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## **Economic globalization and peace**

**Jacques Fontanel**

**World Peace Congress International Peace Bureau**

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Coordinated by Manas Chatterji**

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For Heraclitus, "War is the father of all things and of all things he is king", War mobilizes all the energies of a Nation, it has often been at the origin of the specific creation of States and of their shifting historical contours.

Until the sixteenth century, economic thought was dominated by philosophical and religious ideas, with the right price principal and the interdiction of interest rate. The emergence of mercantilist ideas coincided with the rise of nation states. It encourages the race for wealth and power of the Prince, by the search of autarky, and the setting up of a more or less sophisticated process of predation. The enrichment is a condition of power and it helps for the constitution of powerful armies. In this context, military power and the possession of stocks of gold, are the main expressions of the State's power and wealth.

Mercantilism recommends both the annexion of the territories that will provide the wealth that the metropolis does not have and the constant organization of economic wars, in order to contain the ambitions of powerful neighbouring states. Moreover, powerful states engaged violent territories invasions. Military actions had mainly economic and power purposes, which allowed short-term predation, medium-term slavery and long-term colonization. These ideas were accepted by Christianity, under the pretext that human beings remained free in their submission to God, and they were condemned only at the end of the 19th century,

The philosophers of the Enlightened criticized the mercantilist system. In *De l'esprit des lois* (1748), Montesquieu considered that when nations exchange goods and services, they become mutually dependent. In this case, trade and peace always go hand in hand. With its *Project of perpetual peace* (1775), Emmanuel Kant, considered that the tripod of peace relates firstly to free and sovereign Republics having their own public law, secondly to international laws and organizations and finally on commercial interdependence.

At the same time, for Adam Smith (1776), free trade allows for generalized economic development, with the primacy of the human liberty in the pursuit of private interest. As such, he condemns not only colonial war, but also slavery, which reduces the freedom of each individual. Market economy in the individual respect of liberty is a factor of international peace.

However, during the XIXe century, the large majority of progressist economists, neglecting the Adam's Smith position, thought that colonization war was a process of "civilization" of peoples deemed primitive. In this context, war appeared as the triumph of the rational man over the wild man, relying indirectly the supposed inferiority of the races. The great economic powers have had the ambition of colonizing countries, in a constant process of predation of wealth, which, later, Lenin theorized under the term of imperialism.

The concept of globalization does not have the same meaning for everyone. For Marx, with the mutual dependence between nations, the bourgeoisie is able to civilize the most barbaric nations. Globalization is, in itself, a "progressive" approach to socialism and communism. However, the definitive disappearance of the conflicts will take place only when the inevitable extension of the capitalist mode of production will increase its definitive contradictions. Then, after the social revolution of the proletariat, a new peaceful, classless and stateless society will establish the definitive humanity liberation.

In the same way, Friedrich Engels considered that this division of the world, for a time necessary to resolve the contradictions of the capitalist system, ultimately might led capitalist globalism to a disastrous war opposing all the major industrial powers. This was to result in the advent of socialism, the first step towards world communism. With this world war, Soviet Union was born, but capitalism survived and stayed powerful.

Later, the presence of two antagonistic economic systems (capitalism versus socialism) and the existence of nuclear weapons led to a cold war, which was an important obstacle to the process of globalization. Anti-colonialist struggles modified clearly the old colonialist division of the world. In this context, the Third World did try to get out of its dependence, but it did not succeed in imposing a New International Economic Order that it called for.

After the end of Soviet Union, the acceleration of the globalization process has incited Fukuyama the question of the end of history with the market economy victory, as a new and definitive trend towards the pacification of international relations. The fear of nuclear weapons was fade, and capitalism and American power take the responsibility to organize world peace, mainly with the creation of the World Trade Organization, designed to develop free trade, in order to increase world GDP for the benefit of all Humanity. This story was beautiful, a fairy tale, but it explained a wrong reality (Coulomb, Fontanel, 2003). War is always a threat for a humanity able today to suicide itself, with nuclear and cybernetic weapons.

For Amartya Sen, globalization will only become a fruitful process if it is able to resolve the questions of employment, living conditions and precariousness. In this market context, the development of solidarity becomes a necessity. In truth, the complexity of the world appears in all its violence and its vagaries.

Some wars are the result of conflicts of interest that are not necessarily economic, such as revolutions against colonialism, slavery or tyranny. Warlike violence, whether civil, military or economic, has not disappeared (Iraq, Afghanistan, Libya, Yemen, Syria, Iran, etc.) such as the threats of "rogue states" and terrorism. Globalization is not able to ensure peace and prosperity for everyone, it even develops inequalities, which are factors of violence, war and political instability. In truth, the complexity of the world appears in all its violence and its wanderings.

