend themselves.

The economic salvation of any country can only be realized by eliminating all nonproductive expenses and investing the money thereby saved for producing wealth and increasing GDP. This procedure is supported only by real restructuring, which is equivalent to substituting the procedures used by any government to run its activities by equivalent but less costly procedures. This must be done progressively; otherwise the stability of the existing system is destroyed. Unfortunately, the method used by the troika has very little to do with the above. The economists of the troika are not good scientists; they use the obsolete theories of the school of Milton Friedman, and make a career by becoming the instrument of dishonest central decisions to totally destroy the economy of countries facing financial problems, in order to

profit from the destruction! It may be noted that a German member of the European Parliament has estimated that Germany has profited from the destruction of the Hellenic economy to the tune of more than 100 milliard euros.

4. Problems created by massive movement of refugees and immigrants into EU

As stated previously in §2, one of the causes of massive movements of refugees and immigrants is the possibility that globalization gives to them to reestablish themselves in another country and work there; and it is obvious that more or less massive movements are always flowing to countries where there is a need for labour. But the above is not the only cause.

The starting point of the present analysis will be the following observations:

1. Historically any massive movement of people and their attempt to get established in land owned by other people has always ended in war between the local population and the immigrants. Consequently, the EU must be ready to face such a war when the mass of immigrants will be great enough to support such a war.

2. The refugee's problem arises as a political consequence of globalization; globalization gives the possibility to several big countries to get involved in the internal affairs of other countries and even to try to impose their own type of ruling system. The opposition of local people to this involvement fires a local war and many of the citizens not willing to get involved in the war then try to find refuge in another country. The reason for this involvement is not at all honest, it is another hidden attempt by the big countries to grab the wealth of the weaker ones. The big countries first use the argument that they try to establish democracy; in doing so they destroy the weaker countries; later they come to invest in restoring them and in exchange they grab the local wealth. Recently this happened to Afghanistan and Iraq and may now be happening to Syria.

3. Why do refugees from the war zone of Syria pay more than 5000 US dollars per person to traffickers and to risk their life and the lives of beloved family members aboard boats that plainly look unlikely to be able to safely cross the Aegean Sea from Turkey to the Hellenic islands or from Africa to the coast of Italy? Refugees have, according to international legislation, the right to apply for asylum. Any reasonable person, after crossing the border, for example from Syria to Turkey, would apply for asylum to the consular service of not only one country, but to as many as possible and wait for their reply, and would support his application with as many attractive arguments as possible (and many of them have several, being educated persons with valuable qualifications and skills). The most qualified of them will eventually be given asylum in at least one country; consequently the cost to travel to that country will be to them only a few hundred dollars (for an air ticket) per person, instead of the thousands of dollars paid to traffickers. The fact that they do not do so implies that someone is guiding them to try to force the door of the EU. It is the duty of the secret services to discover who is the mastermind. It may well be that the purpose of the intensive flow of refugees to the EU is to hide the flow of terrorists and establish dormant troops of terrorists in Europe, which will be ready to start terrorist activities later.

4. In spite of the humanitarian aspect of the refugee problem presented in all media, very little has been done by the EU and the United Nations authorities to stop the refugees getting lost in the waters of the Aegean Sea. Only Greece, despite having a very serious economic

problem, is struggling to save them, supported by a very few nonprofit organizations and some compassionate individuals from all over the world. Italy is also trying to do something, but the flow of refugees to Italy is smaller and Italy, being a larger and richer country than Greece, disposes of more resources.

5. The refugees and immigrants are flowing mainly to Greece and Italy. The other 26 members of the EU are naïve enough to believe that if they now close their borders they will be safe forever. Unfortunately for them, in the history of mankind borders never stopped massive movements of people; when their number is very high, they succeed to force any border. They must just look back to the history of their nation! The population of almost all European countries is the product of such movements. Let us take the example of Hungary, which declares openly that she does not accept Muslims from Asia! Hungarians came to Europe from central Asia and are genetically more related to the Turks who invaded Europe from Asia than any other nation in Europe. The same applies to the citizens of Finland. The fact that they were converted to Christianity and the Turks were converted to Islam does not differentiate them genetically so much! Hellenic people are the only ones who genetically are not related at all to Turks, nor the Slavic people who populate much of Europe.⁸ Hellenic DNA is unique and can only be found in European people who come from the ancient colonies of Greece, for example in Nice (France), the ancient Greek colony of Nikaia.

