

STORM WARNINGS

Vol. 4, Issue 1
Geopolitical Forces



R. Michael Conley
Founder

The *Storm Warnings* newsletter is part of a larger initiative by its founder, R. Michael Conley, to carry the message to others.

"The message is frightfully simple: We are heading into a perfect storm that will forever change our lives, and we need to act on it while there is still time," said Conley.

Under the overall umbrella of his company, Weathering the Storm, LLC, its mission to *awaken, engage and help others weather the storm* is carried out in a number of ways.

Global Tsunamis We Can't Ignore

Tectonic-sized geopolitical forces are changing the global landscape and accelerating the progression of the *perfect storm*, but we have been slow to adjust to the changes. Operating under obsolete and faulty assumptions of yesteryear, we are hurling toward a new global paradigm we don't understand – and floundering in the process. In this provocative, hard-hitting interview, R. Michael Conley provides a contrarian view on how this global drama is playing out from a *perfect storm* perspective.

WTS: Can you start by providing a context for your concerns?

Conley: Glad to. My "beat," so to speak, is to report on the *perfect storm* that looms in our pathway. I do this by focusing on a subset of related issues and 'connecting the dots' to show how these forces are shaping and fueling the storm's progression.

One such subset includes "*geopolitical forces*" – challenges arising from a) a shifting global balance of power – and a new cold war; 2) economic headwinds and a global "bubble" ready to burst; 3) competition for finite resources from a growing population; 4) asymmetric and nuclear proliferation threats from an expanding cast of players, and 5) a global failure to recalibrate policies and expectations based on these new realities.

As a superpower, it's difficult for Americans to appreciate the shifting geopolitical tides and how little control we actually have over them. Instead, we cling to old paradigms and faulty assumptions that compromise the effectiveness of our leadership and policies. A bipartisan failure, we are playing a new ball game using old rules and expectations; a sure prescription for a bad outcome.

Einstein once said that "You cannot solve this world's problems with the same thinking that created them," but that's precisely what we're trying to do.

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"The *Storm Warnings* newsletter, which provides an in-depth quarterly look at a specific topic, is one way we hope to awaken and engage people, but we encourage folks to log in to our web-site for a full menu of offerings and services," Conley said.

(www.weatheringthestorm.net)

The website will provide further details on other initiatives. Among them:

1. Lethal Trajectories – Conley's futurist novel on what it will be like to live through a perfect storm crisis
2. *Weathering the Storm Guide* – A guide on how to prepare for the storm
3. Weathering the Storm Seminars – In-depth seminars that are now available
4. Blog, links, other resources, and the Storm Warnings newsletter.

About the Founder: Mike Conley is the Founder of Weathering the Storm LLC, and currently serves as Chairman and CEO of the Conley Family Foundation. As a former Fortune 500 business executive, author,

WTS: Aren't you overplaying the importance of geopolitical forces and minimizing the role of *effective* policies and leadership in shaping the world?

Conley: Absolutely not, but the operative word here is "*effective*." It's hard to imagine how policies and leadership based on faulty assumptions can be effective. It's a bipartisan failure and no one wants to blink first and tell it like it is.

It wasn't always this way. For example, the playing field and ground rules of the old *Cold War* with the Soviet Union were understood by all sides. The unofficial doctrine of "mutually assured destruction" (MAD) prevented each side from launching a preemptive nuclear attack that would surely trigger a lethal retaliatory response. Both sides also "honored" their respective *spheres of influence*, and I'll comment on that later.

With the fall of the Soviet Union in 1989, the United States became the world's exclusive superpower. Our military, economic and technological powers dwarfed that of all other nations, and we were the world's banker, holder of its currency reserve – the *dollar* – and global cop all rolled up into one. Indeed, we had the muscle to call the shots with a reasonable expectation that the rest of the world would follow; a condition that no longer exists.

Slow to adjust to the *tides of global change* at the beginning of this century with an overreliance on unilateral approaches with a strong military bias, we have found ourselves heavily engaged in military actions for almost all of this century.

WTS: Can you comment on the "*tides of global change*" that are reshaping the world?

