INDEX

Introduction
The world in the third year of the pandemic ............................... 9
Felipe Sahagún
Russia’s invasion of Ukraine .......................................................... 9
Questions ...................................................................................... 13
The world in 2022 ......................................................................... 20
Two geopolitical volcanoes in Ukraine and Taiwan ..................... 24
US mid-term elections ................................................................. 29
First year of the Biden presidency: the best and the worst ............ 32
New trends ................................................................................... 35
Threats, risks and conflicts ............................................................ 43
Strategic Panorama 2022 ............................................................... 48
 The crisis of the US hegemonic order ......................................... 48
 Russia’s return ............................................................................. 49
 Pandemic, economic crisis and geopolitical changes ................. 50
 The conspiracy against Europe .................................................. 51
 India, a rising global power and a key player in the Indo-Pacific .... 53
 Indonesia, a stalwart of the Indo-Pacific balance of power .......... 55
 Terrorism, twenty years after 9/11 ............................................. 56

Chapter One
The crisis of the US hegemonic order ............................................ 59
Jorge Dezcallar de Mazarredo

Chapter Two
Russia is not relinquishing its position as a great power .............. 73
José Pardo de Santayana
<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign POLICY</td>
<td>147</td>
</tr>
<tr>
<td>Defence</td>
<td>150</td>
</tr>
<tr>
<td>Interior FRONTS</td>
<td>152</td>
</tr>
<tr>
<td>Freedom of the press</td>
<td>153</td>
</tr>
<tr>
<td>Digitisation</td>
<td>154</td>
</tr>
<tr>
<td>Pandemic</td>
<td>157</td>
</tr>
<tr>
<td>Bonus track: Germany</td>
<td>159</td>
</tr>
<tr>
<td>Conclusions</td>
<td>163</td>
</tr>
</tbody>
</table>

**Chapter Five**

India, a rising global power and a key player in the Indo-Pacific  
Nicolás de Pedro

Introduction ................................................. 169
Essence and basic parameters of India’s foreign policy .. 170
Pakistan – an intractable and unresolvable problem? .... 173
China: the great strategic challenge ...................... 181
The USA: Natural ally and opening to the Indo-Pacific?  185

**Chapter Six**

Indonesia and its rise in the Indo-Pacific. Analysis of its growing geopolitical importance  
Javier Gil Pérez

Introduction ................................................. 199
Navigating between concepts: Geopolitics, Superpower, Great Power, and Regional Power ....... 201
From Sukarno’s dreams of grandeur to Suharto’s invisibility .......... 202
Indonesia as a geopolitical hub in the Indo-Pacific .............. 209
Main straits in the Indonesian archipelago ...................... 212
Strengths and vulnerabilities in the Indonesian economic upswing....... 214
Indonesia’s energy role: producer and distributor of energy resources 217
Indonesia and its commitment to multilateralism and democracy .... 219
Chinese 9-point line ........................................ 221
UNCLOS and Indonesia ......................................... 222
United in diversity? ......................................... 225
Indonesia and its role in ASEAN ................................ 229
Conclusions .................................................. 233

**Chapter Seven**

War on Terror after 9/11: Analysis and foresight  
Pilar Rangel

Introduction ................................................. 239
Composition of the working group
Introduction

The world in the third year of the pandemic

Felipe Sahagún

Russia’s invasion of Ukraine

With the illegal, unjustified and unprovoked invasion of Ukraine in the early hours of 24 February, Russian President Vladimir Putin shattered Europe’s fragile post-Cold War security system, the fundamental norms of international law on sovereignty and territorial integrity and the basic principles of peace, forcing the major Western powers and their two main organisations – NATO and the EU – to respond with extraordinary aid to Ukraine and tough sanctions on Russia which, just days before, had seemed impossible¹.

“We have seen a more rapid transformation of the geopolitical map of Europe in the last week than in the previous three decades, since the fall of the Berlin Wall and the USSR,” wrote Carl Bildt six days later², as hundreds of thousands of Ukrainians

sought refuge in neighbouring countries. Within three weeks of the invasion, the number had already exceeded 3 million, almost two million of them in Poland.

And so, it summarised the partial restriction of Russia’s access to the SWIFT international banking transaction system, the closure of European and North American airspace to Russian aircraft, the substantial increase in the German defence budget and the approval of arms shipments by the EU and its major members to the invaded Ukraine.

Having invented a century-long conspiracy by Lenin, Stalin, Khrushchev, Gorbachev and NATO to separate Ukraine from Russia, and having turned a deaf ear to all peace initiatives presented to the Kremlin since November, in the early hours of 24 February Putin launched, from four fronts (Russia, Belarus, Crimea and the Black Sea), the invasion forewarned so many times by the Biden Administration to end Ukraine’s independence and the European security system.

In his televised “declaration of war”, recorded three days earlier, he described the invasion as “a special military operation to demilitarise and denazify Ukraine, and to put an end to eight years of war in the east of the country”3.

Replaying the key points of his very long article of July 20214 and his public interventions since then, he labelled the situation in the separatist republics of Donbas as “genocide” and challenged Tyrians and Trojans to resort to their most destructive weapons, if necessary, to defend themselves from what, in his arsenal of huge lies, he considers an actual extermination of the Russians in Ukraine.

“We will bring to justice those responsible for numerous bloody crimes against civilians, including many Russians,” he added. He called on the Ukrainian military to surrender and threatened with every means possible, without saying nuclear weapons, any foreign power that dared to intervene.

By then, as revealed by the main scenario analyses of what the Kremlin was preparing, the Russian army was already destroying

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Ukrainian air infrastructure, bombing the adversary’s positions in Donbas, advancing, albeit with much greater difficulty than expected, by land on the above fronts, and landing units to control the strategic centres of the Black Sea.

Within hours the Russian defence ministry claimed to have neutralised all Ukrainian air bases and defence systems with “high-precision weapons” and that it was not targeting cities to avoid harm to civilians. Attacks on defenceless civilians in Kharkov, Ukraine’s second most populous city, and in many other parts of the country in the days that followed, undermined these claims.

At around the same time, Ukrainian President Volodymyr Zelensky claimed that his army had shot down six Russian planes and a Russian helicopter, killing some 50 soldiers. In five days, Ukraine claimed to have destroyed 29 aircraft, as many helicopters, 191 tanks, 816 armoured personnel carriers, 74 artillery pieces and two ships. In 24 hours, Kyiv raised the number of Russian soldiers killed from 4,500 to 5,300. Russia did not recognise any casualties of its own and put the number of Ukrainian facilities destroyed at 1,114, along with 314 tanks, 57 rocket launchers, 121 artillery pieces and 274 vehicles.

It was certainly not a limited operation, but an invasion that was not progressing as Putin had hoped and almost all international experts had feared. In the fourth week of the invasion, after four rounds of talks between Ukraine and Russia, no one yet knew how far Putin was intending to go, whether he was trying to carve up Ukraine and secure direct or indirect, partial or total control of the country by replacing Zelensky’s regime with a puppet government.

Meanwhile, in their first statements, the leaders of the US, the EU and its allies agreed on the diagnosis – ‘premeditated, unprovoked and unjustified aggression’ – announcing gradual, graduated and increasingly tough sanctions if Putin continued to fail to listen to reason.

Within the space of three hours, Ukraine’s president had gone from calling for calm after imposing martial law to calling for “everyone of military age to report to the Ministry of Home Affairs” to help defend the country. “Blood is needed in hospitals,” he added in his televised message.

Putin denied plans for occupation, insisting on “the right to self-determination of the local population” which seemed to augur
rigged referendums once the military phase was over, like the one in Crimea, to legitimise his new military conquest.

“Saying that he does not intend to occupy the country makes no sense, as he would lose everything he has achieved,” said Malcolm Davis of the Australian Strategic Policy Institute. “Wars are won by occupying and holding the occupied area. Of course, Putin will not stop until Kyiv”.

With some 190,000 troops inside Ukraine – reinforced by Chechen mercenaries and units from Belarus, which in a referendum on 27 February had accepted its final submission as a new vassal to Russia – Putin was intending to tailor the invasion to Ukraine’s resistance, but what he did not foresee was the extent to which his criminal behaviour would arouse such a spirit of patriotism in Ukrainians and such repudiation of the Kremlin and such solidarity with Ukraine in the West.

Difficulties on the ground and international pressure forced him to sit down for talks with a Ukrainian delegation on 28 February, but after several hours of talks at the Belarusian border, the two delegations returned to their capitals only with the agreement to continue talking. In mid-March, after the fourth round of talks, both sides announced progress, but the ceasefire and withdrawal of Russian forces demanded by Ukraine was still a long way off and, although Russia had only managed to occupy one major city, its artillery and aviation were wreaking havoc in dozens of others, including Kharkov, Mariupol and the capital, Kyiv.

Despite its admirable and unexpected resistance with capabilities far inferior to those of the invader, Ukraine seemed to have only two options: guerrilla warfare by the people in arms, an option it chose with great heroism during the first weeks, or surrender.

It was much better prepared for territorial defence than in 2014 and the Ukrainian president showed admirable leadership and courage, but the country lacked the means for anything other than a war of attrition and its two main demands – a no-fly zone and fighter jets – were repeatedly rejected by NATO so as not to risk a direct clash with Russia.

Obsessed with Ukraine and regaining the influence lost in neighbouring countries with the dissolution of the USSR, Putin, who had been preparing the invasion for years, made his calculations

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and, following the US and NATO refusal to accept his 17 December ultimatum, concluded that the sooner he conquered the fledgling pro-Western and democratic Ukraine, the more secure his authoritarian regime would be.

In Putin’s outlandish reading of the end of the Cold War and the break-up of the USSR, it was a *sine qua non* to regain the prestige and influence lost over the last 30 years.

“Even if he wins this battle, he will lose the war because the invasion has meant total defeat in the battle of public opinion in Ukraine and in the West,” said Tyson Barker of the German Council on Foreign Relations. “Germany and the rest of NATO will strengthen their military presence in the east and their assistance to the Ukrainian resistance.”

Good souls like sociologist Konstantin Gaaze and journalist Karen Shainyan called for mobilisation on the Russian streets and several thousand responded, but those who could lead the protests are dead, in jail or in exile and closely watched. The latest Levada polls indicated that after so many years of mass manipulation more than 50% of Russians bought into Putin’s lies.

If the resistance and guerrilla warfare envisaged inside Ukraine comes to fruition, even if the Afghan model is unrepeatable, the invasion could end as badly or worse than the Soviet intervention did in Afghanistan.

Unity and strong support from the West were indispensable then, and the same unity and support were manifest from day one of the invasion, as hundreds of thousands of Ukrainians, mostly women and children, fled the country or left their homes for makeshift shelters in towns and cities.

**Questions**

Without knowing the duration and evolution of the war in Ukraine, it is impossible to foresee its medium and long term effects, but in the short term, and without yet knowing the outcome of the invasion, as this Panorama went to press all indicators pointed to a profound transformation of the geopolitical map of the last 30 years. The responses of the EU, NATO and Germany, and the

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downward revision of all economic forecasts in the third year of the pandemic, made this clear.

Where will Putin stop and for how long if he manages to keep Ukraine? Will the concepts of enemy, adversary and competitor be revised after Ukraine? Is there anything left of global Britain? Is there money for old and new priorities without multiplying debt, deficit and inflation? What happens if Republicans like Trump, who has called Putin a “genius” for his invasion of Ukraine, regain a majority in Congress and the White House?

How long will the pandemic go on for? What impact will new virus mutations, vaccine distribution and Putin’s wars have on the global economy? By how much will inflation and interest rates rise in 2022, taking into account the added impact of the war on energy prices, cereals and supply chains?

Will the already insufficient progress in the fight against climate change grind to a halt? What changes will the new German government introduce, and how will the rest of Europe be affected following its U-turn on foreign, security and defence policy? Will Emmanuel Macron be re-elected for a second term, as the polls indicate, despite the failure of his personal bid to stop the Russian president?

In February, the Economist, which correctly predicted election results in recent years in France, Germany and the US, gave him a 79% chance of winning but, if confirmed, he would be the first French president to be re-elected for a second term in 20 years.

“The new normal is here, get used to it,” headlined the British weekly in its analysis of the pandemic at the end of last year. “The era of predictable unpredictability will carry on with us... What awaits us in the rest of the decade is not the familiar routine of the pre-Covid years, but the disorder and bewilderment of the pandemic era.”

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7 The Economist’s election modelling... (5 February 2022). https://www.economist.com/leaders/2022/02/05/the-economists-election-modelling-should-cheer-emanuel-macron
By early February 2022, in the third year of the pandemic, some 5.7 million people worldwide were confirmed to have died from the coronavirus⁹ (almost one million in the US alone), with the unconfirmed figure, calculated using much more reliable metrics based primarily on “excess deaths” compared to the pre-pandemic period, standing at 18.9 million¹⁰. At the same time, John Hopkins certified more than 400 million infections (100 million in the first month of the year) and more than 10 billion vaccines administered¹¹.

More than 3 billion people, most of them in Africa (41% of the world’s population), had still not received any doses of the vaccine¹². In low-income countries, less than 9% of the population was vaccinated¹³.

“An economic recovery from the divergent crisis due to the pandemic threatens deeper global divisions just when nations and the international community most need to cooperate to curb Covid-19, heal its wounds and address the risks,” noted the World Economic Forum in Davos in its 2022 risk report¹⁴.

“With the advance of vaccinations, digitalisation and growth at pre-pandemic levels, the outlook for 2022 and beyond in some countries is good,” it added. “Others... could be sunk for years... Growing disparities between and within countries will not only complicate the control of Covid-19 and its variants but will hinder or reverse the necessary joint action against common threats”¹⁵.

As it does every year on the eve of the Davos summit, Oxfam published its report on the evolution of global inequalities, this time in the first two years of the pandemic. “The wealth of the

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¹³ According to the World Bank, countries with an annual GDP per capita of less than $1,026. https://worldpopulationreview.com/country-rankings/low-income-countries
¹⁵ Ibidem.
world’s ten richest people has doubled since March 2020,” it concluded\textsuperscript{16}.

In its first situation report of the new year, the World Health Organization (WHO) confirmed that between 27 December 2021 and 2 January 2022 the number of infections had increased by 71\% compared to the previous week, with almost 9.5 million more people infected, although in only one region, Africa. In addition to the number of infections, the number of deaths was also increasing\textsuperscript{17}.

The advance of the Omicron variant, which is extraordinarily contagious but less lethal than the previous ones, once again put all international actors in check, forcing them to change agendas and priorities. Stemming from the effects of this variant, the most important question for experts and leaders was now beginning to be when the pandemic would – through mass vaccination or infection – become an endemic threat. Epidemiologists like Hajo Zeeb of the University of Bremen believe that day could come in 2022. Others believe it is more feasible in 2024\textsuperscript{18}.

On 10 January, Albert Bourla, president of Pfizer, a leading vaccine manufacturer, announced that his pharmaceutical company had begun producing a new vaccine against the Omicron variant and others, with distribution expected to begin in March\textsuperscript{19}.

The US Supreme Court’s decision on 13 January to outlaw President Joe Biden’s imposition of vaccination on businesses complicated the situation in the US. “It must be Biden’s worst day in the White House,” tweeted Edward Luce, a senior commentator for the \textit{Financial Times} in Washington.

At its last summit of the year, the EU was forced to devote the first two pages of its final communiqué to the pandemic, ahead of more pressing security and defence challenges, the pre-invasion crisis with Russia in Ukraine, migration pressure on the Pol-

\textsuperscript{18} Evers, M. (4 January 2022). Omicron has the potential to stop the pandemic... \textit{Der Spiegel International}. https://www.spiegel.de/international/world/omicron-has-the-potential-to-stop-the-pandemic-but-that-s-not-the-end-of-the-story-a-b379b1d0-9135-471f-be60-0e9d6ff5deab
ish-Belarusian border, and preparations for the summit with Africa scheduled for mid-February. It did so in the following terms:

- The new variant demonstrates the vital importance of vaccination and a common treatment and procurement strategy.
- The new challenge requires strengthening coordination and ensuring that any restrictions on movement do not have serious or disproportionate effects on the Single Market and on freedom of movement within the EU.
- The Council recognises that the pandemic can only be overcome through global cooperation, based on trust and mutual assistance.

The EU remains committed to the goal of global vaccination and is the world’s leading donor and exporter of vaccines20 (fig. 1).

In practice, Europe remained divided. Austria had already made vaccination compulsory under heavy sanctions; Italy and Portugal

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had extended the state of emergency; and France was using the situation to close its borders to travellers from the UK, where erratic management of the pandemic and successive scandals were threatening Boris Johnson’s position and complicating the resolution of serious unresolved differences over Brexit.21

Five years earlier, in A World in Disarray the president of the Council on Foreign Relations in New York, Richard Haass, had expressed how hopes for a new, more stable world as we moved into the 21st century had given way to a world that was far more conflictual than cooperative.

“Some people criticised me at the time as being too pessimistic and negative,” he said on 6 January. “In retrospect, it should have been the other way around... We are now into the third year of the pandemic and we don’t even know its origins, thanks to the Chinese blockade.”22

The global recovery (5.9% in 2021 and 4.9% in 2022, according to the IMF in its October projections)23 had to be revised downwards in the last quarter.

Regarding climate change, despite the mobilisation for COP26 made a year late due to the pandemic in Glasgow, the minimum commitments made in Paris in 2015 to avoid worst-case scenarios are not being met. The latest UN International Panel report, published at the end of February, leaves no room for doubt.24

Global temperatures have already risen by more than one degree since the industrial revolution and continue to break new records year on year, while the main culprits like China and India, the two most populous countries on the planet, are not responding with the necessary ambition and urgency.

Chatham House, the UK’s leading think tank, could not be clearer: “Although more than 120 countries presented their national emis-

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sions reduction targets in Glasgow, they fell short. If they were to meet their targets, which is by no means certain... the global temperature at the end of the century would be 2.4 degrees C higher than in the pre-industrial era”25.

“The last seven years have been the hottest on record and 2021 was the fifth hottest ever due to rising levels of carbon dioxide and methane in the atmosphere, causing a string of natural disasters,” wrote Leslie Hook, environment editor of the Financial Times, on 10 January26.

The world’s largest reinsurer, Munich Re, puts the death toll at around 10,000 and insured natural disaster losses at around $120 billion – less than half of the total – in 2021, the second highest ever after the tsunami year in Japan27.

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**Fig. 2.** The seven warmest years on the planet were from 2015 to 2021.

**Source:** Copernicus/FT

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According to the latest data from Copernicus, the EU’s Earth observation programme, global average temperatures last year were between 1.1 and 1.2 degrees C above the average between 1850 and 1900 (fig. 2).

Vincent Henri Peuch, head of atmospheric monitoring at Copernicus, believes that climate change is the cause of this accelerated rise in temperatures: “The concentration of carbon dioxide and methane continues to increase year after year, with no signs that this trend will change... These greenhouse gases are the main causes of climate change.”

In his review of his forecasts for 2022, Haass warns that “cyberspace today resembles the Wild West, with no sheriff willing or able to draw the line”, “technology continues to outpace diplomacy, with authoritarian governments increasingly walled off as they violate (with impunity) each other’s cyberspace” and “nuclear proliferation continues, with North Korea improving the quantity and quality of its arsenal and the aim of its missiles... and the Islamic Republic (of Iran) reducing the time to acquire a nuclear weapon from a year to months or weeks.”

If to all this we add the rivalry between the major powers, more intense than at any time since the end of the Cold War, the more than 80 million displaced people (one in every 100 people) on the planet, the 274 million who, according to David Miliband, former Foreign Secretary and Chairman of the International Rescue Committee (IRC), will need humanitarian aid to survive 2022, and the decline of democracy in most of the world, starting with the US and some countries in Europe, we can see how the gap between challenges and responses continues to widen.

Barring a much faster and fairer delivery of vaccines and new pandemic treatments in the coming months, the global economy will continue to grow very unevenly in 2022, below its potential, and with persistent disruptions to supply chains, higher inflation,
tougher financial conditions, and a drag on public spending in many countries.

The unprecedented stimulus of the last two years is over, and the large investments already approved in infrastructure and green and digital transitions will need time to start paying off.

“Countries with high foreign currency debt and/or high fiscal deficits may be vulnerable to changes in acceptable levels of risk and investor expectations,” warns geopolitical think tank Stratfor. “Argentina, Brazil, South Africa and Turkey are large, high-risk emerging markets. Smaller economies such as Ghana and Kenya may also face high-risk premiums and problems of financing at acceptable interest rates”31.

One of the great mysteries of the economy, probably a result of of the pandemic, is why, despite the strong return of inflation (6% overall at the beginning of the year), long-term interest rates had barely moved by the end of 2021.

“In the last 40 years, debt has increased over three-fold, to 350% of global GDP,” warns Ruchir Sharma, head of global strategy at Morgan Stanley. “Markets may fear that an economy so saturated in debt would be so sensitive to rising rates that any significant increase would be unsustainable“32.

Given that, for the second year running, the pandemic conditioned and changed some of the main international trends in 2021, accelerating ongoing processes such as demographics and the digital revolution and modifying, slowing down or reversing others such as globalisation, the rule of law and trade, it is foreseeable that this impact will continue in the new year.

“No one knows how the pandemic will pan out and whether recent price increases will be transitory, which means that economic forecasts are weaker than usual,” warns Jim O’Neill, former UK Chancellor of the Exchequer and former chairman of Goldman Sachs Asset Management33.

32 Sharma, R. There is no easy escape from the global debt trap. Financial Times. (22 November 2021). https://www.ft.com/content/c9e0c2c1-55af-4258-9c92-92faa111f41e
Stanley, quoted above, summarises the foreseeable changes in 2022 in the following points:

1. Demographic decline in many countries, such as China, will continue to slow economic growth and reduce the available labour force.

2. Demographic decline, rising debt and increasing government interference explain why China’s GDP, a third of world GDP before the pandemic, is now a quarter after two years of the pandemic.

3. Global debt has multiplied with the pandemic and at least 25 countries, including the US and China, now exceed 300% of GDP. Fear of bankruptcies and contagion continues to delay a solution.

4. Labour shortages and rising public spending and debt have pushed up inflation in countries like the US to the highest levels in half a century. With financial markets four times the size of the global economy, deflation is to be expected when they go into crisis.

5. Rising demand for so-called green metals such as copper and aluminium has substantially reduced investments in oil fields and mines of other raw materials in many countries over the last five years and explains an accelerated rise in the prices of so-called green fuels. The result is labelled as “Greenflation”.

6. Contrary to many predictions, the acceleration of technological change has not reversed the long-standing decline in global productivity.

7. All flows – including commercial, monetary, human – have been reduced by the pandemic except one: internet data traffic, which in 2022 will exceed all flows up to 2016. Contrary to the baptismal hopes for a free Internet, controls and restrictions continue to multiply.

8. Bubbles in sectors like cryptocurrencies and clean energy and technology, with falls of 35% or more in 2021, will not recover easily, although they will leave a few surviving dinosaurs, as often happens in such cases.

9. Despite all the hullabalo of the social unveiling of Facebook’s metaverse, new electric cars and other digital paraphernalia, 2021 showed that behind every avatar there is a
human being and that the doing away with physical, tangible resources has been premature.

“At the start of the new year, the world faces a daunting horizon of challenges,” wrote the Guardian’s international editor on 29 December. “(Due to possible) pandemic outbreaks, the climate emergency, the struggle between democracy and authoritarianism, humanitarian crises, mass migration and transnational terrorism. Not to mention the risk of new inter-state conflicts, exacerbated by the breakdown of international order and the proliferation of lethal autonomous weapons... For most of the Earth’s population – and for some in space – 2022 will be another year in which we live dangerously”34.

While the regression of democracy in the world continues, Kenneth Roth, executive director of Human Rights Watch, sees some light at the end of the tunnel in the multiplication of demonstrations and protests demanding freedom.

“In country after country – Burma, Sudan, Russia, Belarus, Nicaragua, Poland, Uganda, even Kazakhstan before they were crushed and obscured by a struggle for control of the government – millions of people on the streets continue to risk their life or imprisonment,” he wrote in Foreign Policy on 13 January35.

“Few demonstrations are seen in favour of the autocrats,” he added, “Yet the autocrats are enjoying their moment of glory, partly because of the failures of the democratic leaders”.

For analysts at the Financial Times, Europe’s most influential newspaper, 2022 looked particularly unpredictable and unstable: “We do not believe that Russia and China will end up invading their neighbours, but we are much less optimistic about more infectious variants of the coronavirus than Omicron, the return of inflation to the 2% forecast by the Federal Reserve by the end of the year... or that this year’s climate conference (COP27 in Egypt) will deliver on the commitments needed to limit the increase in global warming”36.

The Financial Times predicted the loss of the Democratic majority in both houses of the US Congress in November, the Supreme Court’s authorisation of states to decide freely on abortion in the US, the defeat of Jair Bolsonaro in Brazil’s presidential elections in the autumn and progress, without a definitive agreement, in negotiations with Iran, although whether or not recourse to an armed solution is avoided will depend on Israel\(^{37}\).

The alternative to an agreement may be the escalation of proxy warfare between Iran and its Shia Arab allies from the Levant to the Gulf, or worse still, Israel’s oft-touted attack on Iran, which would have uncontrollable effects on much of the Middle East.

“Talks with Iran... will not produce any results in 2022”, said the European Council on Foreign Relations in the sixth of its ten forecasts for the new year\(^{38}\).

The first danger has been tried to be reduced since Iran’s devastating drone and missile attack on Saudi oil company Aramco’s facilities in 2019 through diplomatic contacts between the main Gulf states but following the victory of Iran’s most intransigent sector in the 18 June 2021 elections and the normalisation of relations between Israel and the Emirates, the path to regional détente has become more complicated.

Two geopolitical volcanoes in Ukraine and Taiwan

Tensions between China and the US, the main challenge of the 21st century, will intensify with the likely launch of a new investigation (Section 301 of the Trade Act of 1974) by the Biden Administration into Chinese subsidies, before introducing modifications to Trump’s legacy of sanctions\(^{39}\).

Among the priority threats recognised by the US intelligence services in their forecasts last year were China’s drive to become a global power, new provocations from Russia, Iran and North Korea, transnational challenges without effective institutions and rules for management and control (pandemics, climate change, emerging technologies, cyber-attacks, organised crime, migration and global terrorism) and conflicts as complex as Ukraine,

\(^{37}\) Ibídem.


Taiwan, Afghanistan, Iraq, Syria, Yemen, Libya, Burma, Sahel and Western Sahara and Ethiopia\(^\text{40}\).

The dialogue process agreed by Washington and Moscow to ease tensions between Moscow and the West opened on 10 January. If Moscow does not back down, it will be a complicated journey on four fronts: the US-Russia bilateral talks in Geneva from 10 January, the Atlantic-Russia Council in Brussels from 12 January, coinciding with the Council of the 30 heads of the Atlantic Alliance, OSCE-Russia on security in Europe from 13 January in Vienna and, mainly on the initiative of France, the reactivation of the so-called “Normandy format” from 26 January in Paris.

At stake were nothing less than Ukraine’s future, its chances of Westernisation and the position of the US as an anchor of European security. The Economist summed up the conflict in the following terms in its first edition of the new year:

> “Many of Putin’s demands are so extravagant and negative for Europe’s security that they can be interpreted as an ultimatum presented to be rejected to find a pretext for another invasion of Ukraine. If Mr. Putin has decided to go to war, he will. However, firm diplomacy could play for time and help stem the long-standing deterioration in relations between Russia and the West. Even if the talks (dialogue for the West, negotiations for Russia) fail, NATO can emerge from them stronger, more united, and more confident about the threat it faces”\(^\text{41}\).

The guarantees Putin has demanded in his proposals on 17 December for the respective agreements with the US and NATO are unacceptable to the US and many European countries, at least publicly, so it seems that the solution will have to involve the implementation of the Minsk agreements and/or reserved commitments such as those that have so often defused even more serious conflicts (the Cuban missile crisis in 1962, for example).

It will not be easy to reconcile Western support for Ukraine’s integrity and sovereignty with Putin’s demand for “immediate


\(^{41}\) Russia and NATO. How to talk to Mr Putin. The Economist. (8 January 2022). https://www.economist.com/leaders/2022/01/08/how-to-talk-to-mr-putin
response”, including Russia’s veto of future NATO enlargements, manoeuvres and rearmament in its neighbouring areas.

“Russia’s goal is to renegotiate the end of the Cold War and re-design the Euro-Atlantic security architecture” that emerged from the demise of the USSR, said Igor Zevelev, Russia specialist at the Wilson Center, at the Chicago Council on Global Affairs on 12 January. At the end of the first week of meetings, no progress seemed to have been made, except to keep talking and buying time.

If there is no agreement and Russia proceeds with its plans against Ukraine, the US, EU and G-7 have reiterated that it will have “massive consequences”. The West’s possible blocking of Russia’s access to the financial message transfer system (SWIFT) has been considered in the past, with the then Russian Prime Minister Dmitry Medvedev warning that for the Kremlin it would be “an act of war”. SWIFT connects more than 11,000 banks in over 200 countries and handles some 32 million transactions daily, including 80% of Russian transactions.

“Some of the sanctions that Washington has considered would place Russia, the world’s eleventh largest economy, in isolation similar to Iran and North Korea”, Pablo Pardo pointed out on 11 January from his Washington bureau for El Mundo. “The most extreme would be to exclude Russia from the SWIFT international payments system. This option, however, seems remote. The US and its allies are more likely to strike at public financial entities such as the state development corporation, VEB, or the sovereign wealth fund RDIF, through which Russia channels its investments.”

On 13 December, after weeks of threats and unfounded accusations, Russia’s number two foreign minister, Sergei Ryabkov, accused NATO of preparing to deploy medium-range missiles (500-5000 km), warning that “Russia may be forced to deploy its own... if NATO refuses to negotiate on how to avoid escalation”.

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42 Putin’s periphery: the fight for Russian borderlands. Video: https://www.thechicagocouncil.org/events/putins-periphery-fight-russian-borderlands
It would be yet another step towards rearmament, following the Trump administration’s decision on 2 February 2019 to withdraw from the INF Treaty, signed by Mikhail Gorbachev and Ronald Reagan in 1987.

Chinese pressure on Taiwan, with daily military flights in Taiwan’s international air defence zone in 2021 (around 1,000 in total)\(^\text{46}\) and increasingly frequent naval manoeuvres in its neighbouring waters, will be ongoing to dissuade President Tsai Ing-wen, re-elected in 2020, from going ahead with her independence project and other countries from supporting Taipei, although, according to the think tank Stratfor, in the next twelve months “Beijing will not intervene militarily against Taiwan, nor will Taiwanese semiconductor exports to the rest of the world be threatened” (over 60% of the total, 85% if we add South Korea’s)\(^\text{47}\).

Consistently of the opinion that geography is a determining factor in international politics, Robert Kaplan, author of 19 books and advisor to several presidents, believes that “if the Taiwan Strait, rather than being a 100 miles wide, were as wide as the English Channel, about 20 miles, “China would have invaded and recaptured the island decades ago, but those extra 80 miles present all sorts of military and logistical difficulties in doing so. The problem is that geography is such an obvious factor that it is too often ignored or underestimated”\(^\text{48}\).

Using the same criteria – the importance of geography and history – Kaplan described “the best possible future for Ukraine as a kind of Finlandisation, although best-case scenarios frequently do not come to pass”\(^\text{49}\).

Uneasy with Angela Merkel’s privileged relationship with Xi Jinping, the new coalition government in Berlin will be much more critical of China’s excesses, and the new German foreign minister, Annalena Baerbock, will have fewer qualms than her predecessor, Heiko Maas, about keeping the Nord Stream 2 tap turned off if Putin does not agree to a diplomatic solution in Ukraine.


\(^\text{47}\) Stratfor, op. cit.


\(^\text{49}\) Ibidem.
After meeting with Secretary of State Antony Blinken in Washington, Baerbock warned Putin against further incursions into Ukraine, stressing, in apparent response to statements by the Italian Prime Minister, that “the strength of the transatlantic alliance is not measured in tanks and missiles but, above all, in concerted action when it really matters, when the basic rules of international law and common values have to be defended”\textsuperscript{50}.

Apart from more “economic, financial and political sanctions” (NATO Secretary General Jens Stoltenberg’s words),\textsuperscript{51} neither the new German government nor, if re-elected in April, Emmanuel Macron in his second term would have much room for manoeuvre.

In the Financial Times on 22 December Mario Draghi, President Sergio Matarella’s possible successor in the first weeks of 2022, pondered the question: “Do we have missiles, ships, cannons and armies in Europe? Answered himself, he stated: “NATO has other strategic priorities... Europe is not in a position to give up gas from Russia”\textsuperscript{52}.

Neither geopolitical tensions nor outbreaks of the pandemic threatened the Beijing Winter Olympics from 4 to 20 February. Consistent with its zero-tolerance strategy on contagion, China imposed drastic controls: full vaccination of all participants, a 21-day quarantine, a health bubble for the duration of the competition and no foreign spectators.

The little supported diplomatic boycott by the “5 eyes” (US, Canada, Australia, UK and New Zealand) remained just another protest against China’s human rights violations without major consequences.

Leading international human rights organisations proposed a total boycott but, as the Economist’s head of Chinese affairs pointed out, “it is difficult to boycott an event that you are not allowed to attend”\textsuperscript{53}. Although journalists and foreign leaders were not


\textsuperscript{52} Sciorilli Borrelli, S. (22 December 2021). Draghi says Europe lacks means to deter Russia over Ukraine. \textit{Financial Times}. https://www.ft.com/content/dd808ad2-585c-488d-a62b-8f963b144bb7

banned from attending, “it will be the tamest and most domestic Olympics” in history.

Leaders of the World Cup later this year in Qatar will be looking closely at the Beijing Olympics to organise their own preemptive response to the inevitable demonstrations and protests over the deaths at the infrastructure building sites of some 6,500 migrants and ongoing human rights violations in the emirate54.

The four biggest international surprises of 2022, a year ahead of time, would be for the pandemic to almost completely abate without billions of the world’s inhabitants having been vaccinated, for Macron to lose the French presidential election in April, for Chinese President Xi Jinping, the most powerful since Mao, not to be re-elected for a third term by the 20th Communist party congress in the autumn, and for the Democrats to retain a majority in both houses of Congress in the November elections, contrary to polls.

US mid-term elections

At the beginning of 2022, Biden’s chances of maintaining the tiny Democratic majority won in 2020 in both houses of Congress seemed slim.

“Presidents’ (parties) almost always lose seats in their first mid-term elections”, explained the Economist on 8 January. “The Republicans need only 5 seats to regain a majority in the House of Representatives and the ability to veto all legislation that Biden is trying to push through. In 2010, Obama lost 63 seats... In 2018, Trump lost 35”55.

Leading analysts56 gave the Republicans an 82% chance of taking control of the House of Representatives and a 70% chance of regaining the majority in the Senate.

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Ten months before the elections, 25 Democratic representatives had already announced that they would not run for re-election, including the chairmen of some of the main committees, compared to only 12 Republicans. An important fact: 17 of these Democrats are not leaving because they aspire to other more influential positions. Only 4 Republicans threw in the towel without an incentive for promotion. This statistic – the number of legislators who renounce re-election – is often decisive in predicting the outcome.

Nothing would revalidate China’s image of efficiency, stability and unity at the time of Xi’s coronation as much as a return of Trumpism and a continuation of the paralysis and attacks on the democratic system that culminated on 6 January 2021 with the storming of Capitol Hill in an attempt to prevent the certification of Biden’s victory in the 2020 presidential election.

This event was the most difficult test yet in the long-running tug of war (since 2006, according to Freedom House, democratisation has been in retreat in the world) between democracies and authoritarian regimes (China and Russia above all) that Biden is trying to win with the two virtual summits convened in 2021, which should bear their first fruits at the end of 2022.

Armenia, forced to hand over part of the territory it occupied in Nagorno-Karabakh and seven adjacent districts to Azerbaijan in the armistice negotiated under Russian and Turkish supervision on 9 November 2020 after six weeks of fighting with more than 7,000 soldiers and some 170 civilians killed, was the only one of the six members of the Collective Security Treaty Organisation (CSTO) invited to these summits.

Under strict Kremlin control, the dispatch of some 4,000 troops (3,000 of them Russian) to quell street protests in Kazakhstan by the CSTO, an instrument created at Moscow’s initiative in 1992 against possible external threats from its six members (Russia, Belarus, Armenia, Kazakhstan, Kyrgyzstan and Tajikistan), reminded many of the Warsaw Pact interventions in Budapest in 1956 and Prague in 1968.

The US and French elections are just two of the most important elections of the new year, which will once again test the resilience of democratic institutions, severely damaged by the

Trumpist drift of the US Republican party, massive disinformation on the major social networks and emergency laws in the wake of the pandemic.

A far-right victory in France, however unlikely it might seem in early 2022, would be a disaster for the EU. Neither of the two candidates vying to succeed Moon Jae-in in South Korea on 9 March represented a radical change in policy towards the North, where Kim Jong-un had just celebrated his first ten years at the helm of the world’s ninth-largest nuclear power with new missile tests\textsuperscript{58}.

In the early hours of 12 January, the North Korean workers’ party newspaper Rodong Sinmun and the KCNA news agency confirmed the sixth missile test since 21 September, the third of a hypersonic missile which travels at more than five times the speed of sound with the ability to manoeuvre in flight, making it very difficult to detect, with photos of Kim Jong-un presiding over the event.

Only three countries – the US, Russia and China – had previously achieved this milestone. A few hours after the announcement, the Biden Administration, which during its first year tried unsuccessfully to negotiate with the North Korean regime, imposed new sanctions on it\textsuperscript{59}.

Will the coalition of the six opposition parties be able to end the almost twelve years of increasingly undemocratic power of Viktor Orbán and his Fidesz party in Hungary? In April, in addition to the 199 members of the Assembly from which the new prime minister will emerge, the Hungarians were to vote in a referendum on fundamental cuts to rights enshrined in the Lisbon Treaty.

With four months to go before the presidential election in the Philippines, the candidature with the most support in the polls was the daughter of outgoing president Sara Duterte and the son of former dictator Ferdinand Marcos. In second place, with only 11% of support, was the outgoing vice-president, Leni Robredo.

In Australia, the Liberal-National coalition led by Prime Minister Scott Morrison hoped to win a fourth three-year term in office


despite its eroded support caused by its handling of the pandemic, devastating fires, limited progress on climate change and growing tensions with China.

In Latin America, between 13 March and 19 June, Colombians will renew the Congress and the presidency. Without Iván Duque as a candidate, polls at the beginning of the year indicated the possibility of victory for ex-guerrilla fighter and former Bogotá mayor Gustavo Petro. To be confirmed, following the victory of the left in the 2021 presidential elections in Peru and Chile, another change of political cycle will be consolidated in the Western hemisphere.

First year of the Biden presidency: the best and the worst

As he did every year-end with Presidents Barack Obama and Donald Trump, former speechwriter for George Bush Jr. and American Enterprise Institute researcher Marc Thiessen compiled a list of the best and worst actions of the White House during the previous year for the Washington Post.

Biden’s highlights in his first year as president, he wrote, were the infrastructure bill ($1.2 trillion); the acceleration of vaccine distribution inside and outside the US; the security agreement with Australia and Japan (AUKUS) to rein in China; his strengthened support for Taiwan; elevating the security dialogue with Australia, India and Japan (QUAD), resurrected by Trump from ministerial meetings to an annual summit; prudence in the appointment of judges; recovery of most of the ransom paid by Colonial Pipeline to its hackers; recognition of the Turkish genocide against Armenians in 1915; two air strikes against pro-Iranian forces in Iraq and Syria; and the first test of a new NASA system against asteroids that pose a threat to Earth.

The infrastructure bill was Biden’s only major piece of legislation passed with Republican support. With his vaccine push, he managed to get more than 70% of US adults to receive the full dose and sent more than 300 million doses (more than the rest of the world) to some 110 countries.

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The new AUKUS has facilitated the 6 January 2022 signing of the first security and defence cooperation agreement between Japan and Australia, will help Australia develop nuclear-powered submarine capabilities and strengthens cooperation in cybersecurity, artificial intelligence and quantum computing among the three allies, although it drove a serious wedge into US-French relations by cancelling the submarine pact reached by Paris and Canberra in 2016. It remains to be seen whether the joint communiqué by Emmanuel Macron and Joe Biden, on the G20 summit on 29 October, will end the conflict.

Had he been allowed to expand on the list of supposed ‘successes’, Thiessen would have included the ban on US companies investing in sectors linked to China’s defence, the ban on imports from China of goods made by Uighur forced labourers, the diplomatic boycott of the Beijing Olympics, and the order to search for deported US veterans and their families and bring them home.

Had he not backtracked on them, his statement to CNN ending decades of strategic ambiguity with Taiwan, which he soon retracted, and his pledge to oppose the Russian-German Nord Stream 2 pipeline, which he renounced for the sake of a better relationship with Germany, would also have been on that list of wise actions.

The worst part of the year – and on this many observers agree – was the handling of the withdrawal from Afghanistan, “the most serious foreign policy disaster of my lifetime” according to Thiessen, who in September in his weekly columns, and coinciding with the twentieth anniversary of 9/11, wrote that Biden “no longer has the right to set foot at Ground Zero” of the attacks.

According to the Post, the other most serious errors were:

- Letting himself be caught by the radical wing of his party” in debates such as the one over the Build Back Better Act, the 1.9 trillion-dollar social package “disguised as aid against Covid-19, the main cause of inflation and severe labour shortages” in the US in the second year of the pandemic.

– Provoking or failing to anticipate the most serious ever crisis at the border, with four times as many migrants (1.7 million) trying to enter the US in 2021 as in 2020, many attracted by a White House message that they interpreted almost as an open-door declaration.

– Weakness in the face of Russian aggression in Ukraine, possibly as a consequence of the disastrous withdrawal from Afghanistan and capitulation on Nord Stream 2.

– Giving the green light to Nord Stream 2, while protesting and insisting that it was a mistake.

– His campaign against fossil fuels, which drove or led to a drop in domestic production and a sharp rise in prices, after which he pleaded with OPEC to produce more oil, generating as much CO2 emissions as were saved at home. “Back to the 1970s,” lamented Thiessen.

Forcing all staff at companies and institutions with more than 100 employees to have weekly vaccinations or tests, which led many Americans to quit their jobs just when it was proving difficult to find labour for more than 11 million jobs.

– Using the FBI to intimidate parents who went to schools to protest pandemic closures.

With at least 12 of the nation’s major cities breaking homicide records, cancelling the Justice Department’s Operation Legend, a tool established by his predecessor which, by bolstering their units with federal personnel, helped local police to apprehend more than 6,000 criminals.

These were undoubtedly some of the causes of the serious deterioration of Biden’s image, arriving at the White House with the support of 57% of the population and retaining just 42% after 280 days in the Oval Office, the worst approval rating after one year in office of the last eight presidents aside from Trump\textsuperscript{71} (fig. 3). The disastrous withdrawal from Afghanistan undoubtedly played a role, but it was not the only cause.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{biden_approval_ratings.png}
\caption{Joe Biden’s approval rating in 2021. GALLUP, 22 October 2021}
\end{figure}

**New trends**

In 2021, the Council on Foreign Relations (CFR), one of the oldest and most prestigious *think tanks* in the US, asked its contributors and researchers to explain the main trends in 2022 and the next century.

They chose the uneven distribution of Covid-19 vaccines; China’s rapidly ageing population; the umbilical relationship between technology with access to venture capital and the dynamism of the most advanced economies; the difficulties of finding a new

\textsuperscript{71} Joe Biden’s approval ratings are worse than every recent president -- except 1 -- at this stage. 23WIFR-CNN. (26 October 2021). https://www.wifr.com/2021/10/26/joe-bidens-approval-ratings-are-worse-than-every-recent-president-except-1-this-stage/
work-life balance; the dramatic boost of renewables in Latin America; and the difficult adaptation of many countries to artificial intelligence, with only 31 countries at the beginning of last year having already approved development strategies in such a crucial area.

Coinciding with its first centenary, and starting with the major events of 2021, the CFR organised nine debates on nine issues that it considered the most relevant for the future of the planet:

• Will the world succeed in meeting the challenge of climate change?

• Is demographic change a comparable challenge?

• Will China assert itself, as many believe, as the 21st century’s new superpower?

• Will parliamentary democracy survive?

• Does the so-called international order built after the Second World War still have a future?

• Is a new social contract imperative to save it?

• Is it still possible to put the advance of biotechnology at the service of humanity?

• How should we manage the technological revolutions that can save or destroy us?

• And last, how can history be harnessed without abusing it or repeating its mistakes?72

**Climate change.** “If we continue with business as usual, the average global temperature will rise by at least 3 degrees Celsius above late 19th century levels, something the planet has not known in 3 million years,” warns Nicholas Stern, president of the Grantham Institute for Environment and Climate Change.

*Homo sapiens* has only been on Earth for a quarter of a million years and many studies indicate that at the current rate the temperature increase could reach 5 degrees Celsius. “With just a three-degree increase, sea levels will rise by 10 to 20 metres, making most coastal cities, where the majority of the world’s population is now concentrated, uninhabitable,” adds Stern.

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Demographics. While no serious demographer would dare to make hard and fast forecasts more than ten years ahead, demography probably explains the long term better than any other social science. The more than five-fold increase in the world’s population, now approaching 8 billion, that the Earth has experienced since 1900 is unprecedented and is due, above all, to the revolution in health care and, since the second world war, to the fall in the birth rate in many countries.

“It would take a catastrophé of biblical proportions for this growth to peak in the next decade,” says demographer Nicholas Eberstadt. “Some people think it is possible by 2050, others by 2070, but the UN does not foresee it happening in this century, only a gradual slowdown from 10 billion.”

We can divide the world demographically into two: sub-Saharan Africa and the rest. In the former, the population is still growing at 80 to 90% above the replacement level; in the latter, the figure has been below the level for years. “This means that in just one generation the sub-Saharan Africa population, now just over a billion, will double,” says Eberstadt. “And this poses immense challenges because it is the part of the world with the lowest rates of life expectancy, health, education, economic growth, etc.”

China. The economic growth rates of the last decades are finished. Its problems of inequality, ecological degradation, dissatisfaction with the zero-tolerance management of Covid and the consequences of demographic decline on the pension system are very serious but, as Harvard professor Elizabeth Perry, director of the Harvard-Yenching Institute, warns, “they are not unique to China.”

“I am concerned that they will lead to a further militarisation of the country or a more militaristic foreign policy,” she adds. “China lacks the German Junkers or the Japanese Samurai, but its red capitalists, a kind of revolutionary aristocracy very close to the party, can push for a militaristic foreign policy, hence there may be something positive in (Xi Jinping’s) attack on Chinese billionaires”.

74 Ibidem.
She acknowledges the importance for China of retaking Taiwan – dozens of Chinese military aircraft have flown over Taiwan’s so-called ADIZ (Air Defense International Zone) every day for the past year – but, given the Taiwan crises in 1954 and 1955 and in the mid-1990s (1995 and 1996), Perry believes that the growing pressure still has more to do with tactics to deter Taiwanese independence and the rapprochement of other countries, such as Lithuania, with Taiwan than with short- or medium-term invasion plans, as repeatedly pointed out in Taipei and Washington.

**Democracy.** Recognising the loss of consensus, leaderships which, once in power, trample on the rules of the game, growing inequality and insecurity, and economic, demographic, cultural and social change when demands are generated that the system cannot or will not meet, as major causes of democratic regression, historian Anne Applebaum advises viewing this as a universal phenomenon rather than a series of isolated national setbacks.

“The transformation of our economies and our information ecosystems are likely to be sources of insecurity that undermine democracy she,” says76.

When it comes to solutions, however, she recommends a country-by-country review of institutions, electoral systems and parliamentary practices. Equally, if not more important, in her opinion, is the need to denounce and firmly reject both the authoritarian internet of the dictatorships and of the uncontrolled oligopolies in Western democracies.

It would also help, she adds, to strengthen cooperation among democrats within and across national borders, and to pursue a domestic and foreign policy consistent with democratic values so as not to lose credibility.

“In 2025,” warned Canadian professor Thomas Homer-Dixon at the beginning of the year, “American democracy could collapse, causing extreme domestic political instability and widespread political violence. In 2030 or sooner, the country could be ruled by a right-wing dictatorship”77.

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Based on what happened before and after 6 January 2021 and considering that 45 states in the Union have already debated 230 laws criminalising protests under the guise of left-wing violence, a few days earlier in the same newspaper philosopher and Yale professor Jason Stanley warned that “the US has already entered a legal phase of fascism”78.

**Future of the system.** An orderly and historically stable international system such as that of the Congress of Vienna (1815) needs agreement and sufficient balance among the major powers so that compromise and acceptance of the norms, institutions and rules of the game compensates or benefits them all more than would any attempt to change it by force. This is the central thesis of Henry Kissinger’s doctoral dissertation, *A World Restored*.