6. Surprisingly, countries like the USA, which initiated war in countries like Syria, Iraq and Afghanistan in order to establish in these countries the type of democracy of their preference (!) and which are consequently responsible for creating the refugee problem, are refusing to assume the consequences of their acts according to their economic possibilities.

7. Of the total number of persons flowing to the EU, only half are refugees coming from countries in a state of war. The other half are immigrants who try to appear as refugees without passports or any other kind of identity papers, or even try to use fake Syrian passports.

8. Given that a Syrian's first step outside his country is on the soil of Turkey, Jordan or Lebanon—countries that are not recognized as being in a state of war by the United Nations—it is not at all certain that he can benefit from the status of refugee according to the Geneva Convention of 1951.

9. The decision of Germany and Turkey to apply to NATO for help does not sincerely target a solution of the problem, but rather supports the longstanding claims of Turkey on the Hellenic islands of the Aegean and gives to the citizens of Germany the illusion that their Chancellor is struggling to stop the flow to Germany (the same Chancellor who, some months beforehand, invited them to come to Germany). The involvement of NATO exceeds its goals (as presented in its charter), which is to defend any of its members against military attack by a non-NATO country. What can NATO's military forces do with refugees coming from Turkey that the Hellenic army and navy cannot? Are they going to receive a military mandate to destroy the boats and drown the refugees aboard? Are they going to have a military mandate to apply force against Turkey in order to make her accept the immigrants who departed aboard boats from its coast? These questions are not easy to answer. But up to now, the operations of NATO have not stopped the flow of refugees and immigrants to the Hellenic islands.

⁸ K. Triantafyllidis, *The Genetic History of Greece: the DNA of the Greeks*. 2nd edn. Thessaloniki: Kyriakidis Press (2014) (in Greek).

10. The reality is that the traffickers, or even some of the fake refugees aboard, as soon as any patrol boat or even commercial ship appears on the horizon, sink the boat or overturn it, because they know very well the rules for saving people in distress at sea and the implications of those rules for not doing so. This is the situation that patrol boats face now and one waits to see how inventive the NATO authorities will be in facing the above problem, because FRONTEX of the EU did nothing for it. The only effective thing to do is to save refugees and immigrants in distress and disembark them at the harbour of their departure; but this requires the will of Turkey to re-accept them or the determination of all the others (EU and NATO) to force Turkey to do so. Are they prepared to use force against Turkey in order to achieve this?

The principal question to answer remains: what else can be done to face the refugee and immigrant problem? Some measures are herein proposed; however it is unlikely that the EU can or will take them, because each European government is acting according to its own interest; they have no European vision of the problem.⁹

1. The EU must disregard some of the rules of international law and even denounce some of the international conventions or at least adopt an interpretation of them that protects its own interests. This may appear unrealistic, but looking back in history, international law is applied by all big powers as it serves their interest. After the terrorist attack on the World Trade Center in New York, the USA entirely disregarded international law in order to protect their country against terrorists; practically they have rewritten international law.

2. The EU must decide that no one of its members is allowed to encourage refugees to enter the EU; on the contrary they must all decide on measures that will discourage refugees to come to the EU. (e.g., the Danish parliament made Denmark an unattractive country to refugees and immigrants by deciding to take all valuables found on them and use them as a small contribution to the expenses of hosting them). A very efficient method to discourage refugees that do not intend to accept EU values and legislation is to make them sign a declaration that they will accept them and they will have to leave the country immediately should they be caught behaving contrary to the the EU's and the host country's legislation. Moreover, they must sign in this declaration that they are not related to any terrorist group.

