Chapter 1

International relations
Prospective thinking on geopolitics and geostrategy in the next thirty years is based not only on the analysis of transverse fields of action - such as the environment, demographics or technology - but also on the study of the strategies of the world’s main protagonists.

This chapter deals with international relations, in the broadest sense, that is, beyond simple relationships between states, the links and interactions between state and non-state actors, whether international, regional or local, or related to consistent fields such as: politics, economics, demographics, etc.

This reflection is based on domain-specific parallel analyses, and is structured around two main lines: players and regions.

The first chapter deals with state players and international institutions, a prime setting for exchanges between states, taking into account aspects of international law. It then goes on to analyze non-state players, for instance nongovernmental organizations (NGOs) or criminal structures. The generic approach of regional spaces concludes this opening chapter, paving the way for the regional analyses of the next chapter. It is based on a geographic approach, distinguishing as much as possible the main regional poles. This reflection ends with a presentation of the consequences on defence of the main points raised in the first two chapters.

I - THE INTERNATIONAL SYSTEM

I.1 - State and sovereignty

The traditional state should remain the elementary building block of international relations. The weight of the state seems to weaken under the combined action of internal factors such as, for instance, French “devolution” policies or the growing privatization of the public sphere, and external factors like globalization and the increasing influence of supranational organizations. However the state will remain the leading actor on the international scene. It will continue to participate in the normalization and legal as well as commercial regulation through the international institutions. It will also remain a point of reference for individuals dealing with risks and threats.
The territorial logic will give way to a network logic. State interests will be increasingly scattered and dispersed. The natural resources, commercial and financial exchanges required for development will be located outside national territory. National and binational citizens will be spread all over the world.

A state’s power will be measured by its influence. This capability will be based on judicious use of the network logic and non-state levers such as nongovernmental organizations or private players. In addition to traditional power criteria (strategic autonomy, economy, military power, etc.), others based on the ability to unite (international credibility and legitimacy, etc.) will also be taken into account.

Two forms of power should co-exist: “traditional” and “modern” power. The former implies the ability to act with a high degree of strategic and political autonomy, and will be held by very few states (USA, China, India, etc.). The latter, a union of states reaching a “critical” mass in demographic and economic terms, will be based on a cohesive geographic entity as well as shared values and interests. Apart from the EU, the prototype of this model, South-East Asia, all or part of South America or Southern Africa may choose this model.

High uncertainty will prevail as to the status of countries located at the juncture of geographic poles formed by “traditional” or “modern” major powers (Australia, Turkey, Central Asia, etc.).

Political fragmentation will continue. The pressure from ethnic or religious communities, irredentism, the existence of artificial borders, the longing for natural resources, will be the main reasons for the continuation of this tendency in coming years. The number of states will consequently rise.

State bankruptcy will remain likely. In regions weakened by poverty and internal conflicts, “grey zones,” where rule of law is absent, will subsist. These zones will provide shelter for ill-intentioned non-state players. The criminal and corrupted systems set up there may lead to the bankruptcy of any governmental structure in these countries.

Interstate conflicts cannot be ruled out. Despite the many regulation tools of the international system and economic interdependence, it is possible that the rise of new actors may lead to rivalry, or that strong needs of supplying strategic resources lead to irreversible deterioration of relationships between states.

A better distribution of global wealth, favoured by the powers’ combined efforts, would reduce inequalities and, through a virtuous circle, reinforce good governance and stability.

I.2 - International institutions

International relationships will be based on new dynamics derived from multipolarity and the higher diversity of players. The emergence of a supranational sovereignty will remain highly unlikely. In addition to factors potentially favouring a community of interests, such as globalization, growing economic interdependence, major shared challenges, different regional dynamics and continuing rivalry will clash, notably with the emergence of new poles.

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1 This expression originates from the vocabulary of aviation control and refers to zones not covered by radar scanning. In the present case, it refers to territories beyond any state control, where one or several forms of organized crime are rife, on the borders of politics (guerrilla) and common law (trafficking). In these zones, new half-political, half-criminal powers have progressively acquired state-like behaviour: creation and maintaining of armed forces, sophisticated communication policies, negotiations as equals with governments...
Emerging powers will assert their role, which will lead to a transformation of the international system and the balancing of the world's political and economic poles.

New poles of power, such as China, India, possibly Brazil, will structure the geopolitical world with the USA, the EU and Russia. The emergence of this multipolarity will bring about a better geographical balance of trade. The Pacific, Indian Ocean and South Atlantic zones will establish themselves as major air and sea routes. Economic and political bonds will consolidate or develop between regions, as exemplified by the IBSA (India-Brazil-South Africa) or the Asian Pacific Economic Cooperation.

A pragmatic international system based on a greater diversity of players, connections and concepts, will be in place. It will witness the coexistence of several poles of power, international organizations, regional or thematic organizations on key issues, ad hoc bi- or multilateral agreements, non-state players and various transnational networks. Such a system would offer increased flexibility in dealing with major issues such as environment, natural resources, demographics, criminality, terrorism or proliferation.

In this international system, “Western” influence will likely diminish in every domain (culture, economy, media, etc.). The existing norms and concepts of international politics, derived from post-WWII conditions, will evolve under the influence of all major players.

The international system will depend highly on the involvement of major players, notably the United States. It is possible that an organization like the G7-G8 may extend to new poles of power and define the world's political agenda. This system may however entail the creation of blocks (rich/ poor, China/ USA, etc.). It will remain highly sensitive to all major interstate conflicts or tensions. A breakdown of globalization, which however seems unlikely except in the event of a major conflict, may cause a regional, or even national, withdrawal.

The UN's legitimacy is unlikely to be challenged, for lack of a credible substitute. The credibility and authority of the Security Council will depend on the success of its reform. Nations, notably emerging countries, will continue to demand better representation. The UN's role may be reinforced if it asserts...
itself as the only organization capable of uniting energies to take up the world’s great challenges (environ-
ment, poverty, etc.). It will have to prove its efficiency in preventing and solving crises by applying
a global approach in dealing with them, that is, ensuring the coherence of aspects like development
and maintaining peace. Its credibility will also depend on the contributions or support from developed
countries to peace operations. It seems likely that other international organizations or forums will still
complement the UN.