> “Today I think it is difficult to think of a single balance of power,” says CFR president Richard Haass. “What we have is a multiplicity of power centres... and a panoply of global challenges (climate change, cyberspace, non-proliferation, to name some) without adequate institutions or legitimacy for anyone to set the rules”79.

To manage major global challenges, cooperation with authoritarian systems is necessary, despite many, especially in the US, “preferring confrontation with China, as if it were possible to force it to behave otherwise”, states Fareed Zakaria, director of GPS, CNN’s flagship international analysis programme80.

As a solution, Haass proposes a new concert of powers, outside and instead of the UN Security Council, that includes the US, China, Russia, Japan, India and the EU.


> “I think we are at a turning point,” he explains. “We have reached this crossroads in part because of the 2008 financial crisis, exacerbated by the pandemic. The underlying problem

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is that the social contract is broken because the relationship between governments and markets does not provide sufficient opportunity and security”82.

A major cause, on which Haass and Shafik, former Oxford colleagues, agree is competitiveness, which has plummeted in many industrialised countries. “There are many sectors – pharmaceuticals, banking, transport – that are becoming less and less competitive, to which we must add, due to their high concentration, the large digital platforms such as Facebook, Google, and so on. Where does productivity come from? From innovation and competition”83.

There are no easy answers, given that many of the companies are multinational and the solution requires multinational measures. Hence, the importance of the 2021 G7 and G20 agreements, however limited, on a global corporate tax.

Benefits and risks of biotechnology. In the third year of the Covid-19 pandemic, any reflection on biotechnology must begin with the best (the speed of vaccine production) and the worst (its uneven distribution, which multiplies the risk of virus mutations) that has been done to tackle it.

Michelle McMurry-Heath, president and CEO of the Biotechnology Innovation Organisation, the industry’s leading trade association, attributes the serious distribution problems not to intellectual property laws, but to the nature of the process: some 200 ingredients or materials are needed to produce the messenger RNA vaccine. “We produce a good part of these materials, not only for the US but for the whole world, but the (US) Defense Production Act limited the export of these raw materials,” she says84.

“If we add to this the fact that the same law requires vaccine manufacturers to comply with US requirements before exporting any doses, it means that many middle-income countries – and I’m thinking of several in South America – had to wait”.

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83 Ibídem.
McMurry-Heath, like most experts, takes it as read that if such a pandemic had occurred twenty years earlier, it would have taken six to ten years to obtain the first vaccine, which would have multiplied the number of victims.

Looking ahead, it will be necessary not only to end vaccine nationalism, but also to increase production capacity worldwide.

**Technology as salvation or threat.** "Whether we see it as a tool, a partner or a rival, it (Artificial Intelligence, AI) will permanently change our experience as rational beings and our relationship with reality," write Henry Kissinger, Erich Schmidt and Daniel Huttenlocker in their book *The Age of AI*.

In a webinar on 20 December, the CFR asked two of its authors, the great statesman and the former head of Google, about the benefits and dangers of this revolution, which Kissinger considers as revolutionary for the human mind and all fields of knowledge as the Enlightenment.

"Because of its unprecedented ability to collect and absorb information, steer processes in one direction or another, and change capabilities and uses (for example) in the military sphere, (AI) will change our perception of reality," Kissinger warns.

"At the international level, AI opens up so many possibilities for intervention in the territory of other countries and so many forms of threat hitherto unknown... that we need new forms of dialogue," he adds.

"The most serious thing," Schmidt explains, "is that in cases of cyberwarfare there may not be time for humans to decide," meaning that we need diplomatic negotiations to prevent the most destructive scenarios, such as the initiation of a computer war between major powers based on false or misinformation.

Defence, espionage, security, medicine, finance, economy, work, education... It doesn’t matter in which field we move. After

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listening to Stanford professor Fei-Fei Li, one of the best minds in the US in the field of new technologies (robotics, AI, quantum computing, machine learning, deep learning, and so on), it is obvious that “technology is a double-edged sword... it can be used well or badly... If we don’t train or prepare the algorithm correctly, we can end up in dangerous territory”87.

**Use and abuse of history.** In each edition of the Strategic Panorama, we look back at decisive anniversaries and some of the lessons that history has taught us to avoid repeating mistakes.

2021 marked 75 years since Winston Churchill’s Iron Curtain speech and 50 years since the publication of the Pentagon Papers. In 2022, it will be 50 years since Richard Nixon announced the beginning of a new era with his trip to China. On 12 March, many will miss the 21st century equivalent of the Truman Doctrine, which changed the world 75 years ago. Other dates are the Marshall Plan’s 5 June, and 1 July, which marks the publication of the article signed by “X” (George Kennan) in Foreign Affairs on the “sources of Soviet behaviour”: the “long telegram” (5,000 words) that served as the basis for the USSR’s containment strategy throughout the Cold War.

For those interested in terrorism and the Olympics, how could we fail to remember the massacre at the Munich Olympics on 5 September 1972, and for those nostalgic for their empires, the founding of the USSR or the end of the Ottoman Empire, both completing their first centenary this year.

“We must remember the extent to which we all, as groups and as individuals, act according to our experiences,” explained historian Margaret MacMillan on 13 April 2021 at the CFR. “Our past conditions us. That is why I see history in diplomacy and international relations as something that gives us insight and a better understanding of those with whom we are interacting”88.

“Putin, for example, can be seen as a typical tyrant, or perhaps as an authoritarian leader, but his goals and animosities, his personal desires for Russia are shaped by Russian history and his

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own experience of that history”\textsuperscript{89}. History can help us ask the right questions. Without good questions, it is impossible to get answers.

It is just as dangerous to ask the wrong questions as it is to rely on analogies from the past to respond to present or future threats of a radically different nature or in radically different circumstances. Few analogies have been more harmful than that of appeasement.

“If history teaches us anything,” he concludes, “it is that nothing lasts forever and that the unexpected can happen. We too easily assume, especially those of us who have lived in a part of the world that has enjoyed such prolonged peace since 1945, that inter-state wars are a thing of the past”\textsuperscript{90}.

**Threats, risks and conflicts**

For the 14th consecutive year, on 10 January the CFR published its annual pre-emptive report on 2022’s most serious conflicts by likelihood and by potential impact, a selection of 30 cases based on consultations with hundreds of experts from politics, diplomacy, defence, intelligence, and academia. These reports exclude global threats and potential natural or man-made disasters, as well as US internal or domestic threats\textsuperscript{91}.

They are divided into three categories and, for the first time since 2008, Level 1 threats do not include a mass terrorist attack. The risk of highly disruptive cyber-attacks, however, remains at this top level. The cyber-attack suffered by Ukraine against many of its main government websites on 14 January after a week of failed talks between the West and Russia seemed to be the prologue to the feared and announced Russian intervention if the required assurances were not imminently received.

In its first issue of 2022, Foreign Affairs updated the state of digital warfare with five reports from some of the leading experts in the field. The magazine’s current editor, Daniel Kurtz-Phelan, summarised its contents in the introduction:

\textsuperscript{89} Ibidem.
\textsuperscript{90} Ibidem.
The threat of mass destruction in a “digital Pearl Harbor” that Pentagon chief Leon Panetta described ten years ago and other apocalyptic scenarios have not come true, but the continuous attacks and threats suffered by governments, militaries, businesses and citizens today, unimaginable in 2012, have become a risk of enormous complexity.

As Sue Gordon and Eric Rosenbach point out in their contribution, “cyberspace is not the binary realm of peace or war that was envisioned, but a spectrum between the two poles, and most cyberattacks are taking place in that murky space.”92

For Jacquelyn Schneider, the biggest risk is the way cyber-attacks undermine the trust necessary for a well-functioning economy, effective governments and stable international relations.

Joseph Nye and Dmitri Alperovitch, in their respective articles, agree that political leaders have so far erred in treating cyber-attacks as naturally distinct security threats. As a result, “they have given up on negotiating the system of rules needed to end cyber-anarchy.”93

With high probability and moderate impact, Afghanistan, Haiti, Lebanon and Venezuela also appear in the CFR’s highest risk category due to their deteriorating humanitarian, social, economic and institutional conditions.

There are seven countries in the moderate likelihood, but high impact if they occur the category: China-US over Taiwan, Israel-Iran, Mexico over organised crime, North Korea over resumed nuclear and missile tests, and the powder keg in Ukraine, which is where on 13 January the OSCE chairman-in-office, Polish Foreign Minister Zbigniew Rau, saw “the greatest risk of war in 30 years.”94

As all critical moments do, talks with Russia began with maximalist positions. “What we don’t know is whether or not there will be

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a move to a more constructive phase on European security, which is in everyone’s interest to compensate for the vacuum created by the breakdown of many of the major security arrangements of the past,” stated former ambassador Michael McFaul, who has negotiated dozens of agreements with Moscow over the past 30 years95.

The report includes eight conflicts at Level II:

- High-probability, low-impact clashes in Ethiopia and Yemen.
- Moderate probability and impact, the border dispute between China and India, another confrontation between India and Pakistan, new clashes between Israel and the Palestinians, and a possible escalation between Turkish security forces and one or more of the Kurdish armed groups in Turkey, Syria or Iraq.
- Low probability, but with serious consequences if it occurs, the possibility of armed confrontation between China and the US in the South China Sea or another terrorist attack against the US or its allies with high casualties.

At Level III, there are twelve scenarios, all of them in the moderate probability and low impact category:

- The resumption of attacks in Nagorno-Karabakh, the revival of separatist tensions in Bosnia and Herzegovina, the growing political and ethical tensions in Cameroon and the danger of a confrontation between Ethiopia and Sudan over the Grand Renaissance Dam on the Nile and disputed territories.
- The breakdown of the fragile political agreement in Libya and renewed fighting, an escalation of violence between government forces and the insurgency in Mozambique, the deterioration of the grave situation in Burma since the 2021 coup, and an increase in violence, political instability and forced displacement of civilians in Nigeria.
- At the same level of risk, they cite four other African conflicts: the Burkina Faso-Mali-Niger triangle, Somalia, the Sudanese military regime after many months of repression, social unrest and violence, and last the growing tension between Algeria and Morocco96.

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For Spain, the end of the “cohabitation in indifference” that has characterised the conflictive relationship between Algeria and Morocco for many years belongs at threat Level 1, and therefore deserves a separate reflection.

Far from disappearing, the two main causes that have strained this relationship since Algeria’s independence in 1962 – border disputes and Western Sahara – which have been marginalised or ignored on the regional and international agenda since the 1991 ceasefire between Rabat and the Polisario, have resurfaced with some degree of seriousness in the last two years.

From cold peace, the situation has moved on to warmongering speeches and a diplomatic confrontation on all fronts, culminating on 24 August 2021 with the severance of bilateral relations, “the logical conclusion of an accelerated degradation since 20 December 2020 with the pact by which the US recognised the Moroccan sovereignty of Western Sahara in exchange for the establishment of diplomatic relations between Morocco and Israel”.

Algeria had hoped that the Biden administration would backtrack, but this has not happened, at least officially, exacerbating the sense of encirclement of the Algerian regime, perceptible since the 2011 shake-up and exacerbated by the Hirak protests in 2019.

The denunciation on 12 August of the Algiers-Tehran link by Israeli Foreign Minister Yaïr Lapid during his official visit to Casablanca, the support of Moroccan UN Ambassador Omar Hilale in July for the Movement for Self-Determination of Algeria’s Kabylia, and the leak that Morocco was using Israeli Pegasus software to spy on the phones of over 6,000 Algerian leaders heightened tensions, while the situation in the Sahara continued to deteriorate.

The Polisario Front’s ability to carry out its leader Brahim Ghali’s threat on 19 November 2020 to break the ceasefire and resume the war in the Sahara may be in doubt, but sporadic incidents such as the death of three Algerian truck drivers in a drone bombing between Ouargla and Zouerate, near Polisario-controlled Bir Lahlou, on 1 November 2020, are steps, however constrained they may seem, in a clear escalation.

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98 Ibidem.
The end of Algerian gas exports through the Moroccan pipeline and the sending of thousands of immigrants to Ceuta in the spring of last year in retaliation for receiving Ghali to be treated for Covid and as pressure for Spain to follow the US and recognise Moroccan sovereignty over the Sahara were, together with the withdrawal from Afghanistan in August, the most difficult moments for Spanish diplomacy.

On 18 March 2022, four months after the United Nations, following arduous discussions, decided to extend MINURSO’s mandate and appointed the diplomat Staffan de Mistura as the new special envoy for the Sahara, the Spanish government confirmed a communiqué from the Moroccan Royal Household reporting a message from President Pedro Sánchez in which, for the first time, a Spanish government considered the Moroccan autonomy plan "the most serious, credible and realistic basis for resolving the dispute".

The decision would normalise relations between Madrid and Rabat, but the Polisario described it as "blackmail" that does not correspond to "Spain’s political and legal responsibility", with many fearing the possible impact on Madrid’s relations with Algiers.

Could the current tension escalate into armed conflict within a year or two between the two most important countries in the Maghreb, whose differences have nullified the regional economic integration process, the Arab Maghreb Union, since its birth in Marrakech in February 1989?

"In view of recent events, there is a risk (n’est pas négligeable)”, journalists Benchiba (Algerian) and Lahlou (Moroccan) told Le Monde Diplomatique. “Algeria has 130,000 professional soldiers, to which it could add 150,000 reservists and another 190,000 security forces. The Moroccan armed forces have 310,000 military personnel and 150,000 reservists. They are relatively balanced forces that have built up a significant arsenal of weapons on both sides of the border (closed since 1994) over the last ten years. Between 2010 and 2020 Algeria invested around $90 billion in armaments and Morocco around $36 billion”.

100 Ibídem.
In his analysis of the crisis of the hegemonic order in the early years of the 21st century, with which we open this Strategic Panorama, Ambassador Jorge Dezcallar explains the internal and external causes of the US’s loss of prestige.

“Joe Biden was expected to reverse this situation and you have to admit that he has tried,” he writes, with swift and wise decisions such as the return to the Paris Agreement, the Democracy Summit, efforts to revive the Iran nuclear deal, the extension of the Start 2 Treaty with Russia, and support for the UN and NATO.

“But although he is clear in his preferences, he seems to be less so in his determination to defend them when they interfere with realpolitik,” he adds. “That’s why he gets along with Modi in India and Duterte in the Philippines and abandons Afghan women to their fate after twenty years in Afghanistan and the Kurds in Syria who helped so much in the fight against the Islamic State”.

The outcome of the withdrawal from Afghanistan is well known. Biden himself, Dezcallar recalls, has described it as “messy”. Other countries with an interest in Afghanistan, including Pakistan, Iran, China and Russia, hailed the withdrawal as “a US defeat and make no secret of their satisfaction...while at the same time showing apprehension about the instability that can and probably will be generated there in the form of terrorism, refugees and drug trafficking”.

The bad thing, states the author, “is not only the downturn in Biden’s popularity and the taint to his image in the US and the rest of the world, but the discrediting of the US and thus of the very democracy of which they are champions”.

“The Chinese and Russians now think that the Americans are in decline, as in their view is the democratic system, that the Americans have no real will to fight, and that the world needs different rules of operation from those that have been in place since 1945 with Washington as the ultimate guarantor”.

On this basis, he concludes, we are entering “an imperfect bipolarity with two major poles, the US and China, which will have to rely on the EU when they want to deal with economic and trade issues, and with Russia to discuss disarmament issues”.

Felipe Sahagún
To return to Edward H. Carr’s figure in The Twenty-Year Crisis, until the pendulum stabilises – and this will require agreement on the rules governing it if the rationale of force is to be avoided – “the new geopolitical order will certainly be uneasy and there will be no shortage of tensions”.

Russia’s return

NATO’s enlargements beyond the line reached in 2004, the rupture consummated after the 2014 Ukraine crisis, Russia’s success in the Syrian war – which has given the Kremlin the leverage it was looking for to break the Western encirclement and project itself outside the post-Soviet space – and the latest energy crises are the starting point for Panorama coordinator José Pardo de Santayana’s analysis of Vladimir Putin’s regime’s growing tension with the West.

“The US and its allies have underestimated Russia’s real weight in the global geopolitical game,” he notes, “and NATO has become a victim of its own success”.

Among the antecedents that help to understand what happened, Pardo de Santayana highlights Baker’s never well clarified commitments with Mikhail Gorbachev in the last days of the USSR, the Primakov doctrine of 1996, the collapse of Yeltsin’s new Russia and the redirection initiated by Putin after his election at the end of the 1990s.

“The (NATO) summit in Bucharest in April 2008 was a serious clash,” writes the author. “Ukraine and Georgia’s application for NATO membership was given the green light... and in August of that year the Kremlin responded with the short-lived military campaign in Georgia. There was also a shift (by Russia) towards Asia in 1996 that reinforced the strategic relationship signed by China and Russia”.

These events, the misnamed Arab Spring and the support of Western countries for regime change in countries like Libya accelerated and reoriented military reforms that have transformed the Russian military, but in Pardo de Santayana’s view, they alone would not explain the current tensions without taking into account “Russia’s geopolitical vision, strategic culture and military thinking, deeply influenced by its historical experience and the idea shared by its ruling elite of its rightful place in the international system”.

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After a detailed review of the 2014 crisis, the strengths and weaknesses of today’s Russia, and the rift that has culminated in the tensions in late 2021 and early 2022 in Belarus, Kazakhstan and Ukraine, he warns that ‘the margins for finding a common ground upon which to stabilise the relationship with the West are getting narrower and narrower’.

Moscow’s main objective, he concludes, is “to hold out for one or two decades – during which hydrocarbons will still dominate global energy markets – by managing the confrontation with the US to avoid its uncontrollable escalation while maintaining internal cohesion, until the emergence of China forces the US and its allies to seek some kind of modus vivendi with Russia because of their inability to take on two rivals at once”.

In this way, ‘Russia would become an important independent international actor, though not a superpower like the other two, seeking to maintain a balance, without equidistance, in the context of Sino-US rivalry’.

Pandemic, economic crisis and geopolitical changes

In his chapter on the economic and geopolitical impact of the pandemic in its third year, Professor of International Relations Rafael Calduch makes a clear distinction between the processes of universalisation and globalisation, attributing the latter to the human hyperconnectivity made possible by the internet since the 1990s.

This revolution in communications has given rise, he notes, “to the expansion of new forms of exercising power that we call diffuse or blurred power... altering the political polarity dominated by the superpowers or great world powers”.

Alongside traditional relations of cooperation and conflict, “they are now forced to share their power with non-state actors of imprecise composition, discrepant interests, diversity of strategies and ubiquitous location, capable of generating new relations of rivalry and/or competition, thus provoking the emergence of a new global geopolitics”, he adds.

Among its most visible effects are growing cyber insecurity, the modification of diplomatic relations and its pernicious effects on the dialectics of institutional legitimisation/de-legitimisation, citizen mobilisation and electoral results.

“The result has been the functional interweaving of a new digitalised economic structure with the global economic structure
that already existed,” he says. “Such structuring is causing the
digital economy to replace the traditional economy in some
cases, while in others it is enhancing it by projecting it on a
transnational and cross-cultural scale through e-commerce”.

It is in this new reality that he places the pandemic which, while
still wreaking havoc, has in his view already had three major
global geopolitical consequences:

1. The immediate temporary disruption of social relations.
2. A simultaneous reduction in production and consumption
   flows of goods and services.
3. The concentration of exceptional powers in governments, to
   the detriment of the legislative and judicial powers.

To assess the economic effects of the pandemic, Calduch looks at
the main factors of structural change in the economy, highlighting
those that have most enhanced global value chains, and offering
the keys to the four major recessions of the last 30 years, the
last of which was caused by Covid-19 and which started to be
overcome last year.

“The transition also includes two major challenges, the resolu-
tion of which will condition the future of a fully globalised
economy,” he adds. “(These challenges are) sustainable envir-
onmental management and the availability of the energy re-
sources and raw materials required for future economic growth”.

“The destabilising effect of the pandemic has abruptly ex-
posed the precariousness of the global political order that
was established when nuclear bipolarity ended,” he conclu-
des. “At the same time, the process of systemic change in
the world economy, although temporarily disrupted by the
pandemic, has not been arrested in its evolution”.

While acknowledging “the brutal superiority of US capabilities”
over those of its old and new rivals, at the end of his text Calduch
asks whether Washington’s objectives, priorities and actions as a
world superpower at the beginning of the 21st century, justified
by the growing influence of the Indo-Pacific area, “respond to a
rigorous weighing of current American interests”.

The conspiracy against Europe

“Europe faces five major challenges in 2022,” states journal-
alist and PhD in international relations Begoña Quesada in
the introduction to her chapter in this Panorama. “Three are part of the base of its tectonic plate – the post-pandemic economy, the politicisation of migration and the delay of digitisation – and two are emerging with force: the crisis of democracy, of immediate seriousness, and climate change, of irremediable consequence”.

How and how long will it take the EU to restore the limits of the Stability and Growth Pact relaxed by the pandemic? How long will the European Central Bank maintain stimuli? How long and in what way will the European economy continue to be held back by the restructuring of supply chains and the relocation of production? How will the Ukraine crisis influence its energy dependence on Russia?

In 2022, the author argues, we will see new reflections on how to make Europe more resilient to external blackmail in the new globalisation, which combines geopolitics and economics.

“Europe will become more strategic about its FDI (foreign direct investment), particularly Chinese FDI, demanding reciprocity... and a reassessment of the consequences of the new Silk Road (BRI),” he writes. “Europe’s relationship, and more especially Germany’s as an economic power, with China will also define Europe’s relationship with the US.

In the face of climate change, for many its main strategic challenges, the EU will have to overcome serious internal rifts over nuclear energy, coal and taxation. Despite the difficulties, Quesada believes that “the green debate... would show its commitment to the countries of the South as a genuine alternative to China and its BRI”.

The risk of this gamble and the energy transition it entails, he warns, is “the radical economic impact it has on certain groups in society”, which requires “sufficient buffer policies” to avoid extreme social tensions.

In the author’s opinion, the EU’s response to migratory pressure from the south and, as happened in 2021, from the east (border between Belarus and Poland), points to an increase in the use of migrants as weapons of geopolitical pressure and a “tightening of asylum policy in 2022...The protection of space will continue to take precedence over the protection of people”.

She warns that all European governments face “the bloodletting between liberals and illiberals or the consolidation of illiberal or
soft authoritarian regimes somewhere on their territory or on nearby borders, with agendas based on identity, a narrow view of minorities, ideological purity, denial of the opponent and marginalisation of the critic”.

On the external fronts, the German replacement at the end of 2021 and the French elections in 2022 open up many questions and “it remains to be seen where the ball of European leadership falls in the new rationale...marked by a Cold War 2.0 (China vs. the US)”. Regarding Ukraine, Quesada forecasted that rather than a new invasion, as in Crimea, if no diplomatic solution was found there would be “hybrid micro-interventions that maintain tension”.

To reduce its digital lag, the EU, Quesada concludes, “will seek to define common objectives, consortia and rules by 2022 through recommendations to member states” and “will draw attention to Ursula von der Leyen’s Digital Decade promise... There will be major industrial movements in 5G infrastructure, semiconductors, quantum processors, data and clouds, AI, batteries, and hydrogen under the crown of digital sovereignty”.

The important thing is for Europe to participate with one voice in the formation of this global digital scheme, which will be the next world order, so avoiding algorithmic discrimination. An impossible goal, according to Quesada, with no clear rules on the ethics of technology, especially AI, or adequate sanctions when technological authoritarianism occurs, and no effective deterrent response (fines, export controls, etc.) to non-compliance with digital taxation.

India, a rising global power and a key player in the Indo-Pacific

How to address the immediate neighbourhood (in particular how to resolve the Pakistani issue)? What role should India play on the global stage? Should we abandon strategic prudence and become more proactive? Should India use its armed forces to project power? Should it opt for strategic alignment with the US or for multi-alignment? How should a hegemonic China be dealt with in Asia? Should the Indo-Pacific be the linchpin of India’s foreign policy?

These, writes Nicolás de Pedro, Director of Research at the Institute for Statecraft in London, are the strategic questions that have dominated the debate in New Delhi over the past thirty
years and to which the author provides answers in his chapter in this book.

After four wars (1947, 1965, 1971 and 1999) and the nuclearisation of the two countries, India and Pakistan are far from overcoming the dynamics of tension, confrontation, mistrust and terrorism in their bilateral relations.

Following diplomat Hussain Haqqani and other prominent observers of the conflict, the author acknowledges that both sides have a responsibility, but very unevenly, due to “Pakistan’s almost pathological obsession with India”.

The first two wars, De Pedro explains in detail, consolidated India’s control over the central and southern sectors of Kashmir, prompting – together with India’s defeat by China in the 1962 confrontation – Pakistan’s rapprochement with China and India’s rapprochement with Russia.

The third war ended with Bangladesh’s independence and had “a greater strategic impact than the preceding wars”. New Delhi signed a peace, friendship and cooperation treaty with the USSR in August 1971 and “fear of the US and China drives India’s nuclear programme and leads to its first test in May 1974”.

Spurred on by its third defeat, Pakistan had already opted for nuclearisation by 1972 and, after the Indian test, accelerated its programme. “India’s nuclear weapons,” De Pedro says, “were developed exclusively with its own means to achieve great power status that would allow a more balanced relationship with China and the US, while Pakistan’s were made with uranium from Libya, missile technology from China and North Korea, know-how stolen from the Netherlands and, even more worryingly, by scientists inspired by Islamist and deeply anti-India sentiments”.

Despite its nuclearisation, under Clinton and, above all, under Bush Jr., Washington’s policy towards New Delhi changed dramatically and India became “increasingly China’s best counter-weight in Asia and a natural ally of the US”.

This change is illustrated by a detailed analysis of Sino-Indian relations from China’s annexation of Tibet in 1950 to the current government of Narendra Modi, who ‘in 2018 relaunched the idea of strategic autonomy, a way of encouraging the new relationship with the US, but without confronting Russia or China’.

The growing adoption of the Indo-Pacific as a conceptual framework for foreign policy is, concludes the author, “another major
transformation, also rooted in the 1990s. It means moving from decades of an exclusively terrestrial approach to its problematic immediate neighbours to a maritime and extended one”.

The Quad or Quadrilateral Dialogue is the most ambitious initiative in which this new India is involved. Relaunched in 2017, it reflects the change in the entire strategic environment but, as De Pedro points out, there are four important differences that limit the degree of India’s integration in this strategy: its calculated ambiguity (India will always seek trade-offs with other actors), India’s discomfort in the so-called ‘alliance of democracies’, its different conception of the Indian Ocean, and its permanent commitment to autonomy.

Indonesia, a stalwart of the Indo-Pacific balance of power

The outcome of the great game of the 21st century between China and the US for hegemony in the Indo-Pacific will depend to a large extent on the final position adopted by the main Southeast Asian countries, especially Indonesia.

After a brief conceptual introduction in his chapter in this yearbook, Professor Javier Gil Pérez analyses Indonesia’s aspirations, options and limits in this battle of rivalries.

He divides his work into seven sections: Indonesia’s colonial past under Dutch and Japanese control; the variables that condition its domestic and foreign policy; the vulnerabilities that have hindered its movements in the past and may limit them in the future; its abundant resources, especially energy resources; its commitment to multilateralism and democracy; the double challenge of its geographical fragmentation into thousands of islands and its diversity; and the importance of ASEAN as a fundamental axis of its foreign policy.

ASEAN’s future,” he writes, “will depend to a large extent on its relationship with China... and on Indonesia’s role in the region”. If the ASEAN option and multiple new initiatives that the author discusses in detail do not meet their priority objectives, Gil Pérez does not rule out Indonesia seeking “bilateral or trilateral initiatives such as QUAD or AUKUS”. What is clear, he adds, following Rizal Sukma, is that “it will never relinquish its strategic autonomy or accept being a vassal of any hegemonic power”.

As “a multi-pathway breakwater between the Indian Ocean and the Pacific, and between Asia and Australia... its
consolidation as a regional leader would have decisive effects on the architecture of the Indo-Pacific: it would be one of the main obstacles to a hegemonic China; as a third regional giant, it would also erode the influence of India and the US in the area; and it would strengthen the position of ASEAN as autonomous elements”.

Having become the world’s leading example of compatibility between Islam and democracy despite its great religious, ethnic and linguistic plurality, Indonesia’s success or failure may prove decisive in the tension that has been growing between autocracies and democracies since the mid-twentieth century to determine the future of the dominant system of norms and values.

Terrorism, twenty years after 9/11

What is the balance sheet of the fight against international terrorism since 9/11? Are al-Qaeda, Daesh and their collaborators in different parts of the world stronger or weaker?

In her analysis of the last twenty years, Professor Pilar Rangel, who specialises in jihadist terrorism, highlights their expansion across Africa, Asia and the Middle East, the growing connections of jihadist terrorism with organised crime and all types of illegal trafficking, the limited effectiveness of exclusively military responses and the need for much closer cooperation to reduce the threat, despite the military defeat of the two main groups in Afghanistan, Iraq and Syria.

“All this leads us to conclude that the fight against terrorism launched after 11 September 2001 has failed,” she says.

The withdrawal of international forces and the return of the Taliban to power in Afghanistan in August last year complicates this fight because, as Rangel points out, “relations between the Taliban, especially the Haqqani Network, and al-Qaeda remain close and are based on friendship, a shared history, ideological affinity and marriages between members of the two groups”.

In Syria, she adds, “we should not consider Daesh dead, mainly because its ideology and legacy remain latent, and because they still have between 6,000 and 10,000 fighters, more than they had in 2013”. In Iraq, she points out, important rural areas continue to have a limited Security Forces presence, which explains the continuation of the 83-nation US-led Global Coalition.
In the Maghreb, an area of strategic priority interest for Spain, the breakdown of relations between Rabat and Algiers complicates regional cooperation against terrorism, while in the Western Sahel the most serious danger is “the criminal activity of jihadists”.

“The international community has not stood idly by, but all measures taken so far have been insufficient,” she writes in her report. “The institutional polygamy with which we are responding produces, at the very least, a dispersion of resources... generating more competitiveness than convergence and, moreover, it is not efficient”.

Rangel concludes her reflection with a review of the main threats in other parts of Africa, Asia and Europe, and especially Spain.
Chapter One

The crisis of the US hegemonic order

Jorge Dezcallar de Mazarredo

Abstract:

Donald Trump’s presidency has baffled friend and foe alike, renouncing what had been the main lines of US policy since 1945 without replacing it with others, so provoking mistrust around the world. Add to this the domestic problems of growing inequality, racism and mishandling of the pandemic, and it is no wonder that the international prestige of the US has suffered, and with it that of the democracy of which Washington is the world’s champion.

Joe Biden is trying to reverse this situation by returning to traditional politics. He knows that the US needs an international order that it must agree with its allies and then defend together. To do this it must re-establish good relations with Europe and then define a clear policy towards China and Russia, with whom we currently have particularly dangerous disputes in Taiwan and Ukraine. But they find that China and Russia have other ideas and what’s more they offer an alternative, authoritarian model of global governance that is attractive to many countries.
Keywords:

Prestige, Crisis, Confidence, Democracy, End Western Dominance, New International Order, China and Russia, Negotiation, Taiwan, Ukraine.
A country’s image is essential to leadership; it is built up over many years and can be destroyed in a very short time. That is what has happened to the US internationally after four years of “aberration”, as Richard Haass has called Donald Trump’s term in office, crowned with the icing on the cake of the assault on Congress, the seat of democracy, by fanatical zealots claiming to do so in the name of that same democracy. The attempt to replace representative democracy with the easily manipulated so-called direct democracy of the street has been a blow to the international image of the US and to the very idea of Democracy, with a capital letter, of which the US has been assumed to be the champion since the Second World War. The chaotic evacuation of Kabul was an unfortunate contribution from Joe Biden to the further deterioration of the image of a country that presented itself as the new Jerusalem that was intended to lead the world and has, in fact, led it since 1945. But a coherent and strong foreign policy, essential for leadership, requires at least three conditions: solid institutions, a thriving economy and knowing where one wants to go... and what has happened in the US in recent years casts many doubts on these three conditions.

That Donald Trump’s presidency has done much damage to the image of the US is not in doubt, which is why the high number of votes he obtained in his bid for re-election when the choice presented to the voters seemed very clear is still surprising today: Do you want a president who unites or divides you, a country that functions as a state based on the rule of law or one where the division of powers is not respected, a world based on equal rules for all or one where the law of the strongest prevails? That is what Biden was offering as the alternative to Trump, whose presidency disdained working with both allies and the international alliances and organisations that form the backbone of the internationalist multilateralism that has guided Washington’s own policy since the defeat of fascism in Europe and Japanese imperialism in Asia. The fact that he also withdrew from international organisations and treaties, applauded Brexit and seemed to feel more at ease with autocrats like Putin, Kim Jong-un and Erdogan, or with populists like Johnson and Orban, only serves to put the final touches to a sad image that behind closed doors showed itself incapable of effectively combating a coronavirus pandemic whose seriousness was denied, saw race riots and white supremacism grow and at times even seemed to encourage it, as well as display misogyny and commit offences against Hispanic and African-American minorities, and launch criticism of the independent press and the
judges themselves. And the list goes on. Amidst all this, it is not surprising that the US lost its attractiveness to the rest of the world and that this loss was taken advantage of by other countries who want to compete for world leadership, such as China and, to a much lesser extent, Russia itself.

To lead and be admired one must first be worthy of admiration and in many fields the US today is not. And I write this with regret. Domestically, American society is very unequal, with the rich getting richer and the poor getting poorer and more numerous. It is no coincidence and Thomas Piketty has related the policies of Reagan, Bush or Trump in light of this situation. It is a society where African-Americans and Hispanics earn less, suffer more from obesity, ignorance and lack of opportunity and live shorter lives. They have suffered more severely from the coronavirus epidemic and have died at higher rates than rich whites. They also suffer greater police violence and are more likely to find themselves in prison. The racial tensions that shook the entire country after the live-filmed death of George Floyd as a result of police brutality were seen around the world. The fight against the Covid-19 virus also been less than exemplary: 56% of Americans and 80% of Spaniards are now vaccinated. These are things that make American society unattractive to the foreign observer.

Internationally, too, the US image could be better. It was dealt a severe blow in Vietnam and did not improve after the invasion of Iraq for reasons that had nothing to do with the reasons given, and neither did it succeed in creating the democracy there that Bush trumpeted when he declared war against the countries of the “Axis of Evil”. Then there was Obama’s failure to respect the red lines he himself had drawn regarding the Syrian regime’s use of chemical weapons against its own population, and Trump’s abandonment of the Kurds to their fate after using them as a battering ram against the Islamic State. The unilateral denunciation of the Nuclear Agreement that the international community had signed with Iran in 2015 projected the image of a country that does not respect its international commitments, the same as happened with the withdrawal from the Paris Climate Agreement, and the abandonment of the World Health Organisation in the midst of a pandemic, although Biden is now trying to remedy these decisions. American leadership has also been lacking in the fight against the Covid-19 pandemic and its effects on the world, the
The crisis of the US hegemonic order

first global crisis to do so. And now in Afghanistan, after twenty years of war that ironically began with “Operation Enduring Freedom”, and after thousands of dead and a trillion dollars spent for nothing, the US is leaving behind chaos and an Islamic Emirate that envelops women in oppressive medieval darkness.

Joe Biden was expected to reverse this situation and it must be said that he has tried: he applauds multilateralism and an international order based on clear and equal rules for all; he has returned to the Paris Agreement; he is trying against all odds to take strong measures in favour of renewable energies at home; he is clearly against autocracies to the point of convening a Democracy Summit; he is discussing with the Iranians how to return to the Nuclear Agreement; he has extended the START 2 treaty with Russia on intercontinental missiles for five years while opening other disarmament negotiations; he supports the United Nations, he supports NATO, and overall, he has put on the table what is already being called the “Biden doctrine”, which seems to recognise that the security of his country needs an international order and that a great power like the US needs to invest in it, define it together with other countries, and protect and defend it, fighting against the trend that seems to be gaining ground there and everywhere of wanting to reap its benefits without investing in its maintenance. But if Biden seems clear in his preferences, he appears to be less so in his determination to defend them when realpolitik interferes. He talks about democracy and values but only really endorses them when they coincide with US interests, which is why he gets along with Modi in India, and with Duterte in the Philippines, and abandons Afghan women to their fate after twenty years in Afghanistan, and the Kurds in Syria who helped so much in the fight against the Islamic State. Biden has declared that he wants to end “an era of military operations to remake other countries”, renouncing the so-called “nation building” so fashionable in the George W. Bush era and the exportation of democracy to countries that are simply not mentally prepared to receive it. He has also clearly opted for diplomacy over the use of force, without ruling out the latter to reinforce the former if necessary. He told Israeli Prime Minister Bennett during a recent visit to Washington that if diplomacy failed to stop Iran’s nuclear ambitions, the US was “open to pursuing other options”, although we can legitimately question its real willingness to put “boots on the ground” in Iran or North Korea if it came to it, not least given how unpopular such a move would be out of principle with a public justifiably fed up with armed conflict. Its absolute necessity
would need to be explained very well and that would require a lot of didactics. Where Biden’s willingness to use force is clear is in relation to terrorism and in particular Islamist terrorism, which he has used in Syria and Iraq against al-Qaeda cells and remnants of the Islamic State, as well as against pro-Iranian militias responsible for attacks on US military installations. It has also been used with varying degrees of success against the alleged perpetrators of the terrorist attack during the evacuation of Kabul airport.

The fact is that the president makes no secret of his determination to fight terrorism from afar, “over the horizon”, as he has said, using drones and missiles, and while it is true that this reduces the risk of American casualties, it is no less true that it will be much more complicated to obtain the intelligence and information necessary to do so from a distance, at the right time and without causing innocent victims, as happened in the response to the terrorist attack at Kabul airport. Yet that is not what it has done in the Afghan war between Ashraf Ghani’s government and Taliban militias. In Afghanistan, his desire to end “the endless war”, which he had already made clear in his time as vice-president (as Barack Obama recounted in his memoirs “A promised land” and Bob Woodward had done earlier in his book Obama’s wars), led him to accept fully the bad deal made by Trump, which was not for peace but to facilitate the US withdrawal without further deaths, which was no small thing. He made no attempt to renegotiate with the Taliban or to include new demands, merely extending the deadline for withdrawal by three months and abandoning the Bagram base that would have been important for the evacuation effort just a fortnight earlier, the result of which was the demoralisation of the Afghan government and army to such an extent that they dissolved like a sugar cube in water in just a couple of weeks. And it did so with disagreements with the military leadership, as the military itself has acknowledged before the Senate Armed Services Committee, while also boasting of “the largest airlift in history” that “no other military could have carried out”. Of course, if the decision had been left to the Pentagon, it would not be unreasonable to assume that not only would there have been no withdrawal, but that the 100,000 troops that were already deployed to Afghanistan would probably still be there. Nor did Biden consult NATO allies, who had troops in Afghanistan and who were forced to evacuate Kabul at Washington’s discretion without their input, a “Trumpian behaviour” that has left European allies frustrated at their own
The crisis of the US hegemonic order

operational inability and distrustful of their US ally who appears to be guided only by its own interests. The result is well known: Josep Borrell has described the withdrawal as “a catastrophe for the Afghan people, for Western values, and for the credibility and development of international relations”; and Biden himself has described it as “messy”, while providing an unexpected success for other countries interested in Afghanistan such as Pakistan, Iran, China and Russia, among others. All of them are celebrating what they call the US “defeat” and are not hiding their satisfaction with this, while at the same time they are apprehensive about the instability that can – and probably will – be generated there in the form of terrorism, refugees and drug trafficking, although a covert struggle between them cannot be ruled out from now on to occupy the Afghan space that the Americans are leaving behind with their withdrawal.

The bad thing is not only the downturn in Joe Biden’s popularity and image within the US and the world itself, but also the discrediting of the US and therefore of the very democracy of which he is the champion. The Chinese and Russians now believe that the Americans are in decline, along with the democratic system itself, that the Americans have no real will to fight and that the world needs to be given a different set of rules than those that have governed it since 1945 with Washington as the ultimate guarantor. And that is bad news for the Western world because they will be rules far removed from our Western system of values.

There is a Japanese proverb that says that a reputation of a thousand years may depend on the conduct of one hour. The 1950s, when the USA competed with the USSR in a bipolar context and the “American way of life” was the envy of the world, were a long time ago, as Luis Berlanga showed with fine irony in Wellcome Mister Marshall. The image of the US then expanded during the Cold War as a defender of the values of liberal democracy through its behaviour in places like Berlin and the Korean peninsula, both on its own merits and because of the mistakes of the communist dictatorships in Russia and China, until receiving its first warning with the defeat in Vietnam, punctuated by protests on the streets of America (these were the years of the hippie phenomenon, Allen Ginsberg, Jack Kerouac, Joan Baez, Bob Dylan and Janis Joplin) and helicopters evacuating personnel from the roof of the embassy in Saigon, in an iconic image that it was feared could be reproduced in Kabul and that for that very reason the Americans have been careful to avoid at all costs. Neither has
the 2003 invasion of Iraq without proper UN Security Council backing, under the pretext of searching for chemical and bacteriological weapons that were never found, improved that image.

For the past 70 years and still today, the US has been the “undisputed leader of the free world” (even if it did not want to be during Donald Trump’s presidency) and its image is linked to the very democracy of which it is the champion. And if democracy is in decline in the world today, as the latest Freedom House reports show, it is because it is also in decline in the US itself, whose democratic quality has declined in recent years according to various specialised scales.

However, the fact that America’s prestige in the world has been dealt a severe blow in no way means that we are at the beginning of a post-American world, as it has become fashionable to state. The US was unable to integrate either China or Russia into the international order during the ten years of its unchallenged hegemony, from the fall of the Soviet Union in 1991 to the terrorist attacks of 11 September 2001 against its symbols of military (the Pentagon) and economic power (the Twin Towers of the World Trade Center), showing the world its vulnerability (it is likely that the third hijacked plane was aimed at Capitol Hill or the White House, symbols of political power, when it was shot down thanks to the bravery of its passengers). And now it is paying for this inability to integrate these countries as it faces a hostile China and Russia.

With Russia, a ‘regional power’ as Obama once called it (something Putin has never forgiven him for), Biden has adopted a more assertive policy than Trump. Biden is a man of the old school who grew up and was politically trained in times of communism, the Cold War and “mutually assured destruction”, and who harbours undisguised animosity for Russia. Unlike Trump, Biden does not like Putin (years ago he called him a “man without a soul” and later a “murderer”) but considers him more of a nuisance than a real danger and, unlike Obama, does not talk about resetting the counter with Moscow, although neither does he want to risk escalation. At the same time, the alpha male and nationalist leader that is Putin views with apprehension and distaste NATO’s expansion into the Baltic states on his own border and the sense of “strangulation” this gives him. Russia and the US are currently engaged in a number of contentious issues: the annexation of Crimea and the destabilisation of Ukraine; Kyiv’s flirtations with the West; interference in US elections; parallel Russian accusations
of American interference in its domestic affairs; human rights (Navalny); the reciprocal expulsions of diplomats and the closure of consulates; the Kremlin’s support for the Belarusian dictator, who diverts planes to detain political opponents and pushes refugees towards neighbouring countries; the same Russian appetite for Belarus that is no longer hidden; the continuous telematics interference and cyberterrorism; and a long etcetera, without forgetting the continuous efforts that Moscow makes in the world not only to discredit the Americans and their policies but also to drive a wedge into the relationship between Brussels and Washington. However, the US would rather not make things worse and its policy towards Russia is basically one of damage control to prevent these tensions from escalating into conflict and, above all, to avoid pushing Russia closer to China.

Despite these obvious differences, there is one thing that they agree is in the interests of both the US and Russia, and that is the desirability of bringing a degree of stability and predictability to their bilateral relationship to avoid any surprises. At least as far as possible. This is what Biden and Putin intended to do at their bilateral summit in Geneva last June, both knowing that it is not smart to play with fire and because they also know that there are issues on which they must understand each other for the mutual and general benefit of all, such as disarmament. Once a five-year extension of the START 2 Strategic Missile Reduction Treaty has been agreed to allow time to negotiate its expansion, further reductions of the respective arsenals and how to incorporate China into the disarmament effort, which will not be easy given the gap that still separates it from Moscow and Washington in this area (1500 nuclear warheads each compared to 300 for China), and other disarmament treaties recently denounced by one or the other, such as the INF on medium-range missiles in Europe and the Open Skies Treaty, can be discussed. Disarmament is the most obvious area of possible collaboration for mutual benefit. The same applies to the climate and the fight against the pandemic, where the urgency is great (in Russia, the number of deaths rose sharply by the end of 2021) and there is plenty of room for cooperation. They could also work together on nuclear proliferation issues such as those raised by Iran and North Korea, which is why it is a blow that the Russians have just decided to close their embassy to NATO, citing grievances (such as the expulsion of spies under diplomatic cover), given that it offered an excellent framework for dealing with some of these issues in a broader context than the purely bilateral one.
An additional problem is that Europeans and Americans do not see the relationship with Russia in the same way: while for Washington, it is essentially a strategic relationship, for Europeans (who are not in full agreement with each other because the countries of the East fear Moscow, have good reasons to do so and are in favour of tougher policies) it is also a strategic question that is complicated by neighbourhood issues and the fact that Russia supplies 40% of the gas we import (another dispute, this time between Europeans and Americans, is the Nord Stream 2 gas pipeline between Russia and Germany), which we use to produce the electricity that is currently skyrocketing in price. In this complicated context, a ‘stabilised’ relationship with Russia is very much in the interests of the US not only because it would give it a freer hand with China, but it would also reassure Europeans and might encourage them to adopt a tougher stance towards Beijing and its violations of trade practices and human rights.

Biden’s real concern is the rise of China, and it is undoubtedly the withdrawal from Afghanistan that has allowed him to pivot rapidly towards Asia. He wasted no time. And he has been allowed to do so because in Afghanistan the US has ended seventy-five years of obsession with the Middle East, a region with no great powers, home to 5% of the world’s population, which only exports hydrocarbons and in which it has been bogged down for a long time. Now Biden is leaving it because Washington can say that it has fulfilled the four objectives that initially led it there: to ensure the flow of oil in adequate quantities and prices (today they have a surplus thanks to shale); to prevent Soviet penetration in the Middle East (today Russia is seeking to carve out a niche there but without the same capacity and danger the USSR had); to ensure the protection of Israel (which with the military aid it receives from the US and the Abraham Accords defends itself); and to prevent terrorist attacks like those of 2001 (the Islamic State has been territorially defeated, al-Qaeda has been dismantled and there have been no Islamist terrorist attacks in the US since 2014). It is true that there is still a new Iranian government apparently unwilling to renegotiate the Joint Comprehensive Plan of Action signed in 2015 with Obama, to which Biden wants to add some clauses to make it longer and stronger (Iran demands the prior withdrawal of all sanctions and the impossible commitment that what is signed will be respected by future presidents) and the never-extinguished threat of new terrorist attacks.
But it is China that now requires avid attention because there is bipartisan consensus in Washington about the threat it poses to US hegemony in the world. It is a country whose economy will soon overtake that of the US; that threatens the US’s technological supremacy (it devotes 300 billion dollars to Artificial Intelligence); that is investing huge amounts of money in armaments (its defence budget of 250 billion dollars is still far from that of the US at 760 billion, but is already four times that of Russia, which stands at a modest 60 billion); that defends an alternative authoritarian model of global governance that is widely accepted among Third World countries; that uses questionable monetary, commercial and regulatory practices, not excluding dumping and industrial piracy; that threatens undisguised illegal expansionism into the South China Sea and the Republic of Taiwan, about which Xi has just made statements that leave no doubt as to his ultimate intentions; that has just gobbled up Hong Kong without respecting the agreements made when the UK withdrew from it; and that oppresses the Uyghur minority in Xinjiang, whose members are being held in “re-education camps” in what Washington has described as “genocide”. For its part, China, which Xi Jinping has endowed with a nationalist and assertive policy, abandoning Deng Xiaoping’s policy of patience and “hiding its capabilities”, believes that the US is hostile to it, harassing it, constantly meddling in its internal affairs, declaring trade wars against it and preventing it from taking its rightful place in the global power sharing. And it is determined to occupy that space, starting by setting out different rules of the game that respond to its culture and tradition and spare it the unpleasant feeling of being constantly attacked and criticised by the West for its way of seeing things. It is deeply saddening that in 2021 it was not possible to adopt by consensus the Universal Declaration of Human Rights that the United Nations General Assembly voted for unanimously in 1948.

