

WORLD TRADE, A VECTOR FOR PEACE TAKEN HOSTAGE BY REGIONAL WARS?

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Philippe Trainar, Tsipora Fried, Isabelle Méjean and Serge Stroobants

As far back as the 18th century, Montesquieu spoke of the links between trade and the likelihood of conflict in his *Théorie du doux commerce*, an idea which argued that trading with other countries would create peaceful interdependencies. Is this theory still relevant today? The facts seem to show the opposite, as indicated by Isabelle Méjean, a member of the Cercle des Économistes, and Professor of the economics department of Sciences Po Paris. 'International trade is reaching unprecedented volumes. In 2022, it represented 60% of the world's Gross Domestic Product (GDP). And at the same time, we're seeing a very high level of geopolitical tensions, both at the gates of Europe and in the Middle East. Relations are also very tense between the United States and China around the Indo-Pacific region.' Tsiporah Fried, Strategy and Innovation Advisor to the French Armed Forces, outlined a pessimistic view regarding the possibility of regaining control of the world. She believes that we have moved 'from a complicated world to a complex world'. It was

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Isabelle Méjean

complicated when it was still possible to analyse causal links; complex when there is an explosion of interdependent variables. 'Nowadays, it's very difficult to know how things will evolve from one day to the next,' she added. The Army General Staff plays a role of strategic anticipation; its mission is to identify risks, threats and how to respond to them. Tsiporah Fried noted a return to the dynamics of the forces of war, stating that the change translates into a possibility of conflict within the European Union itself, since that breaking point on 24th February 2022, the date of Russia's invasion of Ukraine. The use of forces, which used to take place in three areas, sea, land and air, now extends to space,

MODERATION

Isabelle Méjean, Member of the Cercle des Économistes, professor of the economics department of Sciences Po Paris

SPEAKERS

Tsiporah Fried, Strategy and Innovation Advisor to the French Armed Forces General Staff

Serge Stroobants, Director for Europe and MENA and Global Director for Security, Defence and Intelligence at the Institute for Economics and Peace

Philippe Trainar, Director of the SCOR Foundation for Science, economist

cyberspace, electromagnetic and informational space, all of which are possible fields for the expression of violence.

All this, coupled with the loss of influence of the West, marks the end of a happy globalisation that brought well-being and growth to developed countries. Covid has highlighted that our economic interdependencies, which until now could promote peace between peoples, were also vulnerabilities in terms of resource supply. Philippe Trainar, director of the SCOR Foundation for Science and economist, recalled what the anthropologist, Claude Levi-Strauss, said, namely that human society is made up of three exchanges: goods, people and ideas. He also brought up Montesquieu's theory of *doux commerce*: 'Sharing our differences is what will make us richer. But difference implies that we're not equal. These exchanges give rise to domination.' Because although international trade enriches those who practice it, it can also increase inequalities. 'When I go to war, my first need is also to trade. This is illustrated today by Russia, as much as by the recent conflict in Lebanon,' he explained.

Serge Stroobants, Director for Europe and MENA and Global Director for Security, Defence and Intelligence at the

Institute for Economics and Peace, believes that the Kantian approach that peace is necessary to organise economic dependencies between countries is over. 'We now live in an offensive realist world. A Machiavellian set-up prevails over interactions between states. The problem is that we're entering a transition from one world to another with a European Union that is still clinging to the liber-

Those who suffer from war also suffer its economic consequences

Serge Stroobants

al values of international relations. This economic approach, which until now generated peace, is transforming into toxic interdependence.' Serge Stroobants estimates that a country at war would lose between 35 and 40% of its Gross National Product (GNP). The case of Ukraine is particularly alarming since the GNP there is said to have fallen by



Tsipora Fried

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61%. 'Those who suffer from war also suffer its economic consequences.' He also pointed out that today, many conflicts drag on and aren't resolved over time, whereas about half a century ago, 40% were resolved either by a peace agreement or by a victory for one of the two parties. Thus, international relations and trade today generate conflicts that are no longer resolvable and which drag on for a long time. Through his role at the Institute for Economics and Peace, Serge Stroobants gets to meet many members of governments around the world. Most are initially sceptical of his message. 'But when I tell them that a 1% increase in positive peace is equivalent to a 3% gain in GNP, then they start to listen to me. Our approach is to say that we can also invest in the pillars of positive peace to achieve an economic return on investment.'

But Tsiporah Fried believes there is a difference between theory and practice. According to her, current wars are not necessarily rational or linked to economic calculations. On the contrary, the world would have become more danger-



ous from the moment when the Western powers allowed authoritarian leaders to believe that they could go all the way with their ambitions and conquests, citing Russia, China, Turkey and Iran as examples. 'When, in the 2010s, we didn't take Vladimir Putin's speech in Munich in 2007 seriously, when we didn't stick to the red lines that we'd set for ourselves in Syria and Crimea, we left the door open to conflict,' she explained.

We're seeing more and more monopolisation strategies, either by alliance or by takeover

Tsiporah Fried

In addition, the logic of conquest, linked to strategic resources, is on the rebound. Clashes or very strong tensions over grain are to be expected. Tsiporah Fried tempered these fears by recalling that what was announced as the water war at the dawn of the 21st century proved so sensitive that it ultimately resulted in more agreements than wars. Within the Ministry of the Armed Forces, the question of minerals, which are essential for electronic and digital components, is being observed very closely. 'We're seeing more and more monopolisation strategies, either by alliance or by takeover.'

'But we aren't there yet,' reassured Philippe Trainar. Nevertheless, trade, which normally promotes peace, is used to promote war. 'We could find situations similar to those of 1914. 'We're only at the start,' he concluded.



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