



Trade and values in geopolitics 1

Description

As power moves east, leaders belittle liberalism as unnecessary to govern efficiently

By Jean-Luc Burlone

Human rights and separation of powers give strength to democratic institutions by their impartial application to every individual, regardless of his or her race, nationality, culture, religion or wealth. One unfortunate consequence is that such a standardization of social behaviour strips individuals from their cultural specificity. Before abating recently, globalization had further reduced the sense of belonging to a group as it dilutes customs and beliefs. It all adds up that replacing a national or cultural attachment by a rational thought or vision leaves people in need of comfort that economic welfare does not provide.

Disregarding that need, Russia, China and even democratic India outbid each other to gain dominance over the “World Island” and surrounding waters: infrastructure is the bait, trade is the tool and money is the fuel to enlist country after country in a vision for the future, where economic growth, peace and stability justify the subordination of all powers to the executive. Human rights are belittled and other liberal values are given away without further ado.

The United States of America

Since the end of WWII, the United States ensured the stability of the world as it faced the authoritarian USSR for 45 years. When the Berlin Wall and the Soviet Union fell, the confrontation between two powerful ideologies, backed up by nuclear weaponry, ceased to be. The market economy and democratic institutions of the West won the Cold War by improving the welfare of their populations to a level that the authoritarian communist regime could not reach.

The absence of an existential threat and the conviction that western liberal values are universal and will therefore irremediably conquer the world, have enticed bold political and economic actions. Once free to choose, countries from the Warsaw Pact have disregarded the weakened Russia to join the European Union and NATO. Backed by the US, the EU was eager to accept these countries, building democratic institutions and enhancing liberal policies



throughout Eastern Europe.

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In a business environment where technology reigns supreme, the US market economy was given financial freedom that generated an unprecedented amount of wealth, until the 2008 financial crisis almost halted the world economy. Since, trillions of free money from central banks have sustained the recovery that enriched the few but left behind a large segment of the middle class.

By far the most powerful country in the world, the United States' prestige has declined nonetheless on several fronts. America's financial markets represent 20% of world capital (from 37% two decades ago), its education lags behind international standards (Americans had two years more schooling than the rest of the world in the 1960s), its elite is getting nowhere fast and the American dream is being dented, while its democratic institutions, notably the separation of powers, are being tested repeatedly by an autocratic presidency.

Most consequential to the world order, America's role as the sole superpower able to promote human rights and liberal values around the globe ceased to be in July 2017. Quarrelling with allies and foes alike, with neither a global vision nor a foreign strategy worth mentioning, America's credibility and reliability has been irremediably damaged. And while the ethos of the country is going through a political trauma with an uncertain outcome, the European Union is left sole defender of liberal values as it interacts more than ever with cultures from Africa, the Middle East and Asia.

Revisiting Europe

When authoritarian states like Libya, Egypt, Iraq and Syria imploded, migrants from Africa and the Middle East boated through the Mediterranean Sea or walked through the Balkans to seek a safe life in rich European countries. From a natural border that separated Christians from Muslims, the Mediterranean Basin has become a geopolitical locus, where cultures from Europe, Africa and Asia meet, trade or transit. As the Muslim immigration reverberated throughout the EU, xenophobia and nationalism rose, fracturing the fabric of the European Union.

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The fact that its security is threatened by turmoil in surrounding regions coaxes the EU to be proactive in solving problems in the troubled country. As the EU Global Strategy for the European Union's Foreign And Security Policy states: "... our security at home entails a parallel interest in peace in our neighbouring and surrounding regions". Hence, a call for military capability: "... to create a solid European defence industry, which is critical for Europe's autonomy of decision and action".

For more military efficiency, President Macron's European Intervention Initiative (EI2) was signed on June 25, 2018 by nine members – including Great Britain, regardless of the Brexit outcome. The EI2 is a coalition of countries willing to answer an emergency without the US. (Its interoperability, however, needs to be established.)

(Most interesting: the Global Strategy considers the usefulness of a voluntary governance for region-states or city-states, where local populations can manage security issues, express their identities and cultures, extend their influences and profit from economic growth. Whatever form or shape it takes, regional governance can be an



effective solution to the fragmentation along ethnic groups if it can vent nationalist frustration and give breathing room to minorities.)