It is in Taiwan that the spark that could lead to a major conflict could ignite. Xi makes no secret of his desire to “reintegrate it into the motherland” and has just declared that he prefers to do so by peaceful means, although he does not exclude other means if the former do not produce the desired results. Xi insists on offering the formula of “one country, two systems”, but after what happened in Hong Kong, Tsai Ingwen, Taiwan’s democratic president, is understandably not in favour. In fact, very few Taiwanese are, barely 4%, with 30% in favour of full independence and 50% in favour of maintaining the current status, the result of
the “strategic ambiguity” agreed by Nixon and Mao following the “Ping-Pong Diplomacy” devised by Kissinger and Chu En Lai. In it, the US recognised that there is only one China, that it alone will have a seat at the United Nations, and in return it undertook not to alter Taiwan’s status unless by agreement of the Taiwanese. US military superiority remains overwhelming, but less so in the “near abroad” of the South China Sea, where Beijing is investing heavily in recent years to achieve superiority. Xi wants to go down in history as the “reunifier” and has in mind a target date of 2049, the centenary of Mao’s revolution, although US experts believe that the Chinese will be ready in just five years (2026) to attempt to use force, despite Taiwan’s insularity, mountainous terrain and 23 million inhabitants ensuring a very risky operation militarily and a disaster in terms of China’s public relations and international image. Frequently heard in Washington are commentaries fearing “miscalculations” (Michelle Flournoy), predictions of the “Thucydides trap” (Graham Allison) referring to Sparta’s decision to pre-emptively attack Athens before it became too strong, and novelisations of an incident in the South China Sea that triggers the conflict (Admiral James Stavridis’2034, a novel of the next world war). China’s pressure on the island has increased recently with frequent overflights in Taiwan’s air identification zone and military exercises in nearby Fuhan province. It is a problem that must be given the importance it deserves because a mistake can be made in such a heated atmosphere and, as Biden himself has said, “worse than a war is an unwanted war”. The US president has also made it very clear that his support for Taiwan is “rock solid”, although he has stopped short of unequivocally committing his military support. What is happening in Kabul is that the Chinese can see weakness and little desire to fight on Washington’s part. This would be a mistake because as things stand the US cannot let Taiwan fall without irreparable damage to its image as a reliable partner and to its relations with such important Indo-Pacific allies as Japan, Australia, India and the Philippines, among others. Taiwan is likely to be the hottest spot on the planet in the coming years.

But if there is one thing that is more disturbing to Washington than its relationship with China, it is the possibility that Moscow and Beijing might get closer and do a “Nixon” on him, harking back to what Nixon and Kissinger did to Brezhnev in 1972, together with Mao and Chu En-Lai, which left him very “unsettled”. Lately, China and Russia have been slowly but surely moving closer together (gas, arms, trade, etc.), and as I write these lines, they
are conducting joint naval manoeuvres in the Pacific Ocean. It is a rapprochement that is favoured by mutual misgivings about the US but also has limits, such as their respective claims on Central Asia. Also in the Americans’ favour is Putin’s nationalist character, who will find it hard to accept being the junior partner of this eventual – but by no means ruled out – alliance.

In very short years, we have gone from Cold War bipolarity to unchallenged US hegemony, and today we are heading towards an imperfect bipolarity with two major poles, the US and China, which will have to rely on the European Union when they want to deal with economic and trade issues in the world, and on Russia to discuss disarmament issues. We are thus heading towards a world in which there will be no shortage of tensions, and which will certainly be more uncomfortable until the new geopolitical order is established, and this will require agreement on the rules that will regulate it, because without them the logic of force will be imposed, which very few people will want. And certainly not a medium-sized power like Spain. To achieve this, both the US and China, as leading powers, need to recognise that an international system with common principles, rules, norms and standards provides stability, ultimately benefits all, and is worth negotiating and agreeing in an appropriate multilateral forum. Although it is not easy, this is the main challenge of our time, and it inevitably implies the end of a 500-year Western domination of the world.

In this more digitalised, technological, globalised, uncertain and unequal world, the US will remain the great country that it is, the world leader, for many years to come. But now they know that they can no longer do it all alone, nor are they “the light on the hill” that encourages others along the path of freedom, democracy and welfare. And that is bad news because the alternative to American leadership is much worse. And it is the one advocated by those who now rejoice at what has happened in Afghanistan and see it as a sign of a changing geopolitical era.
Chapter Two

Russia is not relinquishing its position as a great power

José Pardo de Santayana

This document was finalised in January 2022, before war broke out, fulfilling the worst predictions. The content of the document has, in part, been overtaken by circumstances.

Abstract:

After the Russian-Western reunion that brought about the end of the Cold War, the East-West relationship is undergoing a serious and dangerous deterioration. NATO’s potential extension into Ukraine and Belarus is a bone of contention.

Neither side is willing to compromise. For the Kremlin it is a non-negotiable red line, for Western powers a non-negotiable matter of principle.

To break free from the pressure of the Alliance, Moscow has partnered with Beijing and undermined the Western-inspired liberal international order where it feels its geopolitical interests are not being served.

Following its success in the Syrian war, Russia has positioned itself as an increasingly aggressive global power by way of fait accompli.

However, it is crucial to maintain a minimum channel of dialogue with the Kremlin, both to balance relations with China and for peace and development in the wider Mediterranean area. The opposite is even worse and could lead to a military confrontation unwanted by either side.
Keywords:

Russian Federation, NATO, USA EU, Ukraine, Belarus, Belarus, geopolitics, international order, conflict.
In March 2014, President Obama described Russia as a regional power in decline. What he meant by this was that the USA was the most powerful nation in the world, that right was on its side and that, whether it liked it or not, Russia would have to play by the rules of an international order over which it presided.

Vladimir Putin wanted to make it clear that the role the White House accorded Russia in the global geopolitical concert was not in line with the Kremlin’s aspirations. Consequently, Moscow broke the last shackles that bound it to the Western powers and, in close association with Beijing, set out to deliver a coup de grâce to the international system then in place.

Since that year and at a relatively low cost so far – what Nicolás de Pedro has termed a “low-cost strategy” – the Eurasian power has used force and energetic diplomacy with determination and effectiveness and has achieved its goal of positioning itself as a global power.

Russia’s status as such a great power is much discussed and it is often argued that it has a GDP similar to that of Italy, which certainly does not reflect its real position in the global geopolitical landscape. Highlighted too are the major weaknesses that are hampering its future. However, as Michael Kofman and Andrea Kendall-Taylor argue in an interesting article in *Foreign Affairs*, Russia, despite its contradictions, is a persistent power capable of recovering from its historical potholes with parameters that seem to allow it to maintain a relevant position of power for the next two decades\(^1\).

The fact is that the relationship between Russia and Western powers is at its worst. The intention to further expand NATO beyond the line set down in 2004 eventually led to the rift between the parties that agreed on it in the aftermath of the 2014 Ukraine crisis.

Success in the Syrian war has given the Kremlin the leverage it was looking for to break the perceived Western encirclement and project itself outside the post-Soviet space, mainly in the Eastern Mediterranean and North Africa, bringing Russia’s presence ever closer to a region where Spain has growing interests and concerns.

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Moreover, the recent energy crises have once again shown how Russian policies can have an impact on sensitive issues for European societies.

Russia has proved difficult as a partner and dangerous as an enemy. The USA and its allies have underestimated Russia’s real weight in the global geopolitical game, ignoring that just as ‘Russia is never as strong as it looks when it looks strong, it is never as weak as it looks when it looks weak’. By thinking that the Kremlin would not be able to put up a fight against a triumphant international order, NATO has become a victim of its own success, thereby weakening that very international system.

This chapter aims to highlight the relevance of the Russian Federation in the international security panorama and argues that relations of growing confrontation with Russia are of great concern from Spain’s point of view, that although the Kremlin must be dealt with from a position of force (deterrence), a minimum channel of dialogue must be maintained, and that the strategy developed in relation to Russia will be decisive both for balancing relations with China and for peace and development in the Mediterranean area in the broadest sense.

Background

The Cold War involved an East-West confrontational relationship in all areas. It was proving to be very difficult to overcome this deep global divide. However, with Mikhail Gorbachev rise to power in the Soviet Union (USSR), a change gradually began to take shape that would degenerate into a profound crisis of the Soviet system.

In the early years of Yeltsin, NATO and the new Russia experienced a honeymoon period. Why then has the relationship between Washington and Moscow since deteriorated so much? According to M. E. Sarotte, and notwithstanding other reasons, “it is hard to escape the fact that the way Washington enlarged NATO added to the obstacles that Russia’s fragile and fledgling democracy had to contend with when it was most in need of friends”

The Kremlin believes that the Western powers acted in bad faith after Moscow accommodated bringing the Cold War to an end. James Baker, the US Secretary of State, unintentionally overreached himself by offering Gorbachev a hypothetical deal whereby if the Kremlin allowed Germany to reunify, Washington would agree “that NATO’s jurisdiction would not shift an inch eastward from its current position”\(^3\). Whatever actually happened, even before the dissolution of the USSR in December 1991, a process of détente was already underway: the withdrawal of Soviet troops from Eastern European countries had begun in 1989; the reunification of Germany took place in October 1990; the Warsaw Pact was dissolved in February 1991; and the thorny issue of Soviet nuclear weapons was resolved in 1994, leaving the Russian Federation as the sole nuclear heir to the USSR.

So close did the relationship between the former rivals become that the military dimension soon lost its prominence in international affairs, with the Russian Armed Forces (RAF) rapidly deteriorating. The priority for Boris Yeltsin and the majority of the Russian population was to leave behind the communist heritage and build a society according to the Western model.

However, for Russia the understanding with the US and its allies was becoming tainted with dissatisfaction, mistrust, and resentment, to the point that in 1996, the Primakov doctrine reversed the alignment with the West, proposing the following three principles for Russian foreign policy\(^4\):

- Promote a multipolar world administered by a concert of great powers that will be able to counterbalance the unilateral power of the US.
- Insist on its primacy in the post-Soviet space and lead the integration of that region.
- Opposition to NATO enlargement.

Despite this, relations at the highest level remained reasonably cooperative. However, strategic frustration was compounded by Russia’s ongoing general deterioration until the end of Yeltsin’s term in 1999, when GDP fell by half and the government was forced to default on its foreign debt.

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\(^3\) Ibídem, p. 28.

When Putin came to power in 2000, he did so with the idea of reversing the bleak national landscape. In a relatively short period of time, he imposed himself militarily in Chechnya, subdued the oligarchs and, aided by rising oil prices, gave the economy a huge boost.

Russia’s new president also sought to rebalance the relationship with the US based on partnership and respect for each other’s interests. Moscow aspired to regain great power status, maintaining a geopolitical balance between Washington and Beijing. Thus, in 2001, Putin lent his support to the US in the campaign in Afghanistan and, in 2003, it stood on the sidelines during the US invasion of Iraq. This, however, did not prevent NATO’s enlargement to Russia’s border in 2004. At the same time, the “colour revolutions”, which Russian elites believed were instigated by the West, threatened the stability of neighbouring republics.

The Kremlin went on the defensive and asked the NATO countries for assurances that it would not continue the advance eastward. Despite the good understanding with Russia—or precisely because of it—in Washington and the European Capitals the sovereign right of states to join NATO and the EU took precedence, turning a deaf ear to Russian sensitivities. As stated by Thomas P. Ehrhard, the US felt it was the victor, and Russia as a weak country not only had to put up with what that meant for it but was also ignored.

From 2006 onwards, Putin began to align a strategy, forces and objectives for global power projection and at the Munich Security Conference in 2007 he unambiguously expressed his opposition to the US. He accused NATO of trying to encircle Russia.

The parties clashed seriously at the Bucharest summit in April 2008. Ukraine and Georgia’s application for NATO membership was given the green light, although the decision was postponed. In Western capitals it was thought that Russia was powerless to prevent this and would have to accept the decision of the sovereign nations. According to Richard Haass, it was a mistake to have expanded NATO so far eastward without being

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 prepared for it, and for ignoring Churchill’s advice “in victory magnanimity”\textsuperscript{7}.

Thus, in August of that year, the Kremlin responded with the brief military campaign in Georgia. A shift towards Asia was also imposed, reinforcing the strategic partnership that China and Russia had signed in 1996, the main objectives of which was the promotion of a multipolar international order and opposition to interference in internal affairs.

**Russian military reform**

The war in Georgia highlighted the deep decline into which the Russian Armed Forces had fallen. The new strategic context ushered in by NATO’s enlargement woke the bear from its slumber and set in motion an effective military reform accompanied by a comprehensive vision, strong political leadership and a proportional and sustained effort that marked a watershed for Russian military power.

The reform programme, initially designed by Defence Minister Serdyukov, was primarily aimed at transforming the Russian Army from a Cold War-style mobilisation force with large numbers of reservists to a more well prepared, modern, professional and agile military force with a rapid mobilisation system based on autonomous and reinforced brigades, capable of deploying expeditionary forces and responding to the conflicts and challenges of the 21st century. At that time, the main stage of planned use was the territory itself and the immediate surroundings of the former Soviet republics.

However, by the time Vladimir Putin returned to the Russian presidency in 2012, events had occurred that meant a more unstable overall picture, worsened his perception of strategic relations with the West, and so led to refocused military reform to strengthen Russia vis-à-vis NATO. On the one hand, there was the Arab Spring and Western support for the processes of regime change – particularly in Libya – with the consequent threat to the Russian regime itself, which had just suffered both the worst internal mobilisations against it and the impact of the processes of radicalisation on their own Muslim population; and on the other

hand, in some Alliance countries there was the persistence of the desire to continue extending the Alliance eastwards.

The new Minister of Defence, Shoygu, re-established the division and corps structures, giving the divisions back their leading role and recovering the capacity to develop operations with a greater volume of forces and a high battle rhythm. Simultaneously, the readiness of the force to fight across the whole spectrum from local war and regional conflict to massive nuclear exchange was enhanced, placing great emphasis on the hybrid strategy in which the Russian Federation is demonstrating great skill and a differentiated model. The development and incorporation of new technologies have gone hand in hand with new ideas on the nature of war in the 21st century in a context of clear conventional inferiority vis-à-vis its great Western rival.

Russian strategic worldview

Russia’s geopolitical vision, strategic culture and military thinking are deeply influenced by historical experience and by the ruling elite’s shared understanding of Russia’s rightful place in the international system, inspired by a deep sense of national exceptionalism and underpinned by a deep-rooted belief in the effectiveness of the Russian Armed Forces as an instrument of national power.

Russia sees itself as an empire-nation. The large Muscovite state has gained and lost territory but, because of its territorial continuity, it has never known a process of decolonisation. This has given rise to a complex national amalgam that makes Russia a unique power where the definition of its own identity is central.

Russia’s long borders – which are difficult to defend – the vastness of its territory – subject to powerful centrifugal forces – its sparse population in most parts of its territory, and the many invasions it has suffered in the past, have given it a strong sense of insecurity.

Russia has historically been subject to cycles of revival and decline, with major upheavals at the cost of enormous suffering for the population. However, beyond this rollercoaster-like trajectory, for centuries Russia has shown itself to be and remains a great power which, while it endures and shows astonishing resilience, also suffers from the vertigo of the ups and downs of Moscow’s

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9 Ibídem.
Russia is not relinquishing its position as a great power. Moreover, its peak moments have coincided with strong and unrestrained leaders and its moments of decline with weak personalities. Illustrative of the point is the recent case of Putin versus Yeltsin, and Stalin versus Nicholas II in the world wars.

A constant feature of Russian geopolitics in recent centuries has been the difficulty of gaining access to the open seas from its territory and the corresponding attempts to do so, which has made Russia an expansionist power feared by its neighbours.

However, Russia has been characterised as a relatively weak and often technologically backward great power compared to its Western rival. Hence, Moscow’s strategic outlook has always been shaped as much by the perception of vulnerability and foreign and internal threats as by ambition and the quest for recognition.10

All of this gives Russia a brassy, victimised character. Putin, who witnessed the collapse of the USSR amidst internal crisis in a process of rapprochement with the West, with Soviet military power intact, and who had also experienced how the Kremlin was respected for the fear it instilled, is wary of Western “siren songs” and prioritises internal cohesion and an international position that provides Russia with freedom of action. In line with Beijing, Moscow believes that the world should be governed by a concert of great powers and, if Washington does not cede it some space in global governance “by hook”, then it is prepared to take it “by crook”.

A historical characteristic of Russian power, at which Putin is demonstrating great mastery, is his ability to make concessions and pacts with his adversaries, while keeping intact his long-term strategic objectives. Thus, the Kremlin has been able to transform a relationship of intense mistrust towards China into an effective strategic entente and has had no qualms about moving closer to Ankara during the Syrian war, even after Turkey had shot down a Russian fighter jet. The same could be said of Iran, all of which have been victims of Russian expansionism and can be considered Russia’s main historical rivals.

Russia breaks with the West and breaks out

The year 2014 marked an irreversible shift in the relationship between Moscow and Western capitals. The crisis in Ukraine opened
the possibility of Ukraine joining the US sphere of influence. This development upset the Kremlin’s plans and relegated Russia to the periphery, reversing what Moscow had achieved since Peter the Great’s ascension to the throne. The possibility of losing to NATO the Sevastopol naval base in Crimea – the only one open to the Mediterranean – (fig. 1) was a strategic red line. Economic interests, Ukraine’s defence industry – almost a third of which was inherited from the USSR – and the danger that Russia’s other neighbours would follow suit added up to calculated risk-taking and action.

Taking advantage of the element of surprise, in February the Kremlin deployed military forces in Crimea, then organised a referendum on Russian membership and began manoeuvring in western Ukraine to take control of the most pro-Russian territories. In April, armed conflict broke out in Donbas. The Kremlin’s rhetoric aimed to make it clear that Crimea’s reincorporation into Russia was already irreversible, seeming that the only solution the Kremlin would accept would be Ukraine’s neutralisation.
In the same year, 2014, Russia was put to a severe test, with the collapse of oil prices compounded by US and EU sanctions. It was thought that Russia would not recover from the blow and would have to bow to Washington’s pressure; it did not. In the economic and energy sphere, Moscow reacted by linking the exchange rate of the rouble to the price of oil. Given that production is in rubles and marketing in dollars, oil export revenues reached record levels. Sanctions led to the substitution of imports by domestic production, which boosted certain sectors of the Russian economy, particularly agriculture – previously in deficit – whose exports now amount to more than $30 billion a year. In the international arena, the Kremlin redirected some trade to China, currently its main partner, whose trade is expected to exceed $200 billion by 2024, double what it was in 2013. Moscow also overcame the latest reticence towards China and further deepened its strategic partnership with Beijing, which is allowing Xi Jinping to challenge the US with his back well and truly covered.

The litmus test for Moscow came in 2015 in the Syrian war, in which Russia intervened directly to stabilise a strategic partner and thus prevent the US and its partners from overthrowing Bashar al-Assad’s regime and replacing it with a like-minded government or leaving behind a collapsed state, as had happened in Libya. Moreover, by challenging Washington outside its immediate sphere of influence, Moscow was reclaiming its role as a global power and halting a potential enlargement of NATO into the Russian underbelly.

Moscow was able to devise a viable military strategy at an affordable cost, combining air power and ground manoeuvre to overwhelm a divided enemy and aligning operations with its strategic objectives. Instead of deploying large numbers of Russian ground forces, as the USSR did in Afghanistan in the 1980s, it partnered with Syrian army forces, the Lebanese Hezbollah, other militias, and private military contractors as the main elements of the ground manoeuvre. The few Russian troops on the ground acted as a force multiplier, gaining combat experience in the process. Russia also used a systematic punishment campaign to increase the costs on the civilian population and undermine support for the opposition.

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12 Jones, S. G. (May 2020). Moscow’s War in Syria. CSIS.
in addition to orchestrating a diplomatic campaign that displaced UN negotiating efforts for the Astana Accords with Turkey and Iran and left out the US and its allies. Meanwhile, Moscow has shown great skill in interacting with all major countries – including Israel, Jordan, Saudi Arabia, Turkey, Lebanon, and Iran – and actors involved.

The military and diplomatic action was followed by the arrival in the Middle East of major energy companies that strengthened Russia’s ties with regional interests. The agreements with Riyadh within the OPEC+ framework from 2017 onwards deserve special mention for their impact on oil price management, jointly constituting a G2 of energy markets.

In addition, thanks to the Hmeimim air base and the port of Tartus, Russia has gained force projection capabilities in the Middle East and the Eastern Mediterranean. The rise of private military companies, such as the Wagner Group, also deserves special mention. The management of its operations is closely intertwined with the Russian military and intelligence community, with an effective alignment of interests. The Russian government has found these actors useful to extend its influence beyond its borders without the economic cost, visibility and commitment of state military forces.

Once the Syrian regime’s position was consolidated and the main military operations concluded at the end of 2017, Moscow began to play great powers league, expanding its geopolitical ambition with a twofold objective: to demonstrate that it could strike back – using the full range of hybrid strategies – and to project itself towards the northern half of Africa and the Indian Ocean, thus having a broad anchorage to defend its status as a global power.

Consequently, the Black Sea and the Sevastopol naval base, essential for securing the geopolitical vector linking Russia to the Middle East and the Mediterranean, have increased their strategic value. The Kremlin has set out to turn this sea into a kind of Russian lake that it disputes with NATO, where Russia sets the rules, which is leading to growing tensions and incidents.

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Can the Russian Federation be considered a great power?

Indeed, the country’s economy is stagnant, with few sources of value beyond the extraction and export of natural resources and arms sales. The entire system is riddled with corruption, dominated by state-owned or inefficient state-controlled companies, with international sanctions limiting access to capital and technology. Russia struggles to develop, retain and attract talent – of which it nevertheless has plenty – while the state underfunds scientific research and bureaucratic mismanagement hampers technological innovation. However, there is a tendency to exaggerate the extent and consequences of Russian decline\(^\text{16}\).

Although its relative power is declining, Russia is the world’s largest and most resource-rich state and has the world’s second-largest armed forces with a nuclear arsenal comparable to that of the US. It is almost autonomous in the generation of its own military and space capabilities, is the second largest global exporter of armaments and the largest exporter of energy resources and has a right of veto in the UN Security Council.

Rather than going into precipitous decline, its economic, demographic and military potential is likely to remain substantial. The $1.6 trillion GDP by market exchange rates becomes $4.4 trillion when purchasing power parity is considered, making Russia the second largest economy in Europe and the sixth largest in the world (fig. 2). Moreover, macroeconomic indicators are sufficiently stable to allow Moscow to continue projecting power into the future.

<table>
<thead>
<tr>
<th>Position</th>
<th>Country</th>
<th>GDP PPP (millions USD)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td></td>
<td>144,477,269</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>China</td>
<td>27,071,959</td>
<td>18.7 %</td>
</tr>
<tr>
<td>2</td>
<td>US A</td>
<td>22,939,580</td>
<td>15.9 %</td>
</tr>
<tr>
<td>3</td>
<td>EU</td>
<td>21,533,320</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>India</td>
<td>10,181,166</td>
<td>7 %</td>
</tr>
<tr>
<td>5</td>
<td>Japan</td>
<td>5,633,505</td>
<td>3.9 %</td>
</tr>
<tr>
<td>6</td>
<td>Germany</td>
<td>4,843,389</td>
<td>3.4 %</td>
</tr>
<tr>
<td></td>
<td>Russia</td>
<td>4,447,477</td>
<td>3.1 %</td>
</tr>
</tbody>
</table>

*Figure 2. List of countries according to GDP PPP, source: International Monetary Fund, October 2021*

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Since the 2014-15 crisis, the government has controlled its spending and adapted to lower oil prices, creating budget surpluses and a growing war reserve. According to estimates made in August 2021, the value of Russia’s National Wealth Fund is about $185 billion and its foreign exchange reserves amount to $615 billion. Although Russia lags behind the US in technological innovation, it still ranks in the top ten globally in research and development spending17.

Energy dimension

Russia is the world’s second largest producer of energy resources after the US, with 10% of production. It exports about half of its primary energy, providing 16% of world energy trade18. For the Russian Federation, energy exports account for 60% of its total exports, 40% of its budget revenues and 25% of its GDP19.

The energy sector cannot escape geopolitical considerations. Moscow uses its energy dominance to promote its interests, as has been the case in past winters when its dispute with Ukraine has left some neighbouring countries short of supplies. Its presence in the Middle East also responds to the desire to prevent gas from the Middle East flowing to Europe, so displacing gas coming from Russia.

The EU has the problem of excessive energy dependence on its powerful neighbour to the east. Russia accounts for 26% of EU oil imports and 40% of gas imports20. Prior to the pandemic, the US was the world’s largest economy. The US and some European partners were pushing for North American liquefied natural gas to replace some of the liquefied natural gas coming through Russian pipelines and to halt the start-up of Nord Stream II.

Today, with gas prices soaring, the extent to which Russia is responsible for the high gas prices is under debate. The International Energy Agency has stated that Moscow could send larger quantities of gas to Europe21. The Nord Stream II pipeline, com-

17 Ibidem, p. 145.
19 Alarcon, N. (16 June 2021). Borrell advierte del riesgo de una “espiral negativa” entre la UE y una Rusia impredecible. The Confidential. Borrell advierte del riesgo de una “espiral negativa” entre la UE y una Rusia impredecible (elconfidencial.com).
20 Ibidem.
Russia is not relinquishing its position as a great power. Completed but awaiting certification, has once again become the subject of dispute. Likewise, Moscow’s participation in OPEC+ is a determining factor in the staggering rise in oil prices at a high cost to global economic recovery.

However, the greater geopolitical stakes lie in the impact that the energy transition may have in limiting Russia’s future position as a major power. At present, hydrocarbons still account for 80% of primary energy and it is unclear how close we really are to an energy future free from dependence on these energy resources. Whatever the case, it may still be two decades before there is a noticeable decline in demand. Russia produces energy at such a low price that other exporting countries are likely to come under more pressure and Moscow will be able to sustain high production levels for longer. Some argue that while the transition to clean energy will pose significant risks to the Kremlin’s finances and influence in the long term, on the complicated path leading there – with the concentration of production in a few states and the price volatility that comes with lower investment – Russia’s position vis-à-vis the US and Europe may strengthen before weakening.

Russia does not bow to US pressures

Since the end of the Cold War, every US president has pledged to build better relations with Russia, and each has seen his vision evaporate. Their initial aim was to integrate Russia into the Euro-Atlantic community and make it a partner in building a global liberal order. Each left office with relations worse than they had found them and with an increasingly distant Russia. President Donald Trump promised to establish a close partnership with Vladimir Putin, but in the wake of Russia’s aggression against Ukraine in 2014, his administration hardened its confrontational approach even compared to Obama’s.

The two sides’ approaches proved to incompatible and what took place can be described as a strategic dialogue of the deaf, with one approach based on the principles of the liberal order and the other on the rationale of geopolitical logic. Washington felt able

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to impose its views on Moscow – history seemed to be moving in that direction – and sought to force Russia to accept American leadership, which was to open the door to social and economic progress. For Putin and his collaborators, it was a dilemma wherein paramount geopolitical concerns converged with issues affecting their own national being. Russia had to accept the rank of a subordinate nation and entrust its future to the goodwill and wisdom of the great hegemon.

Joe Biden has been the first US president to take a very distant line towards the Kremlin from the beginning of his term in office, although his fixation with China, which threatens to displace the US, has been a major hurdle to his success. The withdrawal of the US from its position of primacy in the international system has lowered the priority status with which the Russian agenda was envisaged until the end of 2021, before the worsening of the situation in Ukraine. There is no shortage of voices arguing that “the US must seek to rebalance its relationship with Russia whether it likes it or not” 25.

Washington’s failure to allow Russia to find a place in the international system on the basis of an immediate area of influence where NATO would refrain from further expansion, has meant that Moscow, in an effective entente with Beijing, has been able to undermine that international order and extend its power projection on a much broader regional scale. The White House’s strategy vis-à-vis the Kremlin has thus achieved the opposite of what it set out to achieve, and today we live in a competitive and increasingly tense multipolar world with Russia far removed from Western approaches.

The lack of strategic elasticity has led to the realisation of the scenario that Kissinger considered most dangerous for US interests and global stability. The two revisionist powers, which started from a position of intense rivalry, have “pulled out all the stops” and strategically partnered to entrench themselves in a geopolitical position that prevents Washington from imposing its will and values on the other, those values being understood yet another form of power. Russia may have reached its ceiling as a power, but for China, this is a starting point from which it intends to overtake the US eventually in the global Olympus.

This is all taking place at a historic moment when the western societies are fractured and polarised, the Atlantic Alliance is being questioned, and Western states are showing little unity of action, skill, and determination in managing the conflicts in which they have been involved without invitation, be it in Afghanistan, Iraq, Libya or Syria, not to mention Nagorno-Karabakh.

The EU’s role in the serious crisis of January 2022 (the closing date of this paper) where Washington and Moscow are deciding Europe’s security, without Brussels playing the role it should for the moment, ought to serve to make the EU reflect on the role Europe must play in its own security.

Russia in Libya, Nagorno-Karabakh and Kazakhstan

Moscow, on the contrary, regardless of one’s ill opinion of the methods employed, is showing a chameleon-like attitude to pursuing its strategic interests and is employing force in the confusing scenarios of the current conflict.

In Libya, Western powers, and particularly France and Italy – with serious differences between them – had been trying to stabilise the conflict for years. Turkey and Russia have progressively gained prominence in the armed conflict by supporting the opposing factions but helping each other to become the main external powers in the conflict. Thus, through calculated cooperation, already put into practice in Syria, they have been instrumental in achieving the ceasefire and the subsequent political process\textsuperscript{26}, which has significantly strengthened the geopolitical profile of both actors precisely where Europe has failed.

In the case of the Nagorno-Karabakh conflict, the Kremlin was displeased with Armenia’s president, Nikol Pashinyan, who in 2018 had come to power through a ‘colour revolution’, seen in Moscow as instigated by Soros, who maintained a clear anti-Russian discourse. Putin devised a strategy aimed at forcing Armenia back into Russian tutelage, signalling to Baku that in the event of further military action, Yerevan would not have Moscow’s backing.

With the help of mainly Turkey, in addition to Russia and Israel, and counting on the new possibilities arising from the use

\textsuperscript{26} Yildiz, G. (22 March 2021). Turkish-Russian Adversarial Collaboration in Syria, Libya, and Nagorno-Karabakh. \textit{SWP Comment}. Available at: 2021C22_Turkish-Russian_Collaboration.pdf
of drones, Azerbaijan prepared thoroughly and, after some trial-and-error operations, went on the offensive at the end of September 2020. In just under a month and a half, Azeri troops reached the town of Shusha, threatening both Stepanakert, the capital of Nagorno-Karabakh, and the strategic Lachin corridor route linking the enclave to Armenia.

The Armenian government had to ask for help from Moscow, which imposed a ceasefire, negotiated peace terms and, in record time, deployed a peacekeeping brigade. Armenia retained the territory of Nagorno-Karabakh still in its possession (fig. 3), as well as access through the Lachin corridor, but had to give back everything it had gained in the previous war and allow a permanent link from Azerbaijan to Nakhichevan. The Kremlin had made Armenia “learn a lesson” and, in the process, sent a message to other neighbouring territories of Russia as to what awaited them if they thought they could challenge Moscow.

In the Kazakh insurgency (fig. 4), which occurred at the dawn of 2022, the Kremlin reacted immediately. President Tokayev requested military assistance from the Collective Security Treaty Organisation and Russia sent troops to stabilise the situation.
These forces were mobilised within hours of the Kazakh leader’s formal request, suggesting that the intervention had been planned in advance. Within two days, the Kazakh authorities regained control of the country and, a few days later, troops crossed the border in the opposite direction. Moscow intervened for fear of a new “colour revolution” and with a dual interest: first, to prevent a Western power from taking advantage of the occasion to position itself in the region; and second to demonstrate to Beijing that Russia was a reliable power, thus preventing the crisis from damaging the Sino-Russian strategic partnership.

Figure 4. Russian perspective on geopolitical encirclement and Russian reaction, Source: own elaboration

New Russian strategic ambition

Putin has led Russia in a risky gamble that is so far working out well for him and for which he needs to maintain an increasingly aggressive profile. The gap for finding common ground on which to stabilise the relationship with the West is narrowing. We have thus entered a process of Clausewitzian logic, whereby confrontation tends to be maximised and which requires great diplomatic skills on both sides to prevent an incident from escalating into

a clash that neither side wants. Josep Borrell has warned of the risk of a “negative spiral” between the EU and an unpredictable Russia.

The geopolitical struggle is focused precisely where the Kremlin has drawn its red line: Ukraine and Belarus, countries that would leave Russia isolated from Europe if they were to move into the Western sphere (Fig. 4) and where Moscow is willing to take great risks.

Russia is slowly but steadily building up military capabilities near its border with Ukraine in response to NATO’s deepening strategic relations with Ukraine – time seems to be playing against the Kremlin’s interests – as well as initially assessing that the political will is weak to come to Ukraine’s aid in the event of a serious military crisis. In contrast to the Russian troop build-up in spring 2021, the military build-up in late 2021-early 2022 – around 120,000 troops – is not linked to a military exercise and therefore responds to the Kremlin’s determination to use force before allowing Ukraine to strengthen its military position vis-à-vis Russia. For the Kremlin, the neighbouring country is a top priority. For the China-focused Biden administration, Russia is lower on its agenda and Europe is not its main concern. Ukraine thus represents a secondary interest on a secondary stage. However, to stop from Moscow from perceiving a lack of determination on Washington’s part, the White House is taking an increasingly assertive stance with harsh responses to the Kremlin.

At the time of writing, the Kremlin and the White House have opened a strategic security dialogue. The Spanish government has declared itself in favour of such dialogue and is committed to deterrence if it fails. The situation remains greatly uncertain, the key question being how to stabilise the issue at hand because for the US the priority is clearly China as and it cannot fix its attention permanently on Eastern Europe. Washington’s leadership is at stake in Ukraine.

“Some experts have described Moscow’s talks with the US about NATO and Ukraine as like divorce proceedings at

Russia is not relinquishing its position as a great power

the end of a long and increasingly bitter marriage. No one should have expected solid results from the Geneva summit between Russia and the US. The point is they are talking, but are they speaking the same language? The door is still open, but it is not yet clear whether anything will go through it.”30

The recent migratory pressure on the border between Poland and Belarus, together with multiple incidents of a cybernetic nature, interference in electoral processes and incursions of military vehicles into border areas, paints a scene of confrontation in the grey zone which, without reaching the point of military conflict, raises tension between the West and Russia and increases tensions between the parties.

Russian National Security Strategy

In its new National Security Strategy (NSS) of July 2021, the Kremlin sees the world in the midst of transformation and upheaval with conditions that are favourable, albeit dangerous, for its geopolitical interests. Western hegemony, he concludes, is in retreat, but this is leading to more and more serious conflicts31.

Having recently regained great power status and successfully reformed and rearmed its military, Russia’s leaders are turning their gaze back home to address the glaring weaknesses, imbalances and inequalities in the country’s internal situation, with a special focus on the nation’s spiritual and moral climate, considering that in the emerging world the main battle lines are not only – and not even mostly – drawn between countries, but within them32.

In what can be defined as an attitude of ‘strategic patience’ (strategy over time), the calculation Moscow is making is simple: hold out for one to two decades – in which hydrocarbons will still dominate global energy markets – while managing the confrontation with the US to prevent its uncontrollable escalation, while maintaining internal cohesion, until the emergence of China forces the US and its allies to seek some kind of modus vivendi with Russia because of the inability to take on two rivals at once.

32 Ibidem.
To this effect, Russia would become an important independent international actor, though not a superpower like the other two, seeking to maintain balance, though not equidistance, in the context of Sino-US rivalry.

This strategy rests on two assumptions: that China will eventually overtake the US in power, at least in the Indo-Pacific space – enough to achieve global primacy as the world’s centre of gravity shifts there – and that Russia will resist Western pressures without falling into domestic crisis.

**Western response**

The lines of action advocating the need to increase pressure on Russia, discarding any recourse to a strategic dialogue that would at least halt the current dynamics of escalating confrontation and create escalation control mechanisms, assume that at least one of the two scenarios above will not be fulfilled. Both counterhypotheses are plausible, but for the moment current trends do not point in this direction and, while one can speculate one way or the other, there is a recent history of Western failures due to over-optimism. However, if the Kremlin’s assumptions come true, it could be playing “Russian roulette”.

The greater complexity in the relationship with Russia stems from the dynamics of the Washington-Beijing relationship in a decade in which we will live dangerously, and from the fact that China appears to be a more powerful and resilient strategic rival than the USSR, meaning that the US will increasingly leave the Russian issue in European hands risking, as Borrell acknowledges, the EU’s “strategic retrenchment”.

There are three sensitivities within NATO when it comes to dealing with the strategic dilemmas that Russia’s assertiveness poses: the Anglo-Saxon powers seek to force Moscow to submit to the premises of the liberal order and accept Washington’s leadership – something Putin has shown himself unwilling to accept; the countries closest to Russia and those that have been victims of past Eurasian dominance are calling for a more hostile

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attitude towards the Kremlin – something perfectly understandable, though it is they that are suffering the consequences of the regional insecurity that has resulted from the drive to further NATO enlargement; and the EU’s westernmost states, especially the four most populous and albeit with different approaches, favour managing the relationship with Russia while maintaining some channel for dialogue to prevent the situation from spiralling out of control.

The Russian Federation in Africa

One of the main vectors of the Russian NSS, and the most relevant for Spain, is currently projected towards the African continent. In addition to extending its geopolitical base, its presence there provides Moscow with a number of advantages. Economically, it aims to keep investments low but returns high and to access natural resources (oil, gas, diamonds, etc.) while boosting exports of agricultural products (cereals), fertilisers, arms (between 2016 and 2020, Africa accounted for 18% of Russian arms exports) and nuclear, digital and space technologies. Militarily, Russia presents itself as an anti-jihadist force that strives to establish and deepen security ties with African militaries and secure access to infrastructure to ensure the resupply and maintenance of its navy. And diplomatically, Russia seeks votes in support of its positions at the UN and other political gestures that defend Moscow’s diplomatic stance at international level36.

Both Russian military trainers and private military companies are present in the Central African Republic. In Libya, as discussed above, these Russian mercenaries have played a crucial role in support of Haftar. In 2021, Russia signed military cooperation agreements with Nigeria and Ethiopia, the continent’s most populous nations. Recently, the Malian government, faced with diminished French military commitment, requested the services of the private military company Wagner. Algeria, a crucial country for Spain and one that is currently in a very delicate moment both internally and in its relations with Morocco, has strong ties with the Russian Federation.

36 Faleg, G. and Secrieru, S. (31 March 2020). Russia’s Foray into Sub-Saharan Africa. ISS Brief. Available at: https://www.iss.europa.eu/content/russias-forays-sub-saharan-africa
Russia’s previous military successes make their involvement attractive to governments in the region. If Russia is once again able to offer solutions where Western interventions have failed, Russia’s influence will continue to grow. Sooner or later, Madrid will have to coordinate or cooperate with Moscow to address African security issues. Furthermore, there is always the danger that if a serious confrontation scenario were to arise, the Russian levers of power could be used to destabilise a country in the region to divert attention or to weaken Spain’s position as a member of an alliance hostile to Russia.

Implications for Spain

Unlike other European countries, Spain has viewed Russia from the traditional position of a state located on a distant strategic stage with whom it has had no historical disputes. Moreover, when Spain consolidated its position in NATO, Russia had ceased to be a threat.

Defining a strategic position in relation to Russia puts the Spanish government in a complex situation. Belonging to NATO and the EU, many of whose members are increasingly belligerent towards the Kremlin, is straining Madrid’s relationship with Moscow, although the official diplomatic line remains one of trying not to burn all its bridges. In the External Action Strategy 2021-2024 we can read: "Spain has an interest in developing a constructive, more structured and predictable relationship with Russia, within the framework of the agreed EU policy."37

From the Spanish perspective, it is worrying that the excessive attention devoted to the eastern flank is detracting resources and priorities that should be devoted to the south, a region whose demographic trends combined with growing instability require a policy of sustained long-term engagement. While a framework for agreement could be found with Russia, although this option is receding, on the southern flank any efforts will be subject to enormous volatility and little progress with disproportionate efforts. Moreover, if Russia is already present in the region as a rising military power, the need for a strategic

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dialogue is felt with great intensity, even if mistrust is sowing seeds of all kinds.

A shrinking Europe – at least as long as it does not take the step towards real policy integration – surrounded by complex and growing threats needs to find a valve to let off pressure. However, although Moscow must be dealt with from a position of strength and NATO’s Article 5 is an unwaivable guarantee, the greater the concerted pressure against Russia, the greater and more dangerous are likely to be the responses from the Eurasian power that seems to have no intention of giving in and is more comfortable in the shady recesses of the grey zone and the conflicts of our time. For the time being, we need to see how events pan out before a more precise analysis can be made. Further deterioration of the situation cannot be ruled out. Seppo Niemi proposes three scenarios:

1. A behind-the-scenes agreement is being prepared, with a lower likelihood.
2. No hot war: no peace, incremental escalation will continue, very likely.
3. A pan-European/global war is looming, with moderate likelihood.

**Conclusions**

Contrary to expectations, the USSR succumbed, leading to a period of constructive relations between NATO and Moscow. For the Kremlin, the military issue became less of a priority and its SAF deteriorated until Western powers decided to give the green light for Ukraine and Georgia to join the Alliance at the 2008 Bucharest Summit.

The thinking in Washington was that, even if the Kremlin rejected it, it could do nothing to prevent it, and the dynamics of history were against Russia’s pretensions.

Putin struck a first blow, intervening militarily in Georgia and making a clear shift towards China. To resist pressure from the West, it first had to cover its own back. Moreover, the shortcom-

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ings highlighted in the Georgian campaign made full-scale military reform imperative.

Thanks to this, in the words of the International Institute for Strategic Studies (IISS) in London, Russia has become a capable continental military power with intercontinental nuclear weapons.39

The Euromaidan crisis of 2014 stifled the last hopes of understanding between the parties. The Kremlin intervened in Crimea, reincorporating it into Russia. The conflict in Donbass was another consequence.

Moscow was forced to overcome recent reticence towards Beijing and further tightened its strategic partnership with the Asian giant. Between them, they put the nail in the coffin of the US-led international order. This has given rise to a multipolar, divergent and increasingly tense world.

With its armed intervention in the Syrian war, which began in 2015, Russia broke the perceived NATO encirclement and positioned itself as a global power. Washington’s strategy has thus produced the opposite of its intended effect. Russia not only does not accept the rules of the game but has upscaled its geopolitical ambition.

Now, with China threatening to overtake the US, Washington’s priority is Beijing, a rival that appears more resilient and powerful than the USSR. There is reason to believe that, sooner or later, Moscow may achieve its goal of playing a hinge role between the two superpowers; time could play in its favour.

However, rising tensions in Eastern Europe could also trigger a serious conflict that none of the parties want. In this case, the timing seems to favour Ukraine over Russian pretensions, which might cause the Kremlin to rush.

Meanwhile, Spain, who is firmly committed to its allies, does not want the focus on Putin’s Russia to prevent it from addressing the challenges coming from the south, where Russia is there to stay.

The strategic dialogue launched in January 2022 offers some hope that the Russian-Western relationship can be brought back on track, though there is slim reason for optimism. It is in Spain’s

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interest that the EU does not become marginalised over an issue that is so important for the security of the continent.

This document was finalised in January 2022, before war broke out, fulfilling the worst predictions. The content of the document has, in part, been overtaken by circumstances.
The dialectic between geopolitical shifts and structural economic crisis: the impact of the COVID-19 pandemic

Rafael Calduch Cervera

Abstract:

Analysis of the geopolitical situation over the past year requires placing it within the framework of the globalisation process and the impact that the development of the COVID-19 pandemic is having.

The process of globalisation, as addressed in this study, is a distinctly different one from universalisation. It is developed from the communicative and social connectivity that more than half of humanity already has, thanks to the combination of telecommunications and mobile phone devices that allow access to the World Wide Web without time and space restrictions.

This long-lasting process has been compounded by the impact of the pandemic, characterised in 2021 by the mass vaccination phase, together with additional waves of infections due to new variants of the SARS cov-2 virus and a process of slow economic recovery from the recession experienced in 2020.

Therefore, to provide an overall strategic picture, the geopolitical analysis undertaken must necessarily be combined with a study of the structural change that a globalising world economy is undergoing. In this scenario, strategic rivalries are combined with
commercial, financial and technological competition and cooperation in an interdependent, complex and uncertain reality.

Keywords:

Globalisation, COVID-19, structural economic change, global geopolitics, strategic rivalry, economic competition, economic cooperation.
The impact of globalisation on world geopolitics

If 2020 was the year of the global pandemic triggered by the SARS cov-2 virus, 2021 was the year of mass vaccination, unprecedented in human history, along with the incipient recovery from the economic havoc wreaked by the pandemic. In both cases, we can clearly see characteristics of phenomena that are developing on a global scale. This forces us to define the very concept of globalisation to be able to determine precisely which events form part of this new reality and which are merely part of an earlier world process.

Globalisation: nature and effects

The debate among those who see globalisation as the stage of development of universalisation that has taken place the last two centuries and those who see it as a new historical process, which emerged in the 1970s or 1980s as a result of the fusion of a structural change in the capitalist system and the irruption of new communication technologies, is ongoing.

However, at this stage in the development of globalisation, two things are clearly evident:

a) Globalisation is different of world process, even though it extends to the whole of a society that became worldwide more than a century ago.

The difference between world process and globalisation is very clear. While world dimension took place through a process of colonial expansion and successive transfers of political, economic and cultural advances from one society to another, globalisation is linked to the emergence of challenges and problems that are by origin universal and so require collective responses and solutions that must likewise be universal from the outset. This new dimension of the universal exercise of power, in keeping with a new reality of communicative and cross-border social connectivity, is what global governance is all about.

b) Irrespective of when the first phases of globalisation began, its scientific treatment and its incorporation into the political agenda did not take place until the 1990s, when the bipolarity between the US and the Soviet Union ended.
Analysing the events of this period, globalisation can be defined as "the process characterised by the development of an accelerated and decentralised complex interdependence on a global scale resulting from the new interactive social communication and generated by the combination of the Internet and mobile telecommunications systems, which drives the historical emergence of a virtual society based on mass individualism"\(^1\).

Users of new forms of human connectivity due to the Internet increased from 6% of the world’s population in 2000 to 59% in 2020\(^2\). Such a communication revolution, which can be described as hyper-connectivity, is affecting human mentality and relationships in all their dimensions.

Therefore, this transnational hyperconnectivity due to the massification of the use of the Web is not just another effect of a globalisation started in previous decades but is the true origin of the globalising process as a wholly new phenomenon that is operating on the previous worldwide expansion of international relations.

This, of course, is having direct and decisive political consequences. In contrast to the classic distinction between *hard power* and *soft power*, established by Nye in the early 1990s\(^3\), the dynamics of globalisation force us to consider a new category of the exercise of power that we call *fuzzy or blurred power*\(^4\).

This new form of exercising power is characterised as cross-border, massively exercised, functional in nature, made up of a variable combination of hard and soft power elements and propagated through the virtual society.

Such a global expansion of fuzzy power is altering the political polarity dominated by the world’s superpowers or great powers. Alongside the traditional relations of cooperation and

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conflict they exercise to control the international order, the great powers are now forced to share their power with non-state actors of imprecise composition and discrepant interests, who have a diversity of strategies and ubiquitous location, and who are capable of generating new relations of rivalry and/or competition, thus provoking the emergence of a new global geopolitics.

Among the many decisive policy changes imposed by the use of the Web, its direct impact on the security of countries and citizens, which opens up a new strategic area, that of cybersecurity, must be highlighted.

Undoubtedly, the massive irruption of Internet use has also changed diplomatic relations, including both traditional and new forms of diplomacy, by modifying the conditions of representation and negotiation brought about by a new form of interactive, instantaneous, massive and public communication that takes place mainly in cyberspace.

Last, the use of social networks is also affecting the dialectics of social legitimisation/de-legitimisation of public institutions and policies, as well as facilitating citizen mobilisation and, in some cases, conditioning the results of electoral processes.

In the economy, the impact of the Internet has enhanced the digitisation of production, trade and consumption processes, and has transformed the configuration and functioning of the financial market, the labour market, logistics systems and global value chains.

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5 In this article, the terms “competition”, “rivalry” and “confrontation” refer to different conceptual categories. Competition is an associative relationship in which all actors intervene with the aim of imposing their objectives or interests on competitors, but respecting previously established rules of conduct and institutions, which expressly exclude the use of violence.

Rivalry, on the other hand, is a conflictual relationship in which each participant’s priority objective is to dominate their opponents, without limiting their own behaviour to rules or institutions if this gives them an advantage over their opponents. The only principle that is respected in rivalry is the prohibition of the use of violence.

Last, confrontation is the conflictual relationship in which the actors have as their priority objective the defeat and political subjugation of their enemies through the use of violence or the threat of violence.


The result has been the functional interweaving of a new, digitised economic structure and the existing global economic structure. Such structuring is leading to the digital economy replacing the traditional economy in some cases and boosting it in others by projecting it on a transnational and transcultural scale through e-commerce, web marketing and online platforms.

