

The Symptoms of the Liquid City

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1 ABSTRACT

In the large cities there is a strong trend toward the “liquid life” described by the sociologist Zygmunt Bauman. In the “liquid cities” there are no more “values” because the individual life is aimed at flexibility and searching for and benefitting from opportunities. But some evoke “authentic values” adopted in emerging cities along the New Silk Road (the project of secured roads between China and Europe supported by China). We argue that this hypothesis is not very serious. We “mobilize” the history of the Cold War and analyses made at this time, either strategic (Aron, Castoriadis), either economic (Perroux, Pissar). One does not understand why China would resume the recipes of Soviet Union, which have failed. The model recently chosen by China, consumerism, is at odds with the project of building a “block” of countries trading one with the other, only, and not with the countries outside the block.

Keywords: liquid city, model, trade, Pacific Coexistence, authentic values

2 INTRODUCTION

The main needs of cities wanting to develop are, today, Peace and safe environment. A reference to understand this need of peace is Norbert Elias. According to his works, a “Centre” (like the powerful European courts at the time of absolutism) invents norms of behavior which are diffused anywhere, triggering a progress of “civilization”. Even if this process can involve some domination (for instance, in the 18th century, there were many wars) it cannot be reduced to domination. According to Elias, the Centre creates “areas of peace” (in particular in the largest capital cities in Europe, where the courts were, Paris, London, Madrid, Vienna...). Concerning the absolutist era (the 17th century and the 18th century) it has been called “European equilibrium”. To understand how the process of civilization implies some domination but is not reduced to it, one can quote the French sociologist Maffesoli. According to him (in “La violence totalitaire”, “The totalitarian violence”) there is a pair of notions, puissance / pouvoir, uneasily translated in English by collective creativity / political power. Reducing the pair to collective creativity is the harmony of utopias. Reducing the pair to political power is absolutizing politics, like in the works of Carl Schmitt, according to Maffesoli. The process of civilization according to Elias involves collective creativity (inventions of norms of behavior) and power (the State). Today the Centre (we call it Global Monopoly) is located in the large metropolises: Silicon Valley, Shenzhen, New York, Tokyo, Hong Kong ... The new behavior can be described: anticipation, play, good literacy in Information Technologies (handling data), system analysis, familiarity with the social networks ... The corresponding geopolitical context (the “areas of peace”) is the pacific coexistence between USA and China.

Indeed one can consider four periods of progress of civilization: the absolutist monopoly described by Norbert Elias (in “The court society”), the bourgeois society (the stake being the monetary gain), the developmentism (the stake being economic growth thanks to expertise and plans) and the Global Monopoly (the stake being innovation). At each period corresponds some kind of “areas of peace”. It is shown in this tableau:

Period	Areas of peace
Absolutist monopoly	European equilibrium
Bourgeois society	The 19th century, peaceful century (in Europe)
Developmentism	“Pacific coexistence” between USA and Soviet Union
Global Monopoly	Pacific coexistence between USA and China

Table 1. Periods and areas of peace.

Concerning the cities, they are more and more an accumulation of opportunities and experiences. In a city, one searches for the connection to the good networks, given the goals one has chosen. The aim is to play, and play again. The choices made, the tastes, are always changed: one changes the quarter where one lives, or the city, one’s job, one’s hobbies and the consumer tastes ... It is the “liquid life” (Bauman, 2013).

Transcendence has deserted cities. Today, the prestigious places are either popular, “visible” (that is to say, branded), either notorious (the cause of prestige being a specific, acknowledged competency). The characteristics of the old city and the “liquid city” are shown in this tableau:

Old city	“Liquid city”
Image	No image
Prestige	Opportunities and experiences
Transcendence	Places “visible” or “notorious”
Mastered evolution	Flexibility

Table 2: Transition from old city to “liquid city”.

