



Geopolitical instability

Climate change, competition for resources, state fragility, and ideological polarisation pose threats to regional and global stability in the coming decades, with implications for global trade, migration, governance and human lives.

The emergence of demagogues in countries such as the United States, Turkey, the Philippines and India, coupled with the rise of far-right across Europe, points to a resurgence in nationalism worldwide. A new order in which sovereignty opposes globalisation has the potential to disrupt established trade order, multilateralism and systems of global governance. Fractured opposition, corrupt leadership and power struggles continue to jeopardise the possibility of peace and reconciliation in the Middle East and North Africa (MENA). Meanwhile, relations between global powers and Russia, Iran and North Korea are increasingly fraught. Global power looks to be shifting eastwards, as illustrated by China's ambitious Belt and Road Initiative.

While research suggests a long-term decline in interstate warfare and deaths from violence since the 1950s [1], one in four people now live in fragile and conflict-affected states or territories. [2] The actors in these conflicts are not clearly defined, encompassing terrorist groups, warlords, mercenaries, militias, cartels and individuals. This makes resolution almost impossible to reach. In addition, battles are no longer fought in conventional warzones, or even in civic contexts, but also in cyberspace.

Footnotes:

1. Human Security Report (2013)
2. World Development Report (2011)

Implications

- Global supply chains mean that natural, humanitarian and political disasters in any part of the world can have significant economic and human impacts the world over.
- Over the next 35 years, population growth, reduced access to fresh water, climate change and declining arable land will place mounting pressure on global food and water security. The greatest pressure will be on those countries least equipped to deal with these challenges, increasing the risk of inter- and intra-state conflict.
- Should states continue to prioritise domestic economic and social concerns, global challenges, such as climate change, illicit trade, ocean health, Internet governance, international cooperation on space missions, and the advancement of human rights, may prove more intractable. [1]
- Another threat to civil rights is the protection and expansion of state power, with implications for minority groups and dissidents (for instance, the Rohingya in Burma and the opposition purge in Turkey following the 2016 coup).
- Organisations need to identify and monitor their level of exposure to an increase in geopolitical insecurity and manage any risks. Strategic discussions about long-term resilience should consider not just the manifestation of geopolitical instability, but also the causes of it - from inequality to environmental pressures.

Footnotes:

1. WEF (2018), Global Risks

Current trajectory

The ten-year trend for the Global Peace Index is one of gradual decline, having dropped 2.4% since 2008, highlighting that on average the world has become slightly less peaceful. However, this decrease has not been evenly spread: 75 countries improved while 85 countries deteriorated, with the situation worsening most in the MENA region. Moreover, the global economic impact of violence on the global economy in 2017 was USD14.76 trillion, representing a 16% increase since 2012. [1]

Footnotes:

1. [Institute of Economics and Peace \(2018\)](#).