The cultural dimension is undoubtedly the one that has been most directly and profoundly impacted; it is not for nothing that the Internet effect is primarily a new form of communicative connectivity on a universal scale. Thanks to this, a new form of society is developing, the *virtual society*, based on direct, instantaneous, global, massive and multidimensional communicative connectivity between people. A society that is different from those historically organised on the basis of its settlement in a territory defined by its borders, politically articulated in the state and cohesive through the use of a common language and religion.

As Rosenau has already pointed out, this new society is being built based on communicative relations that trigger contradictory transnational dynamics of political, economic and cultural aggregation and integration on the one hand, but of fragmentation, tension and radicalisation on the other. This is what this author already labelled *fragmegration (fragmentation and integration)* in 1997.

The global scope of the COVID-19 pandemic

It is within the framework of globalisation, as we have described it, and the concurrence of the different forms of power exercised both in territorial space and in cyberspace, that we must contextualise the analysis of the outbreak of the COVID-19 pandemic, its evolution and its effects.

This pandemic has been a biological event that has not only caused catastrophic morbidity effects among the population, but has also altered human relations, especially social power rela-

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tions, in an unforeseen, abrupt, global way and on an unprecedented scale.\textsuperscript{10}

The international response was originally reactive, state-driven, improvised and contradictory. While helping to limit the spread of the pandemic, the closure of borders and the mass confinement of populations for months led to a collapse of the global economy and a powerful resurgence of exclusionary nationalism, causing major inter-state political disagreements.

In parallel, the decisive oligopoly of industries in China and India in the global supply chains for the basic health equipment required to protect against the pandemic (masks, personal protective equipment, etc.) was felt, demonstrating the serious vulnerability of the most developed Western economies in this industrial sector.

In contrast to countries’ initial reactive policies, the proactive response to the pandemic revolved around research, testing and production of vaccines in the record time of just a few months. However, this decisive global challenge was addressed by two very different sources, who approached it with distinctly different strategies. In the Euro-Atlantic countries, the research initiative came from the alliance between research centres and the laboratories of the large multinational pharmaceutical companies. This partnership initially resulted in four vaccines, each with its own dosage characteristics and different degree of immunisation (Oxford/AstraZeneca; Janssen; Moderna; Pfizer-BioNtech).

The generation of vaccines also involved two major powers, Russia and China, who took up the technological challenge of developing their own vaccines (Russia’s Sputnik V and China’s Sinopharm; Convidecia and Coronavac), following a planned strategy controlled by the state authorities of the two countries.

To this effect, SARS-cov2-specific vaccine development programmes were used as part of a global scientific-technological-industrial competition. This competition led to the expansion and penetration of national health systems by both large Western chemical-pharmaceutical corporations and the governments of two major powers through their state-owned companies.

\textsuperscript{10} According to official data published by the World Health Organization, as of the date of consultation there had been 273,900,334 reported infections and 5,351,812 deaths. Available at: https://covid19.who.int/ (accessed on 20.12.2021).
Last, although the pandemic is not over, we can already point to the development of three important general consequences that have had a direct impact on the global geopolitical configuration:

1. An immediate temporary disruption of social relations both at international level, with the closing of borders, and at the state and even local and family level, due to compulsory and massive confinement.

2. A simultaneous reduction in the production and consumption flows of goods and services, due in part to the restrictions imposed on production chains and global flows of goods and people, and in part to the brutal contraction of economic demand with the consequent and inevitable consequences of increased unemployment, poverty and social and international inequality.

3. A concentration of exceptional powers in governments, to the detriment of legislative and judicial powers, which has altered the internal functioning of political systems, especially democratic ones, and is causing a progressive questioning of the political legitimacy of states.

In short, the development of the COVID-19 pandemic is constituting a major source of transformation of global governance and causing a new global economic crisis associated with productive shortages, health uncertainty, demand constraints, rising unemployment and, most recently, a spike in inflation. The overall picture for this year 2022 is one of increasing domestic and international political tensions, a significant slowdown in economic recovery and a continuation of contradictory health policies in the face of the pandemic.

The structural economic crisis and its recurrent conjunctural manifestations

As noted, the pandemic has not only affected public health on a global scale but has also had catastrophic economic and social consequences. The outcome has been the triggering of a global economic crisis, albeit with varying effects depending on countries’ economic vulnerability and on response strategies to the effects of the pandemic.

However, it is not enough to simply state the critical situation of the international economy; its nature, evolution and effects must
be specified to be able to catch a glimpse of the scenario that lies ahead.

Just as the political effects of World War I obscured the economic consequences until the outbreak of the Great Depression in 1929\(^1\), so the Soviet disintegration and its potential military effects in 1991 concealed the economic crisis that was occurring in Russia itself, as well as the structural economic changes that were emerging on a global scale.

Indeed, during the decade following these events, the international economy witnessed the gradual but irreversible general disappearance of state-owned and centrally planned economies, with the exception of North Korea and Cuba, to be replaced by capitalist economies with a greater or lesser degree of state intervention. These changes affected the economies of two of the world’s major powers, Russia and China.

No less important was the progressive introduction of the euro as an international currency common to 19 countries, including Germany and France, which soon became the world’s second reserve currency after the dollar\(^2\). This naturally brought about a change in global financial markets through the incorporation of the rules of the European Economic and Monetary Union and its supervisor, the European Central Bank, as essential parts of international monetary functioning.

A third factor of structural change in the world economy was the onset of the globalisation process brought about by the revolution in information and communication technologies (ICTs). The new virtual economy, together with the digitalisation of the traditional economy, has brought about irreversible changes in global economic functioning. One example of these changes is the emergence of “cryptocurrencies” in the international monetary system\(^3\).

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\(^1\) Only the British economist John Maynard Keynes predicted the political effects on peace of the onerous economic conditions imposed on Germany. Keynes, J. M. (2012). The Economic Consequences of Peace. RBA libros. Barcelona.

\(^2\) According to data from the International Monetary Fund in the second quarter of 2021, 59.2% of the total allocated foreign exchange reserves were in dollars, 20.5% in euros, 5.7% in yen, 4.6% in pounds sterling and 2.6% in renminbi. Available at: https://data.imf.org/?sk=E6A5F467-C14B-4AA8-9F6D-5A09EC4E62A4 (accessed on 22.12.2021).

\(^3\) There are 200 cryptocurrencies listed. In 2019, there were an estimated 153 million users of Bitcoin, the leading cryptocurrency by market value and whose unit
Another important change has been the organisation of global value chains\textsuperscript{14}. In this regard, the social hyper-connectivity created by globalisation has meant that an increasing part of industrial production can be broken down into the intermediate stages of the production process to be carried out in different countries, integrating them through a growing number of cross-border commercial networks that also incorporate a series of services (marketing; after-sales service; etc.).

This form of productive organisation on a global scale has grown exponentially in recent decades. According to the \textit{Global Value Chain Development Report 2021}, between 1995 and 2020, global value chains of a commercial nature increased from 35\% to 46\% of the world total, while production-based chains rose from 9.6\% to 14.2\%. Nonetheless, recent years have seen a reduction in the weight of global value chains in world trade as a whole, due to a slight increase in domestic production due to re-industrialisation in the most advanced economies\textsuperscript{15}.

Among the various factors promoting the rise of global value chains, three stand out. First, the implementation of information technology and robotics in traditional industrial production processes, which has facilitated a standardisation of both intermediate goods and services and final products, enabling their transnational dissemination among suppliers from different countries and different degrees of industrialisation.

Second, the development of the digital economy has dramatically reduced the costs and timescales of global production organisation. Given that communication and buying and selling transactions between suppliers and consumers from anywhere in the world, as well as the financial transactions associated with these operations, are carried out in real time and with minimal operational costs, the management of the production process of the global value chains as a whole is effective and efficient.

Last, the development of maritime and air transport capabilities in recent decades has reduced logistics costs on a global scale.


while substantially increasing the volume of international trade flows. This has reduced stock quantities and warehousing times of intermediate goods, substantially lowered logistics costs and ensuring the continuous supply of global demand\textsuperscript{16}.

However, to guarantee the full effectiveness of this new form of production, trade flows between the different parts of the same global chain must be continuous and stable, since delays and production dysfunctions in some intermediate stages lead to restrictions on final goods or services and, therefore, to a partial or total shortage in international markets, which has a direct impact on world economic growth.

This dysfunction of global value chains has occurred in the wake of the COVID-19 pandemic as a consequence of health measures taken by governments. The recurrent closure of borders and the mass confinement of countries’ populations has not only contributed to the great recession of 2020 but is hindering economic recovery in 2021\textsuperscript{17}.

In addition to the new productive organisation of global value chains, the global reallocation of populations and labour through migration flows, be they legal or illegal, is another powerful process of structural economic change which is redefining the distribution of economic power both nationally and globally.

According to data from the International Organization for Migration, by mid-2019 the world’s migrant population was estimated at 272 million people, equivalent to 3.5% of the total population. The top three countries of origin of migration were India (17.5 million), Mexico (11.8 million) and China (10.7 million). In terms of destination countries, higher income countries received a total of 111.2 million immigrants, followed by upper middle income countries with 30.5 million\textsuperscript{18}.

The impact of migrants’ remittances on international financial flows was also not negligible, estimated at USD 689 billion. The


\textsuperscript{17} OECD. (3 June 2020). COVID-19 and Global Value Chains: Policy Options to Build More Resilient Production Networks.

The top three destination countries for these remittances were India, China and Mexico with a total of USD 181.7 billion. The top three countries of origin of these migrant remittances were the US, the United Arab Emirates and Saudi Arabia, totalling USD 148.5 billion.

Along with all these structural changes in the world economy that have taken place over the last three decades, we must also analyse the succession of economic and financial crises that have conditioned the economic evolution of various countries and of the economic system as a whole during the same period.

According to different sources, during the period between 1991, the end of the USSR and bipolarity, and 2021, we can point to four major economic recessions (1990-91; 2001; 2007-2009; 2020-2021), together with a number of national and international financial crises, ranging in number from 15 to 20, some of them associated with the recession processes themselves.

The latest recession has been triggered by the COVID-19 pandemic and the public health measures taken during the first two waves. World Bank data attribute to the pandemic an average reduction in world GDP of 3.5%, a fall in world trade of 8.3% and in oil prices of 32.8%. However, according to the same source, in 2021 and as part of the expected economic recovery, world GDP grew by 5.6%, trade increased by 8.3% and oil prices rose by 50.3%.

But the transition also includes two major challenges, the resolution of which will condition the future of a fully globalised economy both in the medium and the long term: a) the sustainable management of the environment; and b) the availability of the...

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energy resources and raw materials required to sustain future economic growth. Solutions to both challenges must not only be feasible, both in the short and long term, but they must also be mutually compatible and global in scope.

The environmental issue is a significant example of a global challenge that cannot be adequately addressed with state solutions or responses that are varying degrees supported by a number of countries. It is also a much more complex challenge to manage and resolve than simply aggregating partial solutions to its various components. Given their high degree of interdependence, from increasing desertification to ozone layer depletion, global warming, biosphere loss, human concentration in megacities and maritime pollution, these are categories of a broad range of environmental issues that need to be addressed jointly and simultaneously. For this reason, far from facilitating environmental management, media and political campaigns that focus attention on one of the above categories, ignoring or marginalising the others, contribute to hindering it by simplifying the measures to be adopted and distorting the priorities of the environmental sustainability agenda.

The adaptation of the traditional economy to the requirements of environmental protection is undoubtedly imposing legal, organisational and functional changes that end up generating economic and social costs, which are not always assumed by the countries and transnational companies.

Closely linked to the issue of environmental management is the challenge of securing energy and raw material supplies, which is necessary to sustain economic growth.

With regard to energy supply, there are currently two clear facts. First, that global economic development is associated with a growth in energy consumption. Between 1973 and 2018, global energy supply increased from 6,098 Mtoe to 14,282 Mtoe. Second,

there is no doubt that the combination of coal and fossil fuels will still account for the largest proportion of the energy mix in the next decade. This is despite the fact that in the countries most committed to reducing CO₂ emissions and/or external energy dependence, the tendency is towards reducing their use\textsuperscript{22}.

One example is the European Union, which has adopted the European Green Pact\textsuperscript{23} to increase the use of clean and safe energy, incorporating the European hydrogen strategy to accelerate decarbonisation as part of it\textsuperscript{24}.

In addition to the energy issue, global economic development is already closely linked to the use of ICTs, which require an increasing supply of silicon and rare earths as well as raw materials. This is leading to a major revision of the geo-economic interests of the great powers on a global scale\textsuperscript{25}.

In 2020, China was the country with the world’s largest production of rare earths (140,000 MT) and the largest reserves (44 million MT), followed by the US (38,000 MT) and Burma (30,000 MT), while Vietnam (22 million MT) and Brazil (21 million MT) had the largest reserves. In the case of silicon, the world’s leading producer is China, which produced 5.4 million MT in 2020, followed by Russia with 540,000 MT and Brazil with 340,000 MT\textsuperscript{26}.


\textsuperscript{25} The so-called "rare earths" are a group of chemical elements, including scandium, yttrium and the lanthanide group, used for the production of various computer components. As a semiconductor, silicon is the basis for the production of fibre optics and microchips. Centre For Research and Strategic Studies-Anepe. (December, 2021). Rare earths. A geopolitical look at green gold. Available at: https://anepe.cl/portfolio/tierras-raras-una-mirada-desde-la-geopolitica-al-oro-verde/ (accessed on 28.12.2021).

These data show that China enjoys a dominant position in the global supply of rare earths and silicon, giving it a significant ability to directly influence the global semiconductor market and indirectly influence the other industrial sectors that use them in their final products.

It is a market that reached $440 billion in 2020 and is distributed in 32.3% for the computer sector, 31.2% for the communications sector, 12% each for industry and consumer goods, 11.4% for the automotive industry and 1% for governmental uses27.

The impact of the COVID-19 pandemic on the global semiconductor value chain has led to a significant reduction in global production which, in turn, is preventing the regular supply of all sectors dependent on these intermediate goods. The result has been a limitation of the economic recovery capacity initially envisaged. This has led the main powers to consider strategies for the industrial recovery of the intermediate goods that are strategic for their countries, with the aim of avoiding future critical situations due to shortages.

It is clear from the above that, over the last three decades, the world economy has been subjected to an increasing process of globalisation that is bringing about irreversible structural changes.

The geopolitics of globalisation: strategic dimension and economic discrepancies

The destabilising effect of the COVID-19 pandemic has abruptly exposed the precariousness of the global political order constituted since the end of nuclear bipolarity. In just a few months, the main agendas based on multilateralism have been ruined by the overriding health interests of each state, interpreted with criteria of the purest political realism and applied by coercive means, including the use of armed forces, to guarantee the confinement of the population and the impermeability of borders.


At the same time, the development of the process of systemic change in the world economy, although temporarily altered by the pandemic, has not been halted.

The global strategic dimension

In this emerging global power scenario, the hegemony exercised by the traditional victorious powers of the Second World War is changing profoundly and rapidly.

From a geopolitical perspective, the nuclear military dimension remains a priority as strategic nuclear arsenals constitute the main immediate global threat. The current bipolarity between the US and Russia, with joint arsenals totalling more than 8,000 nuclear warheads, still adds up to a total destructive capability that far exceeds the limited arsenals of the other nuclear powers.

The growing rivalry between Russia and the Euro-Atlantic powers, triggered by successive NATO enlargements and the deployment of the US anti-missile system, has been exacerbated by Russia’s military interventions in Georgia, Crimea and the Syrian civil war. This has resulted in a paralysis of the nuclear disarmament process initiated in the 1980s, while at the same time fuelling a spiral of diplomatic and military tension between Washington and Moscow.\(^{28}\)

However, President Putin is aware of Russia’s limitations as a global strategic power and increasingly openly seeks to assert his position by using a variable combination of the use of his direct military power with calculated diplomatic pressure accompanied by indirect or covert propaganda measures, disinformation, and political and cyber-bullying activities in the countries of the Euro-Atlantic area, Latin America, the Middle East, the South Caucasus, and Central Asia.\(^{29}\)


Beyond this bipolar dynamic, the growing nuclear tension in recent years has centred on the cases of Iran and North Korea. The Biden Administration’s accession to the White House has meant a shift in the US position on both crises in relation to the Trump presidency.

In the case of North Korea, a policy of calculated diplomatic and economic pressure has been adopted, accompanied by constant monitoring of Kim Jong-un’s regime’s military initiatives and tests, while leaving the main diplomatic and monitoring initiatives on Phnom Penh’s regime to be capitalised on by Beijing and Seoul.

As for the potential threat of Iran’s nuclear programme, the Biden administration’s contradictory record on the resumption of the agreement has ultimately disappointed the Iranians and has become, in effect, an obstacle to its restoration. Washington appears to have transferred the political initiative to pressure, control and eventually prevent Tehran’s full development of its military nuclear programme to Israel30.

Moving down to the conventional military level, alongside US and Russian intervention, the spectrum of polarity has widened with the participation of China, the UK and France, as powers with the capacity to project force on a global scale, in addition to the intervention of Australia, Japan, India, Pakistan, Turkey, Israel, Saudi Arabia, and Iran as regional powers.

However, it is important to bear two important differentiating factors between the US and the other powers in mind to avoid serious errors of judgement. First, the US defence budget in 2020 exceeded the sum of all the defence budgets of the next 10 powers, including China, Russia, India, the UK, France, and Germany31. Second, the US and its transnational corporations


have more research, development and innovation capacity than China and the European Union combined. Therefore, military rivalry with the US by any power, whether global or regional, must consider the absolute superiority of US capabilities.

That said, since the Obama presidency, successive US administrations have progressively altered Washington’s goals, priorities and actions with respect to its leadership role as a global superpower. This has led to a gradual military withdrawal in the Euro-Atlantic area, seriously undermining the effectiveness and functionality of NATO, the Near and Middle East and their own neighbourhood of Latin America.

It is seriously questionable whether such a shift in US foreign and defence policy, justified by the new strategic priority given to the Indo-Pacific, is a rigorous weighing of current US national interests.

The transatlantic link between the US and Europe is effectively the centre of gravity for American trade, investment and technological development. In addition, the military rivalry

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32 In 2020, the 2,500 companies with the highest investment in R&D and innovation worldwide contributed a total of USD 904 billion. Of these, 775 were North American with an investment of USD 347.7 billion, followed by the European Union with 421 companies and an investment of USD 188.9 billion, and in third place China with 536 companies and an investment of USD 114.9 billion.

33 The clearest demonstration of US capabilities is its simultaneous intervention in two armed conflicts, in Iraq between 2003 and 2011 and in Afghanistan between 2001 and 2021. The catastrophic withdrawal from Afghanistan was the result of a strategic mistakes following the political decision to withdraw, and not to a lack of military capabilities.


35 According to the data, US direct investment in Europe in 2020 amounted to USD 3.6 trillion, while European direct investment in the US amounted to USD 2.9 trillion. Meanwhile, US investment in Asia amounted to only USD 969 billion and Asian investment in the US to USD 914.9 billion.

US-EU trade in goods in 2020 totalled €555.3 billion compared to USD 560.1 billion in US trade with China.

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with Russia, as noted above, remains strategic for US national security\textsuperscript{36}.

We can therefore reasonably conclude that Washington’s new security orientation towards the Indo-Pacific area and the centrality attributed to rival relations with China respond more to fears of a future world order dominated by the Asian power than to the protection of its present interests anchored in Europe, with whom it does not compete\textsuperscript{37}.

This brings us squarely to the analysis of the problematic relations between China and the US which, since the Trump Administration, have been placed in the framework of military, economic and technological rivalry, breaking with the trend of competition of previous administrations\textsuperscript{38}.

On China’s part, it is hardly debatable that its military rearmament, both conventional and nuclear, indicates a political will to actively participate as a hegemonic power on a global scale. Nor can its military deployment to secure control of the South China Sea and its medium- to long-term aspiration to regain Taiwan be ignored.

However, it does not automatically follow from the above that Beijing intends to use its growing military capability as an instrument of international expansionism or direct political control of


third countries, which it has already penetrated economically by means of its well-known Belt and Road Initiative.

The main fear of the Chinese authorities is that the US will lead a coalition in the Pacific that could impose a maritime and economic siege on China that would hinder its energy and raw material supplies and its trade expansion. Both are indispensable components of its economic development and internal modernisation, pillars of Communist Party rule and internal political stability.

As an alternative, therefore, we could consider that it intends to use its military capabilities as an instrument of deterrence and defence of what it considers to be its national strategic security zones in the face of an undisputed US military hegemony in the Pacific, while at the same time seeking to consolidate its regional hegemony as the basis of its global projection. After all, this has been the Chinese leadership’s policy since Deng Xiaoping introduced post-Maoist reforms in 1982.

As for the UK and France, their combination of a limited nuclear arsenal and global conventional military force projection capabilities keeps them as strategic global powers. Their interventions in the wars in Iraq, Afghanistan, Libya, Côte d’Ivoire, Sierra Leone, Mali, the war against Daesh and Operation Atalanta against piracy, to name but a few, are examples of the use of their respective military powers in different regions of the world.

However, their global projection as strategic powers has been diminished over the last decade due to the impact of the 2008 financial crisis on defence budgets, the growing social and political polarisation they are experiencing domestically and, currently, the priority given on the political agenda to the control and management of the COVID-19 pandemic over other national security issues.

The UK, post-Brexit, is seeking to consolidate its global position through a renewed strategic alliance with the US, as AUKUS has just credited. For his part, President Macron has sought to rein-

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41 UK HM Government. Global Britain in a competitive age: The Integrated Review of Security, Defence, Development and Foreign Policy. (March, 2021). Available at:
force France’s military projection by leading the Common Foreign and Security Policy, especially in its industrial and technological dimension through Permanent Structured Cooperation (PESCO).

However, neither of these strategic initiatives has a consolidated medium-term horizon, given the uncertainty that prevails for these powers in a number of decisive factors. First, as noted above, it is unclear what political and military commitment the US will maintain to the transatlantic area in the coming years, which may directly affect London’s aspirations to maintain a privileged link with Washington.

As for the EU, it is far from being a strategic global actor. Its demonstrated capacity in the military and civil-military pacification operations it has carried out so far falls short of the political will and military and diplomatic resources of a strategic power. Significant political disagreements not only between member states, but also between some of them, such as Poland, Hungary and Romania, and the European institutions are an important hurdle to overcome to have a European Rapid Reaction Force at short notice.

To this must be added the question of the French presidential elections, the outcome of which, once the German elections are also known, will tell us to what extent the Franco-German understanding, which is decisive for the stability of the EU itself, will be guaranteed for another four years.

The result is that both the UK and France find themselves at a domestic political crossroads that profoundly conditions their traditional position as strategic global powers. All this is happening precisely at a time when the globalised economy is undergoing a transformation and a technological revolution. The conclusion is clear. The strategic future of both powers depends less on their external links and initiatives than on their ability to recover a fragmented national identity. Without this, the political and social


cohesion and confidence in state institutions necessary for continued global leadership cannot be restored.

Some discrepancies with the globalised economy

When we contrast the structural changes taking place in the globalised economy with the multipolar strategic configuration, two important discrepancies immediately emerge.

First, economic relations develop in the spectrum between cooperation and competition, thus excluding rivalry and confrontation. The cause of this structural constraint lies in the decisive and irreversible degree of interdependence that has been reached between the main global economic actors, be they states, international organisations or transnational corporations.

As we pointed out in the previous section, any unilateral economic initiative by an economic power to ruin or seriously damage its economic competitors will end up affecting its own economy in two ways. Directly, because it will provoke economic retaliatory measures by all the economies originally affected. And indirectly, because by reducing the wealth of the competing economies with which it also has trade and financial relations, the others’ wealth will also be reduced by the crisis unleashed\(^43\).

One effect of this economic interdependence is that strategic rivalry hinders the development of trade and financial relations, but these, in turn, and because they already exist and link the world powers together, make it difficult to escalate from rivalry to military confrontation, since the parties to the conflict would have to assume an escalation of direct and immediate economic and social losses whose medium-term political consequences are difficult to predict. For this reason, world powers will not engage in confrontation with each other unless their national strategic interests are seriously violated or threatened\(^44\).

A second discrepancy between the strategic and economic dimensions involved the composition of the dominant actors in each. In

\(^43\) The most recent experience of this kind of economic rivalry can be found in the Trump administration’s trade and financial policy towards China. Arezina, S. (Summer 2019). US-China relations under Trump Administration. *China Quarterly of International Strategic Studies*. Vol. 5, No. 3. P. 289-315.

today’s reality of a globalised economy, the cases of Russia and the European Union bear witness to this discrepancy.

Indeed, in the case of Russia, with a GDP in 2020 of 1.4 trillion USD equivalent to 57% of French GDP, 7% of US GDP and 10% of Chinese GDP, it is hardly debatable that Moscow lacks the capacity to significantly condition the functioning of the global economy. Its significant energy and raw material resources, including rare earths, allow it to maintain a relevant position in international markets for such resources, but do not allow it to compete on a global scale with the large economies of the US, China or the European Union. Furthermore, Russia’s excessive dependence on energy exports to maintain its economic development, together with its concentration in the European market, constitute structural weaknesses that ostensibly limit its capacity for strategic pressure or threat, in confrontation with Western European powers.

The result is an international projection of Russia that combines trade and energy cooperation with EU countries, military rivalry with the US, including nuclear deterrence, and technological competition with China, the US and the EU.

Regarding the EU, it is a supranational organisation with exclusive competences in agriculture, trade and the single currency, along with competences shared with the member states in all other economic sectors. As the world’s second largest trading power and given that the euro is the second reserve currency, it is clear that EU intervention and regulations have a decisive impact on the globalised economy as a whole.

However, from a global strategic perspective, the EU lacks the exclusive institutional competence and the permanent availability of conventional and nuclear military capabilities to be able to alter the interplay of strategic interests between the world’s major powers.45

Conclusions

Any global strategic study must take as a reference globalisation as a new far-reaching historical process which, unlike

universalisation, has developed from the communicative and social hyper-connectivity generated by the access of more than half the world’s population to the World Wide Web.

Within this general framework, strategic developments in 2021 were still closely linked to the impact of the COVID-19 pandemic and the process of economic restructuring that has been progressively consolidating since the end of bipolarity.

As for the pandemic, the proactive response phase through the development of a global mass vaccination programme has facilitated the start of a slow process of health prevention and economic recovery from the severe recession in 2020.

On the geopolitical front, the strategic nuclear rivalry between the US and Russia has remained the main and most immediate global threat, despite the media attention given to the climate crisis due to the World Conference in Glasgow.

However, President Putin is aware of Russia’s limitations, unable as it is to compete in the medium term with American economic and technological power, and its decisive dependence on the European energy market. For this reason, alongside nuclear rivalry, diplomacy will continue to be exploited through conventional military pressure, as well as propaganda and cyber actions.

As for US-China relations, regional military rivalry in the South China Sea and Taiwan will continue, while trade and financial interdependence between the two powers will prevent them from escalating military action and keep them in open global economic competition.

Last, although the UK and France remain strategic global powers, their military decline of recent years and limited economic and technological weight can unlikely be compensated by London with its new alliance with Washington, nor by Paris trying to lead the CFSP, given that the EU is far from being a strategic global power.
Chapter Four

The conspiracy against Europe

Begoña Quesada

Abstract:

Europe faces a year of consolidation of the global trends brought about by the pandemic. The unfolding pandemic will temper any drastic change. Europe’s prosperity and security increasingly depend on itself, be it sovereign and/or autonomous, in a hybrid geopolitical context in which strategic thinking, so difficult to coordinate with a system in ongoing electoral struggle, is growing in importance.

Particularly after the changes in the French, German and Italian governments, Europe will try to take a defensive approach to its integration policies and deepen its regulation. The rest of the world will not make it easy, with the US less willing to reach out, China more distant, and Russia raising tensions on its own doorstep and with whom compromises will be needed.

The main underlying challenges in Europe will be the climate and defending its democracy. Political polarisation, the effects of combating terrorism and the aftermath of Covid-19 will make this crucial task difficult.
Europe needs to adapt to the new complex hybrid world, in a combination of protective walls and pacts, or it will disappear, like all communities that have failed to adapt to a changing environment.

But Europe has always been more of a steeplechase athlete than a hundred meter or marathon runner. It is perhaps the global actor best equipped for the flexible and metamorphic management required by the new post-pandemic times.

Key words:

Democracy, Climate, Migration, Elections, Integration, Pandemic, Covid-19, Inflation, China, Russia, Ukraine, Belarus, Demography, Energy, Green, Press freedom, Digitisation, Germany.
Introduction

In 2004, the great Philip Roth published “The Plot Against America”, in which he depicts a US in which aviation hero and isolationist politician Charles Lindbergh wins the election over Franklin Roosevelt in 1940. In this “what would have happened if?” novel, the US rules out fighting the Nazis and negotiates an agreement of understanding with Adolf Hitler. The terror begins for all Jewish families, including Roth’s own. Everything that the US represented for the reader after the Second World War (human rights, freedom, the value of the individual, and so on) crumbles as the plot progresses and “the land of dreams” becomes Nazified.

Since any projection about the future is fictional in nature and is a risky exercise, I have dared to take this fantasy novel as a creative perch from which to project what might happen in Europe in 2022. This visionary work by Roth (Lindbergh’s motto is “America First”) warns of all that we should not take for granted, which is a lot in Europe.

Europe faces five major challenges in 2022, once the coronavirus has become endemic. Three are at the base of its tectonic plate: economics (post-pandemic), migration (politicisation) and digitalisation (backwardness). Two erupt with force: the crisis of democracy, of immediate gravity, and climate change, of irremediable significance.

In 2022, we plunge into a new wave of elections (Portugal holds early elections in January; there will be two rounds of presidential elections in France in April; Italy needs a new president from February, perhaps a new prime minister if the current Mario Draghi decides to take the plunge; Austria holds presidential elections in autumn; Sweden, general elections in September; and not forgetting that the Americans re-elect all their members of the House of Representatives and a third of their senators and that the Chinese Communist Party has a congress on the agenda with populists on the doorstep. Citizens who aspire above all to a change in the way politics works are being called to the polls. 56% of the population is the median for this aspiration among the seventeen most advanced economies. In Italy, Spain, Greece, France and Belgium this percentage is 66%, according to the Pew Research Center.¹

The outcome of these elections, especially the French election where Emmanuel Macron could become the first French president to be re-elected in 20 years, will mark important European decisions on funding stimulus, highlighting divisions over and above the current East-West values fissures.

Moreover, optimism about the future of the EU has reached its highest level since 2009 and confidence in the EU remains at its 2008 highs, according to the Standard Eurobarometer published at the end of 2021. Europeans are primarily concerned about the economic situation, followed by climate change and immigration. The functioning of the European institutions is not in question. Nearly 66%, for example, trust the EU to make future decisions on the pandemic. The hard Brexit has also diminished populist anti-European voices. Europe seems to be the repository of confidence when popularity is blowing cold for the national governments.

However, although with valuable credit and stability that are the envy of most national governments, Europe faces several challenges in 2022 that it can mostly only manage, not solve, and that leave any attempt at enlargement on the back burner until the last one is well digested. Let us examine these challenges.

### Economy

In “The Plot against America“, Philip’s (Roth) family’s economic situation is marked by day-to-day survival and community solidarity. As poverty comes in through the door, political differences creep in through the window. In the midst of this crisis, what cracks is Philip’s psychological structure: the certainty of his identity as an American.

Europe has always and above all been a market union, which has been followed to varying degrees by everything else. When the economy fails, Europe gets a headache.

Increased restrictions aimed at containing new variants of the Covid-19 virus could slow down the desired economic recovery. The services sector will see its growth slowed down by the new set of restrictions in 2022. Global GDP growth in 2021 will be below the five per cent initially estimated by the IMF. While the most optimistic outlook expected the US to carry the same number of

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passengers on its airlines as in December 2019 by mid-2022\(^3\), because of the new wave of Covid-19 cases that swept through Europe at the end of the year, fears that the recovery would falter resurfaced. As an example, the *New York Times* cited that in November 2021 Austrian retail businesses recorded revenues 25% lower than in 2019, before a new confinement in December\(^4\). The slowdown in China’s economy, which did not seem to be picking up by the end of 2021, will diminish its appetite for exports from other countries, from iron ore to soybeans.

The first battle of the year will come with the meetings on the Stability and Growth Pact, which even before Covid-19 proved to be heated. Although the limits of this pact (deficit, debt) were relaxed for the pandemic, the idea is that they will be put back in place in 2023, even though the European bloc’s economic situation is very different, especially post-Covid-19, from that of the 1990s when they were set. Furthermore, the wake of the central bank’s Covid-19 stimulus will be visible on the horizon as it recedes. While it is unlikely that the pact will be reformed due to the difficulty of approving any changes, it is likely that ways will be found to circumvent it, especially in terms of green policies. The fine-tuning of these variables will mark the line of economic recovery.

In 2022, the forces of apparent de-globalisation will also continue, such as the restructuring of supply chains and the relocation of production. Coinciding with the departure of the experienced Merkel, Europe will see an increase in French influence in this regard, with a more state-led industrial policy.

The EU’s dependence on critical resources is growing\(^5\). Europe currently imports 78% of its lithium from Chile and almost 100% of its rare earths from China (more on this in the China section). The trend in technology and engineering means that Europe will need even more. According to the European Commission, the EU’s need for lithium will increase 18-fold by 2030.

Also, because of this dependence, Europe will again experience attempts at economic coercion by other powers, in the face of which it needs to be prepared to use trade and investment restrictions, export or investment controls, or even disinvestment in

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\(^5\) 2021 Friedensgutachten. BICC, HSFK, IFSH, INEF.
strategic sectors, always as an instrument of last resort, with the aim of forcing dialogue and negotiation. In 2022, we will see new reflections on how to make Europe stronger and more resilient to external economic blackmail in the new globalisation, combining state action, geopolitics and economics.

Europe needs to “update its apps” to adapt to this form of geo-economics, as Russia, China and even Turkey have done with their sanctions against European companies, acquiring the capacity to use hybrid tools\(^6\). This “informal economic coercion” is difficult to label as an attack, but it is equally effective. More geo-economic tensions similar to the Chinese tariffs against German cars will occur in 2022 in response to Berlin’s reticence over 5G licences for Huawei. These tensions always have a second derivative, which is internal European division given that they attack asymmetrically. That is why they are particularly harmful.

On this landscape, relations with the US, provided they can be a reliable partner, are crucial. With the US, this hybrid economic coercion can be combated on the basis of the same values. It is in Europe’s interest to establish and/or maintain a climate of mutual trust with Washington throughout 2022 that allows for a common front in the face of these geopolitical tensions.

Note that I wrote establish, not restore. This climate of confidence also requires that Europe accepts that the US cannot play the old role of protective father as it has done in previous decades and that Washington accepts that Europe looks after its own interests first and foremost. 2021 has exposed a number of European vulnerabilities and it has become clear that both China and Russia, and the US on a different scale, are keen to exploit them, so tensions with all three are likely to occur at times. For example, over access to natural resources especially related to new technologies and clean energy, such as cobalt, which is essential for many green strategies. Also, over access to technology itself, which is increasingly a measure of power, less shared and more protected.

The main risk of this form of economic policymaking is that the resulting constraints discourage support for decisions on climate change or the fight against the next pandemic, which necessarily have to be international.

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Inflation

Out-of-control inflation seems unlikely given central banks’ supervisory policies, but not the whole world is sure about this. Post-Covid-19 injections of money into the economy, disruptions in supply chains and the labour market, the diversion of consumer budgets from services (eating out, travel, hotels) to goods, and rising energy prices, point in the opposite direction. Europe is vulnerable to all of them.

The last few months of 2021 have seen an increase in stock levels related to the relocation of production and restructuring of supply chains in the aftermath of the pandemic. It is what the Economist has called the shift from Just in Time to Just in Case economics. This has resulted in supplier search costs and prioritisation of proximity versus cost, reinforcing price increases. The pandemic has also led to costs related to the monitoring of codes of conduct on labour and environmental rights, such as CO2 emission tariffs embedded in imports.

Despite the supposed unity that this pandemic was supposed to have created, economic efficiency has not gained ground in trade policy, but has fallen even further behind other objectives, from labour policy to the environment to sanctions against geopolitical enemies. After several years of increasing trade tensions, the flow of cross-border investment by companies has fallen by more than 50% relative to global GDP figures since 2015. This growing nationalism, coupled with the post-Covid recovery of demand ahead of supply and import dependence, has led to a shortage economy in the third quarter of 2021 and inflation.

For historical reasons, controlling this inflation is critical for Germany, who in 2022 will need to clarify decisions taken by the previous government, which it will blame, and to defend why the economic recovery fund, to which it is a net contributor (66 billion euros versus 26 billion), passed in the Bundestag in March 2021 with relative ease, is essential for the national economy. This defensive position will influence German positions in Brussels.

While these funds remain popular among the German political and economic elite, and in line with the harshness of the fourth

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7 Fanjul, E. (16 September 2021). The forces driving de-globalisation. Real Instituto Elcano.

pandemic wave in Germany, in 2022 there will be a push from Berlin towards consistent and restrictive European policies and internal fissures that will affect relations between two governments in need of consolidation: the French and its own.

Perhaps because of their relative immunity to political changes, central banks can be expected to maintain the stability of the financial system and new vaccines and treatments against Covid-19 will reduce the likelihood of further inflation-reinforcing disruptions beyond those mentioned above in 2022.

China

It is only since 2019 that Europe, the most attractive region in the world for foreign direct investment (FDI), has been assessing the risks associated with this type of economic operation in a coordinated manner. This is particularly relevant in the case of Chinese investment, which continues to reach remarkable figures of around €30 billion, despite being below its record of €35 billion in 2016.

What is most striking are other stable high percentages: a Chinese state investment share of 68% (versus 35% in 2016) and a transport focus of 51% (versus 20%) with a majority of focus on strategic ports\textsuperscript{9}. According to the same report, which is now three years old, China would control 14 European ports or 10% of European maritime trade capacity. The international policy environment for Chinese investment has been changing for some years now, as shown by the most recent European decisions regarding its FDI\textsuperscript{10}, and 2021 has accelerated this trend, such that by 2022 Europe will see Chinese investment as both an opportunity and a threat.

Europe will try to ensure that Chinese investment is not instrumentalised to open sides among Europeans and will pay greater attention to investments in key companies, such as technology and pharmaceuticals, with more lax supervision of other types of companies, such as those in the services sector.

In one of his rare interviews, MI6 chief Richard Moore said in December that “adapting to a world influenced by China is his


agency’s “top priority”. He stressed that the main concern is in science and technology because China is expanding a network of authoritarian control across the globe via the export of technology through which surveillance is channelled\textsuperscript{11}.

After a year in which the importance of maritime trade has been highlighted by the emergence of bottlenecks that have strained the European market, it is to be expected that there will be an increase in information exchange and coordination among European countries on FDI, under the watchful eye of the European Commission. Europe will become more strategic about its FDI, particularly Chinese FDI, demanding reciprocity in its outward investments.

Following the events in Afghanistan, a reassessment of the consequences of the new Silk Road Initiative (BRI) is also to be expected. The withdrawal of Western troops from Afghanistan strengthens China’s role in the region as an alternative to the Strait of Malacca, through which a quarter of the world’s goods previously passed. The Chinese are known to have a good relationship with the Taliban through Pakistan, where they have taken refuge all this time. The BRI is an initiative that changes the dynamics of conflicts in the countries it crosses, including Pakistan and Myanmar, and this is an impact that has become an urgent matter in 2021\textsuperscript{12}. A new, more reliable and transparent Silk Road will require European negotiating capacity, with a focus on constructive engagement to better implement what is already a reality.

The European response to the BRI, the Global Gateway initiative, will make sense in the measure to which it is coordinated with the G7 and its Build Back Better World plan. Commission President Ursula von der Leyen acknowledged in a Global Gateway announcement in September that “it makes no sense for Europe to build a perfect road between a Chinese-owned copper mine and a Chinese-owned port…. We want to create unions, not dependencies. This followed the European Parliament’s vote in May ratifying the need for greater oversight of Chinese investment and the publication of a European Indo-Pacific strategy, and French nuclear submarine exercises in the South China Sea. Europe will seek to demonstrate the success of its GG in the

\textsuperscript{12} Abb, P. and Swaine, R. (January 2021). Road to peace or bone of contention? The impact of BRI on conflict states. Peace Institute Research Frankfurt.
short term, attempting to refute the Chinese narrative that the
days of Western supremacy are a thing of the past\textsuperscript{13}, but to do so
it will have to overcome the wave of scepticism unleashed when
it presented the detailed GG in December and back up its claims
with investment plans, ideally not ‘reheated’ ones.

China will continue to strengthen its self-reliance in response to a
more hostile external environment in a process of “decoupling its
economy”, which will lead to a contractionary trend in its imports
and a consequent reduction in world trade\textsuperscript{14}.

One sector that will be particularly impacted is clean energy, as
China has similar control over the minerals needed to build elec-
tric batteries as OPEC has over oil. For example, in the last five
years, China has taken the reins of global cobalt production since
acquiring the main cobalt mines in the Democratic Republic of
Congo. These acquisitions have a direct impact on the develop-
ment of the electric car industry. As the US withdrew from these
production zones in Africa, diplomatically and financially, the way
was cleared for the entry of Chinese capital. Fifteen of Congo’s
nineteen cobalt mines are in Chinese hands\textsuperscript{15}.

Europe’s relationship with China, and more especially Germany’s
as an economic power, will also define Europe’s relationship with
the US. Berlin sees China as a competitor, but also as a potential
partner\textsuperscript{16}. The new German government may harden its position
on China because of the presence of The Greens, who during
their political campaign have insisted on the need to link trade
with sustainability and human rights.

Climate

Roth’s work shows how high politics and private life are inter-
woven. Even a person’s identity is inseparable from the
currents of history. Like the US seal with the swastika dec-
orating the cover, “The Plot Against America” describes how

\textsuperscript{13} Sacks, D. (21 September 2021). Europe’s Global Gateway Plans To Counter China,
\textsuperscript{14} Schmucker, C. (8 June 2021). The new geo-economic environment and the EU’s
capacity to act. \textit{DGAP}.
\textsuperscript{15} China’s victory in the contest for clean energy. \textit{The New York Times}. (22 November
2021).
\textsuperscript{16} Schmucker, C. and Mildner, Dr S.-A. (22 September 2021). Die Mitte. Berlin between
Washington and Beijing. \textit{DGAP}.
this can happen. Many would rebel, organise and resist, but that resistance, however, might be too little too late.

Climate change is the European Union’s main strategic challenge\(^{17}\), with migration and health hazards being other most often cited related challenges. The latest Chatham House report\(^{18}\) warns that by 2040 some of the changes in climate will be irreversible, that 3.9 billion people will experience severe heatwaves 12 times the historical average and that already in this decade working hours lost to excess heat will exceed hours lost to Covid-19. In twenty years’ time, these consequences will be beyond countries’ capacity to adapt.

The risk of synchronised losses in several key global food crops will be increased by 50% in the 2040s\(^{19}\). The interconnection of changes in climatology, which will induce alterations in ecosystems and an increase in pests and diseases, in addition to heat waves and droughts, with consequent failures in the chain of harvests and migrations, will produce a circular and explosive combination whose consequences citizens, and especially the younger ones who are trying to visualise their future, perceive as immediate.

What seems expensive today masks medium-term benefits and, above all, irremediable long-term impacts. For example, keeping global warming below 1.5 degrees Celsius is equivalent to fifteen years of industrial emissions at the current rate if we accept only a 50-50 chance of this being achieved. Likely technological advances, such as the possibility of removing already significantly emitted CO\(_2\) from the atmosphere or returning some of the solar emissions back to space, would contribute to reducing or maintaining temperatures, but would also have an impact on food production, biodiversity and water quality and availability. Europeans seem to realise that all these scenarios are happening close to home: wildfires, historic floods, extreme heat waves and climate refugees are making more headlines.

Europe, because of this social support, its economic situation and its research capacity, has an opportunity to lead this revolution through concrete policies, with mechanisms for the application and incentivisation of new energies.

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\(^{19}\) Ibidem.
In August, the Intergovernmental Panel on Climate Change (AR6) stated that the world is not approaching climate change, it is already experiencing it. The Climate Change Convention, the COP, was held shortly after, in November 2021, following a summer of new record temperatures and climate-related natural disasters. After having achieved a mandate (Berlin 1995), a protocol (Kyoto 1997), an action plan (Bali 2007) and an agreement (Paris 2015) it seemed that this was going to be the year when, given the urgency, action would finally be taken. However, the agreements were considered light by the less critical and treasonous by the more vociferous activists.

An internal rift in the European debate will be the use of nuclear energy, separating France, who has just announced new reactors and covers 70% of its energy consumption in this way, from Germany, who wants to completely abandon nuclear energy by 2022. Europe’s economic engine, which emits a large part of Europe’s CO₂ emissions and produces 44% of its electricity (including that which powers electric cars) from fossil fuels, is aware of this predicament and it will be interesting to watch Germany’s first-ever green government defend itself in this scenario.

The programme presented by the new German government, in which it pledges to wean itself off coal by 2030 and to get 80% of its energy from wind or solar sources, as well as to be a net zero emitter of greenhouse gases by 2050, sets a global standard and will put pressure on the rest of the new European governments.

Europe must agree on whether nuclear is green, open to all kinds of European subsidies that green energies will receive in the short term. Of the 27 EU countries, only 13 produce nuclear energy. Until France and Germany come together, it will be difficult for Europe to decide whether nuclear energy is a legacy of another era and highly polluting (because of its waste) or a green energy (because it produces almost no CO₂), eligible for energy transition subsidies.

There is an inexorable reality in a fossil economy: the limitation of human progress, both vertical (rapid progress of the few) and horizontal (slow progress of the many), based on the consumption of fossil fuels. The literature of anticipation, which until now has focused mainly on space, with threats coming through technological innovations and from other galaxies, is increasingly focusing on this planet, presenting us with dystopias involving resource depletion, devastation and natural catastrophe. And
narrative is important in every respect. A humanity of eight bil-
lion people living mostly, if not all, above the poverty level will not
be possible in an economy fuelled by oil, coal and gas.

Europe contributes only 8%t of global CO₂ emissions²⁰, so involv-
ing other countries is crucial. The fact that, as a global problem,
decisions must be taken by consensus means that the pace is
always set by the slowest. We are all hanging from the same rope
until there is a Planet B and that rope is as weak as the weakest
of its strings.

European measures must be transparent, equitable (not uniform)
and coherent. Almost all European countries agree that some-
thing must be done. The big difference is how much is left to
market mechanisms and how much to regulation. In Germany,
for example, where electricity prices are the highest in Europe, it
is feared that a new, more climate-smart government will tie the
hands of companies with the red tape of bureaucracy by justify-
ing the fight against climate change. Consensus on practice is dif-
ficult, but it always contributes to further European integration.

Behind closed doors, even if alone or in a minority group, Europe
will try to press ahead with its own or copycat measures, such as
tax exemptions related to US CO₂ capture, until the rest of the
world joins in because it has the social support to do so. Shirking
this responsibility would only lead to a “green dictatorship”: a
more environmentally friendly way of life is inevitable.

It will not be at low cost. Europe’s transition from coal and oil
to other energy sources will alter Europe’s relationship with its
neighbours and increase European interdependence on certain
technologies²¹. But this is a change that is best managed actively,
aiming for consensus, global leadership, and soft power action.

The green debate should be a European debate. This would
reinforce the external dimension of its Green Deal and show its
commitment to the countries of the South, for example, as a gen-
uine alternative to China and its BRI in a new ‘green diplomacy’
for which Europe has ‘the profile, gravitas and experience’²²,
provided it remains alert to hypocrisies and contradictions in the
form of investments. Its trade weight should encourage other
countries to change, ensuring that they do not dance to China’s

²⁰ Future of Europe. (November 2020). Special Eurobarometer 500: First Results.
²¹ Ibidem.
²² Ibidem.
tune. Gestures in this direction are expected in 2022 and the new German foreign minister Baerbock (Greens) has already pointed the way in her first meetings with her European counterparts.

At the forefront of this diplomacy, Europe could benefit from the post-coal transition through global trade and guide the transition of others, e.g. Turkey (wind and sun) and Russia with hydrogen.

Energy TRANSITION

Europe is a place of exchange. The increasingly complex global trade network continues to grow, despite the pandemic. About a quarter of the products manufactured are traded internationally and 30% of their value is generated from imported materials. This global interconnectedness is crucial for climate policy. A large part of the EU’s CO₂ emissions are related to its imports.

The European Union, which today still produces 71% of its energy from coal, gas and oil, aims to be climate neutral by 2050. But this “neutrality”, which seems so clear and smooth as a goal, has its spikes. Europe must ensure that the energy transition does not have a radical economic impact on certain groups in society. Taxing CO₂ emissions from buildings and road transport, as proposed in the package of measures accompanying the Fitfor55 agenda adopted this year, has little influence on mainstream consumption habits and even less on decarbonisation, while punishing European households and decreasing citizens’ attachment to these policies. Clean energy cannot be financed only by taxing dirty energy while there is no comparable substitution.