The UN's loss of credibility, whether from lack of reform or inability to defuse a major conflict, may
cause a return to “traditional” diplomacy between states, as well as the emergence of rivalry between
major powers.

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**Extreme scenario**

The United States withdraws from the UN.

The international system would be shattered. This scenario would translate into a reinforcement of the
USA's unilateralism. It would probably lead to a withdrawal of the players around regional structures. The
absence of the UN’s regulatory role would cause rising tension which would be hard to control. Major
repercussions inside the EU would be likely, but their outcome difficult to predict (whether a break-up or
strengthening).

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**I.3 - Common values and international law**

The UN and its resolutions will remain the expression of international law. The legitimacy of the
latter will remain strong even though some may be difficult to implement. The fundamental principle of this
law - solving conflicts between States without resorting to force - will still be accepted. However, in exception-
al circumstances, the conditions for resorting to force may relax in the implementation of preemptive3,
or even preventive4 actions.

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3 Preemptive operations are meant to face imminent and recognized threats.
4 Preventive actions are meant to reduce important, but not necessarily imminent, threats.
The relaxing of conditions for resorting to force would require the **acknowledgement of shared threats** by a majority of states.

**International relations will be based on an ever wider range of regulations.** The major challenges facing the international community, such as the environment and natural resources, will translate into a growing need for regulation. International law will be based on universally relevant protocols, completed by bi- or multilateral agreements if required.

**More widespread respect of human rights can be achieved,** thanks to the combined effects of globalization and increasing awareness in the new developed countries, favoured by the emergence of a middle class. This general trend can have several consequences. In criminal law, the International Criminal Court and other international courts will probably impose their actions in spite of some major countries’ reservations (notably China and the USA). The Right and Duty to Humanitarian Assistance should endure under combined pressure from NGOs and public opinion. Increasing movements of populations and individuals, voluntary or not, will impart greater importance to migrants’ rights. Lastly, this general trend should translate into strengthened regulations regarding armed conflicts, as well as pressures towards complete disarmament. The latter aspects may directly impact defence issues, notably through banning or limiting the use of some weapons categories, including conventional ones.

**The principles of Western-inspired law can be more influenced by different ways of thinking,** notably those of the Asian world, although a convergence towards values based on individual freedom and market economy seems likely. Strong disparities in wealth distribution and religious radicalism will remain an obstacle to their worldwide acceptance. Governance will remain satisfactory as long as a correct balance is established between the population’s aspirations and the leaders’ response. Any “democratic” transition will be impossible in countries where inequalities, corruption and archaism are strongest.

**Increasingly pressing environmental issues can trigger new international agreements,** which even States so far reluctant will have no choice but to implement. They should acknowledge their necessity, or at least bow to pressure from the NGOs, public opinion and the international community.

**Natural resources from zones considered part of “humanity’s common heritage,” such as Antarctica, space or the open sea, will be coveted.** This situation is more likely to translate into a revision of existing agreements and the appearance of new regulations than in increased tension. To avoid conflicts, the international community should consider shared management.

**The sharing of these new riches may however prove tricky if this regulation is not under control.** The most powerful countries may impose their interests on secondary players, in particular due to the weight of the required investments.

In Europe, excluding a break-up of the EU, **regulations will be harmonized in an increasing number of domains.** This will entail various consequences in the fields of criminal law and social issues: organization of the legal systems, social law in armed forces, standardization of social levying... The EU, supported or even pressed by its public opinion, will implement the international community’s decisions, notably environment-related treaties and agreements.

**The non-proliferation regime may be challenged.** With technology becoming increasingly accessible, temptation for States and non-state terrorist entities will be strong to own weapons of mass destruction (WMD), which would ensure status and means of action or, in the case of criminal organizations, to make a profit from them.

**The absence of a strong will from the international community to strengthen its efforts to contain WMD proliferation, the increase of said proliferation, including that of vectors, is likely to continue.**

**Maritime regulations will be reinforced** with the increase of maritime economic activity (traffic, exploitation of natural resources) and the parallel need for maritime safety and security, in response to risks and threats such as pollution and illicit activities.
Space exploitation will be a major challenge for the international community. Regulations will strengthen, in the spirit of the treaty on the peaceful use of outer space and the shared use of the geostationary orbit managed by the ITU, notably in preventing the clutter of orbits with debris which is a threat to all players. It cannot be ruled out, however, that outer space could become a battlefield for major powers, which would imply increased militarization.

Extreme scenario

Nuclear proliferation becomes widespread. More countries access military nuclear capacity, undermining the credibility of the non-proliferation regime and its main tool, the Non-Proliferation Treaty. Various regional players enter the nuclear armaments race, which becomes increasingly anarchic and global as a result. The “stabilizing” power of the atom may eventually prevail, but global balance would be strongly affected in the long term by the multiplication of “newly endowed states.” Nuclear know-how would be more scattered as a result, and more accessible to criminal or terrorist non-state entities.

I.4 - Transnational non-state players

The influence of non-state players (multinational companies, NGOs, diasporas, media, criminal or terrorist organizations) will increase as a result of several effects: general increase of their number, diversity and professionalism, diminishing influence of the States, affirmation of a network logic favoured by new technologies and globalization. This logic could favour the emergence of virtual communities disconnected from any territorial reference, based around a specific preoccupation, for instance environmental, or religious/moral values. Their approach may be constructive, for example in the case of most NGOs, or harmful in that of criminal or terrorist groups. This will result in a complex game of influence, based on informal relationships between state and non-state players. Some of the latter may become the military arm of States.

The influence of multinational companies in the international system may increase. With a production capacity amounting to about a fourth of the world’s GDP, these companies will facilitate and take advantage of the globalization of the economy. They will remain major financial and technological powers. Their internationalization will continue, thanks notably to direct foreign investments.

