

# Promotion Of World Peace Through Economic Interaction

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*Blessed are the peacemakers,  
for they shall be called sons of God  
Matthew 5:9*

For centuries and millennia war is the permanent concomitant of the human civilization. More than 14,000 separate wars have marked its history from its very beginning to the present day. Considering the nature of war, we discover easily its ambiguity at every level. Bearing bloodshed and destruction on the one hand, on the other, as far as being connected with numerous examples of individual and collective heroism, war becomes a source of glory that lasts through the centuries and is like to bestow on the heroes an eternal life in the memory of the future generations. Paradoxically at first glance, but physical death and historical immortality are likely to be combined in the nature of war. The achievements of the Punic culture are well forgotten today, but the campaigns of Hannibal against the Romans will be probably remembered for ever. The best national poets, to begin with Homer and onwards, have consecrated their talents to describe military exploits and all national epics were created in glorification of military feats. Military geniuses as Alexander, Caesar or Napoleon inspired the greatest artists and musicians: what would be the world music without the masterpieces inspired by great military events -without *Eroica* by Beethoven or *1812* by Tchaikovsky? It was a common conviction among the statesmen that victory in war is the best proof for the nation's vitality and strength. And so many philosophers have seen in war a mechanism through which the historical evolution was unfolding and achieving its goals; economists, like Malthus, found in it regulating functions; one contemporary thinker, Francis Fukuyama, who obtained great popularity in the last years, viewed the end of history namely as marked by absence of wars and revolutions -the ever believed prolloters of the historical progress: is not this an atavistic expression of the old tradition?

To put it briefly, war is a cultural phenomenon of definitive importance to the mankind and even peace was thought in terms of war, if we remember the famous Roman sentence: *Si vis pacem, para bellum*.

From this standpoint it is obvious that it is not confined to the sphere of the politics and is much more complicated than that of being a mere continuation of politics by other means, as it was represented by the classical phrase of Clausewitz. Taking into account its complexity and ambiguity, I will try to defend the thesis that global peace is to be achieved when the global roots of war will be eradicated.

Referring to economics, war has special implications and in this respect we can find another manifestation of its ambiguous nature. Though bearing blood and destruction, great wars had sometimes cathartic and innovative effect on the spirit of societies. After them there arise strong desire for peace and stability, for material recovery, for preventing of similar tragedies in the future and these factors lay the foundation of the economic boom. The pan-continental Napoleonic wars were followed by a period of almost 100 years, when the conflicts between the major powers were successfully localized and there was a stable economic growth which gave birth to the industrial societies in Great Britain, France, Germany, the United States etc. After the nightmares of the two world wars there is another long period of non-global conflicts and the industrial societies of the Western world, joined by Japan and some other Far-Eastern nations, have transformed themselves, in the opinion of the social scientists, into post-industrial ones.

To go further, war has become a business in economic sense, especially in modern times. Having in mind that for its functioning army needs weapons, food, cloths, habitation buildings, medical service and so on, it becomes evident that actually all the professions in the contemporary civil societies are involved in one or another way in the support of army -state officials who determine its budget and activity; bankers who supply the government with credits, when the budget expenditures on army can not meet its enlarged activities or modernization; inventors that design new weapons and military machinery; private and state-owned companies which produce the new weapons and assure their technical maintenance in the future; food and textile producers, builders, physicians. .. This coalescence of different professional interests around army is commonly described now by the notion of *military-industrial complex* and its activity , which in some countries approaches up to 20% of the GNP , is not confined to the boundaries of the home country, i. e. to the upkeep of the national army. Because from long time the weapons are sold on the international market as goods. The clients in this trade are chosen

with respect to the political goals of the government under whose control weapons are produced and sold. Besides the official trade between the states, there are also many cases of unofficial support on part of the governments to rebel factions in foreign countries; and last, though not least, there is to be added the illegal traffic of arms committed by criminal organizations as Mafia and narco-cartels. It was impossible for me to establish precise data on the international arm trade today as the sources I could find showed great discrepancies, obviously due to the different methods of gathering statistics and the often secret or doubtful character of information.