In this context has appeared the Chinese project called “New Silk Road”. The project is that of trade roads (terrestrial and maritime) between China and Europe, controlled by China thanks to massive investment in the countries crossed by the roads. These investments would be in transport infrastructure (harbors, railways, highways) or more generally in infrastructures (energy, or even industrial plants). The justification is to provide the tens of countries which are concerned, with an economic growth “secured” and “sustainable”. It is a little blurry, but it sounds like “authentic values”, by opposition to the current absence of values in the liquid society. At first glance, it is paradoxical, since China has its role in the existing Global Monopoly (for instance, Chinese firms are leaders in Information Technologies, social networks etc.). It would be the return to pacific coexistence at the time of Cold War. “Pacific coexistence” has been coined by ... Lenin, used by Stalin and mainly claimed by Khrushchev. Indeed, it was hostile coexistence. There were two blocks, East and West. The Stalin’s project was to attract numerous enough countries in the Eastern block to prevent the capitalist world market from working. This project has failed. For this reason, one does not understand why China, after the Den Xiao Ping ‘s reforms, would engage in this way. The hypothesis of many cities located on the “Belt and Road”, becoming prosperous, does not seem serious.

To deepen the discussion, we shall study the topics “cities and trade roads” and “pacific coexistence” in the following chapters.

3 CITIES AND TRADE ROADS

The theorist of the strong link between cities and trade roads is certainly Marcel Poète. In his book “Introduction à l’urbanisme” (“Introduction to urbanism”), he has shown how in History, trade triggers the appearance of cities. In particular, along the Silk Road, appeared cities (Palmyra, Dura Europos ...) remarkable by their plan, monuments and way of life. It was the time of Pax Romana. The kingdoms crossed by the Silk Road were interested in granting the security of the Road: the passing caravans were a source of money for them. All this is of great historical interest, but is not a recourse to deal with our topic. First, it was trade at the time of Empires. Also, the roads linking China to Europe, America and Africa already exist. They allow the prosperity of cities like New York, Tacoma, Singapore, Rotterdam, Hong Kong etc. The role of these cities is uneasily challenged: harbors are in competition, and economies of scale matter. More, the economies of rich countries are dematerialized: innovation matters more, commodities matter less. And China is no more a developing country. Of course, poor countries (for instance in Africa) could grow and new harbors could be created for them. In any case, one does not understand why China would be interested in massive investment in logistics, worldwide. The argument that these roads are threatened is not serious. The freedom of the seas is granted by navies: the US navy, of course, but also other navies. If necessary, navies are allied to thwart threatening pirates in zones like the coasts of Somalia or the strait of Malacca. Concerning the US navy which could blockade these roads, it is not a pertinent hypothesis: the rich western countries depend themselves on trade with China.

From a strategic point of view, the works of the American admiral Alfred Mahan are very interesting. He argued that for an empire to be strategically efficient three “rings” were needed. These rings are the metropolis (and its industry), the colonies and the navies (the navy and the merchant navy). There are roads between the metropolis and the colonies, followed by the merchant navy and secured by the navy. The two have complementary roles.¹ Mahan studied the “Sea Power” in History thanks to the analysis of the British

¹ A task for the navy was to make the “exclusive” respected. The “exclusive” was the obligation for the colonies (the West Indies, for instance) to import goods from the metropolis, only.

Empire. There were three roads in the British Empire: (1) that via Gibraltar, the Mediterranean Sea, the Suez canal and Indian Ocean, as far as India (2) that circumventing Africa via The Cape, then the Indian Ocean (3) a third was only prepared and never used, via the Atlantic Sea, Canada (crossed from Montreal to Vancouver thanks to the TransCanada, just built up at the time of Mahan) and Pacific Ocean. Notice that this road was terrestrial and maritime. Trade at the time of Mahan was in the context of empires or protectionism (the USA, for instance, were protectionist at the end of the 19 th century and the beginning of the 20 th century). Neither Marcel Poète neither Mahan could observe the free trade worldwide which started after the end of the second World War.