The transition must also create sufficient buffer policies so that the variability of energy prices is not extreme, for example with CO₂ production permits, which have caused a tonne of CO₂ to vary between five euros and 60 euros over the last five years. Given the social impact of energy bill,s, it is important that these energy transition schemes consider social acceptance and fairness in sharing the consequences.

Like any other European decision, which may come in 2022, it will be more like a patchwork blanket than a chessboard and there will be negotiations over the table, under the table and behind closed doors. The decision is above all a political one, given the level of funding involved. It should not be forgotten

that, as the European energy market integrates, countries using cleaner energy will also benefit from others using less green energy in the short term to prevent disruption and create buffers to ease the transition, again emphasising the value of differentiation within Europe. The result will be a consensus that will leave everyone with some degree of dissatisfaction, but with a minimum common plan.

Investment in new forms of energy has been slower than the fall in investment in fossil fuels, creating a crack that contributed to the high energy prices we saw at the end of the year. Technology and cooperation should seek not only to reduce emissions, but also to absorb and offset them until alternative sources are available.

Many of these technologies will only be developed in cooperation with strategic partners such as the US, Canada, Japan or South Korea, so it is crucial that in 2022 Europe seeks to bring these countries on board in its green diplomacy, for example through a Global Hydrogen Partnership, where the relationship with Russia should one of ‘selective engagement’ that will be delicate to manage, with areas where progress will be easier, such as scientific cooperation on forests or the Arctic and expert support in the development of environmental legislation.

Migration

The families around Roth’s are feeling the political temperature rising around them. Each in its own degree of ebullience, depending on its ability to survive, leaves the country. But Roth’s father is confident in the resilience of US institutions. By the time he changes his mind, it is too late and the US has closed the border.

At the end of 2021, Belarus organised the transfer of thousands of people from refugee camps in Iraq and Turkey to its border with the EU in Poland to retaliate against Europe for its sanctions. Poland reacted by mobilising the army to the most recent hot border where politicians are using people to push their causes. Such hybrid acts, including migration geopolitics, are likely to increase in 2022 as a form of attack and response between the EU and its neighbouring countries.

24 Sierakowski, S. Europe’s new refugee crisis. DGAP. (1 September 2021).
The world of 1999, when Europe laid the foundations of its asylum policy in Tampere (Finland), seems to belong to another era. A world in which people had “the absolute right to seek asylum”. The practice of 2021, with Europe governing and building borders to counter and protect against irregular migration flows, shows that this is no longer the case. It was certainly not when almost two million Syrians entered Europe in 2015-2016 and one million stayed in Germany, which failed to convince most of its partners of a more equitable distribution.

There is no European space in which migrants can seek asylum, but there is a transfer of that responsibility to individual countries, which must then try to resolve the problems that arise in a coordinated manner with their partners.

This trend of tightening asylum policy will continue in 2022 as Europe’s flanks use the flows of people for political consequences and domestic political extremes use migration to ignite populism. Such rulers need an enemy at home, often relating their discourse to the survival of a race of superior men and Indo-European myth, to enhance their bond with the masses and justify their control.

In 2022, the protection of space will once again take precedence over the protection of people25. The distribution of refugees within European borders will continue to be an issue of conflict that will permeate all migration policies.

This trend contrasts with the need for a young workforce in an ageing continent. Covid-19 has slowed down labour migration, while relaxing the rules for already regulated foreigners, many of whom became “digital nomads”, putting pressure on the demand for skilled labour. Demographic experts on the continent are already working on plans for the “silver economy”, in which the working and consumption life of the population is extended, and attempts are being made to downplay the enormity of this ageing.

A hundred years ago, when Europe still enjoyed some advantage in its global dominance, its demographics accounted for 20% of the world’s population. In 2030, it will be less than nine per cent. In raw numbers, Europe is the most attractive destination for global migrants, attracting almost a third of them because they find work. The EU could experience a 21-44% increase in immigration over the next decade, much of it irregular26.

Spain has its own warm border to Africa. Only 18% of African migration is in Europe. The majority (70%) move within the African continent. In the decade to 2020 the number of sub-Saharan Africans living abroad rose from 20 million to 28 million\(^{27}\), although the continent still has a lower percentage of the population living outside their place of origin than the world average (2% compared to 3.5%). All migration starts with a full wallet, and as the continent prospers, experts believe that more people will migrate until the average income reaches $10,000 a year (currently at $3,800).

According to the World Bank, millions of Africans will migrate due to climate change in the coming decades. Many of the hotspots where climate change will be hardest are close to a border.

Sixty percent of the countries most vulnerable to climate change are already affected by armed conflict\(^{28}\) and the climate crisis exponentially exacerbates these conflicts. The International Committee of the Red Cross predicts that 200 million people will need humanitarian assistance by 2050, partly due to the climate crisis. This will occur largely on Europe’s doorstep, which will likewise suffer more frequent and intense natural disasters on its territory, such as floods or extreme heat waves. Migration numbers at the European border are unlikely to drop significantly.

Europe must be prepared to manage migration in a multipolar way. It requires external labour to compete with other labour markets and to face circular migration in which many countries, especially after the 2008 financial crisis, have become both destination, origin and transit countries for migration\(^{29}\).

Democracy

Roth revisits his childhood in New Jersey with meticulous love, and shows how even the life of a child lucky enough to be raised in peace and freedom hangs invisibly but inevitably on politics. The Roth boy experiences first-hand discrimination and anti-Semitic insults on a family trip to Washington D.C. The distant politics of the capital ends at your doorstep.

Locke already made it clear that the purpose of people banding together in states or communities is to safeguard their property. If this principle is not fulfilled, the population will begin to question their rulers and their forms of government.

The Stockholm Peace Institute considers 2020 a stable year within the storm because the past decade has seen “a marked deterioration in global stability and security”\(^{30}\).

2021 has not broken that trend and 2022 will not either. The pandemic will indeed shake up politics, making it more turbulent because of the frustration and suffering caused by both the pandemic and the prevention and containment measures, which will be reflected in the elections. Some rulers will fall, others will try to hold on to power often by stirring up fear and looking for a common enemy outside (immigrants, Russia, China) or inside (Jews, leftists, conservatives, liberals, Jews, Muslims, Brussels).

Military spending will be maintained or slightly increased, nuclear arms control will continue to deteriorate, starting with the impossibility of bringing Iran back to the same negotiating table as in 2015, and the number of armed conflicts will be maintained or slightly increased in a toxic and transitional geopolitical environment. All in all, 2022 will not be a good year for global democracy.

The pandemic, with its negative impact on economic output in all but a score of countries\(^{31}\), its multiplier effect on poverty and economic gaps will contribute to deepening “the geography of discontent” and democratic deterioration in many countries, also in 2022 and beyond. The accusations and disputes over the origin of the causative virus and whether it could have been prevented, or future pandemics aborted, are a symptom of a rarefied international political climate that will persist in 2022. As the system ossifies due to a lack of economic opportunity and mobility, discontent and therefore the populist vote is likely to increase, following the theories of economist Philip McCann\(^{32}\).

The pandemic has also altered governments’ foreign policy management capacity. On the one hand, the toolbox of what counts as foreign policy has grown and there is now talk of vaccine diplomacy and green diplomacy, although these policies have a


\(^{31}\) Ibidem.

direct impact on the domestic debate, heating up the impact of public opinion on foreign policy decisions\textsuperscript{33}, which ceases to be entirely “foreign”. At the same time, the parties at the extremes are becoming increasingly vocal on foreign policy issues that until recently were alien to them. The days when governments were able to ignore public opinion to blindly align themselves with one side are a thing of the past, and this is where the information wars and internet narratives come into play. The democratic debate becomes more complex.

These new challenges will mow the grass under the feet of many international institutions, which will remain active but will need greater protection and bargaining power to implement their decisions.

The new multilateralism, as Ortega\textsuperscript{34} points out, is necessarily different from the one we have experienced in the past. It has different levels (from civil society to governments, NGOs, trade unions, companies, etc.) and is inevitably global. Ideally, it would also be inclusive and effective in caring for “global public goods”, to borrow the words of the UN Secretary General at the September Assembly.

All European governments face the bloodletting between liberals and illiberals, and the consolidation of illiberal or soft authoritarian regimes somewhere on their territory or on a nearby border, with agendas based on identity, a narrow view of minorities, ideological purity, denial of the opponent and marginalisation of the critic. These are societies where the information received depends on the party in which one is a militant and not the other way around, where individuals who are immune to changes in information and to the observation of reality live.

In this context, the European Union, an institution used to negotiation and complexity, can be a living wall against anti-democratic movements and regression. In Brussels, without the direct pressure of the media eye, with a variable geometry that relativises voting pressure, without group loyalties because it is a more atomised galaxy, European institutions can work more in a long-term manner and in a less ‘Cainite’ or politicised way. In his “project to achieve perpetual peace in Europe” in 1713, the Abbot of Saint-Pierre already spoke of a European Union to achieve it.

\textsuperscript{33} Zerka, P. Why should anyone care? Foreign policy and public opinion. \textit{European Council on Foreign Relations}.

\textsuperscript{34} Ortega, A. \textit{Op. cit.}
In 2022, some differentiated integration projects could be consolidated, with some countries moving faster in their integration in view of the need to act without waiting for the desired consensus. This differentiated integration, partly a consequence of the well-managed part of Brexit, could be seen, not as an inevitable outcome, but as a desired, pragmatic and complementary strategy to QMV to move faster on pressing issues such as climate change. The frame of reference would be the four cornerstones of the European Union in terms of its freedom of movement (goods, people, money) and the primacy of law and democracy.

The Conference on the Future of Europe will end in the spring, in time for the French elections, and the conclusions and proposals of the participating citizens will be known. The European Parliament may increase pressure to make the President of the European Commission accountable to European citizens and the Parliament, rather than to the European Council, in an attempt to reinforce deliberative democracy with participatory democracy. However, it is unlikely that in the course of 2022, a year so full of elections, we will see any noticeable practical results from it. This does not detract from the value of this unprecedented exercise in democracy, which has set national governments against their own scepticism about direct citizen participation in European decision-making.

External FRONTS

The hottest front is what Mira Milosevich calls the “middle ground” between Russia and Europe, territory that Vladimir Putin still considers his own. Ukraine and Belarus are two examples of this middle ground. In statements that sounded like something out of a newspaper archive, in December Putin asked NATO for legal assurances that it would never try to expand eastwards.

With a second pipeline through the north, Nord Stream 2, Russia would be able to punish Ukraine (first pipeline) for free because it would not lose supply to Europe. The foreign minister of Germany, the country to which the Russian pipeline links, declared shortly

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after taking office in December that “right now this pipeline cannot be given the green light to start up”\textsuperscript{38}.

At the end of the year, the Russian president mobilised 100,000 troops and heavy equipment to its Ukrainian border in a bid to make surface the allies’ real support for Ukraine. Experts did not expect an outright attack, like when Russia invaded Crimea in 2014, but rather hybrid micro-interventions that maintain tension with NATO\textsuperscript{39}.

Belarus, with its migration policy, has caused a common front between Lithuania, Latvia and Poland, joined by Hungary, Austria, Greece and Slovakia because of similar crises in the past, to try to get the European Commission to fund border walls and barbed wire fences. Over the last thirty years, physical barriers have been erected at Europe’s borders, almost all of them funded by governments. Brussels argues that walls are scaled or dodged, they do not prevent migration and investment is better off elsewhere. If the influx of migrants increases with the Covid-19 recession and the new Afghan crisis, and no European political leadership such as Angela Merkel’s emerges capable of paying the political price of taking in significant numbers of refugees, the Commission will change its mind in 2022 and fund these barriers, the political cost of which is much lower than that of an expansive asylum policy.

Moreover, certain Balkan and Eastern European countries are separating from Europe in terms of public opinion, while Russia and China are increasing their influence over these regions. This could not only jeopardise progress on democracy and human rights in these countries, but also destabilise the entire region. Europe should invest in strategic communication and credible cooperation to counteract the action of illiberal actors in this area, who facilitate the deterioration of democratic values in these countries, and particularly corruption, abuses of power and attacks on the free press.

This is the front of greatest interest to Germany, which will try to keep the European focus on the Western Balkans (Albania, Bosnia


\textsuperscript{39} Ruprecht Polenz, expert on Eastern Europe, in an interview with Jaspar Barenberg, in Deutschland Funk. (2 December 2021).
and Herzegovina, Kosovo, Montenegro, Serbia, North Macedonia) and the eastern border.

But in Europe borders are liquid and Germany, and other central and northern European countries, would be ill-advised to forget Africa, which in 2021 has seen an alarming number of coups d’état: Central African Republic, Chad, Guinea, Madagascar, Mali. This is the same rate as in the first decades of independence, when the average was four coups a year. Europe must be alert to the rise of jihadism and the influence of new actors (China) beyond the traditional powers, for whom not even the appearance of respect for democratic values, let alone their genuine integrity, is high on the list of priorities. Despite the costs involved, Europe should continue to maintain its red lines or face a complete denaturalisation of its relations with these countries.

The relationship with the UK will continue to be marked by more or less one-off clashes that will highlight the need for a new mechanism of understanding in which to resolve disputes that until now have unraveled within the European Union, from fishing quotas and the composition of frozen sausages to the border with Northern Ireland, the deaths of undocumented immigrants in the English Channel, double taxation and cross-payments to the social security. This year will continue to be one of confrontation and reaction to problems, rather than action or prevention. The French election campaign, with its need to appeal to voters from the extremes to the centre, will do little to temper either the migration problem between Calais and Dover or the distrust over arms deals.

Turkey’s accession to the EU will remain frozen until previous enlargements are digested. The only progress possible would be through differentiated integration (visas, customs, policies with third countries). With Turkey, the old East German adage has long been true: they pretend to negotiate, and we pretend to reform. Turkish President Erdogan reigns over human trafficking networks and the EU does not want to raise its voice against his human rights violations. If it does, Erdogan ignores it. Both agree that it is best to do nothing, the EU does not move forward in a process it does not believe in and which would be highly unpopular, and Turkey does not venture into a series of reforms that would limit the government’s control over other institutions and the economy. Perhaps this could change in the run-up to the elections scheduled for 2023, as the opposition, especially that led by Kemal Kilicdaroglu, tries to win votes by appealing to
anti-refugee sentiment. In mid-2021 Kilicdaroglu said he would send all Syrians to his country if he came to power\textsuperscript{40}.

Foreign POLICY

On her first trips to China as chancellor, Merkel had to travel with two planes to bring all the businessmen who wanted to be part of the delegation and were interested in doing business with China. In 2021, several German companies announced a divestment in China.

In 2019, the Federation of German Business (BDI) published a document in which it described China as a “systemic competitor” and urged changes in economic policy towards the Asian giant. “We perceive China as a partner, a rival and a competitor,” Jens Spahn, then health minister and rising star of the German conservatives, said in 2021, warning against a relationship of dependency. This growing distrust of China in Germany transpires in European relations.

Coinciding with the Germans taking over the helm in 2021 and the French in 2022, it remains to be seen where the ball of European leadership falls within the new logic of European foreign policy, marked by a Cold War 2.0 (China vs. the US) with more volatile consequences. Member states’ lack of coherence and scepticism towards Brussels’ added value in foreign policy hinder the necessary unity to have a single voice in foreign policy and to adopt its balancing role on this new international playing field.

The French finance minister told the International Monetary Fund’s annual meetings in Washington that France’s cooperation with the US on reforming the international tax system does not hide the reality that there are deep differences over China\textsuperscript{41}. “The United States wants to confront China. The European Union wishes to engage China,” said Bruno Le Maire, a close ally of President Emmanuel Macron, during the interview. Europe’s strategic priority is, according to Le Maire, independence to be able to defend its own views on climate change, economic interests, and access to key technologies. The French minister asserted that although the US remains the main ally in terms of values such as freedom, respect for the law and the economic model, Europe

\textsuperscript{40} The Economist. (28 August 2021). P. 21.

must become independent of the US and be able to defend its own strategic interests.

When the newly inaugurated German Chancellor Olaf Scholz travelled to Paris as his first foreign posting, European sovereignty was at the top of the entire agenda with President Macron, as the *New York Times* noted in its summary of the meeting\(^42\). “We want to strengthen Europe, to work together for European sovereignty” were the first words of Merkel’s heir apparent on the Champs Elysées.

Although the grandiosity of Macron’s plans (European army, European digital networks) clashes with Scholz’s pragmatism and lack of definition (Europe having the “capacity to act”, “future federation of European states”), the background music is the same and has never been so in tune since the end of the Cold War. “Germans don’t want strategic autonomy if it means independence from the United States,” Cathryn Clüver, director of the *German Council for Foreign Relations*, told the *New York Times*\(^43\). This is why France speaks of European “strategic autonomy” and does not mind throwing sand in NATO’s eyes, while Germany, which feels giddy if it moves too far away from the US for recent historical reasons, prefers to use “strategic sovereignty”. Germany also favours speeding up European foreign policy decisions by qualified majority voting, while France, which has the EU’s most powerful army since the UK’s exit, fears finding itself involved in difficult situations not approved by the French. Moreover, France has a permanent seat at the UN that it does not use as a European but with the radar of national interests.

However, in a more general framework, both countries are clear and united in the defence of the multilateral system based on law and the defence of Western values, and this union is even greater post the Trump administration, the hasty withdrawal of US troops from Afghanistan under Biden, the problems with the nuclear military sale to Australia and the misgivings about China.

China welcomes these statements by the French foreign minister, just as it welcomes all French statements in favour of European autonomy in defence matters because they all throw stones at the US global network.

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\(^43\) Ibidem.
The EU’s external economic policy, with Brussels’ involvement in the control of foreign investment, the international role of the euro as a reserve and the construction of European defence in competition matters, will remain the spearhead of Europe’s international role.

With regard to Russia, the phrase attributed to Catherine the Great still holds true: “The only way to protect my borders is to expand them”, which will maintain tension with Europe. The case of Alexei Navalny, who went to prison in 2021 on returning Russia after recovering from poisoning, marked for many the difference between autocratic Russia and tyrannical Russia, which almost undisguisedly attacks the two main remaining bastions of democracy inherited from the 1990s: elections and the free press/internet. In 2022, Russia will continue to use its dormant conflicts to mix soft and hard power to keep its western periphery tied to Russia rather than to Brussels, or worse to Washington through NATO. Ukraine, Georgia (Abkhazia and Ossetia), Nagorno-Karabakh and Belarus will remain hot spots.

Experts differ on what might be the lowest point in these relations (Russia’s invasion of Crimea in 2014, the Russian cyber-assault on German government computers in 2015, the murder of a Chechen dissident in Berlin by Russian secret services in 2019, or the treatment of Russian dissident Alexei Navalny in 2020 in a Berlin hospital after being poisoned), but they all agree that they are in a gully. “Russia is a post-imperial and revisionist state, which identifies national security with expansion” and defence of what it calls “compatriots abroad”44.

In relations with Russia, the new German government’s relationship with this country will be key. Perhaps the carrot is more important than the stick, given the ideology of the stick. According to Stefan Meister of DGAP, “Russian-German relations are at their lowest point since the end of the Cold War and will deteriorate further in the future”45. This could be especially so with the Greens within the German government, who oppose the Baltic Nord Stream 2 pipeline and hold, as explained above, the foreign affairs portfolio, although their socialist coalition partners have so far argued that the pipeline strengthens European energy security.

In the longer term, it is possible that the landmines Russia itself is planting in its path (clientelism and outright corruption of its political system, impossibility of economic growth without accommodating the West, declining population growth, environmental crisis) will weaken its capacity to act, but in the short term these same challenges could make it show its teeth even more. Europe should start preparing for the post-Putin era because the system will not survive it. Trust in Putin among his citizens has fallen from 60% to 30% in the last five years, especially among young people. This is explained not only by the majority use of the Internet to obtain information, but also because they are the ones who most despise corruption for robbing them of their prospects and most admire Europe and the US.

Defence

As the US has retreated as a “globocop”, fissures have opened through which other smaller powers have become more aggressive, either in their own right or as an instrument of larger ones. It is part of today’s more complex and hybrid geopolitics. Some of these middle powers are on Europe’s doorstep.

The year was marked by the nuclear submarine agreement between the US, the United Kingdom and Australia (AUKUS), which led to the cancellation of a pre-agreed purchase of French nuclear submarines in September. The rival to beat is the same (China), but the idea of a European force and the already shaken confidence with the US is being discarded and Brexit is being reinforced. Beijing rubbed its hands together when France accused the UK of accepting a vassalage relationship with the US because this reinforces its realist prejudices (power is the real driver of international relations) and its narrative of Washington as a hegemon in search of vassalage.

Weeks after AUKUS, Greece and France signed a mutual defence pact, pledging to defend each other in case of attack, which overlaps with NATO Article 5 (as the country “deems necessary”) and Article 42:7 of the EU Lisbon Treaty. Other predecessors of this treaty are the Franco-German Aachen agreement in 2019 and the Franco-British Lancaster House agreement in 2010. What

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is certain is that in the end, German submarines sold to Turkey may end up controlling French frigates sold to Greece\textsuperscript{48}.

Both agreements reflect the lack of a European defence strategy and the fact that military defence policy, today more than ever, is intertwined with trade policy\textsuperscript{49}. These shortcomings will be at the centre of the table at the French-led European Defence meeting in the first half of the year, with Von der Leyen’s Commission as the willing host.

For Germany, the US withdrawal from Afghanistan, its first deployment outside Europe since 1945 and the largest since World War II with some 150,000 troops passing through this country, has reinforced the idea of the need for a defence policy closer to home. Germany’s defence budget has grown by more than 50% since 2014, although it is still below the two per cent/country NATO target. The new coalition government is not expected to increase this budget.

Indeed, the new tricolour German government announced in November that it will attend the first meeting of the Nuclear Weapons Ban Treaty as an observer in 2022, although it maintains its policy of allowing the stationing of US missiles on its territory, as well as aircraft that can deliver them.

The French decided to leave Afghanistan ahead of the Americans, starting in May. France has not thought twice about going its own way vis-à-vis the Americans since the Suez Canal crisis of 1956, when they learned that Washington can never be fully trusted. In Paris, this is also read as confirmation that Europe will have to do more for itself in defence matters, which France will reiterate when it takes over the rotating presidency of the European Council in 2022.

The problem is to delimit what is meant by “territory of play”, “European sovereignty” and “strategic autonomy”. The huge divide is between those who see the US as an intermittent friend (Germany, France to a lesser extent) and those who see the US as the only retaining wall against Russia (basically all those in the Soviet backyard). In Europe, the gap between the map and the portfolio, between the capacity for analysis and intellectual reach and the capacity for action and physical reach is large.

\textsuperscript{48} Ibídem. P. 23.

\textsuperscript{49} After Afghanistan Germans rethink their country’s foreign policy. The Economist. (11 September 2021).
Narrowing down these definitions and ways to implement them, possibly through voluntary coalitions (action groups involving willing countries) will be one of the most controversial tasks in 2022.

Success on the battlefield often depends on tactical intelligence: how much a soldier knows about his enemy and his environment. This type of intelligence is about to change thanks to augmented reality (AR) whereby all kinds of graphical information is superimposed on the reality that the person is looking at through his or her viewfinder. There is of course the dilemma that the commanders, from their position away from the front line, will receive the same information as the soldier on the front line without being there, and can then issue orders that contradict the instincts of the actor himself, as if they were mere puppets. Chains of command are shortened and autonomy on the battlefield, sometimes so necessary to fight efficiently, is reduced.

The US is working with Microsoft on a type of visor that would display all kinds of information coordinated with the reality around the wearer, in a deal announced in March 2021 worth $21.9 billion and spanning ten years. This instrument, which the US military has named IVAS (Integrated Visual Augmentation System), integrates a GPS, several internal (eye-tracking) and external cameras and is expected to be in use by 2022. Marcel Baltzer of the Fraunhofer Institute, who is involved in an AR project for the German army, acknowledged in The Economist that even the most advanced European militaries (British, German, Dutch, Norwegian) will need at least a decade to develop a visor of this kind.

We entered the 21st century believing that the fledgling democracies of Eastern Europe in the late 1990s and early 2000s were sheltering in the European home against the squalls of autocracy, corruption and “state excesses” that characterised the Soviet Union. The successive clashes between some of these governments and Brussels over the past year, perhaps the most striking being the Polish government’s rebelliousness, seem to indicate a

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50 Saballa, J. Field of view issue delays US next-gen vision goggle deployment. (19 October 2021).
51 The Economist. (25 September 2021). P. 64.
different trend: these countries, entrenched in their pre-EU ways, have imported their storms into EU territory.

Poland renewed its highest court with pro-government judges and in 2021 used this court’s decision to justify its failure to enforce European decisions within its borders because “they are contrary to the Polish constitution and the Polish constitution must prevail”. Hungary has scoffed at European criticism of its respect for the political game, freedom of the press and minority rights. The leaders of these countries, including those of the Czech Republic and Bulgaria, deny wrongdoing, trying to hold on to their seats despite accusations of corruption, embezzlement and abuses of power.

Over the course of 2022, the EU must distribute the hundreds of billions of euros earmarked to help member states get back on their feet after the blow of coronavirus. But if the Commission considers that these funds will not be used in accordance with democratic principles or in line with European values, it would face down criticism with its fists tightly closed.

The year ahead may mark a turning point in how Europe manages its money, both as a carrot and a stick, to bring about democratic change at home. While no gesture will be costless, accommodating the distribution of money with respect for democratic values will be less costly in the long run than accommodating values to the distribution of money.

Freedom of the press

Among the internal issues that Europe will face in the course of 2022, press freedom stands out strongly for its profound ramifications. “We are not concerned that the people think they have a right to overthrow us, we are only concerned that they are tempted to exercise it,” wrote Goethe. Force is on the side of the governed, and rulers of any kind have only opinion on which they base their rule and justify social organisation.

Freedom of the press is part of the “knowledge constitution”52, which Jonathan Rauch of the Brookings Institution defines as a large, decentralised, depersonalised network of fact-checking, including codes of ethics and collegial agreements of the professions and trades, and also unwritten rules. In journalism

these rules might be to prefer on the record to off the record, to seek multiple sources to confirm information, to protect those sources if they wish, and to question the statements of the powerful to check them against the facts. The functioning of social media, the sabotage of certain politicians towards traditional media and infotainment work against this constitution of knowledge.

The data are alarming. Press freedom has declined alarmingly in Central and Eastern European countries⁵³, in many of which democracy is still being consolidated. The fight against the pandemic has included attempts in some countries to control the narrative about the disease by gripping the media. Within the EU, the deterioration in Hungary and Poland is alarming, according to the same study. In Hungary, President Orban has held emergency powers since March 2020 and the dissemination of information deemed false has been criminalised. The Polish government has filed numerous complaints against journalists over the past year, strengthened subsidies to state media and announced new taxes on media advertising.

These events take place in a negative global context for press freedom. According to Freedom House⁵⁴, democracy declined in 2021 for the 16th consecutive year and only one in five people live in democratic countries.

These trends will not be reversed by 2022, which is why it is important for Europe to protect a plurality and quality of media that allows citizens to turn to reliable sources of information when they need it. This will shape your opinion and your vote.

Digitisation

The Roth boy is particularly proud of his stamp collection. He is particularly fond of the 1934 stamps on the National Parks. One day, he has a nightmare. “It was when I looked at the opposite page of the album to see what had happened to my 1934 collection of ten of the National Parks that I fell out of bed and woke up on the floor, this time screaming. [Above each one, [...] printed on everything in America that was bluer, greener and whiter and

we were to keep forever in these pristine reserves was a black swastika.

Europe needs to move towards digital autonomy, not on an isolationist basis, but to keep pace and be able to defend its share among allies. When other more tactical fronts (pandemic, inflation) recede, attempts to define a European digital autonomy will return. It is possible that, given the electoral nature of 2022 for France, Germany, with its historical reluctance towards military and defence interventionism, will take advantage of the opportunity to play this card to its own advantage. The distrust that still exists with the US administration in the wake of the Trump administration will boost the idea of cohesion among Europeans in this regard.

European companies account for less than 4% of the market capitalisation in the 70 largest digital companies in the world, while companies from the US and China account for 73% and 18%, respectively\(^\text{55}\). None of the eight largest cloud service providers is European, compared to 71% in the US. It is time for Europe to tackle the real cost of this.

Ten years ago, European companies raised less than a tenth of the venture capital invested globally even though a quarter of the world’s GDP was European. By 2021, this percentage has almost doubled to 18%, reinforcing the value of many European start-ups, most of them tech start-ups. Europe now has more “unicorn cities” than any other continent, with a total of 65 locations with privately owned start-ups worth over $1 billion\(^\text{56}\).

Despite signs like this and the fact that funds like Sequoia, one of the first investors in Google, Apple and WhatsApp, is opening its first European office in London, Europe has important challenges ahead. The main problem is no longer just a technological one, nor even an economic one, as the Germans and their car industry are well aware. Europe lacks a technological entrepreneurial culture, which facilitates the inflow of money into this sector, and has too much bureaucracy. In 2021, Tesla became worth more on the stock market than VW, Mercedes or Audi. Access to and control of platforms, data, the cloud, algorithms, artificial intelligence (AI), quantum technology and internet infrastructures are already core elements of democratic power and defence. The automotive


industry, household appliances, chemicals and pharmaceuticals, and engineering, all at the core of the European economy, are increasingly relying on software and data. Every large company today is a technology company and is heavily dependent on US and Chinese suppliers.

Internet cables are now as important as oil and gas pipelines, which are vulnerable to geopolitical tensions. Up to 97% of internet traffic and some $10 trillion of financial transactions per day pass through undersea cables, totalling 1.2 million kilometres\(^57\). Who pulls these cables and where and who watches over them is part of digital sovereignty, no more physical, no less real than control over the cloud. In 2022, the EU will once again be faced with the need to defend its telecommunications industry in building and protecting relevant infrastructure against authoritarian governments.

In 2022, Europe will seek to define common objectives, consortia and rules through recommendations to Member States. Ursula von der Leyen’s “Digital Decade” promise of 672.5 billion euros for digital resilience and construction will gain attention. There will be major industry movements in 5G infrastructure, semiconductors, quantum processors, data and cloud, AI, batteries, and hydrogen under the crown of “digital sovereignty”. It is important that Europe participates with one voice in this formation of the global digital scheme, which will be the next world order, thus avoiding algorithmic discrimination.

Three major challenges in shaping this position will be the ethics of technology, especially in terms of AI, sanctions when technological authoritarianism occurs, e.g., in terms of market exclusion, and digital tax non-compliance (fines, export control).

The EU can impact the formation of a democratic technological space given the size of its GDP, for example by limiting access to certain strategic technology by authoritarian countries. OECD countries account for about 50% of world GDP and the EU plus the US for 42% of world GDP and 41% of world trade\(^58\).

It is important for Europe to defend its legacies of social responsibility and transparency, especially to prevent both governments

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and the digital business sphere from being vulnerable to illicit flows of money, which are not unrelated to political extremes, organised crime, and authoritarian regimes whose bites are the wounds from which Europe then bleeds to death.

At the forefront will be the emerging Open-Source Intelligence (OSINT). These are techniques and tools that collect information that is out there, mostly free on the internet, and process it, applying analysis to make it coherent or to draw particular conclusions useful for a given purpose, such as documenting genocide, proving illegal hunting or determining the trajectory of a missile against an aircraft. The decentralised nature of OSINT shatters traditional power (governments, armies, intelligence agencies, big business) and once again jeopardises the privacy of the individual, who is left unprotected.

Cryptocurrencies, like all disruptive technological innovations, will also be under stress in 2022 as central banks lose control and the financial order is challenged. This front will become a battle between the crypto-disruptors, the more conservative tech firms and the traditional system of central banks and the nation state.

**Pandemic**

Philip knows the tight seams that the Depression of ’29 left in the fine middle class. The house is shared by his family with an aunt and an adopted cousin. But just when they thought the situation was difficult, along came Lindbergh to make it worse.

Europeans were satisfied with the management of the pandemic after the summer, before the last wave, considering the development of a common health policy and research to tackle the next health crisis a priority. Only 8% considered restricting internal movements as a consequence of the pandemic. Most respondents said that living with the virus and the measures to curb it have made them rethink their attitudes towards the Union in a positive way, although they would like to see more citizen participation in decision-making.

The relative scientific victory over SARS-CoV-2 is to some extent a European success. Just as the 19th century universal exhibitions demonstrated the value of commodity exchange over and above

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its use-value, as the philosopher Walter Benjamin reflects\(^60\), in post-Covid-19 Europe the value of European exchange is emphasised over and above what is exchanged. In this case, scientific knowledge.

New drugs and vaccines are on the way. The rich world does not really need to worry now about the severity of the virus, but about its social and economic consequences.

This is not the case in poor countries and if the global vaccination campaign is not taken forward, even if for purely selfish reasons to avoid variants emerging, it is likely to slow down the take-off of the international economy, including in Europe.

Two billion doses are already in the arms of humanity and yet there is a huge gap between rich and poor in terms of access to the vaccine. “This virus will not be defeated in a divided world”, said the director general of the World Health Organisation, Tedros Ghebreyesus.

The 2019 coronavirus has magnified a number of new and old inequalities, as well as the question of how prepared we are for the next one. “One of the main lessons of the current pandemic is the importance of addressing the social and economic inequalities associated with poor health outcomes; measures like these will not only improve health status but will increase resilience to future pandemics”\(^61\). The great Benjamin reflects again: Just as Napoleon did not understand the functional nature of the state as an instrument of bourgeois power, so the 19th century architects did not understand the value of iron, the first new building material since the Romans, as a transport revolution that would change Europe (the train).

Little progress is expected in 2022 on transnational commitments to combat the pandemic globally, for example on intellectual property rights, know-how transfer and, above all, access to vaccines. Although insufficient, the COVAX programme (Covid-19 Vaccines Global Access), whose creation is mainly due to the EU, has positioned Europe as a major donor of vaccines\(^62\) and is the basis for a future pandemic treaty, mentioned in the Rome Declaration of

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the Global Health Summit in May and advocated by the European Council.

The pandemic also strengthened European cohesion and cooperation with the post-Covid-19 recovery worth 750 billion euros, including 39 billion euros in aid, or in other words, the transfer of cash to the poorest countries. Considered a success for France, Spain and Italy, it is possible that some points will be questioned in 2022 by governments such as Germany, as mentioned above.

The other European giant, France, will not be able to make a feisty defence due to a few months of open wounds and infighting between the right (Emmanuel Macron; Valérie Pécresse), the socialists/greens/left (Anne Hidalgo, Yannick Jadot) and the trolls of the far right (Marine Le Pen and above all, Eric Zemmour) in an election that will have open and tight results until the end.

Angela Merkel’s executive allowed this fund, rather than supported it. Some believe it was a sign of flexibility in the face of the rigidity of an official debt of 60% maximum and a budget deficit of 3% of GDP, when the European average for debt in the eurozone is 100%. Others interpret it as a contact with reality: economies that have suffered a financial crisis, a euro crisis, a pandemic, and several environmental shocks in the same decade. They cannot go up against the parameters of 30 years ago.

In 2022, the compromise may come through and not by skirting the rules, but more precisely by surrounding them with one-off financial commitments to supplement the Covid-19 recovery funds. For example, a fiscal pact that allows governments to spend more on concrete measures. The savviest German negotiators in Brussels say that a good excel sheet can do more for Europe’s strategic power than dozens of diplomatic meetings, but Europe’s leaders cannot allow the future of the continent (or the planet) to be hidden behind a percentage comma.

Bonus track: Germany

Germany once again lives up to its image as a country of transportation, starting the year with a “traffic light” coalition government that brings together socialists, liberals and greens.

Increasingly promiscuous German voters have forced 14 different types of coalitions in the sixteen Länder, but the four mains parties’ control 85% of the seats, up from 78% in 2017. Despite
this new government, the centre in Germany at least remains, this time a little further to the left than four years ago. The Greens, though new to central government, are part of a dozen coalition governments in Germany and are no longer considered the “party of bans”, as in the 1990s.

The new government, weighed down by an XXL parliament – with the largest number of seats in history due to Germany’s peculiar proportional system – and a novice in several respects (first tripartite since the 1950s; first green government) may not be able to make either agile or difficult decisions. There is a risk of paralysis, with detailed governance arrangements restricting the necessary flexibility in a changing context and incoherence in decision-making. Germany is good at preparation, confident and constructive, but not efficient at disruption and adaptation, two qualities that will be needed in the post-pandemic situation. This will be reflected in the decisions taken during the German G7 presidency, which begins in January.

Two thirds of Germans say that they feel good about their economic situation, which clashes with many analysts’ assessment of their Zukunftfähigkeit, or ability to cope with the future.

Socialist Olaf Scholz’s government has announced that it will meet renewable energy targets (phasing out coal by 2030 in favour of solar and wind), maintain taxes, raise the minimum wage from almost ten to twelve euros per hour, facilitate legal migration channels, reform archaic naturalisation channels for German citizenship, lower the voting age to sixteen and, most crucially for the rest of Europe, respect the deficit brake in the German constitution that limits excesses to 0.35% of GDP. With the Liberals in government and their determination to maintain this cap and not raise taxes, and with a ‘Covid-19 debt’ of 400 billion euros, cuts are likely.

Extraordinary spending will come, but it will be through a battery of measures to avoid these constraints, such as the expansion of the state development bank, the extension of debt payments, financial engineering for deficit recalculation or specific investment funds parallel to the budget, for example to digitise Germany, which has one of the worst internet penetration rates, or the subsidisation of the electric car.

The government programme, with almost two hundred pages and announced at the end of 2021, includes other points that will grab headlines in the coming year once they become law, such as
the legalisation of marijuana and the improvement of the rights of the homosexual and transgender community.

With Angela Merkel’s departure, the CDU leaves power after four governments, with Merkel having been at the helm the longest along with her political godfather, Helmut Kohl. The CDU has been in power for 52 of the 72 years of the current form of government and until the last elections with a share of the vote above 30%, falling to 24% in the last elections (the worst result since World War II).

The failure of Armin Laschet as leader of the group will bring about a profound renewal and generational (and gender) change at the top, starting with a spring election in his home region of North Rhine-Westphalia, the most populous Land of the 16. Three other states will also be the first to deliver early verdicts on the new coalition in their respective regional elections in 2022.

Merkel's shadow will be long. She is the world’s most valued leader according to a 2020 Pew survey. Her four governments have always been coalition governments (three with the SPD and one with the FDP). She has her own Barbie and there is a Pantene Merkel sheet with her collection of jackets in every colour. She has faced major crises such as the 2008 financial meltdown, the ensuing euro shocks, the Russian invasion of Crimea and confrontation with Russia, the massive influx of refugees into Europe in 2015 due to the Syrian war (her famous "this we can do"), the rise of the far right with Pegida and finally, the pandemic. Forbes has named her the most powerful woman in the world for ten years. She was compared to Hitler and Bismarck during the euro crisis, but she leaves amid praise from the rest of Europe’s rulers. She has been one of the few constant faces, the only one with a democratic majority and the only woman to chair EU, G7 and G20 meetings; and during “her watch”, Europe has become less French, definitely less Anglophone, and more German. Germany has gained such power of persuasion that it has become what the New York Times has called the indispensable country.

In addition to its shape and form, there are those who look at how dark this shadow will be. Merkel leaves behind a party that has been beheaded (some accuse her of not preparing the handover, others are grateful that she did not want to continue influencing through an heir apparent) and many difficult problems, which after her long term in office have remained unresolved. The cover of the Economist magazine of 25 September, coinciding with the
general election and the end of his chancellorship, depicts an exhausted eagle, leaning against the shadow of his former self.

Merkel is known at home for her asymmetric demobilisation, depoliticising conflicts, covering them in ashes and thus preventing opposition voters from mobilising. This is also interpreted as “complacency management” especially, as is Merkel’s case, if it is based on a continuous polling of grassroots opinion, and she has been criticised from within her own party ranks for a lack of strategy and vision.

Perhaps Merkel’s real legacy lies not in Germany, but in Europe. He leaves at the helm of an increasingly strong European Commission her former defence minister, Ursula von der Leyen, who, unlike previous commission presidents like José Manuel Barroso and Jean-Claude Junker, looks the European Council in the eye and not from a self-conscious position of a supporting actor. Brussels was on the route of the first trip of the new foreign minister, who immediately changed the background of her Twitter profile to show a photo of herself with the head of European diplomacy, Josep Borrell.

Some have described her as a “walking magnetic field” because of her ability to absorb information and silently influence everything that happens around her63. The antithesis of a politician with a tenacious and patient stamina in negotiations, with a devotion to stable and hard-working personal relationships and predictable reactions, there is Scholz, a man with an executive profile, more risk-taking, a team player, creative and quick to react, according to those who worked with him in the press during the election campaign. It will take him a few months to step away from the legacy left by the woman who until a few months ago was his boss and carve his own path.

The CDU has been losing popularity, not only because of the usual political attrition of 16 years in power and Merkel’s desire not to stand again, but also directly because of the handling of the pandemic, as various scandals involving conservative politicians getting rich thanks to anti-Covid-19 measures (masks, tests) came to light and other European countries, including Spain, took the lead in the vaccination campaign.

Despite the change of government colour, Germany will continue to prefer being a hinge to being a door, a bridge to being a pil-

lar. It will remain the “reluctant hegemon”. Few in Berlin would argue otherwise: Germany does not want a more leading role in the EU because it is itself a delicate balance of sixteen states, so it would not be possible, in German eyes, without breaking the crockery.

In terms of its foreign policy beyond Europe, where strategic prudence and, with Scholz, even more pragmatism will continue to prevail, the Greens will take some hawkish feathers out of this government with regard to Russia and China, although the foreign policy of the three parties overlaps and will not be any different from what has been developed so far. All agree on the need to recalibrate their relations with China, and in fact support for Taiwan’s participation in international organisations has already been made explicit, as was also the case in recent years with the Merkel team.

Germany will also need to reform its very complex tax system (said to be the most book-intensive in Europe), coordinate it with the fiscal needs of the European Union and make progress in the profound transformation that global monetary policy is undergoing. Some of these decisions will require constitutional changes in Germany, which will lead to fierce debates in 2022.

Conclusions

When we sit down to watch the World Cup final in Qatar in December 2022, we will have the answers to many of these questions, but not the most important ones, because they are strategic. Europe knows that its prosperity and security increasingly depend on this in a hybrid geopolitical context in which strategic thinking, so difficult to coordinate with a system in continuous electoral struggle, is increasingly important.

Especially given the changes in the French and German governments, Europe will try to return defensively to its integration policies with its back to the outside world and to deepen its regulation. It should not, however, dismiss globalisation as a mistake to be corrected or advocate a “return of history” that would be impossible. Perhaps the most predictable twist is the French and German fuss being made, given the lack of experience of their respective governments.

On the debit side, Europe must defend its strategic autonomy and work on its role as a balancing component among other powers. This may be the role that Von der Leyen embodies, fleshing out her words of “a stronger Europe in the world” when she came to office in 2019.

An example of this coordination could be the 2021 OECD agreement on the taxation of big tech to act and exercise effective multilateralism, solving problems and not delaying them over time.

In Haber, his background and the huge “opportunity cost”. As far as this exercise in analysis goes, any international policy will be worse if it does not have a European component. Europe has faced a series of challenges so far this century that have called its survival into question on several occasions, from the terrorism of 9/11/11M to Brexit, and each time it has reinvented itself and emerged strengthened by yet another scar. The management of the pandemic versus that of the euro crisis is proof of this. This flexible and metamorphic management of new and more complex crises gives Europe a unique role vis-à-vis other territories, which generates misgivings abroad and at home, sometimes awakening dreams of a glorious national past that can only be repeated in the minds of demagogues.

Europe must put its economic weight to good use in 2022, for example to manage potential conflicts in Eastern Europe and the South Caucasus, which should be resolved creatively and by seeking compromises that will necessarily involve Russia.

The same need for a difficult balancing act must prevail in relations with China, which will remain tense, especially on human rights. No European foreign policy is currently more fragile, nor does it have more influence on global stability.

The management of the pandemic is likely to continue in solidarity within the continent, based on the threads woven so far, and this may have some implications for work on other issues, such as migration and climate change, in the medium term.

The main underlying challenge in Europe is to defend its democracy. Political polarisation, the effects of counter-terrorism and the aftermath of Covid-19 will hinder this crucial work, which requires strong parliaments where debate follows rules that allow it to survive. The population faces a false dilemma between welfare and democracy, in which democracy often loses out. The success of extreme left or right-wing parties is based on knowing
how to offer solidarity to insecure, impoverished and disoriented masses. The extent to which Europe realises this danger will be demonstrated in its decisions.

Europe needs to adapt to the new complex hybrid world, in a combination of protective walls and pacts, or it will disappear, like all communities that have failed to adapt to a changing environment. But it must determine its true progress, taking what is done right as valid and not as new, as an idea that only legitimates what is at the end of a time scale.

Many of the attacks on democracy are “micro-attacks“ and happen in our pockets. Europe needs to accelerate its digitisation in a secure way, by strengthening its defences against cyber-attacks and by being at the decision-making table in this digital world.

The main challenges analysed here are cross-cutting. Almost all the important ones are. Solutions should be as well. Europe must stop thinking in a stagnant way.

I will end again with the German Walter Benjamin, who died an unfortunate death in Girona fleeing the Nazis through Spain. This philosopher warns against the dangers of a linear and simplistic view of history. Fascism, the Jewish Benjamin pointed out, is not the fruit of aberration and exceptionality, a lapse in human progress, but is the logical consequence of evolution, of its moment and its circumstances. Every change need not be an improvement, every stage progress. There are crossroads when a choice has to be made and a path can be taken that does not lead to the benefit of the majority of the population, but to that of the minority that has the capacity to convince or impose. Having the right side of history on one’s side does not guarantee victory.
India, a rising global power and a key player in the Indo-Pacific

Nicolás de Pedro

Abstract:

In a context of growing rivalry between China and the US, India, a nation still in the process of conceiving and defining its grand strategy and aspiring to become a great power, will be instrumental in forging a new balance of power in Asia in the broad sense.

India’s difficult relationship with Pakistan significantly hampers its strategic horizon.

Prime Minister Narendra Modi has given the country an international vocation and renewed ambition. Without renouncing strategic autonomy, it remains to be seen which path New Delhi will choose to become a key country, how it will develop its relationship with China and how far its engagement with the US will go.

Keywords:

India, China, USA US, Pakistan, Asia, Indian Ocean, strategy, global geopolitics.
Introduction

India is set to play a central role in the global geopolitics of this century and is demonstrating a growing international ambition. However, New Delhi is still in the process of devising and defining a grand strategy and its role in the emerging environment of great power competition. Hence, its characterisation as a global power in the making. What seems certain in the context of the growing rivalry between China and the US is that India will be instrumental in forging a new balance of power in Asia in a broad sense. The consolidation of the Indo-Pacific as a geopolitical concept and reality, replacing the Asia-Pacific approach, depends to a large extent on New Delhi’s eventual position and the evolution of its relationship with Washington. And India – with still strong ties to Russia and a vocation for a greater presence in Europe and the Middle East – may also end up playing a relevant role in the Eurasian space.

Since May 2014, under the energetic leadership of Prime Minister Narendra Modi, India’s foreign policy has received a substantial boost. The explicit stated objective is to elevate India to the status of a leading power and not merely a balancing power. In other words, “to convert India from a mere major player in the global order to one with the will and capacity to define the priorities of the international system [...] guided by the ambition to be among those who set the rules (rule-maker) and not among those who must be content to abide by them (rule-taker)”.

This international drive and vocation are characteristic of the Modi government, but its agenda has clear continuities with that of previous cabinets and with the general reformulation of India’s foreign policy which began in the 1990s, when an extended neighbourhood was rediscovered and a rapprochement with the US was initiated. With the revitalisation of the Quad – a quadrilateral security dialogue with Australia, the US and Japan, as well as India, New Delhi is aiming for an increasingly close alignment with Washington in its strategy vis-à-vis Beijing. However, given the debates and competing visions – including

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India’s obsession with ‘strategic autonomy’ – as well as the complexities of India’s strategic thinking and political system, it remains to be seen whether this gamble will be consolidated and subsequently sustained by future governments.

There are two broad consensuses on foreign policy in New Delhi: first, that India must be a key player and protagonist in the 21st century; and second, that the rise of China represents a profound strategic challenge. However, there is no consensus on how to achieve the former, nor on how to address the latter. But all the issues on the agenda, including security and strategic priorities – Pakistan, the US, and Russia – gravitate around these two issues. This chapter provides an overview of India’s foreign policy, starting with a brief overview of its identity, basic parameters and main debates and dilemmas. In addition, there are three specific sections devoted to Pakistan, China and the US, the strategic triangle that defines New Delhi’s external action and its vision of the Indo-Pacific and, to a lesser extent, Eurasia. In all the sections we have opted for synthesis, with a view to facilitating the understanding of fundamental aspects, as opposed to an over-abundance of names and dates. The overall aim is to contribute to a better understanding of India as a strategic actor among the Spanish-speaking audience.

