Geopolitics in a Post-Cold War Context: From Geo-Strategic to Geo-Economic Considerations?
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By Jean-François Gagné

Introduction

After the Second World War, decisions made at Yalta and Potsdam were to modify the structure and dynamics of international relations in a very significant way. Two relatively coherent ideological blocs would fight each other for over forty years. This confrontation rapidly gave birth to a new concept: the Cold War.

During this period, international political forces coalesced around the United States and the Soviet Union, creating a bipolar system and freezing international frontiers in an East-West confrontation logic centered on the interests of the two superpowers. Alliances seemed to be permanent and State behaviors were predictable. Major conflicts did arise, but a direct confrontation between the two nuclear superpowers never materialized. They fought each other mostly by the means of proxy wars, where developing countries were generally the first witnesses and the first victims. Taking advantage of the economic and military vulnerability of these States, the US and USSR perpetuated structural dependence. In the case of the Soviet Union, this practice was exacerbated by constant political incursions into the economic sphere in order to centralize all the power in Moscow. The resulting asymmetric relationship would prove to be very difficult to deal with when the developing countries’ links to the Kremlin were suddenly cut off.

After the fall of the Berlin Wall, the power vacuum created by the retreat of both superpowers suddenly laid existing States, and those that would soon become independent, open to major changes in the distribution of power. This transformation of the international system, characterized by high volatility and global instability, made the international situation more complex and gave new impetus to geopolitical factors.

On the one hand, the new frontiers of the former Soviet space have revived ghosts from the past. Old ethnic antagonisms clashed with the mix of national identities imposed by those in power when the political space was reconfigured. On the other hand, some greedy political leaders, looking to expand their power, manipulated history by creating new cultural references in order to serve their ambitions. The Balkan region has certainly been a tragic example of this depolarization, redrawing of frontiers and emergence of new States. For example, Yugoslav national identity faded before it could really materialize, just as President Tito had anticipated in his worst nightmares.

The disintegration of the Soviet Union symbolized the end of a planned, centralized and above all closed economy. Most countries in the “East” embraced capitalist virtues by integrating financial, monetary and commercial global systems and rapidly engaging in a process of reform. On one hand, they were confronted with an increase in movements of capital, goods, services, people and knowledge as a result of the spread of new technologies. On the other hand, new actors — such as multinational firms with revenues sometimes higher than the GDP of developing countries — were now operating across borders.

This globalization process was challenging the role of the State as the dominant actor in the international system. It no longer held the exclusive right to the legitimate use of force, especially given that it included a non-military dimension such as economic power. However, the State is still the main actor in the international system and retains its prerogatives on its own territory. The State is not passive. It adapts to new situations and competes in the economic race. In fact, the State’s national security objectives — gain control over territory and expand its sphere of influence — are no longer bound by military deployments; they are more complex and involve new considerations such as control of and access to scarce resources and the conquest of foreign markets with geo-economic weapons.


5. Military capacities are still key aspects of State power.

6. According to Randall Schweller, the key concept to understand international conflicts is no longer security in a traditional sense, but scarce resources. See: “Realism and the Present Great Power System: Growth and Positional Conflict over Scarce Resources”. In *Unipolar Politics: Realism and State Strategies after the Cold War*, Ethan B. Kapstein and Michael Mastanduno (eds.), New York: Columbia University Press, 1999, p. 28-68.

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This reorientation required a re-examination of the relevance of geopolitical analysis, centering on strategic aspects of international relations and the inclusion of emerging geo-economic considerations. That being said, geo-economics is not a substitute for geopolitics. It only means that significant new components must be added to the understanding of State behavior and of the international system.

1. GEOPOLITICAL ANALYSIS IN THE STUDY OF INTERNATIONAL RELATIONS

The term “geopolitics” has many meanings as well as different connotations, which are often implicit and sometimes contradictory. In most cases, it refers to the study of the interactive relationship between a given State’s policies, its relations with other States, and the geographical context. From a theoretical point of view, contemporary geopolitics is closely tied to the realist approach. Before we elaborate further on the topic, a survey of the key authors who defined both the concept and the word is essential.