Now we can consider four “economic regimes”:

- autarky for expansion (Perroux). Examples are the Nazi Third Reich and Soviet Union. A country preparing conquests does not want to depend on other countries because of trade. It chooses autarky.
- Imperial mercantilism. It is the case of the British Empire very well described by Mahan. The industry of the metropolis has its outlets in the colonies.
- Mercantilism for development. A country banks on export to be prosperous, accepting the rules of free trade.
- Consumerism/free trade. A country banks on domestic consumption to obtain economic growth and concerning export / import, accepts the rules of free trade.

One sees in this tableau that secured strategic roads worldwide corresponds to a single “economic regime”:

Economic regime	Secured strategic roads worldwide
Autarky for expansion	
Imperial mercantilism	✓
Mercantilism for development	
Consumerism / free trade	

Table 3. Economic regimes and secured roads.

The Chinese project “Belt and Road Initiative” corresponds to the line 2, while China is moving from the regime of the line 3 to the regime of the line 4. It raises objections. It casts doubt on the project. It is uncertain that it will be carried out.

4 THE PACIFIC COEXISTENCE (1): STRATEGIC APPROACH (ARON, CASTORIADIS).

Raymond Aron wrote his book “La coexistence pacifique” (“The pacific coexistence”) in 1953, just after the death of Stalin. The Cold War has started. At this time, in France one was scared with Soviet Union: The forces of the Warsaw Pact were stronger than those of NATO (North Atlantic Treaty Organization) present in occidental Europe. Later, when France and Great Britain will have nuclear weapons, more moderate points of view on pacific coexistence will be possible (“détente”). But Raymond Aron is sure that “pacific coexistence” is hostile coexistence. He approves the stance chosen by the USA and NATO: “containment”. The strength of the book originates in his method: the author examines the communist doctrine and its evolution, besides the official speeches of the communist leaders. For him, the idea that the potential of economic reforms is so obvious that they will be adopted, the communist regimes² evolving, is “radically wrong”. Again, later (1970) at the time of “détente” Samuel Pizar will claim that the existence of this “potential” (that he describes very well) will trigger an evolution of the communist regimes. But he recognizes the existence of “obstacles”. Indeed, the CPSU (Communist Party of Soviet Union) never changed its mind. Take the example of the trade between the countries of Central Europe and occidental Europe which developed in the 70s and 80s: it was a safety valve, and there were red lines. It was the time of the Brezhnev doctrine about “limited sovereignty”.

Finally, in 1989 – 1991, the communist regimes collapsed, mainly because the elites themselves (the “nomenklatura”) were aware of the strategic failure.

² Of course, the main question was the evolution of the communist regime in Soviet Union.

The French philosopher Castoriadis argued in “Devant la guerre” (“In front of war”), written in 1981, that Soviet Union was a “stratocracy”: a country where the resources are systematically and deliberately oriented toward military projects (heavy industry, production of weapons, some technologies and of course numerous, well equipped and trained troops). The economic mechanism was the following: the sector producing consumer goods was not efficient, because there was not investment enough, but the prices were high and the level of taxes was high. So, the revenue from taxes, very large, was invested by the State in the sector which was the priority. The consumption for the populace was sacrificed. Soviet Union became an efficient arsenal, but the accumulation of weapons was useless, for political reasons. The “glacis” (the communist countries in Central Europe) was no more a resource, but a problem. At the time of Gorbachev, the Brezhnev doctrine was abandoned. Finally, the expenses for the production of weapons and arms race were wasteful. Of course, the model is not that of China, today. The “stratocracy” (Soviet Union) was engaged in hostile coexistence. China seems engaged in pacific coexistence. For instance, the proportion of the military budget in the national product is reasonable (about 2%).