Conley: The list is long, but I'll condense it into a few trends that suggest we are no longer the "only game in town:"

1) Global shifts in the balance-of-power: The quantum superiority America once had over others – particularly in the economic arena – is ebbing. China's emergence as a superpower and Russia's quest to be more than just the "regional" power we so thoughtlessly ascribed to it are creating a powerful

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lecturer, and public policy activist, Conley has written and spoken frequently on topics related to the perfect storm. He graduated from the University of Minnesota, after serving in the United States Navy, and later completed a post-graduate program at Stanford University. He is also active on several boards and advisory groups.

counterbalance to America's military and economic hegemony. In partnership, their leverage with Iran, Syria, North Korea and others has increased; their collective military and economic power has grown, and their veto power in the UN over international actions not to their liking has weakened any unilateral actions on our part.

In many respects, we are engaged in a new "Cold War" in which control of resources, markets and currencies – not ideology – are the dominant focal points. In this milieu, the relative balance of power is shifting more toward China, India and a portfolio of emerging nations.

2) New power sources and asymmetric threats: The rise of regional sectarianism and terrorism; the growing civil war between the Sunni's, Shiites and their derivatives in the Middle East; the Iranian nuclear threat and the

destabilizing aftermath of the *Arab Spring* upheavals are reshaping the global dynamic.

New asymmetric threats in the form of cyber-warfare, currency wars and terrorism are mitigating somewhat the overwhelming conventional strength of the U.S. and its allies. Russia still remains a potent nuclear power and nuclear proliferation will be hard to stop.

The U.S. is now called on regularly for military and economic support that, in the aggregate, is exceeding our "boots-on-ground" capacity. Partisan politics cloud the issues, and calls for *early* military intervention in places like Libya, Syria, Iraq, Iran, the China Seas, Ukraine, Africa and elsewhere occur regularly – and not always as an action of last resort. We often forget that it is far easier to get into wars than to get out of them.

3) The insidious trifecta of population growth, finite resources, and climate change: The challenges of supporting a growing population with a finite base of resources are complicated by the impacts of climate change. Rising energy prices and growing shortages of affordable food and fresh water are destabilizing forces; the current "glut" of oil and other commodities is only temporary.

Climate change has become a monstrous new "threat multiplier" with respect to fresh water shortages, droughts, floods, famines, aberrant weather and storm patterns, air quality, health and the living conditions of large sectors of the world's population. Coastal and other low lying areas are threatened by rising sea levels, and sea life and coral reef destruction now threatens the world's food chain. The threat of regional wars has also intensified as nations and migrating populations seek access to scarce natural resources.

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4) Global economic bubbles that will burst: The ravages of the Great Recession of 2008 are still felt. Stagnating economic growth has prompted central banks worldwide to *protect* their respective economies by devaluing their currencies and “printing” money to monetize debt and spur growth. While of temporary value, it lays the groundwork for a perfect storm triggered by large-scale defaults, currency wars and/or a worldwide depression.

Economic and financial strength is now a key lever of power and China’s huge trade surpluses enable it to consummate deals like the recent \$400 billion dollar energy package with Russia and \$46 billion dollar foreign aid commitment to Pakistan; growing economic clout that the U.S. can no longer match – particularly given our massive debt, deficits and indebtedness to China.

WTS: Back to the United States, what do these changes suggest for our foreign policy?

Conley: Well first, let’s recognize we’re no longer the only game in town. There are limits to what we can and can’t – or should – do, and we need to recalibrate our global footprint to conform to these new realities.

Second, we live in a dynamic – not static – world and need to remember that for every action, there’s a reaction. For example, the ousting of Saddam Hussein helped destabilize and ignite a chain reaction of events in the Middle East that is still reverberating. I commented earlier on these forces and see the proliferation of regional battles with Al Qaeda, ISIL, Taliban and other sectarian derivatives as an ongoing 21st century saga.

Lesson learned: Military interventions are never neat and clean and have a long tail fraught with unintended consequences. Before committing our forces, it might be wise to take a page from the old cold war and revisit the “sphere of influence” strategy.

WTS: You mentioned that earlier; can you talk more about the “sphere of influence” concept and what it means?

Conley: We seem hardwired to believe the need to take sides and respond to every global issue that comes along – partly because so many nations rely on America’s military umbrella and cry out for help. The post-9/11 doctrine of “you’re either with us or against us” has had a polarizing effect, and the political appearance of “caving in” to so-called aggressors has politicians falling over each other to take sides and proclaim their macho toughness.