1.1. Ratzel, Kjellén and Haushofer

German geographer Friedrich Ratzel (1844-1904) was the pioneer in this field of analysis. Influenced by the works of Hegel and by Darwin’s theories, he proposed a view of space predicated on the notion that a State is a territory with a frontier and a population that has the right to possess and use its own means of sustenance and therefore control its environment. According to his theory, the State, much like any other living organism, is constantly changing and, therefore, its boundaries are flexible. Over a “lifetime”, the State will expand its frontiers as its power increases, more often than not at the expense of the weakest countries.

Swedish political scientist and parliamentarian Rudolf Kjellén (1864-1922), considered to be the father of the neologism “geopolitics”, took Ratzel’s ideas one step further. He developed an analytical framework capable of both objectively studying the evolution of a State’s power and examining how this process affects interstate relations. He defined geopolitics as the study of the characteristics of a given State, which he considered to be a national community, comprising multiple components (people, earth, space, surroundings, history, etc.) and invested with both a moral and spiritual force. Whereas Ratzel combines State and nation, Kjellén makes a distinction between them. He contends that the State has its own personality, different from the sum of its constituent parts. In other words, the State possesses a unique identity that is based on more than strictly geographical characteristics and which binds its population within the heart and soul of a single nation.

German general Karl Haushofer (1869-1946), inspired by English geographer Halford J. Mackinder (1861-1947) and American admiral Alfred T. Mahan (1840-1914), built upon the work of Kjellén by introducing the concept of “panism”, or the “civilizational” breadth of geographical and ethnic unity (for example, pan-Turkism, pan-Slavism). This unfortunately opened the door for the Third Reich’s propaganda on the superiority of the German race and helped legitimize its expansionist ambitions with respect to Europe.

1.2. The Preponderance of Geo-Strategy and the Realist Approach

In response to Nazi demagogy, American political scientist Nicholas John Spykman (1893-1943) steered the concept of geopolitics away from that of the nation towards that of security. As defined by Spykman, geopolitics is the study and the planning of security policies that cannot be defined and developed independently of the characteristics of the area where tensions exist\(^1\). Following on directly from the works of Spykman\(^2\), Robert E. Harkavy proposes a definition based on the notion that it is competition for power and primary national interests that guide States in their behavior; geopolitics thus becomes a “map” of the relations between opposing nations\(^3\). Similarly, for French general Pierre Gallois and scholar Pascal Boniface, geopolitics is the study of the relationships between the implementation of power policies internationally and the geographical context in which they occur\(^4\). For Pascal Lorot, the field of study known as geopolitics is defined as the analysis of the conflict generated by the territorial expansion and alliances necessary for conquest\(^5\).

These definitions assign a crucial role to the military since it is the only way of defending the integrity a State’s boundaries against invaders. A strong State must be able to project its power both by challenging contenders for military supremacy and by positioning its armed forces in strategic territories in order to dissuade other quarreling States and control areas of importance and influence. The definitions are also consistent with three principal assumptions of the realist approach\(^6\). It is important to

\(^{2}\) Spykman proposes the idea of balance of power, which was dear to Harkavy. See *America’s Strategy in World Politics, the United States and the Balance of Power*, New York: Harcourt & Brace, 1942.
\(^{6}\) The realist approach is a dominant one in the field of international relations, although it has many critics. Liberals contest the Hobbesian ontology of realists: realists analyze the world as it is, anarchic and violent; while liberals analyze the world as it should be, cooperative and peaceful. Robert Gilpin states that “although Realists recognize the central role of the state, security, and power in international affairs, they do not necessarily approve of the situation” (*Global Political Economy*, Princeton: Princeton University Press, 2001, p. 15). The defenders of critical theories attack the epistemological foundation of realism, notably by questioning the legitimacy of concepts such as anarchy, which is a construction that serves the interests of States in keeping or reinforcing their dominant positions. On this subject see Alexander Wendt, “Anarchy Is What States Make of It: The Social Construction of Power Politics”, *International Organization*, vol. 46, n° 2 (summer 1992), p. 391-425.
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underline the fact that the realist approach is the result of a proliferation of diverse intellectual theories. Moreover, a genuine realist theory does not really exist since realism *per se* cannot be tested, confirmed or invalidated because of the imprecise nature of the “realist” discourse and in particular of the concepts used. Nonetheless, the majority of the defenders of such an approach agree on a certain number of assumptions from which multiple hypotheses and explanations, especially that of neomercantilism, which will be the subject of the next section, can be formulated.