5 THE “PACIFIC COEXISTENCE” (2): ECONOMIC APPROACH (PERROUX, PISAR)

Perroux was convinced that “pacific coexistence” was hostile coexistence, by examining the institutions of Soviet Union, not the economy nor the official speeches of the political leaders. Concerning the economy, he argues that the means for development was the “development pole”, in the two blocks. The development poles benefit from agglomeration effects, complementary effects and junction effects. Why were they less efficient in the East? In the communist countries, the domestic consumption was not a demand stimulating the development poles (structure, output). The plans of the communist countries (members of the COMECON, Council for Mutual Economic Assistance) were not coordinated. There was no international division of labor between them, at least on efficient basis. The international trade between these countries was not enough to trigger efficiency. The objectives of this trade could be political, or decided in a bureaucratic way. And a single currency, the convertible ruble, was available, which was managed by Soviet Union, only. The model chosen by Soviet Union, heavy industry as a priority, was imposed on the communist countries of Central Europe, even if they were not industrialized and were poor. There were political rivalries between these countries. In particular, there was a group of rich, industrialized countries (Soviet Union, Czechoslovakia and Eastern Germany) and a group of poor countries (Hungary, Romania and Bulgaria). The “driving effects” of the development poles on the other economic units were less strong (in the communist countries, than in the capitalist countries). In the developing countries which were allied, communist countries invested to create development poles. If the demand was in the communist country, this demand fluctuated for several reasons (including political choices). The local managers were disappointed. And if the demand was local, the managers of the investing country could be disappointed, the local demand being often weak (these development poles were often in heavy industry, and the local demand for their products was weak if the industrialization of the country failed). Notice that the same drawbacks could appear for China investing massively in poor countries located on the New Silk Road.

The Perroux’s works allow understanding the “cuckoo’s nest” phenomenon. When a Power succeeds another one, the succeeding power settles in the same places (buildings in the capital city) than the previous. At the end of the 19th century and the beginning of the 20th century, in Central Europe, there was some industrialization. The development poles were controlled by large banks, often in Vienna. After the end of the World War I, they were replaced by large banks of the allied countries (France, Great Britain, Belgium and USA). They invested in the industry in Czechoslovakia, the mines in Hungary, the transport infrastructures (railways, harbors ...) of the region... And when, at the start of the World War II the Nazis conquered Central Europe, they were replaced by the largest German banks, after an order from Goering (Perroux, 1958). In 1945, the German banks were replaced by institutions controlled by Soviet Union (COMECON, Ministry of Foreign Trade etc.). Is it that China will control all the development poles in the countries on the New Silk Road? It seems that it is a phantasm. In the case of the countries of Central Europe, they are not so weak, since they are members of the European Union. Concerning emerging African countries, they could have recourse to the usual means of countries fearing dependency on a foreign country investing locally, diversification of the local investment. At the time of “pacific coexistence”, frequently a developing country changed the alliances, passing from an ally of a block to ally of the other block, or accepted help from the two sides. Even China, at the end of the 50s, when the Soviet experts were all

powerful in this country, accepted American aid. Today, an African country could accept Chinese investments, and also those of European countries, USA, Japan...

In “The arms of peace”, written in 1970, Samuel Pizar showed the potential for peace worldwide, if the trade between East and West developed. Let us give some examples of pertinent remarks in this book:

- In the communist countries, State monopolies (the Ministry of Foreign Trade, some institutions specialized in foreign trade of a kind of products...) shielded, between firms in the communist country and firms in the capitalist countries. Exchange of information on the demand, between a buyer (or a vendor) in a communist country, and a vendor (or a buyer) in a capitalist country, was uneasy. Narrow relationships between firms (one in a communist country, the other in a capitalist country) were uneasy or impossible. Common projects led during several years were difficult. Complex contracts could not be negotiated.
- Till 1965 Soviet Union refused to recognize intellectual property. In other words, they were copying the occidental technology, without paying for any royalties. But they understood that they remained backward, concerning technology, by doing so. In 1965, they decided to accept the trading of patents. They became a member of the World Intellectual Property Organization, in Geneva. In these years, for five patents bought, they sold one. Notice that today, China is the second country in the world, for international patent application.
- The trade between the East and the West was organized on the basis of bilateral arrangements. It was insufficient. It was made necessary by the lack of a convertible currency on the side of communist countries. Often the means of barter, not very efficient, was used. There was an asymmetry of information: it was easier, for the representatives of a communist country, to prospect customers or providers in a capitalist country, than for a capitalist firm, to prospect in a communist country.
- Often the communist countries used some means (dumping, barter, bilateralism, loans on the long run with commercial provisions ...) which were prohibited by the GATT (General Agreement on Tariffs and Trade). The managers in communist countries negotiating with capitalist firms were competent and ... honest once a contract has been signed, but the means they used (bilateralism, barter...) were expedients. Some communist countries made concessions and entered the GATT. One was not scared with communist countries causing trouble to the working of the world market, because the part of these countries in international trade was small, about 5% (Pizar, 1970). Today it is very different. The national product of China is 20% of the product of the world and its part in international trade is large. Notice that China is a member of the World Trade Organization. If China wants to “secure” commercial relationships with many countries located along the Belt and the Road, either it will be hampered by the rules of WTO, either it will be obliged to leave this organization.

In the years following the publication of “The arms of peace”, this occurred:

- The discovery of oil and gas in Soviet Union was confirmed and this country became a large exporter of these products. It was good and bad. It was good since exportation allowed collecting convertible currency (dollars), to buy the occidental technology, which was needed. Bad because it was a kind of regression: the economy of Soviet Union worked like that of an underdeveloped country (selling raw materials, buying machines).
- It appeared that Jewish people in Soviet Union were persecuted and chose exile (toward Israel) more and more. The Congress of the USA decided sanctions. An informal, secret and powerful committee, the COCOM (Coordinating Committee for Multilateral Export Controls) decided restrictions on the strategic products of which export toward communist countries was authorized. Were concerned, for instance, computers for a military usage.
- Soviet Union engaged in a war (in Afghanistan) which finally was lost.
- The process of “détente” was also threatened by the crisis of the Euromissiles.

Clearly the “obstacles” (to the development of the trade between the Est and the West) remained, and the “potential” described by Samuel Pizar was not realized. The Communist Party of Soviet Union opposed the reforms which were needed. In the same years, these reforms were applied in China.

6 CONCLUSION

One does not understand why China would resume the recipes of Soviet Union, which have failed: a glacis of narrowly controlled countries and the attempt to build a “block”, with international trade inside only, not between a country in the block and a country outside.

The threats to and from China are exaggerated. Of course, there is some conflicts between occidental countries led by the USA and China. They do not agree on the definition of Human Rights. And there is a short list of “hot points”.³ The USA are more and more allied with India. Each (China and USA) wants to attract some countries (like the Philippines). Etc. But it is not comparable with the “pacific coexistence” between Soviet Union and USA (in fact a hostile coexistence). Therefore, the project of secured strategic roads between China and Europe seems without reason.

The phenomenon “cuckoo’s nest” is a phantasm, today. This occurred at the time of Empires. There is no more Empire and the decolonization is over.

Finally, one should not fear the Belt and Road Initiative. The project seems uncertain. But one could fear another kind of project, concerning China: to give up environmental objectives. The fear is that because of the rivalry between the two Great Powers (USA and China), each abandons any environmental objective, to favor economic growth. Already, China has decreased its investments in renewable energies, and builds many thermal power plants (working thanks to coal). Also (but China is not the only country doing so) they buy huge quantities of land abroad, to get a large number of products, thanks to industrial agriculture (this kind of project is called “liquid Nature”).

Concerning the large cities, the “liquid life” should not be threatened by “values”, even “authentic”. Again, these “authentic values” (fairness, sustainability ...) are defined in a blurry way.

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³ Namely the Xinjiang, Tibet, Taiwan and Hong Kong.