5 International Telecommunication Union.
6 A company is described as “multinational” whenever it directly invests capital abroad, i.e. acquires significant interests in a foreign firm, allowing it a level of control over its business decisions. According to the UNCTAD, they number ca. 65,000, totalling ca. 850,000 subsidiaries.
The NGO’s influence on the international scene will increase. The major challenges facing the world - such as global warming or poverty - and certain federative themes (human rights, disarmament, migrations, humanitarian relief, etc.), will provide opportunities for their development. In the specific case of disarmament, these organizations will exert pressure on international authorities and States towards elimination of indiscriminate or indistinct ammunitions, and possibly all lethal weapons.

Diasporas’ powers of influence will remain strong. Their existence requires a defining identity (ethnic, religious, territorial, etc.), a structure and maintaining relations with countries of origin. They will remain action levers for communities or States. They may also act as facilitators for illicit activity in the case of mafias or terrorist groups structured around a community network.

The media’s influence will intensify, not only thanks to information and communication technologies, but also with the arrival of new globally-inclined information structures. Privately owned or not, the latter will appear notably in unusual geographic zones, and the vision they will deliver will be different from those of “Western” media. This “media competition” will prevent any attempt to control information. Part of the information platforms may spread a message serving entities with criminal or unscrupulous intentions. The future “media density” will result in real-time knowledge of events around the world. It will require immediate capacity for analysis and reaction.

Criminal organizations will use globalization to spread beyond their existing base. Their already extensive field of action (trafficking of drugs, human beings, weapons, sensitive substances, etc.) will extend and adapt based on perspectives of profit, and take advantage of breakthroughs in information technologies. New domains will be coveted, such as public health, sciences or food aid. “Cybercrime” is also likely to rise. Crime will continue to take advantage of technological or legal flaws to circumvent the international
community and States’ increasing regulations, and weaknesses in the rule of law in developing countries. It will be a threat to economies, through resource plundering and smuggling, and to societies, for example through the introduction of dangerous substances like drugs. Such criminal activities will generate a “grey economy,” unregulated and beyond the control of States, notably the weakest. In favouring corruption, it may lead to the “bankruptcy” of some of them.

**Transnational terrorist threats will not disappear**, as long as factors of instability such as inequality, religious radicalism, nationalisms, communalism in its various forms and political mental blocks will persist. Terrorist groups or movements will take advantage of globalization, i.e. easier proselytism, increased freedom of movement, exchanging of information and access to means of action (explosives, weapons…). This will particularly be the case in “grey areas,” where rule of law is absent, or in strongly urbanized areas in which they can hide. Links with organized crime can be strong, favouring access of terrorist groups to new capacities for action. Terrorism will remain an action lever for some states.

**In the absence of an efficient regime of control of proliferating traffic**, terrorist groups may be able to resort to WMDs within a few years, especially radiological, chemical and biological.

**Radical Islamist terrorism may wane if the arguments supporting it lose relevance**, for instance in the event of reduced tension or better living conditions in the Middle East. Terrorist and criminal threats can be contained if the international community proves able to unite to face these challenges.

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**Production and trafficking of illicit drugs during the period 2000-2002**

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*Image of a world map showing production and trafficking of illicit drugs.*
I.5 - Regional spaces

Main processes of regional integration, 2007

The influence of regional organizations will strengthen. In order to be recognized and weigh on international affairs, some states may find common interest in uniting around common goals. Areas coming to prominence in the international architecture will be those able to adapt to transnational risks and threats, as well as the new global balance.

This trend will be coupled with strengthening interregional ties. It will be based on cooperation between regions (for example EU and AU, EU and ACP, etc.). It will result in an increase of interregional forums (following the example of APEC or ARF). This trend will not rule out conflicts of influence between regional spaces and regional powers.

This regionalization will evolve differently depending on situations. Regional spaces will present various stages of development and integration. Generally, based on economic needs (ASEAN, MERCOSUR, etc.), they may extend their sphere of action, notably into political and security aspects, as with the EU. This evolution will depend on the partners’ willingness to cooperate, on the intensity of intraregional conflicts and, most of all, on the definition of shared interest.

The ASEAN economic organization will remain within a triangular framework with the West and China. The growing influence of China in Asia attests to its willingness to assert itself as a major power on the regional scene, and to support and take advantage of its neighbouring countries’ economic development. The ASEAN should seek other partnerships, for instance with the USA, India or the EU. A strengthening of its political role should not be ruled out.

The SCO is unlikely to become a major regional organization. It benefits from geopolitical assets, as it unites both major powers in the same forum, China and Russia, and Central Asian countries with vast

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7 African Union. It includes all African states except Morocco and Mauritania.
8 Africa, Caribbean, and Pacific.
9 Asia-Pacific Economic Cooperation and ASEAN Regional Forum (the latter includes ASEAN, EU, G8 and P5).
10 The Association of Southeast Asian Nations comprises Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Vietnam, Laos, Burma and Cambodia.
11 The Shanghai Cooperation Organization includes China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. In addition, India, Mongolia, Iran and Pakistan have observer status.
energy reserves. However, the rivalry and mistrust between the main actors may undermine the development of an efficient security organization. Its economic chapter may take on increased importance.

- **MERCSUR**\(^\text{12}\) will strengthen its regional economic integration, taking advantage of Brazil’s driving force and the consolidation of regional free trade. It should then move closer to other regional spaces, notably the EU and USA, and possibly the African or Asian areas.

- **The African Union (AU) may become an efficient regional political organization.** This evolution will depend on support from outside players, notably the EU, and most of all the various AU member states’ convergence of views.

- **NATO will continue to adapt to 21st century security conditions.** It may transform into a world-scale military and political organization, in its composition and intervening areas, bringing together countries pursuing identical aims and sharing common values. The USA will continue trying to use NATO as an instrument of influence. This transatlantic commitment will not rule out *ad hoc* coalitions for certain operations. The majority of European states, notably the newest member states, set great store by NATO, which they consider the best guarantee of collective defence and security. The European pillar within NATO may be strengthened depending on possible advances in the building of a European defence.

- **NATO’s future will depend most of all of the interest shown in it by the United States.** An organization with a worldwide vocation could give rise to a hostile reaction from outside players, possibly even high tension with other poles of power.

- A major interstate crisis would be followed by the break-up of regional structures and a return to a model of juxtaposition of states, with the risk of exacerbating local rivalries.