"War" has changed in nature. National security cannot be limited to the military domain alone. The economy is both a cause of war and a means of armed conflict. In fact, trade and military conquest are substitutable means for acquiring the resources necessary for the political stability and economic growth of sovereign nation states. With the economic interdependence, the possibility of economic war is given for Nations able to sell some natural resources or technological goods and services in monopolist or scarcity situation. Today, the breakdown of trade is a signal of conflicts. Economic

wars are mainly used for political reasons of national power or international coercitions.

The public authorities often forgot that the products and services essential to human survival must always be available within the country, either in stock or in immediate production capacity. This is the case for food products, medicines, collective and individual protective instruments, sanitary equipment, and rules concerning air and water quality set 'a minima' by international organizations. The same applies to the mastery of technology (especially digital technology) and the crucial dangerous importance for world security of monopolist private agents such as GAFAM.

Economic warfare uses adapted weapons to obtain a right or the exercise of domination. As such, blockades, embargos, boycotts or power actions of the mercantilist type are techniques of war or conflict recognized by the States. The "economic patriotism", such as the slogan "America first", is an apparent return to a new form of mercantilism.

National security has to introduce progressively the concept of sustainable development. It encompasses issues of citizen security as a whole, such as the potential for food self-sufficiency, the capacity for independence in health matters or the technological potential of the digital economy. Today, the three biggest carbon polluters in the world are the biggest powers, the USA, China and Europe. Environmental issues are also essential to human life and could even be at the heart of future inter-state conflicts, given the international nature of pollution and its transmission to neighbouring countries.

In fact, the international economic system is largely dominated and organized by the great powers and by multinational corporations. The rapid speed of the globalization process favours mainly the possédants and speculators to the detriment of other citizens. Then, liberal peace leads to the exacerbation of the risks of social, national and religious conflicts. States actions concerning ecology, climate or air pollution have been strongly inspired by the decisions of specialized international organizations, too often advised by dominant commercial and financial interests. In this context, states are no longer been able to assume all the components of national security.

The economic actors are complex, they have several simultaneous social functions. Power belongs to those who control the financial means, the information, and even the administrative and political functions.

Multinational companies have considerable influence over public institutions, as they have the power to finance electoral campaigns, control information (television, newspapers, internet, government data) and lobby efficiently in all national and international bodies. Today, businessmen haunt the ministerial corridors and vice versa.

The new digital technologies create a daily dependency and are able to actively participate in the decision-making and election processes worldwide, according to the interests of their producers and the Nation that hosts them. Moreover, private companies play a significant role in interstate relations. States become some extensions of private interests, a "servant" of commercial and financial powers. The coercitive power of States is mainly controlled by the largest multinationals. For exemple, the problem of tax evasion is permitted by the absence of international agreements, with states that are at the services of private interests against public and common interest.

Global warming is a global problem that states cannot solve alone. It is therefore necessary to find collective solutions, to radically modify our fossil and consumerist production and consumption processes. A global industrial plan should be put in place, but no international authority can commit to it without the voluntary agreement of states. Moreover, the digital economy revolution offers significant hope for reducing pollution and promoting decarbonisation. However, the power of Gafam and Chinese competitors have a considerable economic and strategic force that could undermine freedoms and human and citizens' rights. Finally, for the production of digital tools, the scarcity of rare earths will pose new problems with China., They are occasion of civil and international wars.

National security is not only a military matter, but also includes health, education, industrial risks or the protection of natural resources. States have the declared objective of increasing their gross domestic product (GDP), without measuring the content of pollution, violence at work, social inequality and underestimating the social contribution of public services or domestic work. Power belongs to the privileged persons. Democracy could be violently challenged. A plutocratic system is the reality of the international political situation.

However, for the neo-classic theory, globalization increases economic prosperity and the economic interdependencies become too strong for conflicts to arise. The stronger the commercial ties, the higher the opportunity cost of war. The peace-making power of commerce quickly

becomes one of the pillars of liberal theory, and participates in the construction of a myth that is never verified by a very complex reality of multiple of civil and international wars in the XXIe century world.

Today's globalization is criticized, it is accused of developing inequalities and conflict factors, by giving power to the actors of international finance and to an unscrupulous trading world. The economically and militarily powerful states imposes there ways of thinking, their values, their goods and services, their finance and their culture, a new kind of colonialism in dematerialized world deeply influenced by a mercantilist behaviour.

We still need to democratize the democracy. But the road will be long and full of pitfalls, especially for the youth of today and tomorrow.

For King Lear : Hell is empty, all devils are here.

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