**Essence and basic parameters of India’s foreign policy**

All countries are unique and singular, but some are more singular and unique than others. India is a distinct civilisational space of its own with a continuity that can be traced back to the Vedic culture of the mid-second millennium BC. This, together with the Indian interpretation of their geography and history, are the elements that shape their strategic culture. Thus, looking from New Delhi through these filters, India conceives of a space enclosed to the north by the Himalayan range and its extension to the west by the Hindu Kush, to the east by the Burmese jungle and to the south by the Indian Ocean. An area that is often politically fragmented and extremely ethnically and linguistically diverse, but which Hinduism and, in particular, the caste system have endowed with a shared cultural substratum.

The space that today comprises Bangladesh, Bhutan, Maldives, Nepal, Pakistan, and Sri Lanka is, along with Afghanistan, India’s immediate neighbours and region. A densely populated area with more than 1.7 billion people, but poorly integrated and where
India, a rising global power and a key player in the Indo-Pacific

intra-regional trade barely reaches 5%, with few flights between capitals and poor or non-existent land and rail connections. This is partly, but not entirely, a reflection of difficult political relations, particularly between India and Pakistan. Since the 1970s, the commonly accepted term for this region in diplomatic circles has been South Asia to the detriment of the Indian subcontinent, as New Delhi’s primacy is contested by other neighbours. Ironically, India is itself a term repudiated by Hindu nationalism, which considers it a foreign invention – India is a term of Greek origin. Hindu nationalism uses the name Bharat to refer to India and the expression Akhand Bharat, meaning “undivided India”, to refer to an entity that in its maximalist version would also include Tibet and Myanmar, even going beyond the limits of what had been the Maurya empire of the 4th to 2nd centuries BC.

Until the arrival of the British by sea, India had historically been invaded from the northwest by successive waves of peoples from Persia and Central Asia who crossed the Khyber Pass to reach the fertile plains of the Punjab. The unchallenged hegemony of the British Empire in the Indian Ocean, coupled with the troubled relationship with Pakistan since their independence in August 1947, led India to focus on its land borders and privilege the development of its land army to the detriment of its navy. This approach continued well into the 1990s when India reformulated its foreign policy. In the 70 years since independence, India’s foreign policy can be broadly divided into two main periods: the first from 1947 to 1991, and the second from then to the present day. It is possible that, given the momentum and dynamism introduced by Narendra Modi and the configuration of an environment characterised by competition between major powers, a new period may be possible after 2017, but we do not as yet have sufficient perspective.

The first period from 1947 to 1991 is inextricably linked to the figure of Jawaharlal Nehru and his dynasty (Indira Gandhi and Rajiv Gandhi). Nehru, the architect of India’s political system, prime minister from independence until his death in 1964, was simultaneously foreign minister for the first seventeen years. His imprint is so strong that one speaks of a Nehruvian system or model3. It is a three-pronged model: parliamentary democracy, a heavily state-owned economy and non-alignment in

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foreign policy. The latter referred to the context of the Cold War which, despite the transformation of the international reality, remains in Indian thinking. In foreign policy, Nehru combined an idealistic approach with more pragmatic aspects. Thus, for example, non-alignment made strategic sense insofar as, without the presence of major extra-regional powers, India was the dominant actor in South Asia and was able to obtain economic and technological assistance from both blocs. However, it also had a moral and even moralising component in the context of decolonisation, with India playing a proactive but non-confrontational role. Hence, another characteristic of Indian foreign policy in this period is the so-called strategic restraint. The 1962, war with China was the hardest blow to Nehruvian foreign policy and its aspiration for the Non-Aligned Movement to play a prominent role. As a result of the third Indo-Pakistani war (see below), his daughter Indira would bring India closer to the Soviet bloc, while remaining formally non-aligned.

In the 1990s, successive cracks led to a thorough questioning of the Nehruvian model and laid the foundations for today’s emerging India, both economically and strategically. This includes a greater vocation for leadership in the neighbourhood, as well as the reformulation of an expanded or extended neighbourhood from the east coast of Africa to Southeast Asia via the Persian Gulf and Central Asia. It also includes shifting the almost exclusively land-based focus of the Indian armed forces to the sea, hence the desire and plans for an oceanic (blue water) navy. The foundations for an increasingly close relationship with the US were also laid during this decade. The EU’s international ambitions and vocation are also at the forefront of India’s internationalisation. India’s nuclearisation since 1998 is a further step in its bid to join the elite group of great powers in the international system. Shashi Tharoor sums up this consensus and ambition when he states with conviction that “New Delhi will certainly be among the half-dozen capitals from which the 21st century world will be run”4.

Thus, over the past three decades, debates in New Delhi on strategic issues have recurrently revolved around questions such as: How to address the immediate neighbourhood (in particular, how to resolve the Pakistan issue). What role India-should

India, a rising global power and a key player in the Indo-Pacific

play on the global stage. Whether strategic prudence should be abandoned, and a more proactive approach be taken. Whether India should use its armed forces to project power. Whether strategic alignment with the US or multi-alignment should be pursued. How to deal with a hegemonic China in Asia. And whether the Indo-Pacific should be the linchpin of India’s foreign policy.

Pakistan – an intractable and unresolvable problem?

Pakistan remains the main headache for India’s foreign policy. Despite New Delhi’s evident desire to focus on its rise on the global chessboard, the lingering conflict with Islamabad continues to take up attention and effort. In the seventy years since the partition and independence of both from the British Empire in August 1947, India and Pakistan have fought four wars and have been on the brink on as many occasions. Pakistan, although defeated in all of them, has always been the initiating party. India’s attitude, with few exceptions, has been defensive and reactive. It is also important to note that on the occasions when there has been pre-war tension, it has usually been preceded by Pakistani attacks on Indian territory, often through terrorist actions. The Indo-Pakistani tension ostensibly revolves around the issue of the disputed region of Kashmir, but it is a much deeper and more complex conflict than a territorial dispute. The nuclearisation of the two since May 1998 has not led to a more stable or predictable relationship. It looks set to remain an intractable issue that is unlikely to be resolved and is likely to continue to weigh on India’s international projection.

Pakistan frequently argues that it faces an existential threat from an India with hegemonic and potentially revisionist aspirations regarding the 1947 partition. However, Islamabad’s support, particularly from its military intelligence service – the notorious Inter-Services Intelligence (ISI) – for a whole constellation of Salafi-jihadist inspired terrorist groups since the late 1970s has been undermining the country’s diplomatic support. In particular, from the US which, during its deployment in Afghanistan, suffered from the difficulties of having the bulk of its logistics depend on its access to Pakistani territory, while Islamabad maintained its covert support for the Taliban. Pakistan, however, has the continued backing of China, a relationship forged since the 1960s that has become Islamabad’s
strategic anchor\textsuperscript{5}. This link, coupled with China’s growing presence in the South Asian region, including its projection into the Indian Ocean, is a major source of concern and irritation in New Delhi.

The rivalry with India is also ideological and related to Pakistan’s political system. To this effect, although Pakistan was conceived more as a homeland for South Asian Muslims than as an Islamic state, it has faced identity tensions from its very inception for this very reason. The religious factor is taken as the binding element of diverse ethnic groups – not always well matched – to create a new national identity built against that of India\textsuperscript{6}. Confrontation with India is thus an implicit element of the national discourse. Furthermore, the fact that millions of Muslims – roughly a third of the total at the time of partition – chose to remain in India represented, then and now, a potential ideological challenge to Islamabad. If this were so, the real need for partition should be questioned. And even more so given that the idea of Pakistan as an independent state entity is a latecomer – it did not emerge until the late 1930s – and is driven by the ruling elite of the Muslim League, led by Muhammad Ali Jinnah, not by popular demand. The leaders of Indian independence, with the exception of Gandhi, eventually accepted partition out of sheer pragmatism, but rejected the ideological premise that Hindus and Muslims could not live together in the same country. Not surprisingly, secularism – understood as a defence of state neutrality in the face of plurality and diversity – was one of the pillars of Nehru’s democratic India. Thus, from the perspective of Pakistan’s national identity, there is an underlying element of rivalry with India that is difficult to overcome.

Moreover, as a result of the British policy of privileging recruitment for its colonial army, in the terminology of the time, among the “martial races”, i.e., Muslims and Sikhs, Pakistan inherited a disproportionately large armed forces and officer corps\textsuperscript{7}. This has translated into effective dominance over the country’s political and economic life up to the present day. Regarding the latter, in


2007 Pakistani researcher Ayesa Siddiqa published a book, since widely cited, in which she dissected what she calls “Milbus” (*military business involvement*), the capture of large economic assets by high-ranking officers. This creates a context in which the military has an incentive to maintain tension with India because the supposed existential threat legitimises its dominant position in Pakistan’s political and economic life. Thus, the Pakistani army may not want war, but it does not necessarily want peace either. In other words, it is not strategically interested in reaching a definitive agreement with India. And this is an increasingly widespread view not only in India and among foreign observers, but also among Pakistani civilian sectors eager to move beyond conflict and concentrate energies on the development and modernisation of the country. Thus, Husain Haqqani, a noted Pakistani author and diplomat, notes that while responsibility “rests on both sides of the border (and occasionally on third actors), [the relationship] has become especially entangled by Pakistan’s almost pathological obsession with India”. What French researcher Jean-Luc Racine calls Pakistan’s “India syndrome”.

This syndrome manifests from the partition itself. The first Indo-Pakistani war broke out barely two months after independence was achieved when, at the end of October 1947, the Pakistani army sent thousands of Pashtun volunteers to capture the region of Kashmir, whose maraja, after much hesitation, had opted for the incorporation of his principality into India. About three-quarters of the region’s then four million people were of the Muslim faith, which is why Pakistan felt it should be part of its nascent state. India rejected this approach and responded to the Pakistani attack. Broadly speaking, the current Kashmiri territorial context was fixed by this war. The northern part, Gilgit-Baltistan regions, are under Pakistani control and the southern part, Jammu and the Kashmir Valley, with its capital Srinagar, and Ladakh under Indian control. In addition, there is a strip

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called *Azad Kashmir* (Free Kashmir), theoretically independent but under effective Pakistani control.

This division would not change significantly in the following decades, except as a result of the 1962 war between India and China, which resulted in an unmitigated defeat for New Delhi and the capture of part of the territory of Aksai China, which Beijing has since incorporated. This war prompted the Sino-Pakistani strategic rapprochement – formalised in the 1963 bilateral agreement whereby Islamabad ceded another part of Kashmir territory – and was, in part, a prelude to the second Indo-Pakistani war of August-September 1965. A war of choice motivated by Pakistan's perception of a window of opportunity against an India weakened by its 1962 defeat by China. The fighting was localised on the ceasefire line in Kashmir, later spreading to the Punjab border area. Again, India responded effectively to the initial Pakistani attack. This second war did not produce permanent territorial changes or significant shifts in the parameters of the Indo-Pakistani rivalry.¹²

Unlike the two previous wars, the third war between the two was not fought in Kashmir but in what was then East Pakistan, now Bangladesh. The crisis began for purely internal Pakistani reasons, when the ruling elite in Islamabad – mainly of Punjabi, Urdu and Sindi culture – refused to recognise the victory of a Bengali candidate in the 1970 general elections. Faced with the prospect of having to cede power to him, he opted to launch a massive crackdown that generated a wave of violence so brutal that it triggered an exodus of some 10 million refugees to the territory of West Bengal in India. India concluded that the cost of not intervening was greater than the cost of intervening and did so for thirteen days in December 1971.¹³ This war had a greater strategic impact than previous ones and its consequences, like those of the 1962 Sino-Indian war, still resonate in today's perceptions.

In purely Indo-Pakistani terms, the July 1972 peace accords agreed to rename the ceasefire line in Kashmir to its current *Line of Control (LOC)*. This is relevant because it reflects India’s willingness to achieve a lasting or even final resolution of the

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issue. In fact, Indian Prime Minister Indira Gandhi “would have accepted the LOC as Kashmir’s international border, had Pakistan agreed to it”\textsuperscript{14}. Similarly, despite losing half of its population with the proclamation of Bangladesh’s independence and the brutality deployed against the Bangladeshi population – what the Dhaka government calls genocide because of the hundreds of thousands of people killed – Pakistan would maintain its official discourse as the homeland of South Asian Muslims and its claim to Kashmir under the “two-nation” theory (Hindus versus Muslims).

At the regional and international level, Sino-Pakistani rapprochement and Islamabad’s role as a facilitator of the relationship between Beijing and Washington, coupled with the evident US backing for the Sino-Pakistani relationship, have been a key factor in the Sino-Pakistani rapprochement. The US’s military intervention in Pakistan during the conflict – which included the deployment of a naval battle group in the Bay of Bengal off Kolkata, led by the aircraft carrier USS Enterprise – prompted New Delhi to strengthen its ties with the Soviet Union\textsuperscript{15}. Thus, while formally maintaining its non-aligned status, New Delhi signed a peace, friendship and cooperation treaty with the USSR in August 1971 that brought India much closer to the Soviet orbit. Furthermore, fear of the US and China was the driving force that propelled India’s nuclear programme and led to its first test in May 1974 at Pokhran in the state of Rajasthan. For its part, Pakistan, spurred on by its third defeat by India, took the then-secret decision in January 1972 to develop nuclear weapons\textsuperscript{16}. This programme accelerated after 1974 Indian trial. This was the origin of Pakistani leader Zulfikar Ali Bhutto’s famous statement that they would rather “eat grass” than cut the budget for their atomic programme.

The two nuclear programmes illustrate the different approaches of India and Pakistan. India’s has been developed exclusively with its own means and with a view to achieving great power status that would allow for a more balanced relationship with China and the US. Pakistan’s is developed with uranium imported from Libya, missile technology shared by China and North Korea, and know-how stolen from the Netherlands. But, even more

worryingly, Pakistani nuclear scientists act out of Islamist and deeply anti-India sentiments. And not just the celebrated “father” of the Pakistani bomb, Abdul Qadeer Khan, but others like Samar Mubaekmand, who has publicly boasted that Pakistan has the capacity to “wipe India off the map in a few seconds”\(^\text{17}\). In May 1998, within a week of each other, the two states conducted a series of tests that to all intents and purposes made them nuclear powers. But while India, despite its explicit rejection of the Non-Proliferation Treaty (NPT), would adopt a responsible position in line with the terms of the NPT, Pakistan and its scientists would play a much more worrying role for the international community on nuclear proliferation.

The nuclearisation of India and Pakistan profoundly alters the geopolitical context in South Asia but, as noted, does not translate into a significant change in bilateral dynamics. Pakistani tension, skirmishes and terrorist attacks on Indian soil have continued and even worsened since then. Indeed, the use of terrorism for strategic purposes has been frequent. Since 1977, with the rise to power of General Zia ul-Haq and, two years later, with the start of the Afghan jihad, Islamist groups and terrorist organisations have had a growing presence in Pakistan’s domestic and foreign policy. The Soviet invasion of Afghanistan put Pakistan on the front line of the Cold War, helping both Zia’s political survival and the ensuring that the radicalisation path introduced by his regime received little attention. India would soon suffer the consequences of this drift. Coinciding with the withdrawal of Soviet troops from the Afghan stage in February 1989, what had begun as a sort of Kashmiri intifada quickly mutated into a terrorist insurgency with the infiltration into Indian territory of Pakistani militants from Lashkar-e-Toyba (LeT, Army of the Righteous or Virtuous), Hizb-ul-Mujahideen (HM, Holy Warriors Party) and Jaish-e-Mohammed (JeM, Army of Mohammed). Estimates vary, but between 1990 and 1995 alone the death toll ranges from the 13,000 officially recognised by India to the 50,000 from other sources.

Over the past three decades, in what is a recurring pattern, there have been terrorist and conventional attacks against India aimed at truncating any possibility of normalising the bilateral relationship. Thus, in response to the February 1999 thaw

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launched by Indian Prime Minister Atal Bihari Vajpayee and his Pakistani counterpart Nawaz Sharif, with the former crossing into Pakistani territory through the notorious Wagah border post in Punjab, in May the head of the Pakistani armed forces, General Pervez Musharraf, decided to launch an attack on Indian positions in the Kargil district near the LOC in Kashmir. The fourth Indo-Pakistani war raged from May to July 1999 and pressure from the Clinton administration was key to agreeing a ceasefire. India and Pakistan were militarily engaged within months of becoming nuclear powers, so this was no longer just a localised conventional conflict between two neighbours, but could have escalated into something much more serious quickly and unexpectedly. Years later, Musharraf, as president, would also suffer from this dynamic. Six bombs in the Mumbai metro in July 2006 that killed 209 people and injured more than 650 others cut short what Musharraf, a year earlier in New Delhi, had called an “irreversible peace process”\(^{18}\).

This practice of using terrorism for strategic purposes has included audacious attacks such as the attempted assaults by suicide commandos on the Srinagar Legislative Assembly on 1 October 2001 and the Lok Sabha, the lower house of parliament, in New Delhi on 13 December 2001. These attacks led to a general mobilisation in India, who positioned its forces on the border with Pakistan, which in turn served as an excuse for the Pakistani army to reposition its forces from the Afghan border where they had been placed to seal the mountain passes. The initial US Special Forces operation in Afghanistan against the Taliban and al-Qaeda – including the possible capture of Osama Bin Laden – failed because when the border with Pakistan’s tribal areas was left exposed. To this effect, these attacks, particularly the one in New Delhi, had a profound and lasting impact. The question arises as to whether the US would have remained in Afghanistan to capture Bin Laden in 2001-2002. India and Pakistan remained on the brink of war until June 2002 when, under pressure from US Secretary of State Colin Powell, New Delhi agreed to demobilise its army.

The accession to power in September 2008 of Asif Ali Zardari, widower of Benazir Bhuto – assassinated on 27 December 2007 – was preceded by the attack on the Indian embassy in Kabul on 7 July 2008 killing 58 people and wounding 141. Furthermore,

just two months later, on 26 November 2008, one of the most serious attacks took place when ten LeT terrorists from Pakistan laid siege to the city of Mumbai for three long days, killing nearly 200 people. The real-time interception of the terrorists’ communications with their handlers in Karachi, together with the confession of the only militant captured alive, provided solid proof of the responsibility of the Pakistani establishment. This attack completely derailed Zardari’s stated intention to make progress in dialogue with India and damaged Pakistan’s already tarnished image. As the then Secretary of State Condoleezza Rice declared, “concentrating your energies on an Indian threat that does not exist is a colossal mistake. Pakistan has to make a strategic decision that the partnership with terrorists must end”.

The Pakistani military has thus used either terrorist groups or has provoked tensions and military clashes to derail all attempts at normalisation with India. This reinforces the hypothesis of the army’s strategic disinterest in achieving a lasting and stable peace with India. This is why, as Professor Christine Fair points out, the two cannot be equated. Moreover, “to characterise India and Pakistan as equally responsible is not only empirically incorrect but contributes to the root of the problem: Pakistan’s behaviour [...] India has acted with remarkable restraint despite decades of Pakistani provocation [...] The only parties who benefit from this view of the Indo-Pakistan dispute are the Pakistani military and its terrorist proxies”. And indeed, as former Indian National Security Adviser Shivshankar Menon points out, it is significant that “Lashkar-e-Toyba, unlike other terrorist groups, has never attacked Pakistani targets”.

The Narendra Modi government’s attempt to relaunch talks with Pakistan has, like previous attempts, been met with a response in the form of cross-border terrorist attacks. Nothing new in this respect. However, on 29 September 2016, ten days after a terrorist attack on India’s Uri base in Kashmir, the Indian army conducted, for the first time, a retaliatory action against a terrorist camp located beyond the Line of Control. What New Delhi called a “successful surgical intervention” caused stupefaction in

Islamabad because for the first time in decades they appeared not to be taking the lead in the dispute. In India, it generated enthusiasm in many quarters that had become jaded by New Delhi’s traditional strategic prudence in the face of Pakistani terrorism\(^\text{22}\). However, this policy carries serious risks and has not been sustained. Consequently, the India-Pakistan bilateral framework remains unchanged and the key variable to consider from the Indian perspective is the relationship with China.

**China: the great strategic challenge**

If Pakistan remains the big headache, China is the big strategic concern for India. And the two converge given the strong bond between Beijing and Islamabad, traditionally defined by Chinese diplomacy as “higher than the Himalayas and deeper than the ocean” and, a few years ago, by then Pakistani Prime Minister Nawaz Shariff as “sweeter than honey”. Likewise, China’s growing projection into the neighbourhood, including the Indo-Pacific, coupled with Beijing’s increasingly assertive policy, is a source of concern in New Delhi and is the main fuel for the rapprochement with Washington and India’s greater willingness to embrace the Quad and the Indo-Pacific idea in recent years. However, while India welcomes the containment of Beijing, it does not want to be – for fear of paying too high a price – either the first or at the foremost of the frontline that is taking shape. Similarly, New Delhi’s traditional commitment to ‘strategic autonomy’ and preference for a multipolar environment are still very much present and explain the caution and, at times, apparent ambiguities in Indian foreign policy including, for example, its ties with Russia and Iran or New Delhi’s unwillingness to fly the flag for the defence of democracy beyond its borders.

China and India are the great countries and protagonists of the so-called Asian century, but they have little or nothing in common and, historically speaking, have not perceived each other as neighbours until very recently. Thus, although both countries trace their civilisational roots back several millennia, it was not until India’s independence in August 1947 and the establishment of the People’s Republic of China in October 1949 that they began to have a more intense and mutually relevant relationship. In the

early years, Nehru pursued a policy of enthusiastic rapproche-
ment towards Beijing, who was initially more cautious. Nehru’s
enthusiasm was reflected in the slogan *Hindi-Chini Bhai-Bhai*
(Indians and Chinese are brothers). One of the underlying issues
for Beijing’s caution was its rejection of the border demarcation
in Tibet inherited from the British Raj – the so-called McMahon
line, which China describes as an illegal vestige of colonialism.
However, there was a first period of rapprochement that included
Nehru’s visit to Beijing in 1954 where, according to chronicles of
the time, a million Chinese citizens took to the streets to welcome
him. Chinese Premier Zhou Enlai returned the visit the same year.
And the two leaders, together with others such as Tito, Nasser
and Sukarno, designed the so-called Non-Aligned Movement,
formally established in Belgrade in 1961. Its spirit, condensed
in the idea of peaceful coexistence, was quickly shattered by the
Sino-Indian war of 1962 and the subsequent Chinese nuclear
detonation of 1964.

China’s annexation of Tibet in 1950 meant that for the first time
in history there was a Chinese military presence on the border
with India, and the 1959 Tibetan uprising acted as a preamble
to the 1962 confrontation. Since this uprising, India has hosted
the Dalai Lama and the Tibetan government in exile and some
100,000 Tibetans. New Delhi allows them to stay in Dharamsala,
in the foothills of the Indian Himalayas, but not to engage in polit-
cal activities that openly question China’s territorial integrity –
which India does not question. The Sino-Indian war, which lasted
from October to November 1962, resulted in a humiliating defeat
for New Delhi. India was overwhelmed by the Chinese army, so
much so that – fearing that China might attempt an assault on
the capital – Nehru asked for the intervention and assistance
of the US President, J.F. Kennedy. China has since occupied a
portion of what was then part of Indian Kashmir. However, they
withdrew from large parts of the border areas they had occupied
during their offensive. The traumatic memory of this war is still
very much present in Indian strategic thinking. It is also one of
the driving forces behind the rapprochement between Islamabad
and Beijing. To this effect, during the Indo-Pakistani wars of 1965
and 1971, discussed in the previous section, China not only sup-
plied military equipment to Islamabad, but threatened to open
another front with India in Sikkim or Arunachal Pradesh – what
Beijing calls and claims is southern Tibet. Moreover, Sino-US
rapprochement was initially articulated through Pakistan, which
in turn led to Indo-Russian rapprochement (following the Sino-
India, a rising global power and a key player in the Indo-Pacific

Soviet armed clashes of 1969) and the signing of the 1971 Treaty referred to above. Thus, an alliance between Pakistan, China and the US was taking shape. The Cold War was a major issue in South Asia’s relations with the US and in relations between India and the Soviet Union, bringing South Asia fully into the dynamics of the Cold War.

The Sino-Indian bilateral relationship began to thaw in the second half of the 1980s with the visit of Indian Prime Minister Rajiv Gandhi – Indira’s son and Nehru’s grandson – to Beijing in November 1988 to meet with Deng Xiaoping. Chinese Prime Minister Li Peng returned the visit in 1991, and thirty years later, China and India once again exchanged meetings at the level of heads of government. The interest of both sides led to the signing of the so-called Border Peace and Tranquillity Agreement in September 1993. This agreement does not resolve the border dispute but builds on the willingness of the parties to find a modus vivendi and on the conceptual distinction between boundary and border zone. The first would be “the line agreed by the two states and normally delineated on maps and demarcated on the ground by both sides. A border, on the other hand, is an area between two states, nations or civilisations and is often also an area where peoples, nations and cultures intermingle and are in contact”.

This agreement is a continuation of the 1996 Military Confidence Building Measures Agreement. It is worth noting that, in the same year, China signed a similar agreement with Russia, Kazakhstan, Kyrgyzstan and Tajikistan, which was the seed of the future Shanghai Cooperation Organisation, which India would join as a full member in 2017. However, unlike the agreement with India, Beijing did resolve the border issue with the successor states of the USSR and also with Myanmar, whose bilateral border was also that of the British McMahon line, demonstrating China’s flexible approach to the issue. In any case, until recently the 1993 agreement was viewed with reasonable satisfaction in New Delhi because it was, after all, “the most peaceful border in the last thirty years, with no armed incidents or cross-border terrorism”.

This cooperative climate is reflected in booming bilateral trade and an increasingly fluid rapprochement. So much so that, for

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years, the idea of *Chindia* – that is, China and India together “with special emphasis on the mutually complementary nature of their economies and the rapprochement and convergence in their foreign policy and strategic interests” – was hotly debated\(^{25}\). The climax of this cooperation was perhaps reached during a bilateral meeting of prime ministers in 2005 in which Manmohan Singh indicated that “together, India and China can shape the world”. However, the relationship has progressively deteriorated since then and has again gravitated towards the border issue. For example, since 2010, China has placed the visa and stamp for Indian citizens in Kashmir on a separate page of their passports, implying that it does not recognise Indian sovereignty over the territory\(^{26}\). Added to this is China’s construction of infrastructure in Pakistan-administered Kashmir – which, according to some sources, could include the permanent deployment of Chinese troops. Indian strategic mistrust is fuelled by the “suspicion that China wishes to use [India’s] troublesome neighbour to contain its regional, let alone global, aspirations”\(^{27}\).

In addition, there is Beijing’s increasing projection into the wider Indian neighbourhood, including the Indo-Pacific in what is known as the “String of Pearls”, a series of ports for constructed and used by the Chinese, potentially also for possible military or intelligence gathering. There are several in India’s immediate neighbourhood: Hambantota in Sri Lanka; Chittagong and Mongla in Bangladesh; and Gwadar in Pakistan. The latter is part of what is known as the China-Pakistan Economic Corridor (CPEC) and is of particular concern to New Delhi. The CPEC, with an estimated budget of $46 billion, aims to connect Gwadar, a deep-water port in the Arabian Sea, with China’s southern Xinjiang to transport both piped oil and gas as well as goods. Beijing insists on the purely commercial nature of this project and others under the umbrella of the Belt and Road Initiative (BRI), but India is wary of their strategic impact. From New Delhi’s perspective, the BRI potentially ‘closes’ India’s access to the Eurasian space and does not offer a balanced environment, but one that is clearly favourable to China and its state-owned companies. For these reasons, for years India has sought to develop the Iranian


port of Chabahar, less than 100 kilometres from Gwadar, as a possible overland access route to Afghanistan and Central Asia. India’s limited financial muscle has so far prevented significant development of this project. What is more, in November 2020, India explicitly refused to join the BRI framework.

All this, despite the fact that Narendra Modi’s initial intention when she came to power in May 2014 was to articulate a friendly and cooperative bilateral relationship, giving primacy to economic aspects. Modi had already visited China on several occasions as Chief Minister of Gujarat and had displayed her admiration for the Chinese model of development, especially in infrastructure. Her intention was to increase trade – redressing the strong imbalance in favour of the Chinese side – and to attract investment from Beijing under the Make in India programme launched by her government. President Xi Jinping’s visit to India (September 2014) and Modi’s subsequent visit to China (May 2015) were full of symbolic gestures and agreements in this regard. However, China’s continued diplomatic cover for Pakistan in the UN Security Council, as well as the start of a new cycle of tensions and recurrent border skirmishes since the summer of 2017, have cooled the relationship and spurred New Delhi’s desire to strengthen its ties with the US. The US and its allies in the Indo-Pacific. In stark contrast to Singh’s enthusiastic statement ten years earlier, during his joint press conference with Chinese Premier Li Keqiang in May 2015 in Beijing, Modi said that “both of us must be sensitive to each other’s interests”. A clear warning of New Delhi’s irritation with Beijing.

The USA: Natural ally and opening to the Indo-Pacific?

One clear consequence of this irritation has been the strengthening of ties with Washington, although the rethinking of the relationship with the US had actually started in the 1990s. It is, in fact, one of the most notable changes from previous decades. Before the rift caused by Sino-US rapprochement and support for Pakistan during the Bangladesh liberation war in 1971, and despite Nehru’s commitment to non-alignment, he had sought a kind of special relationship with the US. India was interested in accessing technology, economic aid, academic cooperation, etc. but had little success given the Cold War context and India’s continued closed economy. The collapse of the Soviet Union in 1991, the collapse of India’s public finances in the same year, and the shaping of a new global strategic environment, pushed New Delhi into a difficult adaptation.
It was all the more difficult given that the central issue on the bilateral agenda between India and the US in the 1990s was India’s nuclearisation. In 1989, faced with little interest in his proposal to eliminate nuclear weapons in South Asia – i.e., to stop the Pakistani programme and the possible deployment of Chinese nuclear weapons – Rajiv Gandhi called for reviving India’s nuclear programme, which had been dormant since the 1974 test\textsuperscript{28}. The announced extension of the Non-Proliferation Treaty (NPT) from 1995, to which India was not a signatory and which it described as “nuclear apartheid”, together with the adoption of the Comprehensive Nuclear Test Ban Treaty in 1996, accelerated Indian preparations, despite warnings of serious consequences from the US. The Indian trial in May 1998, two weeks after Atal Bihari Vajapayee of the BJP came to power, sparked a wave of patriotic fervour in India and strained relations with Washington.

Predictably, the US swiftly imposed sanctions on India. Ironically, however, nuclearisation was to be the vector for the dialogue that would culminate after a few years in an unprecedented strategic rapprochement. The thaw began with President Clinton’s week-long visit in March 2000, but it was under the administration of George Bush Jr. that the real transformation took place. During his tenure, India’s place in US strategic thinking would change dramatically. India would increasingly be perceived in Washington as the best counterweight to China in Asia and a natural ally of the US. The narrative of rapprochement between the “oldest and most populous” democracy would take shape, leading to what was known as de-hyphenation, or in other words, India no longer always being followed by Pakistan, linked by a hyphen, but becoming an actor in its own right in the US strategic dialogue. Pakistan, on the other hand, and to Islamabad’s chagrin, would be progressively subsumed under the Af-Pak acronym.

In March 2005, the then Secretary of State, Condoleezza Rice, announced an unusual and historic US decision: to help India “to become a great power”. This would involve a broad strategic dialogue that would include enhancing Indian military capabilities in sensitive areas such as missiles and cutting-edge technologies. The US plan included acceptance and normalisation of India’s civilian nuclear programme. Thus, far from making it a pariah, nuclearisation had elevated India’s strategic weight

not only in the eyes of China, but also in those of the US. This explains why “Washington employed extraordinary political capital to secure both congressional consent to amend US domestic law and the agreement within the Nuclear Suppliers Group (NSG) to enable India’s global nuclear trade”\(^{29}\). On 18 July 2005, during his visit to Washington, Indian Prime Minister Manmohan Singh and President Bush presented a joint statement officially ending the three-decade moratorium on nuclear trade\(^{30}\). Critics in the US argued that the agreement with India would harm non-proliferation efforts. But the fact is that India has also become a de facto actor contributing to the NPT’s robustness without being a formal member.

Despite this extraordinary initial momentum, the bilateral relationship did not advance as quickly as expected and even seemed to stagnate during the Obama administration. This was partly for domestic political reasons, with Manmohan Singh reluctant to go much further during his second government for fear of losing the support of some members of his parliamentary coalition; and partly because while President Obama offered, for example, support for New Delhi’s aspiration to become a permanent member of the Security Council during his November 2010 address to a session of the Indian parliament, the de-emphasis on Chinese containment by his administration subsequently tempered interest in New Delhi. This was compounded by American frustration with the slow pace of reform in New Delhi and difficulties in advancing the strategic partnership with India. A well-known and symbolic example was the Indian decision not to consider either the F18 or the F16 among the finalists for a large procurement contract for more than 100 fighter-bombers. Finally, it was a European duel between the Rafale and the Eurofighter, sharpening the incomprehension and irritation of many in Washington at what they perceived as a lack of Indian reciprocity for US largesse.

The coming to power of Narendra Modi in May 2014 was a further boost to the bilateral relationship. During his trip to New York to attend the UN General Assembly in September of the same year, Modi met with Obama at the White House. At the time, this was


not a foregone conclusion. Modi had been subject to the US visa ban for years because of the communal violence that had rocked Gujarat in 2002, with many voices from within Hindu nationalism emerging calling to make the Americans pay for it now. However, Modi did not miss the opportunity. Another highlight of this trip, and one that would become a constant, was the meeting organised with the Indian diaspora in a packed Madison Square Garden in New York. The Modi government has been keen to incorporate Indian diasporas in the design of its external action. Undoubtedly, they are a great asset for the country and can be found in many different places. In the USA, they are the ethnic group with the highest average per capita income, with important representatives in the US political, business and diplomatic arenas.

The arrival of Donald Trump raised doubts about maintaining what is known as US “strategic altruism” in relation to India. The results of his administration are mixed. On the one hand, Trump’s transactional approach to international relations had less impact than expected, although in late 2018 he called India the ‘tariff king’. But this was offset by the obvious personal chemistry between Modi and Trump. Their bilateral meetings were accompanied by a number of large-scale events. The first, in September 2019, brought together 50,000 people in Houston – many of them from the Indo-American diaspora, serving to also demonstrate the relevance of this group from an electoral angle. In his speech, Modi was flattering about Trump to the point of adulation. In the words of the Indian leader, a “warm, friendly, approachable, energetic man, full of wit and a true friend of India”31. In the second, in February 2020, Modi again appealed to the masses to seduce Trump, drawing some 100,000 people in Gujarat, who cheered enthusiastically for the US leader.

Trump’s emphasis on China and his focus on the Indo-Pacific as the concept and main stage of this strategic competition also pointed to a tightening of the bilateral relationship. In February 2015, when Obama was still in the White House, India and the US signed a shared strategic vision document for the Asia-Pacific and Indian Ocean region. Note that the region is spoken of in the singular, but still with two spaces, Asia-Pacific and the Indian Ocean32. For its part, India set it own objective “to ensure free-

India, a rising global power and a key player in the Indo-Pacific
dom of navigation and overflight throughout the region, especially in the South China Sea”. In November 2019, during the Trump Administration, the State Department adopted the document *A free and open Indo-Pacific. Advancing a shared vision* and, in June of the same year, the Department of Defense adopted its *Indo-Pacific Strategy Report*. India features prominently in both documents. The State Department’s explicitly stated that a “strong partnership is vital to the Indo-Pacific vision of the US”. For its part, the Defence Department is committed to operationalising the June 2016 agreement whereby India acquires the status of “major defence partner”, a unique status that seeks to elevate the partnership to the same level as that of the US’s closest allies.

Despite all this, the relationship is not progressing as expected, and not entirely for the reasons one might expect. To this effect, the questioning of NATO and engagement with its closest allies raises doubts in New Delhi. If Washington can ignore its commitments to longstanding allies, what should India expect in the event of a major crisis with China? The same applies to the US president’s initiatives with North Korea without consulting South Korea or Japan. Thus, in June 2018, during a speech, Modi relaunched the idea of “strategic autonomy” as a way of nurturing the relationship with the US, but without confronting Russia or China. In the opinion of Robert Blackwill and Ashley Tellis – two of the people who have contributed most from without and within the Administration to the strengthening of the Indo-US link – Modi’s revival of this idea reflected “India’s crisis of confidence in Trump’s America as a security partner”.

office/2015/01/25/us-india-joint-strategic-vision-asia-pacific-and-indian-ocean-region#:~:text=As%20the%20leaders%20of%20the,on%20a%20joint%20Strategic%20Vision


Robert Blackwill was US Ambassador to India from 2001 to 2003 and Ashley J. Tellis was his and the Deputy Secretary of State’s advisor. Both have long track records in Washington think tanks and both played a key role in reshaping the US perspective on India and the 2005 civil nuclear deal.

India, however, has remained committed to the Indo-Pacific, while remaining ambiguous about explicitly containing China and not closing the door on relations with countries like Russia and Iran, which are themselves at odds with Washington. The growing adoption of the Indo-Pacific as a conceptual framework for Indian foreign policy is another major transformation, also originating in the 1990s. It means moving from decades of an exclusively terrestrial approach to its problematic immediate neighbours to a maritime and expanded one.

The then prime minister, Inder Kumar Gujral, first referred to the “extended neighbourhood” in 1997, initially to refer to the countries bordering the Bay of Bengal and its connection with Southeast Asia. This vision would be expanded to include the Persian Gulf area, the East African coast and Central Asia. In other words, conceptualising and addressing of an area where the main energy suppliers (the Gulf, Africa and Central Asia), the largest trading and financial partners (the Gulf and ASEAN), and the most serious challenges and threats (Pakistan and China) are located. This new vision will be further consolidated with the 2004 Indian Maritime Doctrine and the 2007 Indian Maritime Military Strategy. These documents reflect New Delhi’s aspiration to move from coastal control to an oceanic navy capable of projecting itself throughout the Indian Ocean37.

This vocation also includes the promotion of and participation in multilateral for such as the Indian Ocean Rim Association (IORA), created in March 1997 under the leadership of Nelson Mandela’s South Africa and with India as a founding member. The association has a wide range of aims, but primarily the promotion of trade and economic relations. It currently has 22 members, ten dialogue partners and a permanent secretariat in Mauritius38. Similarly, India is driving the Bay of Bengal Multi-Sectoral Tech-

38 The twenty-two members are: Australia, Bangladesh, Comoros, India, Indonesia, Iran, Kenya, Madagascar, Malaysia, Maldives, Mauritius, Mozambique, Oman, Seychelles, Singapore, Somalia, South Africa, Sri Lanka, Tanzania, Thailand, United Arab Emirates, United Arab Emirates and Yemen. The two most notable absences, both for political reasons, are Pakistan and Myanmar. The dialogue partners are: Germany, China, South Korea, Egypt, the US, France, Italy, Japan, Turkey and the United Kingdom. The Partnership has two specialised agencies: the Regional Centre for Science and Technology Transfer, based in Tehran; and the Fisheries Support Unit, based in Muscat. There are also two observatories under the umbrella of IORA: the Indian Ocean Research Group and the Indian Ocean Marine Science Association.
India, a rising global power and a key player in the Indo-Pacific

tical and Economic Cooperation (BIMSTEC) initiative involving Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, and Thailand, with its secretariat in Dhaka. BIMSTEC, also established in 1997, seeks to set aside geopolitical issues and focus its efforts on improving connectivity and regional economic development. Both forums lost momentum soon after their creation but have been breathed new life in recent years, coinciding with the increased interest of India and other members. In Indian affairs, Modi also seeks to capitalise on Indian diasporas in the countries of the East African coast, particularly Kenya and Tanzania, and also in Southeast Asia, with an emphasis on Malaysia and Singapore.

Also, worthy of mention is the development of an air base on Nicobar Island which, together with the Andamans, allows India to control the western exit of the strategic Strait of Malacca and, as in British times, to aspire to dominate the Bay of Bengal. New Delhi has also reached agreements with the Seychelles and Mauritius on surveillance and patrol of their waters, as well as on use of and access to France’s large naval base in Réunion, thus multiplying India’s projection options in the western Indian Ocean, where it is also building a comprehensive radar infrastructure. All of this reflects India’s ambition in the Indian Ocean. In his 2003 seminal work Crossing the Rubicon, leading Indian analyst C. Raja Mohan recovered a 1909 quote from Lord Curzon – Viceroy and Governor General of India from 1899 to 1905 among other high offices in his career – which went like this: “In the west, India must exert predominant influence over the fate of Persia and Afghanistan; in the north, it can veto any rival in Tibet; in the northeast it can exert great pressure on China; and it is one of the guarantors of Siam’s [Thailand’s] autonomous existence. On the high seas it dominates the routes to Australia and the China Seas”39. Indeed, its eponymous character reinforces the Indian perception of its “natural” right to dominate an ocean that bears its name. Hence, the irritation in New Delhi when Chinese authors or diplomats questions this by quoting the tongue twister that the Indian Ocean is not an Indian Ocean.

The Quadrilateral (or Quad) Dialogue is the most ambitious initiative in which India takes part. It had a first, short-lived phase in 2006-2007 and in 2017 it was relaunched with much greater impetus and has accelerated in recent months. The

Quad has its antecedents in the so-called 2004-205 Tsunami Core Group established by US, Japanese, Australian and Indian officials to coordinate their response to December 2004’s Indian Ocean tsunami. Japanese Prime Minister Shinzo Abe was clearly the driving force behind the forum and the first to publicly refer to the Indo-Pacific as a strategic concept because of the “confluence of the two oceans”. New Delhi and Tokyo had signed a joint declaration in 2006 which, without using the term, was along these lines. However, New Delhi remained cautious during this first stage. The then prime minister, Manmohan Singh, needed the support of the communists to sustain his coalition government, who were already hostile to the civil nuclear deal with the US. Singh did not want to open any more internal fronts. New Delhi also harboured the expectation – frustrated to this day – that China would block its access to the Nuclear Suppliers Group (NSG), so it would rather not irritate Beijing. But, above all, there were serious doubts about Australia’s then position. In November 2007, Kevin Rudd, a critic of the Quad, became Australia’s prime minister, and in February 2008 during a joint press conference with his Chinese counterpart, his foreign minister announced that Canberra would no longer be participating in the Quad.

India’s relationship with Australia and Australia’s relationship with China is a good reflection of how the strategic environment in the Indo-Pacific has evolved over the past three decades. The Australian government had called the Indian nuclear tests of May 1998 an “intolerable act” and a “grotesque status symbol”, imposing sanctions and ceasing bilateral cooperation in all areas except humanitarian affairs. However, two years later – in the wake of the normalisation of relations with the US – the then Prime Minister, John Howard, visited New Delhi. Contrarily, the progressive deterioration of the relationship with an increasingly aggressive China since 2014 – exacerbated during the Covid pandemic – has led Australia to stop considering Beijing as a partner and now perceives it as its main threat. An obvious by-product of this is that New Delhi “has emerged as a bipartisan priority in Australia’s foreign policy [...] the prevailing view is that India is a natural geopolitical ally”40. In June 2020, Australia and India signed a comprehensive strategic partnership agreement.

Similarly, India has enjoyed bipartisan consensus in Washington for more than a decade, and this approach has not only been maintained but reinforced under the current administration of Joe Biden. In March 2021, a meeting of the Quad foreign ministers took place, at which a joint declaration was issued for the first time: “United in a shared vision for a free and open Indo-Pacific.” In other words, a veiled allusion to China, the main binding vector of the Quad members. Furthermore, in September 2021, the Quad leaders – Joe Biden, Narendra Modi, Scott Morrison and then Yoshihide Suga – met at the White House, clearly signalling the willingness of the four to strengthen their cooperation within this framework.

Despite the high expectations and New Delhi’s undoubted interest in strengthening this link, a few points should be borne in mind. First, that India will maintain a calculated ambiguity, seek trade-offs with other actors (Russia, Iran, France) for as long as possible, and avoid the Quad explicitly presenting itself as a kind of anti-China coalition, let alone an “Asian NATO”. To this effect, at the annual strategic affairs conference, Raisina Dialogue, held in January 2019, Foreign Secretary Vijay Gokhale indicated that “India has abandoned its non-alignment of the past. India is today an aligned state, but – he clarified – based on the issues.” A year earlier in Singapore, Prime Minister Modi had advocated a “free, open and inclusive Indian Ocean”, the word “inclusive” introducing a small but relevant nuance, insofar as for New Delhi it leaves the door open to other actors. Contrary to what might perhaps be expected, the strategy approved by the Trump administration does include mention of an ‘inclusive’ Indo-Pacific, albeit in reference to Nepal, Sri Lanka, Bangladesh and the Maldives.

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While the Biden administration’s document does not include the term once, it does appear in the March 2021 joint statement when referring to the vocation to achieve a region that is “free, open, inclusive, healthy, anchored in democratic values and free from coercion”.

India is not particularly comfortable with the idea of an “alliance of democracies” either, even though it has joined the so-called D10 (Democracy 10). This forum – still in the formative stages and, in part, a revamped version of the State Department-driven D10 Strategic Forum launched by the Atlantic Council in 2014 – brings together the members of the G7 (Canada, Germany, the USA, France, Italy, Japan and the UK) plus India, Australia, New Zealand and South Korea. However, in New Delhi – and despite being a vibrant democracy – its post-colonial or Global South identity and its rigid conception of sovereignty that some describe as “sovereignty hawk” weigh more. India’s conception of the Indian Ocean is broad, stretching from the east coast of Africa to the west and south Pacific, and including portions of the Middle East and occasionally the Russian Far East coast. This contrasts with the view of the US, Australia and Japan, for whom the Indian Ocean ends in India. Thus, for example, the US Indo-Pacific Command (INDOPACOM) covers the area up to the Indian west coast, while other sections of the ocean are covered by the Central Command (CENTCOM) and the Africa Command (AFRICOM). Different maps and conceptions often generate different perceptions and policies.

Last, it is important to never lose sight of the deep-rooted and cross-cutting nature of India’s commitment to strategic autonomy. Thus, for example, Teresita C. Schaffer and Howard B. Schaffer state that “India aspires to take its place among those who run the world […] it does not seek to conquer new territories but to prevent others from limiting India’s strategic autonomy or regional primacy”. Thus, considering India’s current commitment to the Quad, formerly the BRICS, and its insistence on joining the Shanghai Cooperation Organisation (SCO), Indian analyst C. Raja Mohan points out that the Quad is “part of India’s response to the extraordinary challenge posed by China. The BRICS were part of the Cold War. Delhi’s current enthusiasm for the Quad is about

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limiting the dangers of a unipolar Asia dominated by China”\textsuperscript{47}. India’s ambivalent response to the AUKUS issue, the trilateral defence agreement between Australia, the US and the UK, and New Delhi’s constant winks at Russia must be interpreted in this line.

Even though Russia has often reiterated its opposition to the Quad and the Indo-Pacific concept as instruments of Chinese containment, India has not given up on them. For example, during his visit to Russia in July 2021, Indian Foreign Minister S. Jaishankar stressed New Delhi’s hope for a more active Russian presence and engagement in the Indo-Pacific. To achieve this, India is setting their hopes on the opening of a Chennai-Vladivostok Sea route in line with Moscow’s Asia pivot efforts following its post-Crimea break with the West. From New Delhi’s perspective, Russia’s break with Europe and the US is not good because they assume it will drive Moscow into the China’s arms. Hence, his insistence on incorporating Russia as much as possible into his Indo-Pacific approach. It also explains New Delhi’s tacit alignment with Moscow over Russia’s invasion of Ukraine.

The AUKUS, meanwhile, has generated mixed reactions among the expert community in New Delhi. The pact explicitly states its intention to deter China and this is useful for New Delhi because it expands its options and bargaining power vis-à-vis Beijing. It also opens a window of opportunity for closer strategic collaboration with France, which New Delhi already considered a key partner in the Indo-Pacific. The official Indian reaction to the AUKUS announcement also followed this line of calculated ambiguity. Foreign Secretary Vardhan Singh said the pact was “not relevant to the Quad, nor would it have any impact on its functioning”. In fact, it helps the Quad’s agenda insofar as it allows it to maintain a broad cooperation agenda and reduces pressure to adopt an explicitly anti-China tone. However, the impression that France, a NATO member, has been ignored, as has happened more than once in recent years, has strengthened the voices of those in New Delhi who doubt the reliability of the US as a security partner. This in turn reinforces India’s belief in the desirability of diversifying its security and defence cooperation, and this is where Russia plays a key role. Similarly, among Indian strategists “there

\textsuperscript{47} Raja Mohan, C. (16 March 2021). The Quad’s importance to India’s strategic autonomy. The Indian Express. https://indianexpress.com/article/opinion/columns/quad-summit-india-china-relations-brics-nations-7229861/
are fears that the pact will lead to a build-up of nuclear attack submarines in the eastern Indian Ocean, eroding India’s regional pre-eminence”\(^{48}\).