- The United States’ withdrawal from NATO, a possibility should the organization cease to fulfil a need in the eyes of Americans, would be a major shock for Europeans, whose reaction may be either to resort to the EU to ensure their security, or to split between those who would follow the USA and the others.

- Should NATO become an organization with a worldwide vocation under American leadership, it cannot be ruled out that Russia and China would become allies, for example within the SCO, which may entail a situation of rivalry between NATO and SCO.

### II - REGIONAL ANALYSIS

#### II.1 - United States

- **The United States will maintain their prominence in every domain** in the next thirty years, but this will be accompanied by a progressive restoring of balance towards a less unipolar world with the emergence of China and India. **The United States will remain the world’s leading military power**, from the standpoint of budget, R&D and quality of equipment as well as capacity of deployment and information control. They will retain a dynamic and reactive economy, which should ensure their *predominance in the world economy*. China, the USA’s prime competitor in the long term from an economic standpoint, is not expected to outmatch the USA

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\(^{12}\) The South-American Common Market includes Brazil, Argentina, Uruguay and Paraguay, and could extent to other countries (Chile, Bolivia, Peru).
in terms of GDP before 2040\textsuperscript{13}. The United States will however retain their lead in terms of GDP per inhabitant. They will benefit from sustained demographic dynamism\textsuperscript{14}, thanks to a satisfactory birth rate\textsuperscript{15} and steady immigration. This phenomenon should not threaten the American nation's cohesion and its integration capacity. American society should remain highly consumerist, even though certain global challenges such as environment, may result in increased awareness on a national level, calling for the implementation of voluntarist policies. Over the next three decades, the United States should retain a strong cultural influence on a global scale.

\textbf{In terms of foreign policies, the United States will remain active and largely interventionist on the international scene,} due to economic interdependence and security requirements. However, American foreign policy should continue to oscillate between cycles of withdrawal and, conversely, involvement on the international scene, depending notably on American public opinion. American foreign policy will still be defined by a combination of realism and idealism. It should rely on “multilateralism à la carte” which would increase the legitimacy of its actions and sharing its cost while retaining its autonomy from multilateral structures. The United States’ interests should converge with those of the EU on several aspects such as the fight against terrorism and non-proliferation. On the other hand, the methods used by the USA could diverge from those used by the EU. Americans may used force preemptively, indeed preventively, freeing themselves of strict observance of international law.

\textbf{In the event of high tension with China, Russia or other major actors, or the Middle East plunging into radical Islamism or the perception of a higher vulnerability, American foreign policy could change drastically.}

\underline{Extreme scenario}

A major attack on the American soil, using WMDs, is carried out by a terrorist group.

Such a scenario would bring about a strong and unilateral retaliation from the United States. It would translate into all-out war against terrorism, freed from international law. The international system would be shattered. It could also translate into a reaction of extreme mistrust towards the rest of the world. The isolationist reaction which would ensue would not rule out selective high-intensity strikes abroad.

\underline{II.2 - Latin America}

\textbf{Latin America should benefit from favourable factors.} Demographic growth rate will diminish slowly\textsuperscript{16}, allowing avoidance of a disruption between generations. The continent’s share relative to world population should remain stable, around 8.5\%\textsuperscript{17}. The economy should remain dynamic, pushed by the growth in exportation of raw materials from agriculture and mining (energetic and dietary self-sufficiency). The resulting profit margins will help finance investments and social redistribution, favouring the expansion of the domestic market. Its enormous reserves (land, biodiversity, water) will give the region increased influence on issues of sustainable development.

\textbf{Regional integration should strengthen in the face of new socioeconomic challenges.} The need to take a united stand against protectionism from developed countries could rely on the MERCOSUR core, or failing that on a wider ad hoc union.

\textsuperscript{14} 376 million people in 2035 (300 million in 2005). Source: \textit{World population prospects – 2006 revision (UN)}.
\textsuperscript{15} Fertility rate of 1.85 in 2035 (2.05 in 2005).
\textsuperscript{16} According to the “population” division of the UN’s department of economic and social affairs, there are currently 572 million inhabitants in the Latin America zone - including the Caribbean - and the figure should increase to 770 million by 2050.
\textsuperscript{17} Population of Latin America: 733 million in 2035 (557 million in 2005), with Brazil alone accounting for a third of that figure.
Latin-American societies will retain a very high urbanization rate, above 85% by the end of the period under consideration. **Inequality may become less marked.** Under pressure from populations on political authorities, the underprivileged should enjoy better living conditions. **Latin America should prove able to seize the challenge of democracy:** social integration of the pre-Colombian natives could produce a political model combining the desire to maintain communities - the main vehicle of social solidarity - and participation in national decision-making.

Latin America’s positive evolution will depend on **the success of policies to reduce inequality and the development of the citizens’ social and legal protection.** It will also require **Brazil’s determination to stimulate regional integration.**

**Brazil will assert itself as a leading regional power** and will seek to strengthen its role on the international scene. It will have to promote regional integration though development assistance policies, accentuate efforts in the field of information networks and collective security, for example through developing a modern defence system. This country has first-rate assets: technological and scientific skills, resources (hydrocarbons, ore, land, agriculture). Its economic growth should continue thanks to the increase of trade and domestic consumption. It should favour a virtuous circle through better social development and education, and the reduction of corruption. The urbanization rate, which is particularly high, 18 will increase the need for solid state capacity to contain crime. Lastly, Brazil’s cultural homogeneity and desire for modernity will facilitate dynamic democratic functioning.

A major commercial or political conflict with the USA could result in a transformation of the continent’s geopolitics, including strengthened bonds between Latin American and other poles of power (China or India for example).

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**Extreme scenario**

Brazili, South Africa and India become allied and form a community. Based on converging economic and strategic interests, it will rely on the expansion of democratic political practices and of the middle classes. Based also on demands for the participation of “emerging countries” in international decision-making, this rise of the South Zone should reinforce multilateralism.