Indeed, the EU faces an existential crisis. Brussels failed to integrate countries from the defunct Warsaw Pact and to cohere its 28 members as a homogeneous block. Europe's spoiler, Vladimir Putin, seeks to regain the influence the Soviet regime had in Eastern Europe and Central Asia. He aims to split the EU from the US (helped by Trump) and to split the EU within itself (helped by a million immigrants). He sponsors anti-NATO protests and supports extreme groups from the right and the left so they gather enough clout to form an efficient pro-Russia block in the European Parliament.

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A case in point: Poland and Hungary have forcefully revived their ethnic and cultural specificity to raise borders and question their duties – to which they are estranged – though they agreed to them when they joined the EU in 2004. Poland has embarked on a “repolonisation” of its economy – an economic nationalism affecting all domains. As for Hungary, the government has negotiated secret loans from Russia, awarded a major nuclear power contract to Rosatom, and gave the green light to a Russian gas pipeline project in spite of blocking orders from Brussels. In the spirit of the times, the integrity of several Balkan countries and candidates to the EU is being increasingly disputed for the past three or four years.

Populist movements threaten liberal premises so dear to the EU: the free flow of people, capital, goods and services are disputed on most political occasions. In Germany, in spite of low unemployment and booming exports, the Alternative for Germany gained seats in the Bundestag and bluntly declared that Syria is now safe for the return of refugees. Similarly in Italy, the Five Star Movement became the largest party in government and threatens to block the EU free trade agreement with Canada. Democracy comes to play again in twenty elections to be held between September 2018 and the American election in November 2020.

Amid the turmoil, the European Union retains some credibility in promoting liberal values: it is one of the largest investor and trading partners to most countries and it invests more in international cooperation than the rest of the world combined. Yet, though Europe remains wealthy, it is highly indebted and plagued by a middling economic growth. Alone, rebuffed by the US, fractured within itself and without a promising plan to attract followers, the EU lacks the necessary strength to enhance democracy and liberal values.

The EU was high-minded in the wake of the Arab spring which, ironically, triggered the refugee crisis that wounded the Union and hangs over it as a Damocles sword. Hence, the Union curbed its principles and went back to embrace authoritarian states, regardless of their human rights record. The EU dealt with Turkey to retain next to two million Syrian refugees who may be unleashed at will. The Union also bowed to Egypt's warning that a million more refugees will migrate toward the continent if the Egyptian government is weakened. The Libyan and Syrian cases are clearly being reminded.

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Authoritarian leaders see the Brexit vote and the election of Trump as examples on how easily liberal democracy confers victory to those who, rightly or wrongly, want to change the status quo. Emboldened by Donald Trump's



indifference toward human rights and impressed by the economic success of the Chinese authoritarian system, an increasing number of leaders, from Eastern Europe, through North Africa to East Asia, feel justified to clamp down on the opposition and to muzzle the press to secure their power for their country's peace and stability or so they claim.

Undoubtedly, Western liberal values are challenged; they are belittled, tainted or diluted as Europe melts with Asia, whose communitarianism, traditions and values are deeply ingrained and alien to western liberal precepts. Concurrently, with its capacity to gather data on almost everyone everywhere, technology has become a powerful tool to influence people's values and habits to the satisfaction of autocrats but to the worry of democrats that decry its intrusive power as detrimental to democracy and individual freedom.

Central Asia: the locus of entanglement

The term "World Island" (coined by the geographer Halford Mackinder in 1904) combines Europe, Asia and Africa, where all the diversity of the human race is represented and where all customs, beliefs and ideas will mingle. Greater and deeper communication will connect them all, either virtually by the Internet or physically through new roads, rails, seaways and ports.

China, India, Russia and their intertwined associations of followers have started to cover the World Island and its waterways with the needed infrastructures to exploit resources in Central Asia and to trade goods and services across the continents. The environment is considered but human rights are defined in various ways according to the history and traditions of regions. As for liberal values, their usefulness is on the table.

Part Two: Asia takes over the world leadership while the West is out on a limb

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The text above is my personal view, based on a review of the economic and financial press. September 10, 2018. – JLB

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