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2020: A Singular Year

In the run-up to this Christmas, with the emergence of viable, approved vaccines, there is finally a real feeling that Covid-19 could soon be brought under control by mass inoculation; and that life can get back to normal. I fear it will not be quite so simple. We must all hope that the first part, led by the fruits of scientific innovation, comes to pass; time will tell. The second part will be more difficult and more contentious. More difficult because of the way we have handled this pestilence thus far, and more contentious because of inevitable confrontations further down the road.

These last few months we in the UK, even within the devolved nations, have alternated between following 'the science' (itself a work in progress, as any scientist will tell you) and what the government perceived as popular demand. As a result, we have ended up with a unique mess

of medical crisis and economic muddle. Government dithering and indecision has resulted in a series of damaging u-turns, prolonging the health and economic agony, and undermining public trust and confidence. In the confusion, infection rates have spiked, and businesses have gone to the wall. In a series of well-meaning measures, the government has also sown the seeds for further pain down the road.

The overall result has been the unintentional creation of a bureaucratic state the likes of which we have never seen before, not even in wartime. Personal liberties have been arbitrarily constrained, and rafts of Lilliputian regulations have been introduced, some legally binding, all of which should be removed as soon as possible. However, post-war history teaches that this can take a very long time and indeed that some of them will stick.

I describe this because it will inevitably be part of the background to what comes



events@globalstrategyforum.org
www.globalstrategyforum.org

next. During the pandemic the world has changed, perhaps even more in political attitudes than in cold economic realities.

There are now two increasingly distinct groupings. On the one hand the so-called liberal democracies (less liberal now) of which we are one, searching anxiously for ways to pay off the enormous national debts we have incurred in the fight against Covid-19 while unable to unshackle ourselves from the coercive regimes we have imposed on ourselves.

On the other hand, the totalitarian regimes, whose numbers are growing, leaving their debts to another day - if at all - already horizon scanning for the opportunities which the residue of the virus will provide for advancement. Prometheus bound against Prometheus unbound; not an even contest.

To explore this further, we need to look at the effect of Covid-related measures on the wider world picture.

First, the consequences of the vast national debts accrued in this fight. I am from that school of thought that believes that there is a moral imperative to pay one's debts and that not to do so is a form of theft. I am no economist, but I have always presumed that there is a difference between money directly borrowed from another party, and money created by quantitative easing or central bank-printed money. In the latter case we are in effect borrowing from ourselves,

or more precisely from the prosperity of future generations. Generating prosperity and growth which should now be our goal should mitigate if not eradicate this debt. Failure to adopt this mindset will leave us firmly in the circumscribed group of debt repayers and outside those who will have a real role in leading the world forward.

Interestingly the US seeks to have it both ways, preaching the morality of debt repayment while continuing (as it has for some time) to ignore the reality of it, looking even to countries like China to buy its debt from it. This allows it to continue to play among the other debt-ignoring big players

We don't, and so to be blunt in terms of the future status and prosperity of this country, we are in the wrong group. There is also another area where we allow ourselves to be at a disadvantage: failure to deregulate. Even today we meet each variation in the pandemic wave with another set of regulations. This is how bureaucracy grows and individual freedom is eroded. Coercion feeds on itself.

What is alarming is that this is not just about us alone. It is also the case in a majority of Western democracies. What should make us sit up is that in contrast, our more totalitarian neighbours are not even planning to dismantle their Covid regulations. Micro-controlling their societies is part of their political DNA - as indeed is forbidding dissent. By definition statism suits them. And therein lies the



greatest challenge looming over the horizon towards us.

I shall be exploring this challenge to global order in more detail in my next article in January, and the potential consequences as I see them.

But in conclusion, one silver lining of the situation is that it has necessitated time to think. I have been revisiting a lot of my hitherto firmly held views, holding them up to the light of the post-Covid future (insofar as it is discernible), to try to have the courage where necessary to change them.

One of those areas involves the military. I have long questioned and doubted iconic projects such as the aircraft carriers which I doubt will ever see meaningful active service and whose deterrent value is pretty limited. However, I have always - up until now - believed in boots on the ground and have long opposed the reductions in manpower which have marked recent defence policy.

The recent Azerbaijani deployment of swarms of armed drones against Armenian targets in Nagorno Karabakh has altered that view. If smart weapons using AI can more swiftly and more efficiently carry out a mission, then as long as they are ultimately human controlled, that must surely be the future of warfare. The exception I would make is that of special forces whose unique human abilities transcend artificial intelligence and whose value is likely to increase.

One of the most interesting consequences of the use or threatened use of smart weapons is that relative strengths of armed forces will become increasingly irrelevant and the capabilities of such weapons and the skill in deploying them will become all important. It will be fascinating to see how many of today's military certainties will remain intact. How many of today's Goliaths will be confronted by new, technological Davids? How many miniaturised gadgets will go where armies cannot? And how will today's balances of power suddenly and significantly be altered? Relative size could be a diminishing factor.

Those technologies, together with cyber capability more widely, are where we should concentrate our efforts and ingenuity in the future. And then we might realistically look to playing a leading role in tomorrow's brave new world.

With these somewhat diverse and sobering thoughts - which are mine and mine alone - may I wish you all from Global Strategy Forum a peaceful Christmas and a thoughtful New Year.

Lord Lothian
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