The three assumptions of the realist approach are the following. Firstly, the territorial unit, i.e., the State, is the dominant actor in the international system. According to Waltz, a theory that ignored the central role played by the State would be possible only if non-State actors were capable of gaining supremacy over not only second-rate powers but also the dominant powers. To sum things up, the Realists believe that it is possible to understand international relations better by focusing the analysis on the behavior and interactions between States rather than by analyzing the behavior of interest groups, classes, multinational firms and international organizations. According to the Realists, boundaries and the institutional sovereignty of States on their own territory remain critical to our understanding of conflict. Moreover, the State is an entity distinct from the sum of the individual interests; in other words, the State possesses its own capacities and will have a tendency to pursue its own interests.

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Secondly, States interact in a global environment that can be described as anarchic due to the absence of a superior authority capable of regulating conflicts. Not only are supranational institutions unable to guarantee that official promises will be kept and treaties observed because they lack any means of coercion, but they are also unable to prevent or counteract the use of violence and, consequently, aggression against and even destruction of other States. In such a context, the mere existence of other States makes any given State fear for its own survival. It must constantly anticipate the possibility of war, a transformative principle in international politics, and adapt its own policies accordingly. It is also important to point out that, although this anarchy is prevalent in the system internationally, the State must acquire the means to make its territory secure. However, Buzan qualifies this idea by rightly pointing out that it is only strong States who can claim to guarantee internal stability and order; weak States fall prey to internal threats on top of external ones. Moreover, the fear of sudden betrayal by an allied State creates considerable mistrust, with States generally hesitating to cooperate fully with one another. Nonetheless, the existence of this anarchist environment does not mean that international relations are characterized solely by a constant and universal Hobbesian struggle: States do cooperate with one another and join forces to create institutions in many fields. Realists propose several conditions under which cooperation is possible. The concept of hegemonic stability is, for its part, a major feature of the realist approach. It implies that cooperation, especially in economic matters, is possible if, on the one hand, there exists a dominant power capable of maintaining order though its disproportionate strength and leadership, and
if, on the other hand, this powerful State promotes the values of economic liberalism, including disengagement of the State from the economy.  

Thirdly, the State is concerned not only with maximizing its power but also with the risk of erosion of its own relative capacities and therefore of its position in the system. The State’s primary objective can sometimes be to increase its own absolute capacities, but that objective is always to stop other States from increasing their own. In this sense, States fear an uneven and hierarchical distribution of power operating according to a zero-sum game: one State would manage to improve its position to the detriment of one or more other States by means of unilateral actions. Therefore, the more a threat against a given State is perceived as critical, the higher the price that State is willing to pay in order to prevent the threat from materializing.

In summary, geopolitical analysis in international relations is in fact monopolized by geo-strategic considerations. What is more, the realist approach seems to influence, if not complete envelop, contemporary geopolitics. However, since the end of the Cold War, geopolitics is experiencing a rebirth through the exploration of comprehensive models that integrate, in a complementary manner, both economic and strategic interests and the comparative investigation of their interactions focusing on the degree to which each State can maintain and/or improve its position within the international system.

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28. Economic liberalism is the optimal policy for a hegemony, allowing it to maintain its domination over others. However, as was the case for the United Kingdom, mercantilist policies have been crucial to the development of a hegemony.


31. For realists, the perception of a threat based on power capacities is not restricted to military and economic factors, although they are decisive; it also involves psychological factors. See Robert Gilpin, Global Political Economy, Princeton: Princeton University Press, 2001, p. 17-20; and Stephen Walt, “The Origin of Alliances”, Ithaca: Cornell University Press, 1987, p. 5. That being said, classical realists like Mearsheimer and Waltz are relatively quiet about economic issues and interaction between economic security and military security.