For all these reasons, the bilateral relationship between India and the US will remain trapped in what Ashley Tellis calls “structural constraints”, which are different perceptions of the strategic environment (worldviews), national priorities that do not always coincide and power asymmetries between them\(^{49}\). In addition, in this relationship there are excessive expectations on both sides, leading to frequent frustrations and misunderstandings. To this effect, Blackwill and Tellis suggest that Washington should evaluate the success of the relationship “not by what India does for the US, but by what India does for itself”\(^{50}\). In other words, its continuing to pursue “strategic altruism” with a view to achieving what Condolezza Rice called “a balance of power in Asia that is conducive to freedom”. Time will tell if this has been the case.


Chapter Six

Indonesia and its rise in the Indo-Pacific. Analysis of its growing geopolitical importance

Javier Gil Pérez

Abstract:

Indonesia, a country that is a combination of great challenges and potential, finds itself at the crossroads of the growing rivalry between the People’s Republic of China and the US that is shaping the future of global geopolitics. How it resolves its chronic economic, political and security problems will determine its geopolitical role in Southeast Asia and the new Indo-Pacific environment. Moreover, to exploit its magnificent potential, it must increase its self-confidence, especially regarding its geographical coordinates, which place it as the breakwater of multiple pathways between the Indian and Pacific Oceans and between Asia and Australasia.

Keywords:

Geopolitics, Indo-Pacific, South-East Asia, China, US, rivalry between great powers.
Introduction

The growing rivalry between the People’s Republic of China and the US, which authors such as Kaplan have called a new cold war\(^1\), is shaping the future of global geopolitics. The geostrategic landscape is changing due, above all, to the rise of China, strengthened by its greater economic power and with a clear desire to play an increasingly important role in world affairs, both in the Indo-Pacific and globally. A rise that, as Brzezinski explains, has undoubtedly contributed to the dispersion of world power\(^2\).

This competition is having a particularly intense and decisive impact on the Indo-Pacific region, which is set to be the undisputed protagonist of this century. However, as Michael R. Auslai\(^3\) notes, the Indo-Pacific region is not without serious risks that could derail this Asian golden century.

The prominence of the Indo-Pacific is well-founded, as it is home to such important countries with such colossal potential as India, Indonesia, Australia, Japan, and the People’s Republic of China itself. In its two vast oceans, the Indian and the Pacific, intense competition is taking place between various actors, mainly China and the US, in the military, economic and political vectors.

The current battle in the Indo-Pacific is so important and crucial that it will determine whether the present 21st century will go down the more likely bipolar path\(^4\), with constant competition between the US and China, or whether it will move towards a multipolar architecture with several centres of power.

It is in this context of Sino-American friction that Indonesia is trying to define and articulate a new regional and international role. An awkward situation, but nothing new in the history of the


\(^{3}\) Michael R. Auslin in his book *The End of the Asian Century. War, stagnation, and the risks to the world’s most dynamic region* argues that the region is threatened by five major risks, which could bring about what he has called the end of the Asian Century. These risks are economic, political, demographic, security-linked and regional disunity. For his analysis, I recommend reading the book: Auslin, M. R. (2017). *The End of the Asian century. War, stagnation, and the risks to the world’s most dynamic region*. New Haven, Yale University Press.

region and of Indonesia itself, which has always been contested by the world’s geopolitical leaders. The struggle of European powers for control of Southeast Asia in the 17th, 18th and 19th centuries, along with the brutal impact of the Cold War on the region, is a good illustration of this.

In the Indonesian case, not only is the tension between the US and China affecting its strategic approaches, but its very central geographical position, sandwiched between the Pacific and Indian Oceans, its growing present and future economic importance, and its democratic character, being home to the world’s largest Muslim population bring it, perhaps unwillingly, into the competition between the two giants, when the country’s primary interests are domestic economic development and political stability, along with a search for a stable regional environment.

These characteristics leave various alternatives and possibilities open to it when it comes to defining and exercising its role and defending its interests both at the regional level, mainly within the ASEAN sphere, and in the wider Indo-Pacific.

Indonesia’s staunch defence of multilateralism epitomised, among other things, by the importance it attaches to the Association of Southeast Asian Nations, ASEAN, and its desire to maintain an active and independent foreign policy, will undoubtedly determine the direction of its rise, which is undoubtedly already underway, and above all whether it will consolidate its position as the third great Asian giant after the populous India and China, or whether it will remain a middle power with great potential but whose ambitions have been shipwrecked. Although it is clear that Indonesia is in an ascending position in its regional environment, it is also true, as the Asia Power Index5 clearly shows, that it is still an average power, in ninth position in a ranking of twenty-six countries, far behind the leading countries in the region such as the US and China, and even at a great distance from countries such as Japan and India.

To elucidate Indonesia’s geopolitical present and, above all, future, this chapter analyses five major variables that exemplify, in the author’s eyes, the main geopolitical vectors that define the country of 17,000 islands. These are its geographical coordinates, its economic power, its political

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5 The Asia Power Index is developed by the Lowy Institute in Australia. The index analyses both the resources and the influence capacity of various Asian states. For more information, see: https://power.lowyinstitute.org/
commitment to multilateralism and democracy, its diverse population composition and identity, and its membership of the region’s organisation par excellence, ASEAN. How well it manages and maximises its strengths will largely determine the role Indonesia will play in a turbulent and changing geopolitical environment like the Indo-Pacific and, above all, what Indonesia’s geopolitical value is.

The current global order is being changed by Chinese momentum and its rejection of the Western framework\(^6\). In this line, the Indo-Pacific is undergoing a process of profound transformation and Southeast Asia, as the region where the two oceans meet, is consequently also undergoing a process of complete and intense change and metamorphosis.

Navigating between concepts: Geopolitics, Superpower, Great Power, and Regional Power

This paper aims to delineate Indonesia’s present and future geopolitical role, both at the strictly regional level, i.e., in Southeast Asia, and, above all, within the new scenario that is being redesigned in the Indo-Pacific environment.

To this end, and in very briefly and concisely, a series of key concepts will be defined in this text, such as geopolitics in some of its meanings, and the definitions of superpower, great power and regional power.

By geopolitics, this author will assume three definitions to develop the present work. First, the definition of geopolitics by Rudolf Kjellen\(^7\), who defined it as the discipline that analysed the condition of states based on the impact of the territory and resources found in that geographical area.

Second, and to increase the scope of the concept of geopolitics, Cohen states that geopolitics analyses the relationship of international political power in relation to geographical arrangement. Along with Cohen, and for Grygiel, geopolitics is the human factor within geography. In other words, geopolitics itself is a product

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of an interpretation in its political sense made by human understanding, imagination and decision.\(^8\)

To this effect, the author will analyse Indonesia’s geopolitical value, not only in terms of its physical conditions, but also in terms of how it wishes to project itself.

To do so, it is essential to clearly define and differentiate three vital terms that will be used recurrently throughout this paper: superpower, great power and regional power. Based on Barry Buzan and Ole Waever,\(^9\) and assuming their definitions, by superpower we delimit those countries that have massive military and political capabilities with global reach and are major actors in security processes. The superpowers also have strong economies. Additionally, superpowers must see themselves and be seen as such by all other international actors. And last, superpowers must be the source of the values that shape the international order – in other words, they must be responsible for both the architecture of global power and the ideas and values that underpin it.

Regarding the great powers, Buzan and Waever argue that they do not possess massive capabilities in the economic, political or military spheres, nor do they play a decisive role at the global level. But, yes, they are clear candidates to rise and improve their capabilities, and thus become superpowers.

Last, Buzan and Waever define regional powers as nations that possess extensive military, political and economic capabilities, but only at the regional level, i.e., without global capabilities, although such countries can become superpowers.

From Sukarno’s dreams of grandeur to Suharto’s invisibility

Indonesia is a very young country, born at the dawn of World War II, when Imperial Japan, after dropping two atomic bombs on Hiroshima and Nagasaki, surrendered unconditionally to the Allied Forces deployed in the Pacific on 15 August 1945. Japan’s defeat brought an end to its colonial empire in Asia, and Indonesia, which had been occupied by Japan since 1942, began the long


In the book, the authors use the English terms Superpower, Great Power and Regional Power. I have translated it into Spanish for a better understanding.
road to its longed-for freedom, leaving behind not only the short but historically vital Japanese presence, but also the long Dutch colonial occupation.

While Japanese defeat put an end to its presence in Indonesia, it simultaneously caused the former colonial power, the Netherlands, to try to regain control of its colonial jewel, initiating what has come to be known in Indonesia as the war of independence. The struggle began just after the end of World War II and ended in 1949, with the Netherlands recognising Indonesia’s full sovereignty and ushering in Indonesia’s hard-won period of independence.

Therefore, as a first variable to highlight, and this is a key aspect, the vast region that Indonesia occupies today, with its vast material and human resources and its optimal geographic position as a junction point between the Pacific and Indian Oceans and between South Asia and the Far East, has always been an object of desire for the powers of the time. This explains the Dutch interest in maintaining their empire in Indonesia and the importance Japan attached to Indonesia, especially for its energy resources, in its military campaign in the Pacific. But we can even go back to earlier times, when Arabs, Portuguese, Spaniards, Indians and Chinese understood the value of Indonesia as a valuable source of raw materials and a logistical centre for communication. And so, the current interest of both the US and China, but also of India and ultimately Russia itself in approaching this region and exerting its influence is both natural and recurrent.

The second variable that needs to be noted is the long imprint of the colonial past on the country and the effort that had to be made to achieve freedom and independence. A legacy that has marked all the country’s political elites since the beginning of the republic, and which today manifests itself in a profound nationalism, symbolised by a distrust of past and present dominant powers, and an extreme zeal in rejecting any interference not only in their domestic affairs, but also in their regional environment, especially if reference is made to

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10 A valuable sample of early Spanish and Portuguese travels and contacts with the so-called *spice islands* can be found in: Bañas Llanos, M. B. (2000). *Las islas de las especias* (Fuentes etnohistóricas sobre las Islas Molucas) s. XIV-XX. Cáceres, University of Extremadura.

the hegemonic powers. Sovereignty and territorial integrity are two key elements to protect and both constitute the basic principles guiding the interests of the country’s ruling elites. This is key to understanding the current debate in Indonesia over where it should stand in the dynamics of competition between the US and China, while ensuring that its basic principles are upheld.

Indonesia’s royal independence in 1949 was greeted with great jubilation and expectation by Indonesian society. However, the early years of the young republic were extremely tumultuous, both internally and externally, endangering the consolidation of the new state. Domestically, the country’s first leader, Sukarno, had to deal with several local armed rebellions. The first and longest-lived was that of Darul Islam, who fought for the establishment of an Islamic state in the country and which, although it began in 1949, could only be quashed in 1962 after the death of the great leader of the first major jihadist movement in Indonesian history, Sekarmadji Maridjan Kartosuwirjo. Subsequently, between 1957 and 1961, many rebellions against the central government broke out in Indonesia and were supported by the Eisenhower administration in its fight against the spread of communism which, in the American president’s opinion, was getting dangerously close to this country. These rebellions were the Pemerintah Revolusioner Republic Indonesia/PRRI on the island of Sumatra and the Piagam Perjuangan Semesta, PERMESTA on the Celebes Islands. The aim of both was to increase their political and economic power in the face of what they saw as domination by Java and its elites, and to reject Sukarno’s way of governing the country, symbolised by the introduction of Guided Democracy in 1957 as a new form of government, which was, in fact, the establishment of an authoritarian regime in the country.

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16 The Spanish translation would be: Carta de la lucha universal.

As a third key variable is the difficulty of administering and governing a country as complex, diverse and geographically, religiously and ethnically fragmented as Indonesia. Indeed, at the domestic level, the first 20 years of the Indonesian Republic, i.e., Sukarno’s period of rule, were fraught with significant territorial, ideological and religious tensions, which reflected the difficulties of managing such a diverse and vast country, and all this spiced with new rulers with little experience in the governmental and administrative management of a country. Tension is still present, symbolised above all by the jihadist terrorism that remains active and is one of the country’s major security scourges, and by the separatist insurgency in Papua. Since the province’s official incorporation into the Republic of Indonesia in 1969\textsuperscript{18}, instability on the easternmost flank of the country has been a constant feature of the region. All this without forgetting other groups that reject Pancasila\textsuperscript{19}.

Under Sukarno’s leadership and following the foreign policy principles of Bebas dan Aktif\textsuperscript{20}, Indonesia played a vital role in external affairs in the early years of the Cold War. It was in the Javanese city of Bandung, under Sukarno’s leadership, that the historic Bandung Conference was held in 1955, from whose debate emerged the ideas that spawned the Non-Aligned Movement, which sought to forge its own political and economic path in the face of the ideological struggle of the Soviet Union and the US.

Together with the Non-Aligned Movement, Indonesia presented itself after the end of the Second World War as a tireless fighter against imperialism and in favour of decolonisation processes around the world. It refused to recognise the State of Israel founded in 1948, with whom it still does not establish diplomatic relations to this day\textsuperscript{21}. At the regional level, Indonesia initiated

\begin{itemize}
  \item \textsuperscript{18} Singh, B. (September 12, 2019). Why is West Papua in Constant Turmoil? The Indonesian territory has struggled for independence for more than 50 years. The Diplomat. https://thediplomat.com/2019/09/why-is-west-papua-in-constant-turmoil/
  \item \textsuperscript{20} Free means that foreign policy objectives should be designed in a free manner without external influence, and active means that they should be pursued in an active manner.
  \item \textsuperscript{21} For a reading on Indonesia’s position on Palestine, see: Ministry of Foreign Affairs of the Republic of Indonesia The Palestinian issue. https://kemlu.go.id/portal/en/read/23/halaman_list_lainnya/the-palestinian-issue
\end{itemize}
the so-called Konfrontasi\textsuperscript{22} in 1962, i.e., a military confrontation against the Federation of Malaysia, when it rejected outright the merger of the present Malaysian states of Sabah and Sarawak, which in 1962 were British colonies, with Malaysia, which had been independent since 1957. Sukarno thus launched a military campaign against Malaysia, never declared as a war, which he described as a mere colonial object in the service of British and American imperialism, and at the same time intended to blockade Indonesia on the island of Borneo. Suharto’s rise to power put an end to Indonesian territorial ambitions, signing a peace agreement with Malaysia in 1966\textsuperscript{23}.

Another of Sukarno’s historic foreign policy milestones that finally saw the light of day was what has come to be known as the \textit{Djuanda Declaration}\textsuperscript{24}. Djuanda Kartawidjaja was prime minister in 1957 and was responsible for announcing on 13 December of that year that all waters within the vast Indonesian archipelago would come under Indonesian sovereignty. This was not only to increase its territory and thus solidify the new state, but also to better combat illicit trafficking\textsuperscript{25} in its waters and to improve its defensive capabilities in the midst of the international tension in which Indonesia found itself vis-à-vis its “enemies”. Interestingly, until then, Indonesia had been simply a combination of islands, separated by seas that did not belong to any one country. This declaration, which was to become law through Law No. 4 of 1960, was received very critically by the international community, especially the US. This gamble finally paid off in 1982 with the implementation of the Law of the Sea Convention, which recognised archipelagic states and thus their sovereignty over so-called archipelagic waters. Interestingly, as we will see later, this major international gamble was the only one that Suharto pursued and persistently and fervently defended at regional and international level constituting, in the author’s opinion, Indonesia’s first major foreign policy success with global repercussions.


\textsuperscript{24} All information on how Indonesia managed to become an archipelagic state can be found at: Butcher, J. and Elson, R. How did Indonesia become an archipelagic state. \textit{The Strategist}. https://www.aspistrategist.org.au/indonesia-became-archipelagic-state/

Alongside his struggle against Malaysia and in his view against Western Imperialism, Sukarno upped his ante in the international arena, even going as far as to attempt to create an alternative, new world order, through what Sukarno called the New Emerging Forces (NEFOS). He even organised an alternative Olympic Games in 1963 for the new emerging forces that were mainly opposed to the leadership of the West, and particularly the US.\(^{26}\)

As part of Sukarno’s grand objective of establishing a new distribution of world power, his final international thrust was the creation of the Conference of the New Emerging Forces, CONEFO, on 7 January 1965, as an alternative world organisation to the United Nations, from which Indonesia had previously suspended its participation, having accepted Malaysia as a non-permanent member of the Security Council. This colossal attempt had very little effect, because when Suharto came to power, he dissolved it and, at the same time, turned back to the United Nations.

Sukarno’s grandiose domestic and international political gamble ended abruptly in October 1965, following a failed coup attempt by several Indonesian army colonels linked to the Indonesian Communist Party. The failure of the coup d’état thanks to Suharto’s intervention meant that the shadow general gradually took overpower from then on. This would mark a drastic change in the path that Indonesia would take from then until its fall in 1998 in the economic, foreign and domestic policy fields, positioning itself as a bastion against Communism, pursuing Indonesia’s realignment with Western countries, represented above all by the US and Japan, and setting aside any attempt at regional and international leadership comparable to Sukarno’s to create an alternative world order.

Domestically and in the economic sphere, Suharto made a clear commitment to facilitate and promote foreign investment as a means of exploiting and developing the country’s vast mineral wealth. Politically, Suharto carried out what has been one of the two great genocides in Southeast Asia, murdering around 1,000,000 members of the Indonesian Communist Party in pursuit of what he called political stability and economic development. The communist threat not only played a decisive role in Indonesia but was seen in other Southeast Asian countries as an ideology

to be fought. It is for this reason, among others, that ASEAN was founded in 1967 with the impetus of Indonesia, Malaysia, the Philippines, Singapore and Thailand.

In its struggle against communism and faced with the prospect that the new East Timor, which emerged at the end of the Portuguese colonial period in 1975, would be constituted as a communist entity led by the pro-Chinese Frente Revolucionária de Timor-Leste Independente27 (FRETILIN), Indonesia decided to invade East Timor in 1975 and occupy it until 199928. This occupation cost the lives of thousands of East Timorese29.

Thus, the fourth variable to highlight, Indonesia’s rise and fall in terms of regional and international leadership, emerges. Suharto’s rise to power put an end to an Indonesia that wanted to establish itself not only as a regional leader, but also as one of the global leaders of the non-aligned countries. Indeed, some authors call Suharto’s foreign policy period a period of invisibility, due to Indonesia’s lack of interest in decision-making on regional and global issues.

Suharto’s long rule came to an abrupt end in 1998 amid a severe economic crisis that devastated the country’s economy and forced Suharto to resign, with Habibie taking over as interim president until new elections were held in 1999, the first free elections since 1955.

It remained to be determined whether Indonesia wanted to return to the leading role and leadership that Sukarno’s Indonesia once held, whether it wanted to establish itself as the third Asian giant and, consequently, play a greater role and have greater responsibility in the region, or whether it wanted to continue with a low profile in foreign policy under the umbrella of ASEAN.

In any case, in 1999, with the holding of the first fully free legislative elections, Indonesia became the third largest democracy in the world after India and the US, and the first in the Muslim world. Since then, in the author’s opinion, it has successfully travelled along a democratic path up to the present day,

27 The Spanish translation would be: Frente Revolucionario de Timor Oriental Independiente.
29 I recommend reading the findings of the extensive research on Indonesian violence in the occupation of East Timor in the Chega report. It can be found here: http://chegareport.org/Chega%20All%20Volumes.pdf
Indonesia and its rise in the Indo-Pacific. Analysis of its growing…

Despite influenced from an ever changing and dynamic regional and global environment.

It is in this new strategic environment and democratic period that we will proceed to analyse the five key geopolitical variables of the country: geography, politics, economics, religion, and ASEAN, to determine Indonesia’s present and future geopolitical value and importance.

Indonesia as a geopolitical hub in the Indo-Pacific

The first of the major variables explaining Indonesia’s geopolitical value is its geographic position, which gives it several strategic vectors that could potentially help it increase its power in the political, economic and military areas if wisely exploited. The country enjoys a geographical position that is key to understanding its regional and international strategic value, making it the true Indo-Pacific country, connecting both oceans and located, in its own eyes, at the centre of the India, Australia and Japan triangle. This position of centrality in the region, together with its economic and population leadership with 273 million people, gives it natural, if not in fact, leadership within Southeast Asia.

The Indonesian archipelago of more than 17,000 islands occupies 1.8 million km² of land area and 5.8 million km² of sea area, making it the largest archipelagic state in the world. Its maritime area is distributed as follows: 0.3 million km² of territorial waters, 2.8 million km² of archipelagic waters and 2.7 million km² of Exclusive Economic Zone.

Indonesia stretches from the province of Aceh on the island of Sumatra, which is the westernmost flank of the country, to the border with Papua New Guinea on the eastern flank, the distance between the two points being more than 4,700 km. In the northern

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32 Data obtained from: https://data.worldbank.org/indicator/SP.POP.TOTL?locations=ID
33 Oegroseno, A. H. Indonesia’s Maritime Boundaries, in Robert Cribb and Michele Ford (eds.) https://www.cambridge.org/core/books/abs/indonesia-beyond-the-waters-edge/indonesias-maritime-boundaries/C950A6EAE31A6E58B0B61F94BC60FD8B

209
part of the country, the island of Kalimantan\(^{34}\) constitutes the uppermost point of the triangle and, together with Sumatra and Java, is home to the vast majority of the country’s population.

Indonesia has land borders with Malaysia, East Timor and Papua New Guinea, and shares a maritime border with ten countries: the three mentioned above, plus India, Thailand, Australia, Singapore, the Philippines, Vietnam and Palau. Indonesia is therefore connected to Australasia, South Asia and peninsular and island Southeast Asia.

Although Indonesia has more than 17,000 islands, only about 2,000 are inhabited. The most important are the islands of Sumatra, Java, Kalimantan, the Celebes and Molucca archipelagos, Papua and a number of smaller islands that follow in Java’s wake, such as the islands of Bali, Lombok and Flores. Last, Indonesia is extremely diverse linguistically, ethnically, religiously, economically, and geographically.

This island-dotted orography has produced a highly fragmented country, not only making it difficult to govern and protect, but also complicating communication between its different parts, with inter-island communication and logistics being a key issue. In addition to geographical diversity, the distribution of natural wealth is also very divided, with oil resources found mainly on the island of Sumatra, and minerals on the easternmost islands of the country, such as the gold deposits in Papua.

The Indonesian archipelago, also known as Nusantara, is first and foremost a crossroads. In fact, translated from Javanese, the name Nusantara means *Situated between islands*\(^{35}\) and, as this expresses, Indonesia is located between two great continents: a part of Asia, personified by peninsular Southeast Asia, and Australasia. The Indonesian archipelago is therefore an undervalued but very important intercontinental connecting point.

In addition to this valuable and vital connection, the Indonesian archipelago is at a perfect crossroads between the Indian Ocean

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\(^{34}\) In Indonesia, the island of Kalimantan refers to the island of Borneo. Island, divided between three countries. Brunei, the Malaysian states of Sabah and Sarawak and Indonesia.

and the Pacific. Indonesia is therefore the main shipping lane between the two great oceans that will play a decisive role in the 21st century.

Importantly, Indonesia enjoys maritime continuity in the Indian Ocean, the Pacific and the South China Sea, making it the leading maritime actor in the region.

Linked to this, Indonesia is also the bridgehead into and out of the South China Sea on the western flank. Its position is therefore key as a transit route in one of the world’s busiest and most turbulent seas. A sea that has become one of the main areas of contention in the Asian environment, due to Chinese pretension to dominate everything below its famous 9-point line. The South China Sea is key not only because of the latent conflict between China and the rest of the countries involved, including Vietnam, Malaysia, the Philippines, Taiwan and Indonesia, but above all because a large part of world trade flows through its waters, making it one of the world’s main economic arteries.

The second geographical variable to be highlighted and linked to its maritime status is its four key straits for navigation, both for commercial and military vessels, as well as for submarines, as evidenced by the fact that Indonesia has been detecting Chinese submarine drones in its waters in recent years, with the more plausible aim of collecting data for the proper navigation of its submarine fleet. These straits are the Malacca, Makasar, Sunda and Lombok Straits. The last two directly connect the two oceans.

As for Malacca, this strait is a perfect thermometer of the world economy. The large container ships that connect the major Far Eastern economies such as Japan, China and South Korea with the rest of the world sail daily through its waters. Huge amounts of energy resources such as liquefied natural gas and oil, and vast quantities of mineral resources, flow through these waters, feeding the developed industries of East Asia. The Strait of Malacca is therefore one of the main critical points for the smooth flow of world trade and, in fact, it can be argued that, along with the Straits of Hormuz and the Panama and Suez canals, it is one of the most important straits in the world. However, piracy, organised crime, frequent accidents, and continuous congestion are among the main challenges that Indonesia, along with the other countries in the Strait of Malacca, must face if it is to remain one of the world’s main economic arteries.
Regarding the other two straits, Sunda and Lombok, the first is the natural maritime border of the island of Java with Sumatra and the second is the maritime boundary between the islands of Bali and Lombok. Both straits are crucial passageways between the Java Sea, which is key for Indonesia, and the Indian Ocean. In addition, both straits are the main alternative or complementary route to Malacca in the event of traffic jams, facilitating the connection between the Pacific and Indian Oceans, although making for a longer route. The Lombok Strait is even more important than the Sunda Strait as it is an essential part of the maritime highway linking the economies of East Asia and the rest of the world across the Indian Ocean, following in the wake of the Makasar Strait, which is the fourth and last major strait under Indonesian control.

Main straits in the Indonesian archipelago

These four straits make Indonesia a key country not only for ensuring a smooth flow of trade between the economies of the Far East and the rest of the world, but also as a gateway to
Australia from the Far East through the Makasar and Lombok Straits.

Third, Indonesia is a maritime nation par excellence and by right. Indeed, Indonesia has played a key role in the development of international maritime law. Proof of this is its declaration as an archipelagic state in 1957, which had a major impact since it demanded sovereignty over the entirety of the waters that made up the archipelago. As explained above, the 1982 UNCLOS recognition of the archipelagic states was an unparalleled victory for Indonesia.

Last, in addition to its geographical position as the main point of reference in Southeast Asia, Indonesia has another key characteristic for understanding its geopolitical importance. Throughout its land and maritime extension, it also acts as a crossroads between various technological, economic, ethnocultural and, as Rabasa and Chalk explain, military strongholds, making Indonesia the breakwater where these dynamics can be observed. At the military level, Indonesia’s sea lanes are witness to the transit, for example, of American troops between their bases in the Persian Gulf and the Far East\textsuperscript{36}. In fact, both Hinduism and Buddhism, which originated in present-day India, have left a very important mark on the country on a religious level. At the economic level, as a major source of raw materials and natural and energy resources, Indonesia has always enjoyed a privileged position, both in terms of obtaining export facilities for its products and, above all, because of the importance that the most powerful economies in the region attach to its resources and its maritime lines as the true trade highways. Although Indonesia is not yet a technology hub per se due to its lack of investment in R&D and innovation, which hampers its bid for greater regional and global power, it is attracting significant investment with high technological added value.

It can therefore be concluded that Indonesia’s central position in the Indo-Pacific as an important land and maritime crossroads means that Indonesia’s role, and above all its stability, is key in the Asian network as a whole, and that Indonesia also has the potential to become at least a maritime superpower. Despite this manifest potential, lack of political initiative has derailed some of

the most striking attempts to improve and enhance Indonesia’s maritime role. Notable among them is President Joko Widodo’s failed project to make Indonesia a clear maritime power in the Indo-Pacific, announced in his first year in office and which has remained a passing wish.

**Strengths and vulnerabilities in the Indonesian economic upswing**

Economically, Indonesia has a bright future, as many studies indicate, placing it as the fourth largest global economy in 2050, after the Chinese, Indian and American giants. Interestingly, Indonesia is already the fastest growing e-commerce market globally. And indeed, in the near future, it will become the major digital economy of the ASEAN environment.

However, there are certain problems that need to be solved to maintain and protect economic growth in the country. Some of these difficulties are: the very low investment in R&D, which does not exceed 0.1%37; Indonesia’s difficulties in immersing itself in the current 4.0 revolution, linked to its scant investment in science; its scant environmental protection, which hampers its exports; the corruption still prevailing in much of the country’s public sector, which hampers the efficiency of public institutions; and the current health system, with major shortcomings and without the technological capacity to produce the vaccine against Covid-19 as China and India have done. Indeed, the Covid-19 pandemic has mercilessly exposed weaknesses in the country’s health sector and in the state’s own bureaucratic structure.

Since the severe economic crisis of 1998, which lasted until 2000, Indonesia has maintained strong economic growth, only tempered by the global financial crisis of 2008. The figures are clear. Indonesia has increased its gross national product threefold since 1998, making it the seventh largest in the world in PPP $, outstripping such major nations as the UK and Brazil. In fact, their contribution to global wealth is steadily increasing. Currently, the Indonesian economy accounts for 2.5% of global wealth, surpassing countries like the UK and France38.

38 Statista. The 20 countries with the largest proportion of the global gross domestic product (GDP) based on Purchasing Power Parity (PPP) in 2020. https://
Given that Indonesia has enjoyed sustained economic growth over the past two decades, the country has been improving on many of the key economic indicators that reflect the country’s progress. Indonesia has reduced poverty levels dramatically, raised per capita income to $12,000 PPP by 2021, and improved substantially on such a key indicator as GINI. Regionally and within ASEAN, the Indonesian economy is not only the largest, but accounts for about 30% of the total ASEAN economy. It is one of the regional economic engines and one of the most attractive potential markets because of its internal strengths. This has made it the only Southeast Asian nation to be a member of the G20, alongside other Asian economic giants such as India, the Republic of Korea, China, Japan and Australia. All indicators suggest that it will continue to enjoy economic leadership in the Southeast Asian region.

However, despite these impressive figures, Indonesia continues to suffer from chronic structural problems that are slowing down the country’s economic growth and can be summarised in three areas. The first is institutional, where Indonesia continues to be affected by high levels of corruption, which have not been tackled and continue to damage the proper functioning of the Indonesian state at all levels.

At the logistics level, Indonesia still has a lot of room for improvement in increasing its competence, as evidenced by the Logistics Management Index score. Due to its archipelagic design, Indonesia presents colossal challenges in the area of infrastructure, as it has the dilemma of moving not only people and goods, but also energy and data between islands. As an example of its problems, Indonesia has a low score in the Logistics Management Index developed by the World Bank, which places it in 51st place with a score of 3.08 out of 5, behind neighbouring countries such as Malaysia and Thailand. Indonesia’s economic future thus depends on improving the country’s vast network of

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40 The official name of the indicator is The Logistics Performance Index. The index analyses a country’s logistics capabilities by looking at a number of variables including its infrastructure, customs management, logistics competence, etc. For more information, I recommend you see: https://lpi.worldbank.org/international/aggregated-ranking
roads, ports, airports, data, and electricity transmission centres, etc. In this respect, the possibilities offered to Indonesia by China’s *One Belt One Road* project are crucial to the way in which bilateral relations between the two countries will be managed in the near future. Indeed, the possibility of China being the major financier of Indonesia’s public works needs is a major dilemma for the current political elite. This could lead to a relationship of dependency that would limit Indonesia’s external action on key issues for the country, such as the defence of the territorial waters of the Natuna archipelago, part of which is claimed by China as part of its nine-dash line.

Last, the lack of legal certainty, linked to a certain economic nationalism, calls into question the country’s legal architecture when it comes to attracting foreign investment, especially focused on its extractive and energy industries.

One of the great debates and, at the same time, dilemmas in the political-economic debate in Indonesia is centred on how to exploit and manage the country’s natural resources. While the colonial wound with Indonesia’s two colonising countries, the Netherlands and Japan, is closed and stitched, Indonesia’s long colonial period stretching over more than three centuries, has left its mark on the economic discourse of the country’s political elite. Just as Sukarno pursued a clearly protectionist policy in developing the country’s natural resource industry, Suharto took the opposite tack, knowing that Indonesia lacked both the technology and capital needed for such exploitation. This is why under Suharto Indonesia opened up to international capital, mainly American and Japanese at first, and since the 1990s also Chinese, to develop its vast natural resources.

The democratic period that began in 1999 with the first fully free legislative elections also initiated another debate on how to develop these natural resources. The current government of Joko Widodo, which came to power in 2014 and will remain in power until 2023, has been accused of selling the country to China. Consequently, since the 2019 presidential election campaign, where he was accused of being pro-China, Joko Widodo, has swung the pendulum back slightly and pivoted towards more protectionist policies in the economic area, especially at the level of narrative. This has led to doubts among international investors about legal certainty in the country, which has damaged the country’s economic credibility.
In addition, the growing dependence on China both for exports and for the large amount of investment this giant makes in Indonesia is also giving rise to much debate in the country as to what Indonesia’s position, if any, should be in the competition between the US, a traditional defence partner, and China, a new economic partner with a growing influence on the Indonesian economy, above all, as mentioned above, in its infrastructures.

Indonesia’s energy role: producer and distributor of energy resources

Indonesia is blessed with an abundance of natural resources, and this is one of its strengths. These include the historic oil deposits of Java, Sumatra and Kalimantan that were eagerly sought after by Japan during World War II. In fact, a little-known aspect of Indonesia is that it was a member of the Organisation of Petroleum Exporting Countries, OPEC, from 1962 to 2008 when, due to its strong economic growth and therefore oil demand, the country became a net oil importer and left the organisation\(^{41}\).

These oil resources have allowed it to become less dependent on fluctuations in the price of a barrel of crude oil and, at the same time, to considerably reduce its oil energy bill, although its imports have only increased since the 1990s.

Indonesia is one of the world’s largest exporters of natural gas and the seventh largest exporter of liquefied natural gas\(^ {42}\), one of the three leading gas market players in Asia along with Australia, Malaysia and Myanmar, and one of the three largest gas markets along with North America and Europe\(^ {43}\). The main Asian importers are Japan, South Korea and China.

While oil and, above all, gas are key assets for Indonesia, there is a third key asset in the energy mix of the country and other Asian countries, including China and India: coal.

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\(^{41}\) On a curious note, Indonesia rejoined OPEC in January 2016 only to suspend its membership a few months later. See: https://www.opec.org/opec_web/en/about_us/25.htm

\(^{42}\) US Energy Information Administration. Country Analysis Executive Summary: Indonesia. At: https://www.eia.gov/international/content/analysis/countries_long/Indonesia/indonesia.pdf

While in Europe we are in a clear process of decarbonisation, the picture in the Indo-Pacific is quite different and, in fact, coal is one of the main components in the energy mix of many countries that have no clear energy alternatives. India is the paradigmatic case here, but others such as China and Pakistan also stand out. In fact, in 2020, Indonesia ranked as the world’s third largest coal producer\(^44\) after China and India, with 551,000 tonnes. Significantly, before 1999 Indonesia did not even appear in the top 10 producer countries but has since gradually developed the industry. In fact, its growing coal production has meant huge growth in its export capacity\(^45\) to become the world’s leading coal exporter by weight with 405 Mt, with two key countries in its market, India and China.

Last, Indonesia is the world’s largest producer of biodiesel\(^46\), which is another of Indonesia’s strengths that it has sought to maximise since the inception of the Indonesian biodiesel industry.

At the energy level, Indonesia is also a key area for the distribution and transit of energy products, as the vast majority of the energy resources consumed by major developed East Asian economies such as Japan, the Republic of Korea and the People’s Republic of China flow through its waters. It can therefore be inferred that Indonesia’s energy role is not only explained by the resources it produces and exports, but also by its geographical position, which makes it the world’s main maritime energy highway. This is why a stable Indonesia is essential to ensure the energy security of, among others, the Asian giants.

In addition to the energy resources of oil, natural gas, coal and biodiesel, Indonesia is also blessed with significant deposits of key industrial minerals throughout its geography. These include, above all, nickel, copper, bauxite, gold, and tin.

Regarding bauxite\(^47\), in the last decade, Indonesia has become the fifth largest bauxite producer in the world and the third

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\(^{47}\) Statista. Major countries in worldwide bauxite mine production from 2010 to 2020. https://www.statista.com/statistics/264964/production-of-bauxite/#:~:text=Bauxite%20is%20a%20type%20of%20aluminum%20ore%20and,Bauxite%20can%20also%20be%20used%20as%20an%20abrasive%20abrasive.
Indonesia and its commitment to multilateralism and democracy

Within the political variable, Indonesia presents some determining characteristics when analysing its geopolitical importance both at regional level, centred on its Indo-Pacific environment and, albeit in a more tangential manner, within the Muslim world.

Indonesia is the world’s third largest democracy numerically after India and the US, and the largest democracy in the Muslim world. These two aspects are key to highlighting the value of the

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50 For more information see: https://www.gold.org/goldhub/data/historical-mine-production
important democratisation process which began in 1999 and now, after more than two decades, has been fully consolidated, despite some negative factors such as chronic corruption, the weak rule of law, the deficient functioning of certain public institutions and the increase in religious intolerance.

In the Asian context, Indonesian democracy has overcome its early difficulties to become one of the poles in the defence of democracy as a system of government in a region where democracies are few and where, in the last decade, the quality of democracy and freedoms have fallen dramatically.

Second, within the Muslim world Indonesia also presents itself as an example of the compatibility of democracy, economic development, and political freedoms. This is major point because almost all Muslim countries, or countries with large concentrations of Muslim citizens, are not democracies.

Indonesia’s image as a bastion of democracy globally and specifically within the Muslim world has been recurrently projected by the various Indonesian governments since 1999. Imposition has never been chosen as a measure of acceptance of democracy, respecting the principle of non-interference. The democratic aspect of Indonesia is thus one of the country’s main political assets. In fact, it is what has allowed it to gain its global pedigree and position itself among the great powers that defend the principles of freedom, able to look other democratic countries straight in the eye.

Third, Indonesia is a staunch advocate of multilateralism and negotiation as tools for solving regional and global problems, and for introducing changes in the international reality that are closer to its interests. This is key to situating the country in the

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context of some of the regional tensions in the Indo-Pacific, linked in particular to China’s desire to take over almost all the South China Sea.

In the specific case of Indonesia, China claims as its own a maritime portion of its Exclusive Economic Zone, generated by the Natuna Islands, under Indonesian sovereignty. In the face of Chinese unilateralism and revisionism, Indonesia has always advocated a solution to the dispute on the basis of the UN Convention on the Law of the Sea\(^{57}\), which is favourable to Indonesian interests. This defence of multilateralism, endorsed through its membership of ASEAN, is a key point in its relationship with China and in the growing rivalry between the US and China in the Indo-Pacific.

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The defence of multilateralism as a tool for solving regional and global problems\textsuperscript{58} is directly connected in Indonesia’s case to the defence of the current World Order. Its defence is open to change, but from Indonesia, it does not attack the principles and values on which the pillars of the present World Order are currently based. Any change must be agreed.

Indonesia, in its staunch defence of multilateralism, has always sought to change regional power structures to its disadvantage, to reduce as far as possible the presence of major powers in its region, and to have its objectives heard\textsuperscript{59}.

**UNCLOS and Indonesia**

Indonesia, as a maritime country par excellence, is a strong supporter of UNCLOS. As stated at the beginning of this paper, it was in 1957 that Indonesia declared itself an archipelagic state, triggering a geopolitical earthquake that marked a turning point for the country and for the entire Indo-Pacific region.

UNCLOS, which refers to the United Nations Convention on the Law of the Sea, establishes among other key aspects that the first 12 nautical miles constitute the territorial sea, and the first two hundred miles correspond to the Exclusive Economic Zone. For Indonesia, UNCLOS is key to securing the country’s maritime, legal and economic sovereignty. Therefore, to defend its islands located in the most remote areas of the country, such as the Natuna archipelago, the protection provided by UNCLOS is key to the country’s weak military capabilities. UNCLOS is therefore key to China’s attempts to take control of areas that under the UNCLOS legal umbrella belong to Indonesia.

Second, the defence of UNCLOS is a clear and resolute commitment by the country to manage international reality through international law and clashes head-on with China’s pretensions in the Indo-Pacific. Indeed, in various bilateral meetings between Indonesia and Japan, both countries have advocated the need


to structure a rules-based maritime order, clearly pointing the finger at China and its maritime expansionist pretensions. As pointed out by Sam Roggeveen Indonesia will not allow China to be the maritime power in the Southeast Asian environment. A strong and stable Indonesia that can counter Chinese manoeuvres is therefore crucial to maintaining balance in the Indo-Pacific maritime environment.

Third, this commitment to multilateralism could hide a clear weakness, centred on its weak military capabilities. Indeed, its defence capabilities is Indonesia’s greatest drag on its regional and global projection and, therefore, on the acquisition of greater power. Its armed forces have around 400,000 active troops, behind Southeast Asia’s leading military power in active numbers, Vietnam, and far behind China and India, with 2 and 1.4 million respectively.

But not only are the numbers inferior to some of its larger neighbours, but its material capacities are also weak. Indonesia has no aircraft carriers or destroyers, and of the five submarines it owned, one of them, the Nanggala II, disappeared off the coast of Bali on 21 April 2021 after more than 40 years of service. Although the naval situation is poor, the air and land forces are somewhat more balanced. It may come as a surprise that a quintessentially maritime country should have so few naval forces, but the answer lies in the fact that Indonesia has always considered security problems to be internal in nature. This is explained by the various insurgencies that have sprung up across the country since 1945. This has meant that once China decided to take control of part of the Natuna Islands’ Exclusive Economic Zone, Indonesia found itself with few material resources to confront them. This is why Indonesia has decided to accelerate the modernisation programme of its armed forces, as shown by

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60 Suoneto N. and Evander A. Assessing Prabowo Subianto’s Defence Diplomacy. Nearly two years on from his surprise appointment, how do the efforts of the Indonesian Defense Minister hold up? The Diplomat. https://thediplomat.com/2021/06/assessing-prabowo-subiantos-defense-diplomacy/
62 All information obtained on their Armed Forces comes from: https://www.global-firepower.com/country-military-strength-detail.php?country_id=indonesia
the purchase of F 15 aircraft from the US and 42 Rafale aircraft from France in February 2022\textsuperscript{64}.

This profound weakness deeply hampers Indonesia’s rise as a regional power because, as Laksmana argues, the country has not yet been able to secure its entire archipelago and thus provide a strong framework from which to project power\textsuperscript{65}. In fact, the vast Indonesian archipelago is easy pickings for third country fishing boats, especially from Southeast Asia, which navigate its waters to benefit from the country’s extensive marine resources\textsuperscript{66}. In its desire to contribute to stability and world order, Indonesia is also a country that has significantly increased its contribution of both military and police forces to UN peacekeeping missions\textsuperscript{67}. The data are enlightening. In November 2021, Indonesia, with 2808 troops, was the seventh largest contributor of troops globally. In 2010 it contributed 1,795, in 2000 it had contributed 49 and in 1990 only 5. UNIFIL’s missions in Lebanon and MONUSCO in the Democratic Republic of Congo take the lead with the bulk of Indonesian participation. Thus, the country has gradually increased its role in peacekeeping missions as a way to establish its image as a country responsible for international stability. In line with this objective, in October 2018 it established its own international cooperation agenda, the Indonesia AID\textsuperscript{68}, with the aim of improving the situation in developing countries and as an incipient new soft power lever.

Last, one of Indonesia’s lesser-known aspects abroad is its attempts to mediate conflicts within the Muslim world. The best-known case is Afghanistan. Indonesian efforts to try to initiate a dialogue process date back to 2017, when Afghanistan’s own president, Ashraf Ghani\textsuperscript{69}, asked Indonesia to help bring peace to the country. The response was swift and in 2018 Indonesia

\textsuperscript{64} D’urso, D. Indonesia Buys 42 Rafale Fighter Jets And F-15IDs Might Join Them Soon, Military Aviation. https://theaviationist.com/2022/02/13/indonesia-buys-42-rafales/
\textsuperscript{66} Heriyanto. Illegal Fishing Costs Indonesia 3 Billion Dollars A Year. https://www.reportingasean.net/illegal-fishing-costs-indonesia-3-billion-dollars-a-year/
\textsuperscript{68} Peresmian Lembaga Dana Kerja Sama Pembangunan Internasional oleh Pemerintah Indonesia. (Friday, 18/October/2019). https://kemlu.go.id/portal/id/read/695/view/peresmian-indonesia-aid
\textsuperscript{69} Arab News. Indonesia to host Taliban at Afghan peace talks. https://www.arabnews.com/node/1637956/world
stepped in as a mediator in the conflict, organising trilateral talks with the Indonesian Ulema Council, dubbed “Islam as Rahmatan lil Alamin: Peace and Stability in Afghanistan”70 in the Javanese city of Bogor between Indonesian, Afghan and Pakistani clerics. Interestingly, the Taliban world was also invited to these talks, but declined the invitation71. The results of that meeting were unsuccessful.

United in diversity?

Indonesia is an extremely diverse country both geographically, fragmented into thousands of islands, and in human terms, where citizens of different religious, ethnic, linguistic, and cultural backgrounds live side by side, not always without conflict. And this is a key aspect to highlight: the deep concern expressed by consecutive Indonesian governments regarding both national unity in territorial terms and the various tensions generated within the country between different religious and ethnic groups, as well as the centre-periphery tension over the distribution of resources, which led to two insurgencies in the 1950s. Thus, while the country’s official motto is United in diversity, this should not hide the difficulties that the Indonesian state as a whole has had in managing this diversity from 1945 to the present.

This has conditioned some of Indonesia’s foreign policy moves, as in the case of Kosovo, whose independence it has not yet recognised72. And even more so considering that Indonesia has been affected by separatist movements in the past, such as in Aceh.

70 Anya, A. and Afrom Sapiie, A. (Fri, May 11, 2018). TheJakarta Post. Bogor, West Java. This article was published in thejakartapost.com with the title "President Jokowi opens trilateral ulema meeting at Bogor Palace". Click to read: https://www.thejakartapost.com/news/2018/05/11/president-jokowi-opens-trilateral-ulema-meeting-at-bogorpalace.html

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and the Moluccas, and in the present, in the province of Papua. Not to mention that East Timor saw the light of day as an independent country in 1999 after rejecting Indonesia’s offer of more autonomy, making real the separatist nightmare that has always existed for the Indonesian elite.

There are more than 750 different ethnic groups in Indonesia\(^{73}\), with the Javanese and Sundanese groups standing out above the rest. In other words, it is a country with extreme ethnic diversity, but with a couple of dominant ethnic groups. This is, in fact, a model that follows the pattern of much of Southeast Asia. Coexistence between the different ethnic groups in Indonesia has been generally peaceful, but there have been sporadic outbreaks of inter-ethnic violence in the country, mainly motivated either by resource issues or a sense of loss of resources to third groups. The case of widespread resentment in Indonesia against the Chinese minority\(^{74}\) there, which is mainly engaged in trade and was made the scapegoat for the economic crisis of 1998, is a good example of this. In addition to the Chinese minority, a paradigmatic example of inter-ethnic conflict was the one between the Dayaks ethnic group and immigrants from the island of Madura in West Kalimantan in 1996/1997\(^{75}\).

Linguistically, Indonesia has one official language, Bahasa Indonesia, but local and regional languages play a major role in the daily lives of its citizens. Interestingly, languages and their use have not generated conflict, with the vast majority of the country’s citizens following a natural bilingualism where they speak both Bahasa Indonesia as the national language and their regional language, if any. This is the case of the Javanese, Sundanese and Acehnese languages.

Religiously, the presence of Islam is overwhelming, with more than 80% of the population being Sunni Muslim, residing mainly on the country’s westernmost islands of Sumatra and Java. Notably, the presence of Shi’ism is extremely minority and persecuted by radical groups. Alongside Islam, there are several pockets of Christian

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\(^{73}\) See: Ethnic People Groups of Indonesia | Joshua Project


populations\textsuperscript{76}, both Catholic and Protestant, and populations of Buddhist and Hindu worshippers. Hinduism is the majority religion on the paradise island of Bali. This religious diversity\textsuperscript{77} which, over time, has been accompanied by a high degree of religious tolerance, enhanced Indonesia’s chances of becoming a democracy.

Indonesia reflects the diversity of religions globally. The country of 17,000 islands is the largest Muslim country in the world, with 230 million Muslims. In fact, there are more Muslims in Indonesia than in all the countries of North Africa combined. This numerical leadership, however, has given it no global preponderance within the international Muslim community. Historically, from Arab-Muslim countries, and especially Saudi Arabia, Indonesian Islam has been perceived as peripheral and contaminated by other religious beliefs or local traditions such as animism, which is deeply rooted in Indonesia and throughout Southeast Asia. This may be why neither Middle Eastern countries nor the West see Indonesia as a leading country in the Muslim world.

