

# THOMAS GOMART

Director of Ifri

**Jean-Claude Trichet, European Chairman of the Trilateral Commission, former President of the ECB**

Thomas, I have already introduced you and stated what we expected from you, namely your thoughts on globalization and geostrategy. You are the director of Ifri. The floor is yours

## Thomas Gomart

Thank you very much, Mr. President.

First, I would like to thank Thierry and the World Policy Conference team for making this event possible.

I have two introductory remarks to spur reflection on how globalization is changing.

The first is that, from my point of view, change will mainly be guided by the nature of the relationship between China and the United States. Here are some figures to convince you: the two countries account for over 40% of the world's GDP, more than 40% of global CO2 emissions and over one trillion a year of military spending, and when you take a look at the 100 most profitable companies in the world, 76 are Chinese or American. The second remark is that when thinking about globalization, as we have been doing since the start of this session, much depends on the cycle we are looking at. Should our focus be on the economic, financial cycle, or on other cycles with different historical and chronological signposts, especially strategic, political and technological cycles?

From my perspective, the first thing is that the shifting patterns of globalization we are seeing are first of all a decorrelation of cycles. In my opinion, we are in a strategic cycle encompassing the economic cycle that started in 1950 with the Korean War.

Globalization as we see it today is actually a sort of Chinese intellectual victory because what we have all assimilated is the date 2049 and the idea—whether it is right or wrong is an open question, but it is now on everybody's mind—that China aims to be the world's leading power in every area by 2049, the centenary of the People's Republic. Basically, it has become our time horizon and we think of cycles in terms of this time horizon. The first cycle is therefore the strategic cycle.

The second is the political cycle, and here we do not know whether it is the spirit of Beijing or the spirit of Berlin that is blowing. Let me explain: 1989 is the year the Wall fell and the year when people made a very close connection in their minds between globalization, the market economy and democracy, especially in Europe, which led to its expansion. But as you know,

the crackdown in Tiananmen Square preceded the fall of the Berlin Wall. What is the prevailing spirit today, decades later? Is it Beijing's or Berlin's? This is a wide-open question.

The third cycle is technological. Different dates can be chosen, but the one that really stands out as a milestone is 1969, when the Arpanet was created on two foundations, one libertarian, the other military. I will come back to this duality, which, in my opinion, is at the crux of the changing patterns of globalization.

The last cycle which general outlines we can try to sketch is an ideological one. 1979 is an interesting date because that is the year of the Islamic revolution in Iran and the hostage crisis in Mecca, which showed that today's world is deeply riven along religious lines, with forms of very advanced secularization in some parts of the globe and forms of religious resurgence in others. In my view, this explains the obstacles standing in the way of mutual understanding.

In addition to these cycles, globalization is occurring against a backdrop of environmental deterioration, with climate change, the loss of biodiversity, pollution and the spread of technology converging, probably faster than expected. Technology is undergoing a paradoxical change: hyper-individualization and a hyper-concentration of value creation at the same time.

Against this backdrop, there are three observations to be made in trying to describe the transformation underway. The first is a reshuffling of power and a return to the strategic in the hard sense of the term. We have entered a third nuclear age in strategic terms. The second is that this convergence creates overlapping sovereignties and jurisdictions that are tricky to navigate. Basically, depending on the systems used, under which jurisdiction are we? Under which law are we? Lastly, as it has been mentioned several times since the beginning of our discussion, inequality is rising both between and within countries.

So, what are the three broad outlines taking shape—this is my third point—if we try to forecast what will happen by 2049? First, I think a phenomenon is emerging, the phenomenon of cognitive confrontation, which became quite clear during the lockdowns, when bodies were stuck at home, but bodies with brains that had never been so digitally interconnected. I use the term “confrontation” because in my opinion, it heralds a fight over both political models and consumption patterns or attitudes that these channels are actually shaping.

The second outline shaping up is the emergence of what is called “civilitarianism”, i.e., an increasing overlap between civilian and military activities in the areas of innovation and research, and a blurring of the lines between the economy and security. This is increasing, especially with the two main powers, China and the United States. The other players are in a thorny situation with regard to the merger between civilian and military activities, which immediately raises the issue of technology transfers in relation to military alliances in the future.

The third outline taking shape is the goal, notably in China, of becoming carbon neutral by 2060, an objective President Xi announced in September 2020 that compels us to think about the modalities of decarbonized power. What does “being a decarbonized power” mean in relation to a power model based mainly on fossil fuels, which has been the model of the United States since the First World War?



I will conclude with a thought inspired by Fernand Braudel, who said it is not capitalism that creates power relations, but capitalism which coils itself into power relations and needs a boss. The question about the mutation of globalization is: will there be one boss or several?

**Jean-Claude Trichet**

Thank you very much. What you are mentioning, and particularly Fernand Braudel, reminds me that he made the point that capitalism was not born out of the Industrial Revolution, but commercial capitalism flourished long before and, of course, was really at the heart of the concept. Thank you very much for your impressive description of what is happening today, over 100 years with a deep historical understanding of the long-term evolution.