To the military complex war is a business in itself and by itself. Preparation for war, participation in war, sales of weapons for war is profitable for it. So, to some social groups in every state more wars means more profit. This infernal principle explains why, far from whatever moral restraints, states at war with one another are usually supplied with arms from the same producers. We can find even the absurd situation when the belligerents help one another in the pursuit of war, in a fashion of some mutually exterminating symbiosis, as it happened with Spain and Netherlands during the 16th and 17th centuries: then the Spaniards, who possessed the golden and silver mines of America, were buying the equipment for their army, invading the Low countries, from the Dutch themselves, who on their part needed the Spanish money for the support of their army and the growth of their economy. In this manner we understand better the Adam Smith's words that even in time of devastating wars there are many manufacturers to prosper, who, when peace comes back, are to be ruined.

For this reason we could extend the definition of Clausewitz, stating *that war is a continuation of economics too*. And while the original definition is suitable to the dictatorial governments, where economics -especially in the military sphere -is subject to politics, the latter one is to be related to the democracies where politics is determined by economic factors. It is worth to remember in this respect the warning of president Eisenhower against the influence of the military complex on the decision-making process in politics.

The economic profit from war is understandable if world is perceived under the prism of particularity, as if it is simply a conglomerate of different nation-states, different societies, which are not linked by the common interests of the mankind, and then the economic detriments, caused to ones by wars, could correspond to economic gains for others. This type of alienation, that neglects the total interdependence of the human race as a whole, manifests itself in decaying socio-political organisms also, which loose or have not at all interior coherence. A perfect example of this is the present-day war in Chechenia. The continuous rebellion in this autonomous republic, enclosed in the territory of the Russian federation, is possible only because it is supported by some circles in Russia itself, to whom the war brings serious economic profits. And this fact reflects the internal crisis and division of the Russian society, which endangers the unity of the state.

To promote world peace by economic means is first of all *to make war economically unprofitable*. From ancient times, even if not possible to speak of military-industrial complex in the modern sense, war could bring economical profits to the victors who plundered and devastated the lands of the vanquished and in this old as history itself case it is clearly manifested that gains for ones meant losses to others. In a world unified this relationship is rendered to practical nonsense: detriments, caused by war, could not anymore bring profits to anybody, but harm to all. To be sure, the achievement of such unification is not but an ideal pattern, only partial realization of which could be found in the historical experience of humanity. A practical political unification of nearly the entire then known world was reached by the Persian kings Cyrus the Great and Darius I in the 6th and the 5th centuries BC. Their empire rose over the ruins of a dozen of former kingdoms, intermingled during the preceding centuries into boring endless wars, and their subjugation brought a virtual pacification over the immense territories, stretching from the Balkans and Egypt to India. Showing respect to the cultural and administrative traditions of the different peoples, the classical Achaemenian empire was able to establish an effective *modus vivendi* between them. The long peace that resulted from this found expression in enlarged communication, in the formation of universalistic spirit; the great effect on economics was that industry and agriculture of the different regions were connected into an integral system, thus creating an economic skeleton on which in the following centuries laid down a series of new world empires: the empire of Alexander the Great and Seleucus, Rome and Byzantium, the Arabic caliphate and the Ottoman empire. The golden pacific epochs of these empires were also golden epochs to the world trade, to the economic growth and scientific progress. The great empire-builders have always paid great attention to economic flourishing and development of trade. Darius and Diocletianus

established standardized golden money system that brought stability and uniformity of the market exchange for centuries. Soon after the Mongols in the 13th century conquered and pacified the interior of Eurasia and the boom of the transcontinental commerce began. The great khan Kublai then made a remarkable step in facilitating the payments all over his empire by introducing the paper money, which for the first time in history did not contain its value in itself, but possessed something very important to the businessmen and traders -the authority of a government that was able to keep up *universal peace* and assure protection on their wealth and goods.