32. For a critical reflection on the reduction of geopolitics to geo-strategy, see Gearoid O’Tuathail, Critical Geopolitics: The Politics of Writing Global Space, Minneapolis: University of Minnesota Press, 1996.
2. GEO-ECONOMICS: A NEW FIELD OF ANALYSIS OF STATE BEHAVIOR

The idea that national wealth is a prominent contributor to a State’s power is not in itself a novelty. The propositions of such 19th century mercantilists as Alexander Hamilton and Friedrich List provide a few examples, not to mention those put forward by Joseph Schumpeter, Edward H. Carr and Eli Heckscher in the middle of the 20th century. Hamilton and List suggested that the State should support its manufacturing capacities in order to maintain its power. For their part, Heckscher and Carr proposed that the State use its economic power in order to unify and dominate the system within its sphere of influence. Schumpeter contended that innovation was the source of structural change and the most dynamic source of power within capitalist economies.

The fundamental difference in contemporary understanding resides in the fact that States have developed increasingly aggressive international economic policies, which are systematically incorporated into national interests. For various reasons, the possibility of resorting to armed conflict was dramatically reduced during the course of the 20th century, and political leaders now perceive economic power as a determining factor in their sovereignty and their independence. Because of this new reality, States develop industrial and commercial policies in order to create a decisive comparative advantage in sectors deemed to be strategic. These policies are in turn defended with much determination at the international level, not only by means of diplomacy but also by means of what Edward Luttwak calls “geo-economic weapons.” Although previously relegated to the second rank of foreign policy, international economic

37. Many authors make reference to the superfluity of the use of weapons to justify the prevalence of economics in international relations. In this regard, Kenneth N. Waltz points out that since nuclear weapons limit the use of force between great powers at the strategic level, it is predictable that economic and technological competition between them will be more intense. See “The Emerging Structure of International Politics”, *International Security*, vol. 18, n° 2 (autumn 1993), p. 59; see also Michel Faucher, “La fin de la géopolitique? Réflexions géographiques sur la grammaire des puissances”, *Politique étrangère*, vol. 62, n° 1 (spring 1997), p. 19-31. For an overview of the different perspectives on the subject of the obsolescence of military capacities, see Sean M. Lynn-Jones and Steven E. Miller (eds.), *The Cold War and after: Prospects for Peace*, Cambridge: MIT Press, 1994.
policies now occupy a center-stage position: considerations linked to economic power now eclipse military concerns in assessing various threats and determining national interests.

2.1. Economic Prevalence and Neo-Mercantilism

Luttwak initially introduced the term “geo-economics” in 1990 in his article “From Geopolitical to Geo-economics, Logic of Conflict, Grammar of Commerce”. Starting with the premise of a decline in American hegemony, Luttwak suggests that interstate conflicts be viewed from the perspective of competition for market shares within international trade. He presents his thesis by examining the case of the Triad (Japan, European Union and the United-States) and demonstrates that a conflict-led approach is inherent in trade relations between these entities. However, support for Luttwak’s thesis has been far from unanimous. O’Loughlin claims that exchanges between these three regional blocs have never stopped growing and becoming ever more diversified. Vernon criticizes the dramatic, even sensationalist tone of Luttwak’s analysis of the economic rivalry within the Triad: “Mr. Luttwak’s views on world’s events have a strong tendency to generate distorted images and create oversized blind spots”. In spite of his detractors, Luttwak does succeed in identifying a significant new development — the fact that international conflicts generate economic confrontations over the distribution and use of national and international goods. The emergence of this new battlefield calls for the deployment of geo-economic weapons, consisting of increasingly systematic support by the State in the form of research and development.


financing, combined with operating grants for production sectors as well as low interest loans, also known as predatory finance\(^{43}\). In addition, a State may make use of economic sanctions and border tariffs in order to weaken a rival State\(^{44}\).

One to agree with Luttwak is Pascal Lorot, editor of the academic journal *Géoéconomie*. Lorot defines geo-economics as the analysis of national strategies, the ultimate goal of which is not to control territory but to gain technological and commercial supremacy\(^{45}\). This definition is based on the hypothesis that national policies affect market structures and States will attempt to remodel prevailing tendencies in order to suit their own interests. In other words, when the conditions on a given territory change, the structure of exchanges is affected, producing new directions and new factors of economic development. Conversely, Chyungly Lee’s definition focuses on the impact of major structural changes on the distribution of power and national strategies: “A geo-economic perspective of analyzing regional order explores the influences of regional economic dynamism on regional power structure and patterns of state interactions\(^{46}\)”. She therefore supposes that external shocks, especially economic crises, will alter the economic balance of power and the economic strategies of States independently of the actions they undertake to shield themselves from such shocks. Moreover, since her definition is based on economic geography, it introduces the notion of flows, i.e., that is to say the analysis of the movements of people, goods, services, knowledge and capital between territories over a given period of time\(^{47}\). The State is no longer a well-defined territorial space but an area of passage with invisible frontiers\(^{48}\). When experiencing difficulty with the control of its frontiers, the State is confronted with territorial insecurity, threatening its supremacy and intensifying its perception of its own vulnerability. Formulating economic strategies the ultimate goals