3. The EU must decide that the right to apply for asylum in any EU country is lost if the interested person, *before stepping on the ground of the EU*, has not applied to the consular service of an EU country (providing all required information) and has not obtained acceptance and an EU document (which must be the same throughout the EU) to confirm it. This document will grant provisional permission to step on the soil of the EU; it shall have an expiry date and shall not give the right to be established permanently in the EU or become an EU citizen. As stated previously, this decision requires abrogating and cancelling several international agreements that have been approved by national parliaments and also several decisions of the United Nations, but it is the only way for the EU to survive. The United Nations authorities very easily provide protection to anyone, using only humanitarian criteria, because they do not bear the consequences; others suffer from the consequences of their decisions. The above decisions

⁹ Having a European vision is the first and most important prerequisite for a country in order to join the EU, but in reality all east European countries were admitted into the EU without fulfilling this requirement and we all pay now for this error.

of the EU, when made public, will make the EU much less attractive to all refugees who do not intend to return to their own country after any war is over and not attractive at all to immigrants.

4. The EU must decide to limit the number of refugees that can be accepted in each country to a reasonable maximum, by taking into consideration the prevailing local conditions, as presented by each country's government. The EU must announce this number in public and stick very strictly to this limit.

5. The EU shall decide and declare in public that, given the high unemployment and the very critical economic situation in much of the EU, *no immigrants can be admitted to the EU* and anyone trying to step on EU soil will be returned immediately to the country of provenance and if the government of that country refuses to accept him he will be left in the neutral zone of the borders of that country or on a boat in the territorial waters of that country. Moreover, economic and political isolation of any country that refuses re-admittance of its citizens shall be applied.

6. The EU shall warn Turkey's or any other country's government closing its eyes to or even favouring the activities of traffickers that the EU will not tolerate any longer such an attitude: traffickers violating international law regarding safety at sea will be denounced and measures will be applied against the entire fleet of those countries, denying access to EU territorial waters and harbours. This will stop the possibility of even Turkish tourist boats entering the EU and will be really harmful for the economy of Turkey, likely forcing her to reconsider its attitude.

7. The EU must decide to send secret agents to countries that close their eyes to or even favour the activities of traffickers, in order to destroy by force the trafficker's business. Trafficking of refugees used as an instrument to destroy neighbouring countries can be considered as a cause of war.

The above measures, if taken unanimously and swiftly implemented, will permit control of the situation to be regained. Later on, further measures may be necessary.

5. Terrorist activities of fanatical Muslims in countries of the Western world

The terrorism problem in our world is a very complex one; presenting a full analysis of it requires more space than can be allocated to this essay and some of its aspects are better not discussed in public. In the following I will make some objective observations, which should not be construed as indicating support for terrorists:

1. The deeper cause of terrorism is the application of economic and political pressure on smaller countries by some big ones. This was made possible and even very easy because of globalization. Moreover, globalization made it possible and very easy for terrorists to spread terror all over the world;³ consequently we can speak of the *globalization of terrorism*. After the globalization of our world, it is very difficult to stop terrorist by borders and border controls, especially within the EU.¹⁰ The ease with which terrorists moved from Belgium to France to carry out their criminal activities and then returned to Belgium amply demonstrates this point. Consequently, the belief of several governments of EU countries that without collaboration with the other countries and just by closing the frontiers of their own country they will be safe is not at all realistic.

¹⁰ At least, within the Schengen area.

2. All terrorists in our world base their behaviour on the argument that the world is unfair to them and that by their acts they try to fight against injustice; however they never explain why they kill innocent people, who are not the source of the unfair behaviour and who sometimes themselves suffer because of the unfair behaviour of those who rule the world.