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18 91% in 2035 (84% in 2005).
The process of regional integration in the Americas, January 2007

### Countries
- **Canada**
- **United States**
- **Belize**
- **Mexico**
- **Venezuela**
- **Colombia**
- **Ecuador**
- **Peru**
- **Bolivia**
- **Paraguay**
- **Brazil**
- **Chile**
- **Argentina**
- **Uruguay**
- **Guyana**
- **Surinam**
- **Equator**

### Organizations
- **NAFTA** (North American Free Trade Agreement)
- **CAN** (Andean Community of Nations)
- **CARICOM** (Caribbean Community)
- **CAFTA/ALECA** (Free trade agreements between the United States and Central American countries)
- **CACM** (Central American Common Market)
- **MERCOSUR** (Southern Common Market)
- **CSN** (South American Community of Nations)
- **ALADI** (Latin American Association of Integration)

### Notes
- Negotiations towards a free trade agreement are underway between the United States and the CAN member states.

### Sources
- www.nafta-sec-ala.org
- www.mcca.com
- www.caricom.org
- www.mercosur.int
II.3 - Europe

II.3.1 - European Union

**Europe’s territories**

**The EU’s relative weight will diminish** due to the rise of other players, as well as internal factors such as overall unfavourable demography, very moderate economic growth and high social requirements.

**The building of the EU should follow a functional logic.** It will probably progress step by step and domain by domain (defence, economy, research, etc.) towards a better distribution of responsibility and risks. The EU’s future will depend on its ability to adapt to global changes and take up challenges: economy and innovation, demography and immigration, etc.

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19 Share of the population aged 60 or over: ca. 31% in 2035 (ca. 22% in 2005).
The EU's stagnation or dilution as a result of uncontrolled growth or lack of consensus on its purpose and its aims cannot be ruled out. The construction of a European defence will continue. Following in the footsteps of the common foreign and security policy (CFCP), the EU should gradually assert itself as a key player on the international scene. This tendency will probably be supported by favourable public opinion. Perception of risks and threats in the major European countries should converge in the face of future common challenges (supplying strategic resources, proliferation of WMD, transnational terrorism, environment, etc.). It is however possible that European defence will develop around a core of a few voluntarist countries.

The evolution of foreign security and defence policy will depend on the European perception of the United States' role, and probably that of Russia's intentions.

Possible scenarios for the EU

“Stagnation”: member states cannot agree on the Union's purpose. The integration process is blocked. The European Union remains a major economic entity, but its relative political weight declines. In terms of ESDP, ambitions are limited to a few small-scale assignments. European security is ensured by NATO or by bilateral agreements with the USA.

“Multispeed Europe”: European political construction continues with awareness of the need to speak with a single voice in matters of foreign politics. As for defence, considering the reluctance of some member states, the main active partners strengthen their cooperation within a “core”. A sort of “ESDP zone,” similar in concept to the “euro zone,” is created.

“A federation”: the move towards community inclusion continues. European interests on the international level are defended by a common political structure (EU headquarters in the UN and NATO, shared diplomatic
representations, etc.). NATO only remains as an euratlantic political forum. Europe has emancipated from the United States. Military capacities are shared on the strategic, operational and tactical levels, as is military programming. Deterrence is ensured by British and French nuclear forces on behalf of the Union.

II.3.2 - Balkan countries

The potential for crisis will prevail in the Balkan zone in the next decades. Indeed, rule of law must overcome obstacles such as communalism, crime and corruption.

The resolution of these difficulties will require strong involvement from the EU and efforts from local populations. The perspective of accession to the EU and NATO should however open favourable long-term prospects.

Tensions and political fragmentation of the area (Serbia, Bosnia and Herzegovina) would increase instability on the Southern side of the EU and harm the latter’s credibility.

Turkey will assert itself as major regional power based on its demographic weight, its geostrategic status (axis of transit of energy, control of water supplies for part of the Middle East), and its economic and social development. In the long term its interests may converge with those of the European Union. Common security and stability requirements in the face of identical challenges (religious radicalism, demographic tensions, trafficking, immigration, etc.) should lead to de facto solidarity.

Within the next thirty years, the present alternative between “Turkey integrated into the EU” and “Turkey, autonomous regional power irrevocably turned towards the East,” could be substituted for a third way, in which it would provide a link between the EU and the Middle East. In order to be accepted into the Union, however, Turkey must solve the Kurdish and Cyprus issues, and tone down its latent nationalism.

The setting up of a radical Islamist republic in Turkey would translate into a foreign policy that would favour the Middle East and the Black Sea, and a likely renouncement to all hope or attempt to join the EU.

20 95 million Turks in 2035 (up from 73 million in 2005).
II.4 - North Africa and the Middle East

The region's points of vulnerability will endure. It will remain a favoured area for Islamist radicalism. Nationalist temptations, notably religion-based, unfavourable economic and social parameters, low redistribution of wealth and faltering rule of law will not facilitate appeasement. Demographic growth will be sustained on the whole with a high urbanization rate. These factors will also have a dismantling effect on society and will increase pressure on available resources, some of which are already scarce, like water. Whereas demographic transition has begun in some countries (Tunisia, Lebanon), others will see their workforce rise considerably with no perspective of the labour market expanding.

Sustained economic growth will be necessary to respond to demographic trends and facilitate the adaptation of economies based on industries that are vulnerable to market or climate variations (oil or gas annuities for producing countries, agriculture, etc.).

The risk of a regional conflict will endure, beyond the Iraqi and Israeli-Palestinian issues. Interstate tensions are possible on issues such as WMD proliferation, political rivalry and distribution of energy and water supplies. Identity-based conflicts, whether rooted in religion or community, may be declared with no advance warning.

The region's future will depend on the evolution of existing political regimes, most of which are authoritarian in nature, and their resistance to economic imbalance. It will also depend on the attitude of major global players, as its resources are widely coveted.

Iran will become a regional power by default, taking advantage of sustained demographic growth, and high level of education and training of its population. It will benefit from its large middle class, including women. However, in spite of its energy reserves, Iran will be hampered by its rentier economy and its accrued backwardness in the modernization of its production tools. Consequently, a noticeable increase of its economic growth seems unlikely. Lastly, Iran's ambitions may be held up by continued tension around its minoritary communities (Azeris, Kurds, Baluchies) and the struggles for influence between its various social and religious groups.