In the above described examples we see that political unification brings about peace and economic expansion, marked by augmented output and an amplification of geographical range. In this manner economy in its turn becomes synergetic to unification, stability and peace. The bankers with broader scope of their activity as a rule were inclined to support the political unification, as we may find it in the story of the Fuggers, who aided the ambitions of the Habsburgs to create a universal catholic empire in the 16th century. The brilliant analysis of Karl Polany revealed the contribution of the Rothschild family to the maintenance of the global peace in the century that followed the Napoleonic wars. Spread in the most powerful European countries and disposing of enormous capital funds, the Rothschilds were able to sway the policy of governments through the credits, they offered or refused them with the aim to preserve the established continental balance of powers. A 19th century author and politician, Benjamin Constant, had exclaimed enthusiastically: "We have reached the epoch of trade -an epoch that will necessarily replace the epoch of war",

Unfortunately, there were two world wars ahead. The trend towards economic globalism was checked by the traditional particularism of nation-states system, which generated rivalries in foreign policy. The latter found their projection over industry and commerce, tending to close markets, to disturb for political reasons the golden standard based exchange rates, challenging the very essence of free trade. In this way economy could expand and grow in range only through political expansion, achievable by means of war. At last the outburst in 1914 was in sequence of both political and economical factors. Later in 1919-39 the League of Nations, inspired by ideas of global political system, proved itself inefficient in promoting peace not only because great power as the USA left outside it (geographic incompleteness of political universalism), but also because it did not dispose of effective economic instruments to catch up with the world-wide industrial and financial crisis of 1920s. And though there were such brilliant champions of peace and mutual reconciliation as Wilson, Briand, Kellogg or Stresemann, the post-war nation-states frustrations combined with the economic collapse brought about a social hysteria, that led progressively to radical political movements, dictatorships and a new world war.

It is then fully evident that in preserving and promoting global peace *politics and economics are to go together*, establishing between themselves a link of coordination and not of subjugation. The creation of the United Nations Organization with its economic agencies (the International Monetary Fund, the World bank etc. ) was a decisive step in establishing a universal world order with its political and economical dimensions. The ideal was set up clearly, whatever the deviations in its actual accomplishment may be: *unified world communicating through unified market*.

It seems that with the end of the Cold war the global antagonisms have disappeared, but on the other hand there is a marked escalation of the local conflicts. To the old areas of tensions in the Near East, the Gulf, Afghanistan etc. have been added new ones in the territories of former Yugoslavia and the USSR. The political will for global stability, expressed now officially everywhere and striving for pacification of such areas, must be accompanied by a relevant, rationally designed, economic strategy.

In the today world there are regions, where local conflicts are like to be perpetuated by the destruction they cause themselves. The society is embroiled in some type of a vicious circle, because war engenders misery, which is favorable to war. The permanent dissipation of the national wealth in such conflicts deprive the individuals of their personal security, of economic motivation and of hopes for the future. Without prospects for self-realization human life is worthless and when completely despaired people are inclined to join extremist ideas (Islamic fundamentalism in Lebanon and Afghanistan, leftist movements in Peru, Cambodia, the Philippines etc. ) and then war is pushed further and further, without any hope to reach to an end, becoming a style of life in itself. Immersed in their conflicts people in these countries alienate themselves from the rest of the world politically, economically and culturally and its unit y, which is the firmest foundation of peace, is put at stake. And the "ill" regions could

contaminate the "sound" ones with the sequences of their troubles: waves of emigrants, difficulties with the access to the raw materials, organized criminality etc. The permanent troubles in Sicily during the Middle Ages transformed the local clans into organized criminal structure, which in the course of time became socially institutionalized and with the Sicilian diaspora in the 20th century spread its tentacles to America. Its business today is also an example of economic interaction, but with corrupting and oppressive impact on society.

The magic solution in these cases lies in the combination of political appeasement with adequate measures for economic recovery. Only possibilities for accumulating wealth and economic development could give practical sense of human life and make the spirit of war to enter back into the bottle. Historians have mentioned long time ago the reluctance to war amongst wealthy nations. It is worth to remind in this respect the classical example of Rome. When after victorious wars the empire was formed, the bulk of the Roman citizens, especially in the peaceful provinces of the interior, consecrated themselves to business affairs and cultural self-perfection, accumulated wealth and became unwilling to serve in army, showing desire for peace and stability; unfortunately, peace was unachievable for an empire, surrounded by permanently migrating foreign tribes, that were longing to settle on its prosperous lands and at last occupied them by force.