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46. “Impact of the East Asian Financial Crisis on the Asia-Pacific Regional Order: A Geo-economic Perspective”, *Issue and Studies*, vol. 35, n° 4 (July/August 1999), p. 114. The regional aspect in Chyungly Lee’s definition can be explained notably by the difficulty of extracting geo-economic tendencies at a planetary scale. It is therefore necessary to create units of analysis (the selection of a limited number of States or regional groups) in order to analyze the orientation of flows.
of which are to conquer markets and unify the national system provides a substitute for the stability of flows when there is no stability at the physical frontier.

In short, geo-economics is considered to be the study of the various impacts of States’ economic policies as well as the impact of structural, cyclical and situational factors both internationally and regionally. From a theoretical standpoint, this definition of geo-economics refers to neo-mercantilism, which includes a certain number of assumptions, which in turn are similar in many ways to those of the traditional realist approach, while several others are more closely tied to economic geography.

The first assumption is that threats to a State’s national security are first and foremost related to its financial and/or commercial dependence on other States. Considering the possibility of economic or military conflict, States will seek self-sufficiency in order to guarantee their capacity to produce the necessary means for both fighting against and reducing the vulnerabilities that result from the disruption of the various economic exchanges that prevail during times of peace. Complete autarchy is rarely a goal; the State will balance its desire for autonomy with its long-term objectives of economic growth. Thus the State cannot simply allow market forces to dictate specialization in the international division of labor. In fact, when a State feels threatened, “the subtleties of comparative advantage become a foolish irrelevance”. Moreover, many States, especially the weakest ones, are willing to make economic sacri-


fices in order to attain political objectives. In this sense, the intrusion of the State into the economy is justified in the name of national security and by that very fact legitimizes national mobilization and sacrifices otherwise associated with military mobilization.

The second assumption is that States try to balance power distribution according to their strength, their position and their behavior and on the basis of a geo-economic rationale. Power, in geo-economic terms, is not solely determined by the surface area of the territory, population size or military capacities; it is also defined by industrial capacities, access to and control of natural resources and financing, control of technology and stability of political institutions. The position occupied by a State is therefore defined more by the capacities of its industrial structure than by its geographic position. Thus States who compete within a sector, or States whose industrial structures are incompatible, will have a tendency to perceive each other as a threat, whether they are in close geographical proximity or not. Nonetheless, the proximity of national economies plays a decisive role in the allocation of natural resources, the intensity of the flows, and, by extension, the forming of regional groups.

In the end, States will have a tendency to counteract the power of those who are economic predators, i.e., those who act unilaterally and affect others negatively. Since the behavior of States can be subject to interpretation, it is possible that one State’s defensive actions (e.g. protecting new industries) will be perceived as aggressive by a trading partner, who will retaliate by imposing economic sanctions or taxes. In fact, the concept of perception of threat is central to the analysis of States’ behavior. For example, a State that is low in the international hierarchy because of its limited capacities may behave as though it was a strong State, at least at the regional level.

The third assumption is that, when a State must choose between economic or military considerations, it will opt for the former. The reason is very simple. When a State is economically powerful, it can convert its armed forces into an effective war machine in a relatively short time, whereas military powers who neglect their economic growth will inevitably experience considerable difficulty in maintaining or rebuilding their former power. The USSR was an obvious example of this problem.