Looking back at the cold war, the USSR and western powers recognized the folly of contesting everything, everywhere. They focused more on their respective spheres of influence - with a tacit “agreement” not to over-meddle in the other country’s sphere; not perfect, but practical.

By contrast, recent sanctions against Russia – in response to their Ukrainian intervention – would have been a huge *sphere of influence* violation during the Cold War. I’m not an apologist for Putin, but in disregarding Russia’s paranoid

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fear of western encroachment into one of their traditional buffer zones – in this case, the Ukraine – we’ve helped nudge Putin into a partnership with China that has turned Russia from a “neutral” into an outspoken adversary. The future leverage we’ll need from Russia to influence Iran, Syria, and North Korea is lost. Russia’s recent agreement to supply Iran with the new S-300 surface-to-air missile system is but one manifestation that will weaken our position. (See: [“The Ukrainian Ripple Effect”](#))

In Asia, we have openly sided against China on a number of disputes in the East and South China Seas. In turn, China is building a new “blue water” Navy and ramping up their military programs. (For alternatives, see [“EEZ Flashpoints”](#)) The Trans-Pacific Partnership (TPP) trade agreement now before Congress *excludes* China as a participant. China has countered with their own trade agreement known as the Free Trade Area of the Asia Pacific (FTAAP) and a new Asian Infrastructure Investment Bank (AIIB) as a counter weight to the World Bank and IMF.

WTS: What’s your point?

Conley: I’ve used these “sphere of influence” examples to show how our intrusions into the affairs of powerful nations are usually ineffective and often counterproductive. A token western military force in the Ukraine will not tip the scale against Russia, and a trade war against China will not end well for us.

Can we, for example, realistically expect Russia or China to exert their influence with Iran and North Korea on issues of nuclear proliferation when we consistently oppose them on “bread & butter” issues occurring on their own home turf? There’s little to gain from turning them – unnecessarily – into adversaries when there are bigger fish to fry and a host of mutual self-interests we can build on in areas of economic trade, anti-terrorism, climate change and other challenges that require collaborative solutions.

WTS: Are you saying the U.S. should become isolationist and/or disregard our friends?

Conley: Certainly not. What I’m saying is that if we want to *effectively* contribute toward world stability and help our friends, we’d be wise to recognize and respond differently to some changing global realities I would summarize as follows:

- 1) We can’t be all things to all people; our economic and military capabilities have limits.
- 2) We are no longer the only game in town: Accept it and deal with it.
- 3) Real power comes in many forms. Policies based on economic self-interests and trade are more sustainable over time than military alliances, per se, and America has much to offer.

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- 4) Zero-sum game diplomacy – in which one side can win only at the expense of the other – is transitory and will often trigger a backlash from the country that’s getting screwed.
- 5) Collaborative approaches – though messy – will outlast quick-fix unilateral approaches, but they require clarity on end-game strategies and what it’ll take to achieve them.
- 6) Collaboration requires deal-making and in a good deal, no one gets everything they want. Ideological inflexibility is a deal-killer and we need to decide if a half loaf is better than none.

Again, if we want Russia and China to exert leverage on Iran and others, we may need to give a little ground in their *spheres of influence* in the Ukraine or China Seas. A climate change deal will certainly require that we cut a little slack in some areas for support on the larger, overall goals. That’s the way deals are made.

WTS: You’ve covered many of the geopolitical forces in play – at least with respect to American foreign policy. How do the current global trajectories square with their impact on the perfect storm?

Conley: Unfortunately, the zero-sum game approach is a pervasive global mentality that hampers the development of meaningful solutions and accelerates the build-up of the *perfect storm*. By losing sight of the big, game-changing issues and getting stuck in the minutia of ideological dogma, political *machoism*, and short term thinking, we are squandering precious time and fueling the storm.

I don’t think it is Pollyanna thinking to suggest the need for a more collaborative approach toward addressing global threats. Indeed, given the interconnected nature of our world, I don’t see how we can get anything resolved without global collaboration.

The *perfect storm* knows no geographical bounds. We either find ways to collaboratively address our global threats or risk a total collapse. Again, Einstein had it right when he said: “You cannot solve this world’s problems with the same thinking that created them.”

The big question is will we learn this lesson before it’s too late?

For more information, please visit our website at www.WeatheringtheStorm.net