Resolution of the Israeli-Palestinian conflict would remove the region's major factor of instability, and would pave the way for a peaceful settlement of the discord in the Middle East.

The fragmentation of Iraq would translate into high regional instability, with each neighbouring state struggling to prevent its consequences (for example Turkey trying to prevent a Kurdish state) or to use this situation to strengthen its influence.

The coming to power of movements radically opposed to "the West" in countries in the Southern side of Europe could generate tension all around the Mediterranean.

21 Increase in population of over 50% by 2035 (590 million inhabitants in 2035).
22 93% in Saudi Arabia, 80% in Iran in 2035 (resp. 88% and 68% in 2005).
23 Yemen's working population is expected to have tripled by 2035.
24 94 million inhabitants in 2035 (up from 69 million in 2005).
25 Two million students in 2005, up from 170,000 in the late 1970s.
II.5 - Sub-Saharan Africa

The weaknesses of this region should persist. It will continue to face numerous challenges: overexploitation of resources, high demographic growth\(^{26}\), urbanization\(^{27}\), poverty\(^{28}\), deteriorating environment, global warming (desertification, rising water-level), pandemics\(^{29}\), emigration of the *élite*, inter- and intracontinental migration, cultural or religious polarization. Economic growth will be hampered by subsistence agriculture, specialization in raw materials for export (coffee, cotton, wood, ore, etc.), low investment\(^{30}\) and, more generally, the maintenance of a rentier economy and an informal economy. The society’s structures will be under tension, with the rise of individualism and the communities’ and families’ adaptation to the urban model. The overall fragility of the governance and rule of law will not make advances easier. Corruption and crime will thrive, in particular around natural resources (diamonds...). A political Islam may emerge in Eastern Africa.

Regional institutions in Africa, January 2007

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26 Ca. 1.42 billion inhabitants in 2035, up from 770 million today.
27 An increase of over 40% of the urban population rate between 2005 and 2035.
28 In 2005, half the population lives with less than a dollar a day.
29 Over 30 million Africans are HIV-positive in 2006.
30 Foreign Direct Investment (FDI) accounts for only 1%-2% of the total FDI.
Africa's positive evolution will depend on the Africans' ability to play on two major levers: democratic-style governance and economic transformation. Other parameters such as international efforts within the scope of the UN or WTO\(^31\) as well as development assistance will also factor.

**Centres of crisis will not disappear.** The sub-regions of the Great Lakes, the Gulf of Guinea, the Horn of Africa and Sahel will be affected. Reinforcement of factors encouraging crises is even likely, given the expected increase\(^32\) of desertification\(^33\) and hydric stress. Tensions around water (the Senegal, Niger, Nile and Zambezi rivers...) or other natural resources may appear and degenerate into interstate conflicts.

**African identity will assert itself through regional and continental structures such as the African Union (AU).** Political integration at the level of the continent as a whole will however remain unlikely in the middle term, due to the difficulties in overcoming internal and regional problems. On the other hand, the AU, spurred on notably by the European Union, could improve its ability to maintain peace.

**Africa's future will increasingly be affected by international dynamics.** France’s influence will wane in favour of that of the EU, and even more, new players (United States, India and China) drawn by the continent’s resources. This situation will lead to a redirection of transcontinental economic and political bonds, notably stronger South-South relations.

**This situation could be more favourable to local economic development** in providing the necessary investments. It could also intensify local rivalry and favour bad governance practices. The host countries’ ability to control economic immigration, notably from China, will also be decisive.

**Nigeria’s future will remain uncertain.** One of Africa’s demographic heavyweights\(^34\), Nigeria remains an idol with feet of clay, due to interior tensions such as the split between the Muslim North and Christian South and the centrifugal tendencies of the richer regions. Pretoria’s rival for African leadership (AU), Abuja’s influence, including in its subregion (ECOWAS\(^35\)), will continue to suffer from these internal weaknesses.

In the longer term, in the absence of economic adaptation, while the oil manna will probably diminish as early as 2030, the situation may worsen. A destabilizing effect on neighbouring countries (Benin, Niger, Cameroon and Chad) cannot be ruled out.

**South Africa should be able to become a driving force in the long term,** having succeeded in adapting to democracy while preserving its social stability and prosperity\(^36\). It should continue to favour the framework of multilateral institutions - both regional (SADC\(^37\)) and continental (AU). But first it will have to overcome the reluctance of some of its region’s other states, notably those belonging to Central Africa’s SADC (Angola, DRC, Tanzania...).

Sustained interior stability and international influence will depend on its ability to ensure economic prosperity and wealth for all of its population.

**South Africa’s take off, and possibly that of Nigeria, would favour the development of regions and, thanks to the domino effect, of the continent as a whole.**

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\(^31\) World Trade Organization.

\(^32\) Particularly in subtropical regions.

\(^33\) Pessimistic scenarios suggest that 40% of the population may suffer from shortages in the next 20 years.

\(^34\) 243 million inhabitants in 2035 (up from 141 million in 2005).

\(^35\) Economic Community Of West African States.

\(^36\) 7% of the working population and over 40% of Sub-Saharan Africa’s GDP.

\(^37\) Southern African Development Community.
II.6 - Russia and new independent States

The evolution of this henceforth heterogeneous region will be underpinned by strong uncertainty. The trend of diversification and fragmentation at work in the post-Soviet area for the last fifteen years is likely to continue under the effect of internal and external factors. Demographic and sanitary indicators are very unfavourable. The region’s countries will become depopulated, with the exception of Central Asian countries, which will however suffer from a worrying sanitary and environmental situation. The ageing of the populations will pose grave social problems. Efforts at establishing rule of law will be undermined by politico-financial systems, corruption and lack of transparency. Economies will remain vulnerable in the face of challenges posed by energy allowance systems and the issue of transit routes.

The region will suffer from an unstable state of law and order. As well as the vulnerability factors outlined above, which favour crime, proliferation and terrorism, the North Caucasian and Central Asian regions will be submitted to persistent conflicts. In Central Asia, the rise of radical Islamism cannot be ruled out.