Here it is worthwhile to mention the importance of economic support to the development of the mass education in the poor and warring countries. Because if several educated men could devise a revolution, an educated nation will be reasonably prudent and will try to apply its knowledge to the real life, will strive to overcome the poverty and will be naturally peace-loving.

The problem is how to create wealth in countries that were ruined by war for years. It is obvious that economic resources must be attired from outside and here is to be looked for the help of the International institutions. The peace treaties, that put an end to the World war I, did not bring about stability, for the destroyed industrial and financial systems could not be restored in due terms and caused social tensions, that helped the rise of radical political forces, striving for revenge. And after 1945 the pacification was quite successful because of the institutionalized economic order (the IMF, the World bank) and the massive financial assistance from the USA in the frames of the Marshall plan. The results were remarkable: historical enemies as France and Germany found their reconciliation and in Western Europe developed omni-pervasive processes of integration. To achieve stable appeasement similar recovery programs must be applied in every country, ruined by war. Surely in this way the conflicts in Palestine or Bosnia could be actually settled.

The enhancement of living standards is an effective step, leading to peace and unification in broad sense. The policy of Han dynasty in China towards its nomadic environment is maybe the oldest example of economic assistance to outside countries. For centuries Chinese sent innumerable caravans with presents (up to 17-22% of the empire budget were spent on this purpose) to their warring neighbors who in this way were encouraged to imitate the Chinese life style and with it the Chinese intellectual achievement. If later they could succeed in conquering some imperial province or even the entire empire, those tribesmen precipitated themselves to become sinicized (i.e. civilized and peaceful) as soon as possible. Strange or not at first glance, the territorial expansion of China was accomplished in this manner and not through devised military campaigns.

The economic interaction must aim for making rich and self-sufficient every country on the earth. Despair, caused by poverty and ignorance in the backward regions, depreciates the value of human life - it is easily given (extremely high birthrates) and easily immolated (in rebellions, revolutions and other political turmoil). And this sentiment, projected against the background of the prospering industrialized countries, is felt stronger in a world already informationally united by the mass media. Hope is then found in migration to the rich lands, which, put under such mechanical demographic pressure, become tempted to limit it by means of political prohibitions. As a matter of fact similar measures are away from being effective, but undermines the very principles of democracy, whose power is in their universalistic appeal and applicability to every human being. One of these principles is the freedom of movement and furthermore the International Bill of Human Rights proclaims (in its art. 17, 22, 23 etc.) economic rights with universal range.

Every problem of the contemporary world must be treated with respect to the interests of all the human race and not of its particular groups. "World is small", said Columbus after his return from America,

when he was about to recognize its real physical limits. His words are to be considered with greater attention in the era of the modern technologies, whose power made world virtually small both from the viewpoint of communications and resources -even air and water are not inexhaustible now, as it seemed in the times of Adam Smith. The economic interaction must develop on the basis of holistic approach to world affairs, so that profits to ones do not cause detriments to others. In this connection it is worth to concentrate special efforts on preventing the economic wars, the consequences of which could be compared sometimes with the devastation of the hot ones: closed works, lost jobs and markets, disturbed economic balances with destabilizing impact on society. Such wars do not spare even the highly integrated zones of the western world which is indicative about the seriousness of the matter. A compromise must be sought and found by the mediation of the international institutions in order that the economic interests of all the nations be protected as are their sovereignty and cultural identity.

If trying to summarize, we can say that to help the recovery of the ruined countries is to eradicate war and to help the development of the backward ones is to prevent war. In present days investments abroad are actual investments in peace. They establish cross-links between the national economies, promote the equalization of living standards in the different regions and gradually intertwine world in unifying interdependencies. Here lies the economic guarantee of world peace.

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