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**From Global Economy to Bipolar Economy**

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Production Chains, Knowledge Chains, & Value Chains**

Abstract

The paper considers the consequences of one of the topical aspects of the complex and, according to some estimates, catastrophic state of the modern world - the collision of conflicting trends in globalization and sovereignty. The downward trend of globalization (not to be confused with internationalization) is observed after the global financial and economic crisis of 2008-2009. It has intensified under the influence of the covid pandemic and sanctions restrictions. Sovereignty trends, including those influenced by these factors have, on the contrary, an upward trend. In the 2020s, the contradictory tendencies of globalization and sovereignty increased the threat of world chaos. The resolution of contradictory tendencies and the formation of a new world order is possible on the basis of one of the models of a (new) unipolar, multipolar or bipolar world. The paper compares the perspectives of each of these actively discussed models of world development and the greatest probability is the formation of a bipolar world. Its peculiarity lies in the crystallization of two "poles of power" in the form of bipolar coalitions. Their composition was predicted by the author in the theory of institutional X- and Y-matrices (Kirdina, 2014. In Russian; Kirdina-Chandler, 2017) and is confirmed by modern practice. The core of one of them ("Western") is NATO and the European Union, - it includes 36 countries, and its growth has actually stopped. The core of another coalition ("non-Western") is the Shanghai Cooperation Organization, BRICS and the Commonwealth of Independent States, - it already has 26 countries and a "queue" for joining. The paper argues that production chains, knowledge chains, and value chains drift gradually toward concentration within these coalitions. This is supported by an appropriate reorganization of financial institutions, instruments and flows in each coalition.