3. Recently problems appeared in the USA and other big Western countries because of their involvement in internal affairs or even local conflicts in Arab and other Muslim countries. The USA and some other Western countries consider that they are justified to impose on other countries the Western style of governing a country (their type of democracy). In doing so, they do not respect the right of the citizens of those countries to choose their own system of government. The USA and other Western countries would never tolerate the involvement of any other country in their affairs; however, they do not respect this rule when it concerns their involvement in other countries' affairs. In international relations there is only one rule that can guarantee stability and peace all over the world, the rule of reciprocity: *do not do to any other country what you do not tolerate that country doing to you*. If all countries, big and strong or small and weak, respect the rule of reciprocity, peace would prevail in our world.

4. Real democracy is a very sophisticated system of ruling a country and it cannot be imposed on anyone. Only very mature citizens can adopt it and this only when they deeply understand and apply the above rule of reciprocity to all human relations with any other person in their own country, to all relations with other countries and generally to all relations in society. Consequently, any attempt to impose this system on less mature countries is doomed to failure.

5. Mixing of civilizations in the same territory and in the same country is not possible for many reasons:

a) Each civilization has a different level of maturity. The citizens of a very old and mature civilization do not tolerate others to impose on them less mature ideas that they left behind many years ago. On the other hand, citizens of a less mature civilization are not yet mature enough to receive ideas coming from a more mature civilization; if they were, they would have invented those ideas themselves, just as the citizens of the old and mature civilization have done before them.

b) All terrorists that acted up to now on the territory of the EU were immigrants of the second generation (sons or daughters of immigrants having acquired the nationality of an EU country); this demonstrates not only the impossibility of mixing civilizations in the same territory but also that assimilation of immigrants or refugees coming from another civilization is not possible even after one generation, for the simple reason that they do not wish to be assimilated. Consequently, the authorities of EU countries must not have the illusion that Muslim refugees or immigrants flowing in a very high number to the EU will be assimilated by local people or converted to the *mores* of the local civilization. Only a very small percentage of them will be, because a few will doubtless want to do so.

Given the above, how can the EU (and other countries) face terrorism?

1. Any attempt to solve the problem of terrorism must make use of the following principles: try to be fair to all; respect the rule of reciprocity and abstain from getting involved in other countries' affairs; respect each civilization and especially do not try to mix on the same territory citizens coming from different civilizations. We can easily observe that the countries that suffer more from terrorism have broken one or more of the above rules.

2. Try to correct in a very fair way the errors made by breaking the above rules: withdraw from any Muslim country, pay indemnities for the damage done, try to repatriate to his or her country of origin any fanatical Muslim in order to stop the destructive mixing of civilizations. If these measures are not successful, unfortunately it will be necessary to enforce them by the use of police forces or even the armies. Success is not guaranteed: the situation may even become worse; sometimes not even war can correct errors made by diplomats.

6. Conclusions

The critical problems of humanity in our era are all interconnected. Society on Earth is not organized as a system constituted by subsystems (countries) and members (citizens) that all pursue the same goals on a fair basis, but is characterized by the antagonistic behaviour of subsystems and members towards each other. This gives a fairly robust explanation of the fact that human society on Earth has never been at peace and we have always had wars.

Before globalization, most of the wars in human history had as their deeper cause wealth and prosperity: some countries tried to grab the wealth of others. Consequently, if we want to have a global economy, its organization as a system, according to the outline in §2, will greatly help to bring peace on Earth and increase the wealth of all its inhabitants fairly.

Globalization that appeared in the form of a global economic pseudosystem was, in reality, a Trojan horse, which was immediately used as a political instrument by several countries with big economic, military and political power in order not only to grab the wealth of smaller countries, but also to impose on them their will, their vision of the world and their system of governing the country. This attitude was the reason of the appearance of all the other problems of humanity discussed in this essay, which have been spread widely all over the world. In several of the weaker countries, very strong opposition of citizens to the involvement of stronger countries in their internal affairs complicated the situation and these citizens introduced terrorist activities as a method of opposition and defence of their interests.

Any attempt to solve critical problems of humanity must take into consideration the deeper cause of these problems, which is globalization itself, which we can perceive as an economic pseudosystem and also a political pseudosystem.

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