

Benjamin Sutherland's
Globalization, Conflict, and Innovation course
2019

Globalization, Conflict, and Innovation, a course to be taught in eight 90-minute classes, for a total of 12 classroom hours, examines how the apparently inexorable spread of myriad business, trade, and communication networks will generate stability in some areas while sparking conflicts, many of them armed, in other areas. The bulk of each class consists of a lecture with slides, as well as lively class discussion and debate. The instructor will email reading material to students in the form of PDFs. No books need be purchased.

Course objectives

This non-quantitative course will help students operate internationally in business by shedding light on ways in which regions, countries or sub-national areas become more or less stable. Rather than analyze individuals such as political and business figures, we identify and analyze structural forces reshaping the security landscape (and, by extension, the business landscape). Students will be better able to assess risks for international endeavors such as investment or business expansion.

A more detailed outline of matters to be covered in the class follows.

Globalization is transforming conflict

For much of history, instability has mostly overflowed from strong states, be it ancient Persia, Napoleonic France, Nazi Germany, or imperial Japan. In recent years, however, conflict has mostly bubbled up in weak states—those that, for different reasons, remain less connected to global networks. Behind this sea change lies globalization. As states and economies become more connected to global networks, the benefits of territorial conquest fall vis-à-vis other sources of wealth, power, and prestige. These include the deft use of technology as well as human, social,

and economic capital in transactions that benefit, albeit unequally, all participating parties.

As this world of “positive sum” transactions has taken shape in the decades since World War II, the death toll from wars has fallen as Western powers have shunned wars of conquest. Instead, they fight, justifiably or not (and with mixed success), less-bloody wars intended, in part, to stabilize disconnected and therefore poorer areas. It is in these lands where many conflicts erupt and drag on, sometimes for decades. With few other options, some young men feel that joining a fighting force can provide upward mobility, a more-robust identity, and an invigorating purpose in life. With little tax revenue being generated, local and foreign governments may be unmotivated to end the violence. And in the absence of effective government, non-state (and often armed) groups that step in to provide social services can become more powerful.

Conflict is becoming increasingly cultural

Globalization brings diverse worldviews into closer contact, accelerating the shift from “ideological” conflict driven by communism, fascism, and other “isms” to today’s “cultural” conflict driven by ethnic and religious passions. These often involve incompatible beliefs in God’s will, and are therefore hard to negotiate, as suggested by ethno-religious bloodletting in Afghanistan and Pakistan, Hindu-Muslim violence in India, and clashing between Christians and Muslims along the powder-keg 10th parallel from West Africa to archipelagic Southeast Asia. Issues like taxation that are mostly political can often be resolved with negotiated compromise; cultural disputes are knottier, be it gay marriage or, in France, the wearing of Muslim headscarves. Determining how much of an issue is, or isn’t, open to negotiation, reveals much about the risk of bloody strife.

Some conflicts resonate little with outsiders—tribal killing in Amazonia, say, or gangland hits in distant inner cities. But the destabilizing effects of other conflicts can rapidly spread and escalate as imagery,

news, and “spin” piggyback on communication networks into distant areas where the adversaries’ angers resonate. Understanding these “cultural echo chambers” helps reveal how a given clash may become a conflagration.

The most insidious cultural strife will tend to erupt in “fictitious states”—former colonies, for the most part, with peoples that did not fight side-by-side to forge their borders. Violence in these countries has increased as leaders of the wars of independence have retired or died, taking with them the little social cohesion that they had built up by uniting, albeit briefly, rival ethnic groups to cast off colonial overlords. In these weak or failing states, “identity vacuums” have grown as the meaningfulness of the Cold War’s ideological divisions has faded. And corruption, which has led to underdevelopment, has prevented a healthy national pride from filling the gap. In this void, “identity entrepreneurs” like Boko Haram, Islamic State, and Hezbollah have stepped in, offering alternative and increasingly extremist worldviews.

Globalization can rip apart borders

Globalization increases net wealth. This tends to lift incomes of the poor, but their gains are often less than those of wealthier people. Globalization therefore often exacerbates inequality and internal divisions in a country. This nourishes populism. It can also fuel the separatist dreams of wealthier or less-dysfunctional areas keen for a divorce from a country’s poorer regions. This dynamic is at play in bids for autonomy in Bolivia’s Santa Cruz department, Iraq’s Kurdistan, and Spain’s Catalunya. We assess where separatist movements are likely to get bloody, contrasting breakups of various countries.