54. For example, certain State interventions can turn out to be costly for the consumer: taxing and imposing tariffs on low-cost imported goods that compete with those of national enterprises. Therefore, in order to save jobs, consumers must pay the price.
55. According to economic geography, the complementarity of industrial structures is a sine qua non for the proper operation of a regional organization in a context where national economies specialize in one industrial sector in order to benefit from economies of scale and optimize the allocation of resources regionally. Paul R. Krugman, *Geography and Trade*, Cambridge: MIT Press, 1991, p. 15.
Finally, the fourth assumption is that States harness their resources in order to deal with fiercer international economic competition. Since the competition is a threat to national security, States will have a tendency to model their economic systems in such a way as to create or strengthen their national firms, while at the same time limiting opportunities for foreign enterprises. They will therefore seek to minimize relations generating disproportionate gains for other States and increase relations from which they themselves derive disproportionate gains. In fact, “States have engaged themselves alongside their national enterprises in policies that seek to conquer external markets and control sectors of activity considered of strategic value.” Therefore, States that in large measure are dependent on market forces in international trade, investment and finance will attempt to use external forces to their advantage. However, States possessing greater control over their domestic market than over external markets, especially if they are economically weak, will instead have a tendency to rely on their own production capacities. States will try to support their own firms, both inside and outside their own frontiers. To do so, they will use, for example, the foreign direct investments of national firms as a means of binding allies even more closely to themselves and creating a form of dependence that serves their own interests and goals. The physical location of production is also of prime importance, since foreign companies may be nationalized in the event of war or another threat.

2.2. National Development Strategies

In the context of the globalization of exchanges, where interdependence does not necessarily imply reciprocity and is often asymmetrical, States will attempt to influence economic structures in their favor. To do this, they rely on national strategies that can be divided into two broad categories: export-oriented industrialization and import substitution industrialization. Export-oriented industrialization is generally used in order to improve the strategic position of a national enterprise competing for international market shares with a foreign firm when the market is dominated by either a


58. In fact, firms possess a center of gravity (a nationality), even in a context of globalization.


monopoly or an oligopoly and is therefore imperfect. The challenge is to identify winning sectors where national firms already possess competitive comparative advantages. The objective is to transfer the profits of the foreign firm to the national firm in a sector considered potentially lucrative and capable of generating substantial revenue for the State. Import substitution industrialization consists in excluding foreign competitors from the domestic market by imposing various import barriers, such as border taxes and tariffs. Usually, this practice finds its legitimacy in the infant industry argument: since a State’s economic development depends in part on diversification of its industrial production, it must temporarily protect new industries, which would otherwise be incapable of competing against globally established enterprises. This strategy also allows national enterprises to benefit from economies of scale thanks to a captive domestic market and therefore become competitive on foreign markets. In fact, Paul R. Krugman defines this policy as protection through the promotion of exports. Still, States may also obey political imperatives if they are forced to reduce their dependence on strategic or critical imports (cereals, water, energy, metals, high technology, etc.), since the interruption of flows could have potentially devastating consequences. Generally, States will adopt a mixed strategy that includes aspects of both export-oriented industrialization and import substitution industrialization.

Regarding the integration of regional economies, a State’s national strategies may have several objectives. Firstly, it may seek traditional commercial gains through mutual concessions on trade barriers, allowing all parties to benefit from improved

63. There are four principal market imperfections: (1) the externalities, or overflowing effects, that take place when the economic activities of one State cause involuntary damage to the other (e.g., environmental pollution); (2) growing profits and a reduction of marginal costs leading to situations of monopoly; (3) the frequent lack of information to help consumers make choices; and (4) inequalities in the redistribution of wealth and profits. Robert Gilpin, Global Political Economy, Princeton: Princeton University Press, 2001, p. 68.


66. Apart from economic measures, certain States will introduce measures traditionally related to security in order to achieve economic goals. For example, intelligence services are mostly involved in industrial espionage, collecting information that is then transferred to national enterprises. C. R. Neu and Charles Wolf Jr., The Economic Dimensions of National Security, Santa Monica: RAND, 1994, p. 70-74.

67. These objectives were identified by John Whaley in “Why Do Countries Seek Regional Trade Agreements?”. In The Regionalization of the World Economy, Jeffrey A. Frankel (ed.), Chicago: University of Chicago Press, 1998, p.63-83.
access to regional markets. The negotiation of a regional trade agreement may focus on either trade creation or trade deviation. In a regional organization, trade creation involves the replacement of national goods produced at a high cost with low-cost imports from a participating State thanks to a reduction in customs tariffs and taxes by participating States. This strategy constitutes an optimum allocation of resources within the regional space. Trade deviation is the replacement of goods imported at low cost from a State that is not a signatory to a regional agreement with higher-cost imports from a participating State benefiting from a preferential agreement excluding third parties. For example, trade creation takes the form of a free trade area while trade deviation is closer to a customs union.