Interestingly, although al-Qaeda initially and DAESH subsequently played a key role in the development of contemporary jihadism in Indonesia, Bin Laden himself hardly cited Indonesia as a key country in his speeches and messages, despite its leadership in numbers\textsuperscript{78}.

Indeed, this Islamic leadership has not translated into Indonesia’s establishment as an Islamic state that follows the model of other Muslim countries. One of the great debates prior to the country’s independence was what the legal architecture of the state should look like – either an Islamic state or a secular state. Finally, a middle way was chosen, not turning Indonesia into an Islamic state, but declaring five religions as official in the country and, within the preamble of the constitution, introducing an element of religiosity: “the Republic of Indonesia, which shall be built into a sovereign state based on a belief in the One and Only God”\textsuperscript{79}.

\textsuperscript{76} A fascinating account of the arrival and spread of Christianity in Indonesia is found in: Aritonang, J. S. and Karel Steenbrink (Eds.). (2008). \textit{A history of Christianity in Indonesia}. Leiden. Brill.


\textsuperscript{78} This absence of Indonesia as a country of reference in the global jihad struggle can be seen in the following: Lawrence, B. (2005). \textit{Messages to the world. The statements of Osama Bin Laden}. London, Verso.

As a religiously plural country, it has not yet played the leadership card in defence of democracy and religious pluralism either at the global level or at the strictly religious level within the Muslim world. In fact, Indonesia has been very timid and has only attempted, and failed, to play a mediating role in open and bloody conflicts in some Muslim countries. Good examples of this are his mediation attempts in Iraq and Afghanistan. All of them, as previously mentioned, were unsuccessful.

One of the possible reasons why Indonesia has been unwilling and perhaps unable to play a greater role in defending democracy and political freedoms globally has been the country’s persistent, endemic domestic problems linked to religious extremism, manifested in a rising tide of radical Islamist intolerance against various minority groups embodied in the Shia community, the Ahmadi community, and Christian and Protestant groups across the country. This is not forgetting the terrible episodes of sectarian conflict between Christians and Muslims in Indonesia in the early democratic period in the Moluccas and the Celebes, which resulted in several thousand deaths.

This wave of intolerance and sectarian legacy has developed mainly during the democratic period, demonstrating one of the deep weaknesses of Indonesia’s transition to democracy. Perhaps the most paradigmatic case is the campaign against former Jakarta Governor Ahok in 2016, when thousands of Islamists on the streets of Jakarta accused him of blasphemy for using verses from the Koran at a political rally. Ahok, who belonged to the Chinese minority and was a Protestant, came under severe pressure, losing his re-election bid and was subsequently tried and sentenced to two years in prison for blasphemy. His imprisonment is a sign of the rising tide of intolerance in the country, one of the country’s biggest problems. All this begs the question: How can peace be maintained among the diversity of its people?

Added to these events during the democratic period, Indonesia was already suffering the consequences of a powerful jihadist insurgency represented by Darul Islam, which sought the establishment of an Islamic state and has been a powerful source of

81 Mayor, using Spanish terminology.
inspiration\textsuperscript{82} for future terrorist groups. From the beginning of the democratic period to the present, both al-Qaeda and the Islamic State, represented through their affiliates in the country, have carried out major attacks with the aim of establishing an Islamic State in Indonesia and winning the debate lost in 1945 to the nationalist group. In fact, Indonesia, due to its own weaknesses, represented by very porous borders, especially maritime ones, and this small but persistent radical focus, Indonesia has always been connected to the two main global jihadist movements that have emerged to date: al-Qaeda and DAESH\textsuperscript{83}.

It can therefore be concluded that while Indonesia has great opportunities to defend values such as democracy, political liberalism and diversity, its own recurrent internal problems hamper this possibility.

### Indonesia and its role in ASEAN

The Association of Southeast Asian Nations (ASEAN), the major regional organisation of the Indo-Pacific, was founded in 1967 on the initiative of five countries: Indonesia, Thailand, Philippines, Malaysia, and Singapore. All of them with the firm objective of turning the organisation into a bulwark against communism, an ideology that was widely supported by various sectors of the population in Southeast Asia and which was at the centre of several insurgencies.

Five decades later, the regional and global environment has changed dramatically. The Cold War ended more than three decades ago, the era of major regional conflicts in the area such as the Vietnam War and the Cambodian Genocide is likewise over and, above all, there has been a major shift in the correlation of forces in the distribution of regional power.

China and India have launched themselves into the struggle to become superpowers and dominators of their respective regional environments. ASEAN has become a key regional organisation in Southeast Asia and the Indo-Pacific and has changed its focus from fighting the spread of communism to the region’s quest


for greater economic prosperity and political stability. In the case of Indonesia, our object of analysis has a prominence in the region and in ASEAN unparalleled in recent times. ASEAN and Indonesia have seen their immediate regional environment change dramatically. As mentioned above, one of the most notable aspects of ASEAN is that, after a long trajectory over time, it has managed to become a determining regional institution in the architecture not only of Southeast Asia, but also of the Indo-Pacific\footnote{Strangio, S. (2020). *In the dragon`s shadow. Southeast Asia in the Chinese Century*. New Haven, Yale University Press. P. 35.} with multiple initiatives aimed at channelling its relationship with key countries in the region\footnote{Harding, Brian. Southeast Asia’s Role in Geopolitics. https://sppga.ubc.ca/wp-content/uploads/sites/5/2017/10/8-Brian-Harding.pdf.}, including China, India and Japan, through various successful initiatives such as the Asia Regional Forum (ARF) and the East Asia Summit (EAS), among others.

However, the consolidation of ASEAN and its greater regional role should not hide some of its most resounding failures, two of which in the most recent period mainly stand out: first, its inaction in the Rohingya crisis and the subsequent military coup in Myanmar, where ASEAN has not managed to impose its will on the military junta; and second, its failure to reach a minimum agreement with China to manage the dispute in the South China Sea, through the signing of the Code of Conduct, which has been under negotiation for a huge 25 years\footnote{Hayton, B. After 25 Years, There’s Still No South China Sea Code of Conduct. https://foreignpolicy.com/2021/07/21/south-china-sea-code-of-conduct-asean/}. ASEAN is therefore an organisation with strengths and successes, but also with weaknesses and failures. And indeed, as Acharya\footnote{Acharya, A. ASEAN and the new geopolitics of the Indo-Pacific. *East Asia Forum*. https://www.eastasiaforum.org/2021/12/29/asean-and-the-new-geopolitics-of-the-indo-pacific/} points out, it is in dire need of a new strategic approach to maintain its autonomy in the new geopolitical environment. Indonesia should play a leading role in this strategy.

And it is under the umbrella of ASEAN that Indonesia, now in the democratic period, wishes to increase its geopolitical role. As former Indonesian President Susilo Bambang Yudhoyono\footnote{Susilo Bambang Yudhoyono was president from 2004 to 2014.} stated, ASEAN is the basis of its foreign policy\footnote{Weatherbee, D. E. (2013). *Indonesia in ASEAN. Vision and reality*. Singapore, IS-EAS. P. 5.} and the regional
environment of Southeast Asia its main area of interest\textsuperscript{90}. In addition, we should not forget that Southeast Asia, together with Australia, is within the second great mandala or circle of interest, the first mandala being the Indonesian archipelago itself, and the third the rest of the world\textsuperscript{91}.

Indonesia is the natural leader of ASEAN both in terms of its economic weight and its large population but is not the de facto leader recognised by the rest of the member countries. It can even be argued that Indonesia itself, knowing its limitations and domestically concentrated interests, does not define itself as the regional leader either. Curiously, and perhaps because of this lack of confidence, the country has not been very vehement in its demand for changes in the UN Security Council. This is a crucial point because, as Bernard and McLain argue, it is perhaps now, in such a dynamic geopolitical environment, that ASEAN should have a clear leader to better defend its interests. But this is not happening.

One of the most criticised aspects of ASEAN has been two of its underlying granite principles: the need for consensus in decision-making and the principle of non-interference in the affairs of the organisation’s member states.

Although Indonesia has, in recent years, stepped forward to play a greater role in some of the most recent crises (ethnic cleansing of the Rohingya, military coup in Myanmar and subsequent violence against civilians), its diplomacy and information policy have not had the desired effect.

ASEAN’s future character will largely depend on two determining variables: first, its relations with China, and second, the bilateral option, leaving ASEAN as an old shell without content.

The debate is open between those who argue that ASEAN will not evolve and will continue to maintain its current working model, and those who support or advocate greater regional integration. The resolution of this debate is crucial because, as some authors argue, the lowest common denominator policy\textsuperscript{92}, along with the


policy of non-interference and profound differences of opinion on key issues\textsuperscript{93}, are weighing down both ASEAN’s and Indonesia’s foreign policy capabilities and calling into question their own basic principles of Bebas dan Aktif. Its commitment to and boxing in of ASEAN is limiting its already limited capacity for manoeuvre.

ASEAN aside, Indonesia is very slowly beginning to develop its own parallel diplomacy, together with other countries around and beyond its borders, and to push for regionalism in the Indo-Pacific\textsuperscript{94} through its participation in interesting proposals, notably by looking increasingly towards the Indian Ocean and Australasia. These include the Coral Triangle Initiatives on coral Reefs, Fisheries, and food Security (CTI-CFF) established in 2009 with Indonesian leadership, together with Malaysia, the Philippines, East Timor, the Solomon Islands and Papua New Guinea; the important Think Tank Indonesia Ocean Justice Initiative\textsuperscript{95}, which supports good ocean governance; the Indian Ocean Rim Association (IORA), which seeks cooperation and dialogue in the Indian Ocean among coastal states, where Indonesia, since its inclusion, has played a key role; the Indian Ocean Naval Symposium (IONS), similar to IORA, but promoting dialogue between the naval forces of the member countries of the Indian Ocean; and the fascinating Melanesian Spearhead Group (MSG)\textsuperscript{96}, an organisation of which it has been an observer country since 2011, together with East Timor, and which promotes cooperation, dialogue and economic development in Melanesia.

In addition, the 2019 INA-LAC Business Forum and the INA-CEE Business Forum, both initiatives promoted by Indonesia to improve economic and trade relations with Latin America and the Caribbean and the countries of Eastern and Central Europe,

\textsuperscript{93} Laksmana, E. A. Indonesia Unprepared as Great Powers Clash in Indo-Pacific. Jakarta is Asia’s greatest geopolitical prize. But its foreign-policy reflexes are long outdated. https://foreignpolicy.com/2021/08/26/indonesia-china-us-geopolitics/


\textsuperscript{96} Scott, D. Indonesia Grapples with the Indo-Pacific: Outreach, Strategic Discourse, and Diplomacy. First Published August 1, 2019. Research Article. https://doi.org/10.1177/1868103419860669196-197
should also be mentioned for their recentness and for their geographic focus.

Another very different and more far-reaching option would be for Indonesia, in parallel with its continued membership of ASEAN and its leadership in new initiatives, to establish new bilateral or trilateral alliances\textsuperscript{97}, like QUAD and AUKUS, with a common goal, thus partially breaking out of the ASEAN corset. The possibility is real, although such a contingency is still far in the future. As Rizal Sukma rightly points out, Indonesia will never lose its strategic autonomy and will never be a vassal state of any hegemonic power\textsuperscript{98}, and within the Sino-US rivalry it will play its cards by seeking autonomy. Indonesia is undoubtedly in a period of reflection on how it should orient and organise its outward efforts.

Conclusions

From the foregoing, several synthetic conclusions can be drawn about Indonesia’s present and future geopolitical role in Southeast Asia.

First, how it resolves its chronic internal economic, political and security problems will determine its geopolitical role in Southeast Asia and the new Indo-Pacific environment. Indonesia has significant challenges and weaknesses to overcome, but as its evolution from the beginning of the democratic period to the present demonstrates, it has the energy and determination to overcome them. In addition to the classic issues, it must grow in self-confidence and exploit the country’s magnificent potential, especially that centred on its geographical coordinates, which place it as a breakwater for multiple routes between the Indian and Pacific Oceans and between Asia and Australasia.

Second, the rise and possible consolidation of Indonesia as a regional leader would have decisive effects on the entire Indo-Pacific architecture with two clear effects. A strong, stable and self-confident Indonesia would be one of the main

\textsuperscript{97} Laksmana, E. A. Indonesia Unprepared as Great Powers Clash in Indo-Pacific. Jakarta is Asia’s greatest geopolitical prize. But its foreign-policy reflexes are long outdated. https://foreignpolicy.com/2021/08/26/indonesia-china-us-geopolitics/

\textsuperscript{98} Sukma, R. Indonesia navigating between the US and China. This article was published in thejakartapost.com with the title “Indonesia navigating between the US and China”. Click to read: https://www.thejakartapost.com/paper/2021/12/16/indonesia-navigating-between-the-us-and-china.html
regional obstacles to a hegemonic China. The People’s Republic is aware of this situation and will therefore try to erode and slow Indonesia’s rise. Indonesia’s consolidation would mean the emergence of a third regional giant, alongside China, India and the US. In other words, there is a clear redistribution and reconfiguration of power in the Indo-Pacific. A new design that would be to the Indonesian taste, which has always desired the absence of a global hegemon that could jeopardise its interests. Indonesia’s consolidation would therefore be conducive to a multipolar Indo-Pacific.

Third, by strengthening its regional leadership, Indonesia will enhance the position of ASEAN and Southeast Asia as autonomous elements with their own personality and interests, which must first and foremost be defended at the regional level. This aspect is key to understanding how, throughout recent history, Indonesia has tried, and sometimes successfully, to include more countries in the various initiatives established by ASEAN and at national level through bilateral agreements. Indonesia is a strong supporter of multilateralism and UNCLOS, hence its interest in strengthening ASEAN, moving it forward and involving more countries in regional affairs, always seeking unity. At the same time, Indonesia is beginning to explore alternative avenues to ASEAN that would allow it to maximise the defence of its interests. These attempts show a country that is more assertive, but still far from the foreign policy maelstrom of the Sukarno period.

The strengthening of ASEAN and Southeast Asia will consolidate Indonesia’s commitment not to ally itself with either the US or China in their growing rivalry. Indonesia should pursue a free and active foreign policy that does not pigeonhole it. But not only that, it has historically analysed with suspicion the role of the great powers and their regional objectives. This dual imperative, both legal and ideological, has shaped and will continue to shape Indonesia’s foreign policy. Aware of its crucial position in the Sino-American competition, it will not support either side and will simply try to consolidate what some authors have come to describe as a dynamic equilibrium. As former Indonesian Foreign Minister Marty Natalegawa argues, Indonesia will maintain good relations with both and seek its own way to defend its vital interests.

Last, Indonesia has already become an example to other Muslim-majority countries that Islam and democracy can go hand in hand. But not only that, Indonesia has shown that a dynamic
Indonesia and its rise in the Indo-Pacific. Analysis of its growing democracy such as the one observed in the country, within an extreme level of religious but also ethnic and linguistic plurality, is also capable of accelerating economic progress and raising the welfare levels of the population. Indonesia, therefore, symbolises an important bastion of freedom based on its defence of political liberalism, economic freedom and defence of religious pluralism. Whether Indonesia chooses to use this flag internationally is an option that has not yet been explored.

In conclusion, as stated at the beginning of this paper, Indonesia is a middle power, aware of both its potential and its weaknesses and shortcomings. It has a long way to go if it really wants to confirm itself as the third Asian giant after China and India and raise its regional and global status. It’s up to itself.

Chapter Seven

War on Terror after 9/11: Analysis and foresight

*Pilar Rangel*

**Abstract:**

After two decades of the fight against international terrorism that began on 11 September 2001, an analysis of these 20 years of the fight against Terror is needed.

The different scenarios in which these groups have been present and the factors that have made this possible, what the international response to this threat has been and what the future scenario we will face will be like are all aspects that need to be analysed.

During these 20 years, there has been a huge international effort to combat terrorism, most notably the Global Coalition against Daesh focused mainly on Syria and Iraq. Despite this, however, recent years have seen a rise in terrorist attacks and a wider geographic spread, with Daesh and al-Qaeda-affiliated groups in Africa today being of particular concern.

Despite regional and international efforts in the fight against terrorism, it remains one of the main threats we face. Having been virtually defeated in Syria and Iraq, they have spread to other regions such as the Sahel, Southeast Asia and East Africa.
Also, noteworthy is the presence of extreme right-wing terrorism in recent years and the impact of COVID-19 on all these terrorist groups, which was used to radicalise a larger number of followers through the use of the internet to encourage attacks around the world.

To date, terrorism remains a serious threat that requires continued engagement by the international community.

Keywords:

Terror, Terrorism, Daesh, al-Qaeda, Jihadist.
Introduction

We can say that jihadist terrorism is at its most visible in the 20th century. When we think of jihadist terrorism, the first thing that comes to mind are the images of 11 September 2001, when four commercial airliners were hijacked by al-Qaeda terrorists, two of them crashing into the twin towers in New York, another into the Pentagon building in Washington and the last into Arlington.

As we all know that day changed the world not only because the US was attacked in the very heart of its own country but also because, in response, it began what was called the war on terror. The terrorists saw how widely the 9/11 attacks were disseminated by the media and so, since 2013, Daesh\(^1\) has been using the media to spread its propaganda.

Since then, the internet has become a tool to amplify their terrorist acts, given that the publication of attacks gives them global and instantaneous dissemination of their message, and has the capacity for interactivity. Within the different social networks, each user can share the message to all those within their virtual communities for global, but above all instantaneous, propagation. In other words, the receiver also becomes the sender.

Daesh stems from al-Qaeda in Iraq, started in 2011 in Syria through the al-Nusra Front, a faction of al-Qaeda in Iraq sent to that country. In Iraq, the organisation has existed since 2006. The political situation in both countries served as a breeding ground for the genesis of terrorism and in particular the development of Daesh, which in 2013 announced itself as ISIS and in 2014 declared its intention to find a caliphate covering large parts of the aforementioned countries and with the intention of spreading. Like al-Qaeda in its time, Daesh now hosts numerous franchises operating in different parts of the world.

As usual, there is a symbiosis between these terrorist groups and others that are exclusively dedicated to organised crime, including international illicit trafficking in drugs, arms, and people, or that are involved in extortion, money laundering or mafia

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\(^1\) Dawla al-Islamiya of Iraq and Sham (the recommended acronym for the self-styled terrorist group as Islamic State so as not to grant it statehood).
networks. On occasion, we find terrorist groups feeding off organised crime and sometimes it is the other way around: organised crime groups end up doing terrorist activities.

In the case of the jihadist groups, they have been perfecting their techniques and since 11 September 2001 we have seen how they have spread throughout Afghanistan, Syria, Iraq, the Sahel, and Southeast Asia, among others. One of the aims of these groups has been to try to spread the caliphate around the world, destabilising countries in the Middle East and Africa, to transfer that instability across the Mediterranean to Europe.

Four international factors need to be considered:

1. First, the source of the terrorism that we will have to face from now on and in the coming decades is not within our borders but outside them, even in places as remote as Pakistan, Iraq, Afghanistan, or the nearby Sahel.

2. Second, the response to this threat cannot be a solitary one but must rely on the cooperation of other international actors, seeking bilateral or even multilateral alliances with states or international organisations.

3. Each state must take into account how the current international system is structured and the direction in which it is evolving, since it is not the same to move in the bipolar world of the Cold War as in the world after the fall of the Berlin Wall, or in the world after the Iraq war, a point from which it seems inappropriate to frame terrorism as a new threat, since the use of illegitimate violence for political ends is almost as old as politics itself.

4. The relationship and sometimes symbiosis between terrorism and organised crime which feed off each other and which must be fought effectively².

Regarding the confluence of terrorist groups with certain criminal activities linked to organised crime, there are many, but the three main ones are the following:

1. Drug trafficking: This includes terrorist groups operating in the Sahel and terrorist groups such as the Taliban and other jihadist groups in Afghanistan and Pakistan.

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2. Other illicit trafficking: Both al-Qaeda and Daesh have turned to the black market in gold, precious stones and the sale of art pieces. AQIM started with tobacco trafficking and moved on to arms, drugs and human trafficking.

3. Kidnappings: Included here are groups such as Abu Sayyaf, a Philippine organisation formerly close to al-Qaeda and now in the orbit of Daesh, which has been involved in recent years in kidnapping and ransom collection (in combination with some drug trafficking operations), as well as Daesh, al-Qaeda, AQIM and various jihadist groups in Iraq and Pakistan³. The most effective jihadist organisation specialising in kidnapping is currently JNIM, al-Qaeda in the Sahel.

The EU’s role is also crucial in the fight against terrorism and organised crime, for two main reasons:

1. There must be greater coordination between the law enforcement agencies and the Intelligence Community of the different Member States.

2. The leading role that the EU can play in the fight against terrorism outside its borders should be with military instruments, as in the Sahel, and with policies to support economic development and the construction of civil society.

If we analyse the different scenarios in which terrorism operates, we can see that in most cases military means have been used as a response to this threat. However, lessons learned in various international conflicts seem to have made it clear that a state actor, however powerful, cannot be victorious, or at least does not have an easy time, against an enemy such as a terrorist group if it only confronts it in this way. Such experiences have been corroborated in different scenarios such as Iraq and Afghanistan, where war was won but peace was lost⁴.

Middle East

Following the so-called War on Terror after 11 September 2001, we must start by looking at Afghanistan which, although it is

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not a Middle Eastern country and was not, as many believe, the birthplace of al-Qaeda, which was born in Pakistan in 1988, has been the country most affected by terrorism in recent years, and especially by the Taliban.

These years have seen aggressive and coordinated terrorist attacks by the branch of Daesh in the region, the Islamic State’s Khorasan Province (ISIS-K), and by the Afghan Taliban, including the affiliated Haqqani Network (HQN), which continued a high tempo of insurgent attacks against the Afghan National Defence and Security Forces (ANDSF).

However, after 20 years of international intervention in Afghanistan, in the summer of 2021 we saw how this terrorist group took full control of Afghan territory by proclaiming the Islamic Emirate of Afghanistan. This was the result of the chronicle of a death foretold after the 2020 Doha Accords and what we call the “endless wars” waged by the US, mainly in Iraq and Afghanistan.

Contrary to the Doha peace accords, the Taliban has neither condemned nor severed their links with the terrorist group al-Qaeda. The latest UN report to the UN Security Council on 19 May 2020 states that "relations between the Taliban, especially the Haqqani Network, and al-Qaeda remain close and are based on friendship, a shared history of struggle, ideological affinity and marriages between members of the two groups "\(^5\).

Daesh – its franchise in Afghanistan is ISISK – which has some 2,200 members in Afghanistan according to a UN monitoring team\(^6\). It is important to remember that it while it proclaims global jihad the Taliban is a terrorist group that only operates inside Afghanistan.

As we have seen, the total withdrawal of international troops from Afghanistan has been a great victory not only for the Taliban government but also for the rest of the terrorist groups, with the exception of DAESH-Khorasan, for whom it has served as an

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example to follow in the territories where they operate, encouraging them to continue fighting and proclaiming global Jihad.

Over the past 20 years the West has succeeded in combating the terrorist threat but has failed to stabilise Afghanistan. The war on terror continues, but worse than 20 years ago, because the Taliban now occupy all Afghan territory and have more economic, arms and intelligence power. We are facing a new international scenario in the Middle East and in the West, where it seems that the US wants to reserve its capabilities for confronting its real strategic enemies, China and Russia.

Another sanctuary for terrorism has been Pakistan, bordering Afghanistan, but with a very ambiguous position as the birthplace and later supporter of the Taliban movement to keep Afghanistan in its orbit of control, while at the same time being an ally of the US. The fact that Pakistan is also a nuclear power at odds with India makes it more worrying about the international community.

In the case of Syria, the beginning of terrorism coincided with the Arab Spring in 2011 and became the main scenario in which different terrorist groups have fought to impose their territorial dominance against other rebel groups with different ideologies within the armed conflict taking place in that country, with the two main groups Daesh and al-Nusra standing out.

The actions of al-Nusra in Syria are in line with al-Qaeda’s revised ideology and with the evolution of Salafist Jihadist thought in the context of the Arab Spring, while Daesh is one of the main terrorist groups not only in Syria but worldwide, due to the large disbursement of economic capital involved in maintaining the organisation, and to the wide dissemination of its media recruitment machinery, in many cases expressly implemented and aimed both at countries with an Islamic majority and in the West, from where many fighters were recruited to fight in the Caliphate, with possible figures estimated at more than 100,000#.

Today, however, Daesh has lost almost all of its territory and is reduced to border positions in the desert between Iraq and Syria, where there is little population and the terrain is of little (geo)strategic relevance. However, we should not consider this organisation dead, mainly because its ideology and legacy are still latent, and among other reasons because it still has a large

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7 Caretti, G. (2015). The Islamic State, the jihadist threat that terrorises Syria and Iraq.
number of combatants, between 6,000 and 10,000, more than it had in 2013⁸.

More than 10,000 Daesh fighters, including some 2,000 foreign terrorist fighters (FTFs), remain in detention centres controlled by the Syrian Democratic Forces in north-eastern Syria, and more than 70,000 associated foreign family members, most of them children, remain in humanitarian camps for displaced people. Among them were several Spanish women who travelled with their husbands to the Caliphate and where some of their children were born.

In the case of Iraq, the war against the Iraqi regime should be seen as part of the Global War on Terrorism (GWOT), formulated by President Bush on 20 September 2001 after the 9/11 attacks in a joint session of Congress: “Our war on terror begins with al-Qaeda, but it will not end until every terrorist group with global reach has been tracked, stopped and defeated”.

However, the main terrorist group to fight in Iraq has proved to be Daesh, which spread the word about life in the Caliphate, and its war exploits to recruit new followers through the propaganda of both its publication Dabiq and its video production company al-Furqan. This group came to control a third of Syria and a quarter of Iraq as the embryo of their caliphate, dominating a territory that is home to some 6 million people and significant energy resources. While the mass murders of Shiites have been horrifying, the group has also targeted long-established minorities in the northern regions of Iraq⁹.

Despite Daesh’s territorial defeat in Iraq, it has continued to conduct smaller-scale operations, particularly in the north and west, including in rural areas with limited Iraqi Security Forces presence. It should be recalled that many Iraqi Daesh fighters remain in Iraqi custody, along with Daesh-affiliated family members, as a measure to prevent future radicalisation and terrorist violence.

And not forgetting that the US-led Global Coalition against Daesh, which includes 83 other countries, continues its efforts to prevent the resurgence of Daesh in Syria and Iraq, al-Qaeda and its affiliates, and Iranian-backed terrorist groups such as Hezbollah.

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⁹ Calos Echeverría, J. (2014). The Islamic State (Iss) As A Jihadist Salafist Terrorist Group and Other Violent Armed Groups Operating In Iraq Today. IEEE.
Maghreb

This is an area of great geostrategic interest for Spain and Europe due to its proximity and its connection with the Sahel.

Of particular note are the counter-terrorism efforts and operations in Algeria, Morocco and Tunisia, thwarting attacks mainly by Daesh and other terrorist groups. Moroccan and Algerian forces have conducted a steady stream of operations to prevent terrorist groups, including al-Qaeda and Daesh affiliates, from planning or carrying out attacks.

In Libya, despite being a failed state in the aftermath of the Arab Spring and the fall of Gaddafi, local security forces have conducted ground operations to neutralise the threats posed by Daesh and al-Qaeda and its fighters and those of the Islamic Maghreb (AQIM).

In the case of Algeria, which borders the Sahel, the Algerian armed forces and internal security forces have conducted numerous operations to arrest and eliminate terrorist suspects, dismantle, and disrupt terrorist cells, and destroy hideouts, weapons and other equipment, especially against AQIM and the Algerian branch of Daesh. These groups aim to impose their interpretations of Islamic law in the region and to attack Algerian security services, local government targets and Western interests. Terrorist activity in Libya, Mali, Niger and Tunisia, as well as trafficking...
in people, arms and narcotics, have contributed to the overall threat, particularly in border regions.

Morocco, for its part, is the main guarantor country in the fight against terrorism in the Maghreb. The Moroccan intelligence services have stood out for their effectiveness in dismantling terrorist cells both inside and outside the country, as well as providing key information to several European countries for the capture of various terrorists, some of them involved in major attacks of great relevance and magnitude.

Notable within its activity are the following:

a) Close surveillance both inside and outside the country, based on the Moroccan intelligence services’ great capacity to infiltrate extremist networks made up of both Moroccan nationals and European citizens of Moroccan or Maghreb origin.

b) Anticipation of any activity that is a current or future threat. Where there is any suspicion, the Moroccan security services prefer not to take any risks and intervene.

c) Action in the form constant alert against the promoters, financing networks and members of fundamentalist groups, and in the form of raising awareness and protecting the population from fundamentalist discourse.

d) Not to mention the great capacity for coordination and integration of teams from different information services under the same management.

In the case of Tunisia, the fight against terrorism and border security with Algeria and Libya remain the government’s main priorities. Over the years, Tunisia has worked to implement a national strategy to prevent and combat violent extremism and to freeze terrorist assets. It was the country that exported the most foreign fighters and FTF to the Caliphate.

Sahel

The Sahel is a priority region for the EU and especially for Spain for several reasons: it is a source of migrants, it is an area affected by climate change and by the demographic explosion, it is underdeveloped, and it has weak governments. In the case of some countries we are faced with failed states, and all this
combined with ethnic conflicts and the serious threat of jihadist terrorism and organised crime, which makes it a source of instability for the whole area, especially for the Maghreb, Spain and Europe.

To this effect, the confluence between organised crime and terrorism is complete, with the entry routes for cocaine from South America into Europe being through the Sahel. Terrorist groups operating in the Sahel such as JNIM, the Sahelian branch of al-Qaeda in the Islamic Maghreb (AQIM), are also involved in various illicit trafficking activities such as drug trafficking, human trafficking and numerous kidnappings of tourists, volunteers and civil servants.

The primary purpose is to collect ransoms of between one and a half and four million dollars per released person. This terrorist group has made local arrangements with different Tuareg groups involved in trafficking in human beings, arms and stolen goods, as well as pacts with the smuggling and drug trafficking networks that run along “Highway 10”, the 10th parallel that runs from Colombia to Africa.

These Sahelian countries are chosen by Colombian and Mexican cartels as points for making shipments that are then fed into the AQIM-controlled Sahelian route to Spain, Italy, Greece and countries in the Middle East. According to some authors, AQIM, Ansar Dine, now integrated into the JNIM coalition, and MUJAO, now defunct and with most of its members integrated into DAESH Great Sahara, all terrorist groups active in the Western Sahel, are more dangerous for their criminal activities than for their jihadist actions. Through these actions and since 2003, it is estimated that AQIM has raised more than $40 million.10

For its part, Mali is one of the crossing points for illegal trafficking routes of all kinds where terrorists, traffickers, and smugglers merge with Tuareg groups, including through marriages, a family bond that provides greater control of the area through a network of information sources ranging from the location of vulnerable kidnapping targets to the execution of the capture and subsequent guarding.11

11 López Muñoz, J. (2016). Criminality and Terrorism, Elements of Strategic Confluence. IEEE.
It would take too long to list all the terrorist groups operating in the Sahel, but they are mainly groups that have sworn allegiance to al-Qaeda or Daesh.

AQIM (al-Qaeda in the Islamic Maghreb) emerged in 2007 with the intention of coordinating the jihadist effort across its original area of deployment, the Maghreb/Sahel. The effort would take years to crystallise and would do so under the acronym JNIM on 2 March 2017, in an event which, broadcast via Telegram, would jointly feature five of the region’s most wanted jihadist leaders. Among the groups that have sworn allegiance to Daesh are EIGS, a group with a strong presence today on the border between Niger and Mali. In Burkina Faso, Ansarul Al Islam (Defenders of Islam) stands out as an indigenous group, making its name in December 2016 with the attack on a military base in Soum province in the north-east of the country, killing twelve members of an anti-terrorist unit.

Thus, in the Liptako-Gourma region, in the so-called triple frontier, military interventions against Tuareg and Arabs belonging to terrorist or trafficking groups favour other Tuareg and Arabs who have long been their adversaries, for example in Menaka and its region, and allow them to improve their social position and increase their influence. Similarly, terrorists take advantage of inter-communal conflicts to gain support for terrorist operations12.

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The international community has not stood idly by in the face of the worsening situation in the Sahel. However, all the measures that have been taken to date have proved to be insufficient.

France first became active in the Sahel with Operation Serval and is currently active in the Sahel with Operation Barkhane and Takuba. EUTM MALI is the EU mission that helps the Malian army to improve its military capabilities so that it can recover the country’s territorial integrity, and in which is a very active Spain participant. The United Nations Multidimensional Integrated Stabilisation Mission in Mali (MINUSMA) was established to support the political process and carry out several security-related stabilisation tasks. G5 SAHEL. In February 2014, the five Western Sahel countries – Mauritania, Mali, Burkina Faso, Niger, and Chad – agreed to find a new regional organisation, the G5 Sahel, to ensure development and security conditions in the member countries’ area.

In short, while in the Maghreb-Sahel the power and influence of al-Qaeda in the Islamic Maghreb (AQIM) is growing, the birth of alliances of terrorist groups such as the Support Group for Islam and Muslims (JNIM), the flow of mercenaries and weapons from Libya, the growing influence of drug traffickers and the sharp increase in the lethality of Boko Haram all combine to make regional cooperation in security and defence to face these transnational threats very fragmented and little coordinated, to say the least, not to mention the recent possible departure of France from Mali and the arrival of the Russian group Wagner, which will lead to even greater destabilisation in the Sahel and new conflicts.

When one looks at the long list of entities committed to security and defence of which the Sahel countries are part, one can only affirm that they practice what we call “institutional polygamy”, which, at the very least, produces a dispersion of funds (office rent, salaries, meetings, travel, etc.), generates more competitiveness than convergence and, moreover, is not efficient13.

We must remember that we cannot offer Western solutions to African problems or old solutions to new problems. The response must be coordinated by all actors and at all levels, not just at the military level.

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The case of Nigeria is also worth mentioning. Although it does not belong to the Sahel, it is subject to the terrorist action of the Boko Haram organisation, whose activities began in 2009 and is the bloodiest terrorist group on the continent, thus placing Nigeria in fourth place in the total number of deaths caused by terrorist acts over the last three years, with one out of every ten deaths caused by worldwide terrorism.

The terrorist organisation’s barbarity has been felt in the neighbouring states of Chad, Niger and Cameroon, provoking an international response after it went as far as to conquer large parts of northern Nigeria and proclaim its own caliphate in July 2014, before swearing allegiance to the leader of the Daesh terrorist organisation in March 2015.

Figure 3. Forces present in the Sahel. Source: JeuneAfrique, September 2021

Alain Rodier defines Boko Haram as a “narco-terrorist movement”, regularly cooperating with al-Qaeda movements to facilitate the flow of cocaine and heroin through the Sahel. The combination of criminal acts and the drug business has transformed the jihadist project, with the nationalist-religious discourse continuing to be the basis for gaining new followers to the cause, which is no
longer only politico-religious but is based on the creation of a criminal economy\textsuperscript{15}.

The lethality of terrorism is also well known in other parts of East Africa where al-Qaeda-affiliated Al-Shabaab is active and commits high-level attacks against both civilian and government personnel, mainly members of AMISON, the African Union mission for Somalia. It is also committed in other countries such as Kenya, Djibouti and Ethiopia.

Somalia is considered a safe haven for terrorists as a failed state where terrorists can plan, carry out and facilitate operations inside Somalia, including mass casualty bombings in major urban areas and attacks in neighbouring countries.

In Mozambique, the insurgency, reconverted into a DAESH affiliate in Central Africa, is expanding in the province of Cabo Delgado in northern Mozambique, and has already killed a huge number of people and forced many more to flee their homes. Over the last few years, there has also been a significant increase in terrorist activity.

As for the rest of the Asian continent, or more specifically the Philippines and Indonesia, although initially considered a possible...
alternative stage of conflict after the fall of DAESH in the Middle East, they do not currently have such a prominent role for the organisation.

In the Asia-Pacific area the main operating terrorist groups are Abu Sayyaf, al-Qaeda and Jemaah Islamiyah, and groups inspired by the Islamic State of Iraq and Syria (ISIS).

The Abu Sayyaf Group (ASG) is one of the most violent terrorist groups in the Philippines, promoting an independent Islamic state in western Mindanao and the Sulu archipelago. Elements of the group have links to the regional ISIS affiliate, ISIS-Philippines. ASG has committed kidnappings for ransom, bombings, ambushes of security personnel, public beheadings, assassinations, and extortion and operates mainly in Malaysia and the Philippines.

Jemaah Islamiya (JI) is a terrorist group based in Southeast Asia that seeks to establish an Islamic caliphate in the region.

Australia is one of the leading members of the Global Coalition against Daesh, a benchmark in the region for counterterrorism, counterterrorism financing and countering violent extremism.

The Philippines devotes significant resources to the fight against terrorism operating in the south of the country, given that it is a destination for many FTFs.

Thailand’s main vulnerability is that it is a transit hub for illegal people and goods, but its main concern is not as much international terrorism as domestic insurgent groups, where they fear infiltration.

Indonesia has been attacked by various terrorist groups such as Mujahidin Indonesia Timur (MIT), Daesh-affiliated Jamaah Ansharut Daulah (JAD) and offshoots of JAD. The Indonesian, Malaysian and Philippine militaries have cooperated jointly to improve capabilities against terrorism and transnational crime through coordinated air and maritime patrols.

Malaysia is a transit country and, to a lesser extent, a destination country for members of terrorist groups such as Daesh, Abu Sayyaf Group (ASG), al-Qaeda and Jemaah Islamiyah. Individuals linked to Daesh or ASG planning to travel to the southern Philippines or the Middle East used Malaysia as a transit point. Malaysia monitored, arrested, deported, and tried suspected supporters of terrorist groups. The country also cooperated with the US and other agencies to enhance border security at airports and
in the Sulu Sea, combat terrorist recruitment and improve prosecution of terrorism-related crimes.

Europe and Spain

Europe has been the target of terrorist attacks since 2001, coinciding with the attack on the twin towers, but mostly inspired by Daesh.

In the case of Spain, the 11M attacks in 2004, committed by a local cell influenced by al-Qaeda, and the attacks in Barcelona and Cambrils in 2017, in this case by radicalised elements influenced by Daesh.

In the case of Europe in recent years, coinciding with the war in Syria and Iraq, we have seen a high number of terrorist attacks, mainly in France, the UK and Germany. Many times, terrorists did not need a large infrastructure to carry out these attacks, often using vehicles, knives or guns to take out their targets.

In the case of FTFs, many remain in detention in Syria and Iraq, with some European countries having revoked the citizenship of their nationals who travelled to Syria or Iraq to join Daesh.

France has been one of the European countries that has suffered the most from terrorist attacks given that it has carried out counter-terrorism operations in Iraq, Libya, Syria and the Sahel region. It has also suffered lone-actor attacks, carried out by individuals already in France, inspired by or affiliated with Daesh.
France is a key partner in the fight against international terrorism, hence the large number of attacks both at home and abroad. In the case of Germany, it is not only concerned about jihadist terrorism but also about right-wing terrorism, which is seen as a serious threat to national security, including increased violent radicalisation on both the right and the left.

The UK is one of the key countries in the fight against Daesh, mainly in Syria and Iraq. It is one of the countries that has suffered the most terrorist attacks along with France, Germany and Spain, with jihadist terrorism considered the greatest threat to national security.

Spain is an example to follow in the fight against jihadist terrorism, despite the attacks in Madrid in 2004 and in Barcelona and Cambrils in 2017. It remains an international benchmark, especially for the work of its ESF and the Intelligence Community.

Of note to this effect is the arrest of individuals suspected of planning terrorist attacks, facilitating the financing of terrorism, or participating in the recruitment of followers, and the fight against violent radicalisation. From the counter-terrorism point of view, Spain stands out for its intense preventive work, with most of the
individuals and cells neutralised in the early stages of planning their actions, leaving no time for the terrorists to become active.

According to data from the Department of Homeland Security, since 11 March 2004, 910 people have been arrested in Spain in connection with jihadist terrorism. A large part of these operations were developed thanks to the constant interaction and collaboration between the Security Forces and the Spanish Intelligence Service (CNI).

According to data from the Comisaría General de Información de Policía Nacional, the following table shows the number of operations carried out and the number of detainees from 2001 to 2021.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>OPERACIONES</th>
<th>DETENIDOS</th>
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<td>2021</td>
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</tbody>
</table>

Figure 9. Combating Jihadist terrorism. Source: CGI, 2021
Notable also is Spain’s part in the fight against international terrorism through its collaboration in the Global Coalition against Daesh, with more than 150 troops deployed in Iraq throughout the year on military and police training missions, and as part of the various EU military and civilian missions in the Sahel.

This is not to mention the law on the collection and analysis of Advance Passenger Information (API) and Passenger Name Record (PNR) data, which includes sharing data with various partners, including the US.

In accordance with the Law, Spain’s Centre for Intelligence against Terrorism and Organised Crime (CITCO) collects API and PNR data provided by commercial operators and analyses them for most of the Competent Authorities.

Our National Security Strategy against terrorism also stand out, based on the four pillars of the EU and UN Counter-Terrorism Strategies: Prevent, Protect, Pursue and Prepare response.

Also, noteworthy is our 2015 National Strategic Plan for the Prevention of Violent Radicalisation, coordinated from CITCO and based on contributions from national Counterterrorism actors (mainly CNP, Guardia Civil and CNI, among others) to identify radicalisation at local level through the census, and to respond with partnerships at this level between civil society leaders from vulnerable communities and representatives of law enforcement and other public services. Mention must also be made of Malaga as an example of a strong city and as the first city to have a Prevention Plan in the fight against violent radicalisation in 2017.

Conclusions

After the attacks of 11 September 2001, we saw how jihadist groups did not engage in major criminal activities but limited themselves to committing small crimes basically to self finance. However, over time terrorism and transnational criminality have become one and the same thing, and proof of this is the Sahel, where terrorists and criminal groups are at ease.

In the previous pages we have looked at everything from the attacks that devastated districts of Kabul and towns in eastern Afghanistan to the southern Philippines (where the national army is fighting – with heavy means – Salafo-Jihadist groups that claim both allegiance to Daesh and territory in the archipelago).
We have also stopped in Iraq, Syria (where many fighters arrived from Trinidad and Tobago), the Horn of Africa and of course the multipolar battlefield of the Sahel-Saharan strip, from Mauritania to Somalia, where in the name of both Daesh and al-Qaeda many terrorist groups claim control of vast territories.

The real threat is in these areas, some of which are in failed states which are unable to reach out and take control, and where these groups, both terrorist and organised crime groups, exercise their control.

To this effect, terrorist groups like AQIM and the Islamic State in the Greater Sahara, which operate in the Sahel, are more dangerous for their criminal acts than for their terrorist acts, as claimed by some authors. This explains why the fight against terrorism, as the UN Security Council has stressed, cannot be conducted exclusively through military force, but by adopting a comprehensive approach, including economic and infrastructural growth, poverty reduction, promoting good governance, strengthening state institutions, extending social services, education and fighting corruption16.

The shift from inter-state to intra-state warfare has given organised crime a leading role in many war economies (including the post-conflict reconstruction aspect). Terrorist coexistence creates situations conducive to their convergence, leading to a true “hybridisation” with mutual benefits17.

Taking drug trafficking as an example, the 2017 UNODC (UNODC Office on Drugs and Crime) report devoted the last of its five issues to “the problem of drugs and organised crime, illicit financial flows, corruption and terrorism”, highlighting the direct financing and involvement of many terrorist groups through drug trafficking, in which Boko Haram and AQIM are particularly involved, as are the Taliban in Afghanistan, the FARC, the Shining Path, and the insurgent groups in Myanmar: a condominium where those who take on the brands of al-Qaeda and Daesh are willing to cooperate18.

Beyond these political mixes, as early as the end of 2014, the US federal agency’s Drug Enforcement Administration (DEA) report reinforced the idea that the international jihad was also financed by drug trafficking, highlighting the links between AQIM and the Mexican and Colombian cartels, a symbiosis also confirmed by data from the Intelligence Centre against Terrorism and Organised Crime (CITCO) in Madrid, where at least 20% of the terrorists in prison have criminal records related to drug trafficking.

The nexus between the two phenomena – terrorism and organised crime – continues to grow more powerful every day and it is up to our institutions, both national and international, to tackle them, mainly through international cooperation, police coordination, the exchange of information and intelligence databases. The European Union must take on a greater role in the fight against terrorism and organised crime within and beyond its borders.

The result of all this leads us to conclude that the fight against terrorism that began after 11 September 2001 has failed, because although it is true that both Daesh and al-Qaeda are weaker than then, the Taliban victory in Afghanistan has meant a moral and strategic victory for these terrorist groups that has spread to other countries where they operate, such as Africa and the Middle East where they have become much stronger since 9/11, encouraging them to follow the Taliban example of conquering territory and establishing Sharia law there.

Twenty years after 9/11, jihadist terrorism has not only not disappeared, but has spread to many more countries. The US strategy seems to be to choose where it deploys its counter-terrorism resources according to its interests, and above all to prioritise its interests and increase its capabilities against what it considers to be the main threats, mainly China and Russia, knowing that the terrorist threat will always remain.

Thus, it seems that 20 years after 9/11 we could be heading towards a new world order and a new international scenario in the Middle East and in the West where it seems that the US wants to reserve its capabilities to confront its real strategic enemies, China and Russia. And where a Taliban terrorist government could be recognised by some members of the international community. It would seem that the US has ceased to be the world’s guardian and has focused on its own interests. That is why the West, and mainly the European Union, needs to have a common foreign policy and a capacity to respond immediately
to the threats we face because, although the US seems likely to remain present, it will not be as it was before and that makes us somewhat more vulnerable if we do not take care of our own defence strategy.

In the meantime, jihadist terrorism will continue to take advantage of failed states that are unable to meet the social needs of the population, thus creating the conditions for them to seduce more people through their propaganda, guaranteeing them public services, exploiting power vacuums, and imposing the logic of fear.

In this situation of social vulnerability, dominated by poverty, disease, scarcity of basic resources and lack of individual plans for the future, which is exploited by terrorist groups to seduce “hearts and minds”, the identity factor plays a crucial role. “Islam” is a backbone of identity throughout the Arab world, so it is through the apodictically distorted and vitiated use of the meaning of Islam that Salafist jihadist narratives creep in, with the unquestionable aim of recruiting fighters for a misnamed “global jihad”.  

Moreover, the ideology of global jihadism continues to gain adherents and its ideas have spread globally through the proliferation of extremist internet forums and sites. The two main assets that the jihadist movement possesses today are the survival (to a greater or lesser degree, depending on the scenario) of its operational capacity and the dissemination and acceptance by thousands of individuals of its message, mainly through the internet.

This is why a powerful counter-narrative could be more effective than a thousand tanks on the ground if one considers that the battle against terrorism lies in the cultural and ideological terrain, given that Salafi-jihadism presents a set of ideas taken as unquestionable truth. Ideas and beliefs that are not psychologically abnormal, since they help to provide reality with a certain coherence, hand over behavioural control and eliminate ambiguity.

Clearly, the solution to these threats is not just military, but the action of intelligence services with the support of the local population and greater cooperation between the countries in the area.

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However, factors such as poverty, the demographic boom, corruption, illicit trafficking, and the existence of very fragile governments, make them breeding grounds for many young people in these countries without training or employment to join these terrorist groups.

The three main objectives would be:

1. To stabilise conflict areas, in particular by focusing on the fight against jihadist terrorism and organised crime.
2. To rebuild these failed states in most cases in all areas: governance, police, judiciary and military.
3. To improve the economic development of these countries.

Failure to achieve these three basic objectives will not only further increase instability in the countries where these terrorist groups operate but will cost Spain and Europe many more years than those they have already spent fighting this threat, and most of these problems are likely to be transferred to our territory.

Stabilisation of these countries must be achieved on several fronts:

In the military sphere, greater international community involvement is essential to face all the existing threats in a coordinated manner, including the fight against jihadist terrorism, the development of military capabilities and the recovery of states that in some cases are unable to control a large part of their territory.

In the sphere of international organisations, greater involvement is needed from the European Union, the African Union and the United Nations, which plays a fundamental role, and which must guarantee more and better peacekeeping in the region and the security of the territory and its inhabitants.

In the economic sphere, it is not only necessary to allocate development aid but also to invest and create wealth in these countries to prevent radicalisation and terrorism. And in the development sphere, it is a question of empowering women as the main actors in this problem and to act prioritarily at the local level.

If all these actions are not carried out in a joint and coordinated manner, we will be working in vain.
Composition of the working group

Chairman:  
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Journalist.

Member and coordinator:  
**José Pardo de Santayana**  
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Analyst at the Spanish Institute for Strategic Studies (IEEE).

Members:  
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Spanish Ambassador.

**Mr. Rafael Calduch Cervera**  
Professor of Law. Public International Law and International Relations at the Complutense University of Madrid.

**Ms. Begoña Quesada**  
Teacher and journalist.

**Mr. Nicolás de Pedro**  
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