The prospects for democracy

The type of past governance in an area reveals much about whether conflict or stability and prosperity is on the horizon. Corruption, for example, has thrived in former “extraction” colonies where the colonial master co-opted one or more ethnic groups, pitting

them against weaker ethnic or sectarian rivals to facilitate administration. This dynamic can be seen in sub-Saharan Africa, India and elsewhere. In contrast, in “settlement” colonies in America, Australia, Canada and New Zealand, settlers mostly saw the state’s security forces as an ally providing protection from natives upset at their loss of land and overall reversal of fortune—hence the lower levels of corruption and dysfunction in those lands today.

Foreign aid can also fuel corruption, further empowering élites. Regimes with enough free money from abroad to hand out privileges to cronies are less likely to liberalize their economies and respect human rights to better generate taxable wealth. Corruption, then, is not, as some illiberal regimes claim, an anomaly that they wish to stamp out. Rather, corruption is a mechanism for distributing unfair advantages such as, say, immunity from prosecution, to key government supporters. Likewise, onerous regulations for businesses are often crafted specifically to protect established firms from potential competition. This approach hurts the population as a whole by crimping wealth creation, but it maintains incumbent businesses’ support for the regime.

Globalization empowers, but it also disrupts

Globalization can reduce oppression. By connecting previously disconnected and therefore disenfranchised people to outsiders with little or no financial interest in perpetuating local discrimination, globalization can turn the dispossessed into stakeholders. Through this process of “frontier integration,” as Thomas PM Barnett, a former Pentagon strategist calls it, populations in dysfunctional areas largely cut off from global networks and the rule of law become able to pour their energies into self betterment through economic growth. Over time, many of these people let go of bloody ideological, religious, and ethnic passions.

But globalization also disrupts. With relative ease, its lifeblood, information, can be corrupted to sow doubt and enrage. And many will see globalization, often correctly, as a threat to their culture, privileges, or

power, be they dictators or, say, ordinary Muslim men opposed to westernization and the attendant empowerment of women. These fears can be whipped up and exploited.

The West's long, winding path to democratic, innovative societies began with the emergence of the notion of the individual in ancient Greece and encompassed the separation of church and state, the Reformation, the Enlightenment, the Industrial Revolution, and the rise of consumerism. But in countries where the resulting cultural and institutional foundations for democracy haven't been inherited or adopted, holding elections often results in violence. In these areas, political parties are often "masks" for ethnic or religious identities.

The likely shape of conflict to come

Amid all this, it appears, troublingly, that a new era of messy chessboard geopolitics is dawning. Globalization has weakened the role that geography plays in shaping culture and sociopolitical systems, but this is broadly overestimated. Seemingly incompatible mindsets remain, and indeed are exacerbated by globalization's shrinking of the world. Even the matter of world order is still unresolved, with the West's Westphalian system of independent states under growing challenge. In the Muslim world, for example, the Koranic ideal of pushing for an ever-expanding and eventually universal community of believers, the "ummah," is at odds with Western notions of sovereignty and respect for human rights.

And against the backdrop of a seemingly weakening West, challenger powers see growing opportunities. A resurgent Iran is maneuvering in Lebanon, Syria, and Yemen. A revanchist Russia, having easily annexed Crimea, is supporting separatist fighters in eastern Ukraine. In demographic and economic decline, Russia has reason to seek additional gains sooner rather than later. China is militarizing disputed reefs and other bits of maritime territory. And nuclear weapons are increasingly seen by Pakistan, Russia, and others as tools to challenge the status quo, rather than, as was largely the case during the Cold War, to maintain it.

Perhaps most importantly, some compellingly argue that the years of great-power peace since World War II are not primarily the result of globalization. Rather, they see the liberal world order that has fueled unprecedented economic growth as a product of a Pax Americana imposed on competing powers exhausted by the second world war. If that's the case, what is in store if the United States continues to lose its stomach, as much of Europe already has, for upholding the rules, however imperfect, that have held sway in recent decades?

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