Economic and social development will be a major challenge. It will depend on which immigration policies are worked out. Xenophobic trends in Russia make the integration of a foreign workforce more difficult. The opening up of the Southern region will depend on the development of gas deposits in the Caspian Sea and Central Asia.

Russia's future is highly uncertain. Unfavourable factors are particularly pronounced. Demographic trends are disastrous, due mostly to sanitary problems (AIDS, infant mortality, etc.). Population is likely to decrease from 143 to 120 millions before 2035. The political regime will remain linked to corporatist and crime networks. Its increasingly personalized nature will seriously undermine the country’s stability. The vulnerability of its economy should remain acute due to its defining characteristics (energy-based annuity economy) as well as underinvestment and non-renewal of its base of production. In this unfavourable situation, Russia will only attempt to assert itself on the international scene with difficulty. It will continue to play a major role in the region, albeit with limited control on certain aspects.

The challenge for Russia will be dealing with the combination of factors as diverse as the obsolescence of its economic infrastructures, the complexity of developing transit routes for hydrocarbons or degrading environmental conditions.

Russia may reassemble as a multiplicity of heterogeneous areas, each with specificities (in the fields of economy, energy, administration, etc.), which would require delicate management of regionalism and would entail internal and external consequences which are difficult to appraise.

II.7 - Southern Asia

The region will, on the whole, remain unstable. Pakistan and Bangladesh will face insufficient governance, Islamist radicalism, crime, demographic pressure and the climate challenge. Relations between the region’s countries will remain conflictual, with on the one hand India and Bangladesh’s disagreement on the issue of water resources and, on the other, the latent issue of Kashmir and a form of rivalry between India and Pakistan.

The region’s stability will depend most of all on India’s future, but also on Pakistan’s ability to control the radicalization of its population.

38 Russian population may number as many as 100 million by 2050.
India will assert itself as a transregional power. It will have to face interior challenges: demographic growth and balance\(^{39}\), public health, social inequalities (castes) and disparities between States. It will take advantage of the democratic regime taking root, of its economic growth\(^{40}\) and its technological innovation capacity. Its influence will extend to Asia, in particular its South-Eastern part, but also the Middle East and Africa, in order to fulfill its energy requirements. Absolute priority will be placed on its relations with the United States. Its relation with China may become tense, yet should not degenerate into a conflict. India will continue the modernization of its defence, with special efforts in the fields of nuclear energy and space.

II.8 - South-East Asia

The region will be faced with numerous factors of instability. Sustained demographic growth\(^{41}\) may result in uncontrolled urbanization, notably in the Philippines\(^{42}\). Overpopulation will also spare Singapore\(^{43}\) and Java. Economic growth will be moderate and handicapped by overall structural weakness (corruption, failing tax system, etc.). Transition towards a form of democracy will be difficult, especially since the historical influence of armed forces will not disappear easily.

The region’s future will depend on its ability to adapt its economy, clear up political uncertainties and control the effects of demographic growth. It will also depend on the Chinese economy’s performance.

Main cooperation organizations in Asia, January 2007

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\(^{39}\) 1.55 billion Indians in 2035 (up from 1.13 billion in 2005), with a demographic density of 473 hab./km\(^2\) (up from 345 hab./km\(^2\) in 2005).

\(^{40}\) By 2035, India’s GDP (10,000 Bn$) will exceed that of Japan.

\(^{41}\) Over the next thirty years, the population will increase by 30%.

\(^{42}\) 77% of the urban population by 2035 (up from 62% in 2005).

\(^{43}\) Its density is estimated at about 8000 inhabitants per km\(^2\) in 2035.
This region is unlikely to free itself of Chinese influence in the political, economic and cultural fields. The role of the Chinese diaspora will endure. A more open relationship with the United States, India, or even the EU, including through the ASEAN\textsuperscript{44}, will probably not be enough to make the region autonomous in the face of China’s political ambitions and strategic needs (supplying of natural resources).

The region’s political future will depend on the role India, the USA and China intend to play.

The region will be a potential centre of crisis. Tensions around access to and supply in energy may degenerate (China Sea, Strait of Malacca, Celebes Sea…). Terrorism will feed on irredentist or nationalist, notably religious, causes. Unequal water distribution will remain strategically decisive (Mekong basin). Global warming should increase natural risks of all kinds (rising water levels, natural disasters, pandemics, etc.).

Indonesia will be a major player in South-East Asia thanks to its geographical location (straits), its population\textsuperscript{45} and its involvement in regional projects (ASEAN).

In order to play a major role on the international scene, it will have to correct the structural deficiencies of its system of governance (corruption, banks, organization of the army). The biggest challenge will be to bring down the political weight of the military, notably in the peripheric areas occupied by badly controlled special forces (Papua New Guinea), avoiding clashes, notably religious, which could jeopardize the country’s internal stability.

A breach in Indonesia’s unity under the effect of peripheral tensions or radical Islamism would result in high regional instability and would favour the setting up of no-law areas.

II.9 - North-East Asia

Fully asserting its power, China will rule over North-East Asia over the next 30 years. Relations within the region will be structured according to China’s will. It seems likely that a China/Korea sphere of influence will be established against Japan and its American ally. Taiwan should remain a stumbling block between China and the USA/Japan.

Taiwan’s future will depend on Chinese policies and the increasing economic interdependence (fast investment growth and shifts in Taiwanese population on the continent\textsuperscript{46}).

Japan’s influence on the international scene will increase. It will remain the fulcrum of the United States in the area, in the likely event of difficult relations between the latter and China.

Japan’s ability to assert itself will depend on its management of demographic consequences (ageing and diminishing population\textsuperscript{47}) and the adaptation of its economy\textsuperscript{48} in the face of, notably, the expansion of Chinese companies.

\textsuperscript{44} The Association of South-East Asian Nations comprises Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Vietnam, Laos, Burma and Cambodia.

\textsuperscript{45} 287 million inhabitants in 2035 (226 million in 2005).

\textsuperscript{46} Over a million Taiwanese live on the Continent (population of Taiwan: ca. 24 million).

\textsuperscript{47} 115 million in 2030, up from 127 million in 2005.