States may also wish to strengthen their national policies. Taking into consideration the inherent difficulties in negotiating and implementing regional agreements based on rules decided upon by all parties, these agreements greatly complicate the reversibility of national policies. However, the pursuit of this objective by a single State increases the probability that the concessions made by all participating parties during negotiations on the agreement will be asymmetrical. This situation arises when the economic power of one of the States is disproportionate in relation to the others and when this State pursues political rather than commercial objectives.

Likewise, a regional agreement can increase the negotiating power of participating States in dealings with a third party or another regional organization by establishing common external barriers. This objective is related to the perception of confrontation between regional blocs and to access to protected markets. For example, one of the arguments made by the countries of Latin America as a justification for a regional agreement was the fact that it would give them an additional lever for negotiating access to the markets of the countries that signed the North American Free Trade Agreement. Even today, many Latin American countries believe that a regional agreement would also allow them to counterbalance the power of the United-States in negotiations on a Free Trade Area of the Americas. In the case of negotiations between States whose economies are of different sizes, the State with the smallest economy will want to obtain guaranteed access to larger markets.

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69. The distinction between the creation of exchanges and the deviation of exchanges was initially introduced by Jacob Viner. See *The Customs Union Issue*, Lancaster: Carnegie Endowment for International Peace, 1950.


Finally, a State’s objective may be to negotiate a trade agreement in order to eventually include security matters and allow for the integration of different national economic systems. In the final analysis, States often pursue several, usually related objectives. For example, a State obtaining a guarantee of access to a given market must usually grant certain concessions with respect to its national policies so that, once the agreement is ratified, the State granting preferential access to its markets will enjoy specific taxation prerogatives.

These objectives vary according to three factors: (1) the number of countries and the configuration of the group, in particular if an organization represents some, but not all, countries in a region; (2) the reach and range of the organization’s activity, i.e., the number and nature of the activities included in the regional agreement; and (3) the level of integration in terms of the responsibilities delegated by national governments to regional authorities.72

Conclusion

In short, geopolitics is no longer the preserve of geo-strategies, under which military capacities and territorial expansion were the sole expression of power. Today, geopolitics is focused more on contemporary economic problems, in which territorial insecurities created by the intangibility of flows threaten a State’s sovereignty as a politically independent actor. However, this shift from the military to the economic does not mean that the former is obsolete, since military power remains a determining factor in States’ behavior. Moreover, the current predominance of the economic dimension is by no means static: military rivalries reappear when emerging powers attempt to re-balance power struggles in their favor. Beyond the scope of these considerations, it is important to remember that space and power are central dimensions of modern geopolitics, where they are economic, military, political or even cultural in nature, as stated by Samuel Huntington in his controversial work *The Clash of Civilizations and the Remaking of World Order*. In fact, geopolitics has been at the heart of international relations and modern political history since the Peace of Westphalia in 1648. It is an indispensable tool both for those who analyze government policies and for those who must make recommendations to political leaders. Admittedly, the term has been somewhat sullied through overuse.73 The objective of this paper was to delineate the conceptual limits of the term in order to re-establish the value of geopolitics in a much more contemporary context than the one in which it has been traditionally studied.

73. Virginie D. Mamadouth, “Geopolitics in the Nineties: One Flag, Many Meanings”,
DÉJÀ PARU DANS LA MÊME COLLECTION :

“FOREIGN POLICY IS NOT WHAT I CAME HERE TO DO”
Dissecting Clinton’s Foreign Policy-Making: A First Cut
Charles-Philippe David — Novembre 2004 — Occasional paper 1

FOREIGN POLICY-MAKING IN THE CLINTON ADMINISTRATION:
Reassessing Bosnia and the “Turning Point” of 1995
Sébastien Barthe & Charles-Philippe David — Novembre 2004 — Occasional paper 2

A COLD WAR-LIKE CONSENSUS?
TOWARD A THEORETICAL EXPLANATION OF U.S. CONGRESSIONAL
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