\textsuperscript{48} China’s economy could surpass Japan’s by 2025-2030.
The conflictual situation in Korea will probably be settled by the end of the considered period. The two Koreas will probably be in the process of reuniting under the banner of South Korea, now emancipated from American tutelage but drawn into China’s sphere of influence.

China will become a major global player of the first half of the 21st century. Even though, within the considered period, the United States look like they will remain out of China’s reach, Beijing will probably assert itself as Washington’s most credible “partner - rival.” By 2040, China may surpass the United States and become the world’s leading economy, with a GDP in the region of Bn$ 20,000. It will rely on a modern defence system to assert its power, and should increasingly become involved in exterior operations. China will develop its relations with the region’s States and increase its influence within multinational bodies. Acknowledgement of its status as major power will be the counterpart of its economic and political support.

China will however have to control or overcome its factors of weakness: fragile financial structures, high level of corruption, high energy requirements\(^\text{49}\), growing inequalities, exploding urbanization\(^\text{50}\), consequences of demography\(^\text{51}\) (ageing, labour shortage)\(^\text{52}\), degrading environment, water rarefaction.

The regime’s strong central power will endure under the rule of the Communist Party and armed forces, but with more autonomous regional poles, and the possible beginnings of democratization at the local level.

A forced reunification of Taiwan may translate into a political conflict, which might degenerate into a military conflict, between the USA and China, which would shatter the international system as a whole.

The break-up of the Chinese power under the effect of internal centrifugal forces should result in strengthened American presence in the region, in order to fill the resulting “gap”, and the establishment of a new regional balance, but could also be a source of tension between Russia and the USA.

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**Extreme scenario**

A North-East Asian community is created. Regional economic and cultural logic prevails over rivalry and political obstacles. China, Japan and Korea unite against the major challenges facing the region and the world. Their political and economic weight becomes prevalent, notably within multinational bodies. The United States and the EU have to come to terms with this new major player.

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\(^{49}\) Energy requirements are expected to have tripled by 2030.\n
\(^{50}\) 60% of the Chinese population in 2035 (40% in 2005).\n
\(^{51}\) 1,46 billion Chinese in 2035 (1,31 billion in 2005).\n
\(^{52}\) 27% of the population over 60 in 2035 (11% in 2005).
Consequences for defence

Armed conflicts and peace-keeping interventions in 2006

1) The likelihood of conflicts or aggressions, and therefore of possible action by the French or European armed forces, should be high in the uncertain world of the next thirty years. Most conflicts will be local or regional, triggered by a combination of factors. Inequalities, community identity, whether religious or social, and failing rule of law, will be its key parameters. Sensitive areas may include sub-Saharan Africa, the Middle East, Central Asia, and to a lesser degree South-East Asia. Most conflicts will have an intrastate origin, but may impact the region’s stability. Interstate tensions, notably about access to natural resources, satisfaction of strategic needs or preservation of spheres of influence, are probable. These tensions might degenerate into armed conflict. In addition, there will be risks related to the proliferation of weapons of mass destruction and the threats posed by non-state entities such as terrorist and crime groups. The conjunction of terrorism and WMD will represent a major threat.

France and the European Union may have to resort to heavy military options to defend their strategic interests.

Serious crises may result from the combination of two factors: emergence of new powers and heightened competition, notably around the access to natural resources, the sharing of “free” spaces (open sea, outer space...) and the preservation of spheres of influence. Even if these crises do not degenerate into armed conflict, they may translate into diplomatic manoeuvring, backed up by show of force. Moreover, not all major threats will disappear near the European Union’s borders. Within this scope, France and the EU must be able to defend their territory and their major strategic interests, and help stabilize European markets.

2) The spectre of armed forces missions will loom large. As well as the permanent posture of security, which will remain the stepping stone of missions carried out by armed forces, the latter may be brought into an armed conflict, possibly a major one, which would consequently require capacities beyond the scope of the EU alone. They will be requested to contribute to the struggle against proliferation and terrorism. They will take part in the protection of economic interests by defending mobility rights and access to resources. They will continue to conduct missions to restore and maintain peace and participate in civilian activities: protection of nationals, public service missions of circulation, civilian/military assistance outside national territory and emergency assistance.

53 These are missions of nuclear dissuasion, preventive action and protection of the territory, and protection of the populations.
3) **Defence capacities will need to take new fields of action into account.** For example, defence will need to be able to meet acute needs of access to strategic supplies (ore, energy) and protection of French and European interests in outer space, open sea and the Antarctic.

4) **Interventions will take place in a multinational framework,** notably the EU and NATO. Increased involvement from France and its European partners in the UN’s peacekeeping operations is probable if political and operational conditions are met. Interoperability of forces between Europeans will be crucial with Americans, and will be even more necessary with new players such as, for example, Japan. Success of these operations will be a necessary condition of credibility of the international institutions that France and its close partners will wish to promote, for example the UN and EU.

5) **Excepting scenarios of stagnation or falling apart of the EU, France will continue to be a driving force in building a European defence system.** Defence will get deeply involved in the development of ESDP. It will favour interoperability, efforts in sharing capacities, stressing operational efficiency and the setting up of common structures. France will participate in the EU’s operations at a high level, by putting at its disposal such fundamental capacities as situation assessment tools and high involvement in deployed forces.

6) **New defence relations will be set up.** New geostrategic players (China, India, Brazil, etc.), whose presence in overseas theatres will be more asserted, will have to be taken into account, which will translate into increased cooperation on defence. France and the EU will probably increase their support to regional organizations whose field of action would extend to security in Africa, Latin America or Asia for example. France and its partners will seek to give regional and local players a sense of responsibility in managing crises by providing assistance and training (Sub-Saharan Africa, vicinity of the EU...).

7) **Strong juridical and media constraints will hang over defence.** Non-state players will exert strong pressure on decisions of intervention and enforcement of standards, notably in resorting to force, protecting the environment and human rights. With strengthened European regulations, armies will have to have increased demands. Respect of new obligations in terms of disarmament will bring about an adaptation of armaments and constraints in their use. Defence will have to note the media’s omnipresence.