GEOECONOMIC AND GEOPOLITICAL CONFLICTS: OUTCOMES OF THE GEOPOLITICAL ECONOMY IN A CONTEMPORARY WORLD

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Abstract: The paper studies the influence of states’ dependence on the exploitation and export of non-renewable natural resources on the development of conflicts, the so-called resource conflicts. Various authors describe the term “geopolitical economy” in a number of different ways. A major distinction between their views pertains to the role and the importance that the state has in the international political economy and also at the global level. However, drawing mainly on R. Desai’s thesis that the modern world is predominantly characterized by uneven and combined development and that states have the dominant role in it (states dominate the political economy on the domestic level and the geopolitical economy on the international level), different types of conflicts will be compared and put into different “geopolitical economies.” The main research thesis is that resource conflicts can be described as geoeconomic-geopolitical conflicts, and these conflicts evolve as outcomes of the geopolitical economy.

Key words: uneven and combined development (UCD); geopolitical economy; natural resources; geoeconomic rivalries; geoeconomic-geopolitical conflicts

1. Introduction and Theoretical Perspectives

The ever greater dependence of human societies on natural resources, especially non-renewable sources of energy such as fossil fuels, jeopardizes the perspectives of human civilization. Apart from endangering the future of the Earth and the society as a whole through the burning of fossil fuels that consequently causes global warming, societies that are organized in national states and national economies tend
to raise the level of proneness to mutual conflicts and the incidence of conflicts because of the desire that the states have to boost the development of their economies through the use of natural resources. Resource conflicts mainly arise and evolve due to the fact that the randomness and unevenness in the distribution of resources found on Earth cause great inequalities in the possibility to access those resources, and certain states or other active participants aspire, either directly or indirectly, to gain access to resources found on the territories of other states. Resources, whether abundant or scarce, are proving to be responsible for heightening the possibility of an outbreak of conflict or even war. Nevertheless, the purpose of this paper is not to study different resource conflicts but to find a connection between the resource conflicts and the geopolitical economy of the present day, i.e., how resource conflicts fit into the geopolitical economy.

The main hypotheses of this paper are the following:

1. Resource conflicts are and will be one of the main types of conflicts in the future. Therefore, different types of conflicts also have to be compared and put into different historical contexts.
2. Geoeconomic rivalries as factors of geopolitical economy are the causes of resource conflicts, making resource conflicts one of the outcomes of geopolitical economy.

However, the importance of resource conflicts both today and in the future does not mean that resource conflicts can and will (especially not alone) determine the future of mankind and, furthermore, that those conflicts will be the only type of conflicts occurring in our society. Before developing a discussion about resource conflicts that are occurring today and will occur in the future, theoretical perspectives about the contemporary geopolitical economy and especially about the role of states have to be outlined briefly. In the last two-and-a-half decades, resource conflicts have been compatible with theoretical perspective understood through a geopolitical economy, discussed and used by several authors. The most prominent authors whose views were briefly analyzed and compared for the purposes of this paper are K. van der Pijl, R. Desai, H. Lefebvre, J. Agnew and S. Corbridge, and G. Ó Tuathail.

In his analysis of the influence of transnational classes on international relations, van der Pijl (1998, 66) points out that the state/society complex sanctioned by the Glorious Revolution (that occurred in England in 1688) may be termed Lockean after the author of the Two Treatises of Government (although that book was only indirectly linked to the event; see Lasslet in Locke 1965, 60). The typical state/society complex of the countries resisting peripheralization we term Hobbesian, after the author of the Leviathan, a reference to the authoritarian prelude to Lockean liberalization.
Van der Pijl also recognizes the succession of resistances put forward by contender states to improve the terms of their integration:

Just as the US had warded off British commercial penetration, and Britain resisted American preeminence after the war, so the contender states integrated into the postwar Western bloc put up resistance to it. But this, as much as the entire contender state phase leading up to it, did not signify resistance to integration per se. Such resistance rather signals an aspiration to improve the conditions on which integration is to proceed, not a real wish to remain outside (Clarke 1978, 62). Interstate rivalry therefore not only preceded integration; it was absorbed into it, transformed but not eliminated. (Van der Pijl 1998, 76)

Desai’s view of geopolitical economy accentuates the role of the state in the capitalist economy. Desai (2013, 2) rejects cosmopolitan ideologies by deeming them inaccurate and states that the state never retreated from playing a critical role in shaping the world economy, starting from the Industrial Revolution. The first argument for that is the one that insists on the materiality of nations, which sees capitalist world order and its evolution as the product of the interaction—conflicting, competitive, and cooperative—of multiple states. This economic role involves both domestic and international engagement. The processes of uneven and combined development (UCD) predominantly characterize the modern world, and states are the ones that hold the dominant role in these processes. States dominate the political economy on the domestic level and geopolitical economy on the international level. Therefore, Desai’s thesis on geopolitical economy is that it is a product of UCD. UCD refers to the fact that, on the one hand, dominant states tend to, including through means of formal and informal imperialism, preserve existing uneven configurations of capitalist development which favor them, whereas, on the other hand, contender states accelerate capitalist and, such as in the case of the USSR, communist development, all in order to contest the imperial projects of the dominant states. Such hothouse development is called combined development because it combines or compresses many development stages into shorter and more intense bursts. Despite the economic, geopolitical, military, and ideological power marshalled by dominant states, UCD has so far been dominated by the latter—sometimes against great odds and with apparently interminable delays. This polit-ico-economic dialectic, and not the market or capitalism conceived in exclusively economic terms, is the reason that the productive capacity is spreading ever more widely around the world. By the beginning of the early twenty-first century, it had created a multipolar world in which there were too many economies that were too substantial and one of them could even hope to dominate the rest. The UCD thesis most appropriately describes the world of modern capitalist international relations.
Therefore, according to Desai (2013, 2–3, 10–11), the UCD thesis is the theoretical starting point of the geopolitical economy. The term geopolitical economy, as Desai sees it, signifies the politico-economic actions of states, both of dominant and contender states, particularly at the international and global levels. However, it does not imply the existence of a “global economy.” Actually, it rejects it, making it clear that it considers the competition between the dominant and contender states to be the main driving force behind the geopolitical economy.

Citing H. Lefebvre, N. Brenner (1997, 148) points out, the relatively stabilized organizational-territorial form of the modern state has . . . operated as a crucial spatial precondition for the accelerated world-scale circulation of capital. The territorial fixity of state organizational configurations provides a geographical scaffolding for the increasing spatial mobility of labor-power, commodities, and capital on suprastate scales. The territorialization of political power is an essential precondition for the state’s ability to regulate flows.6

Not unlike capital, Lefebvre (1991, 23) argues, the territorial state has long been consolidating on a world scale, and thus it is one of the elemental socio-spatial forms through which the process of globalization has unfolded. Though all states are necessarily organized on the national-territorial scale, enframed by the mutually exclusive boundaries in terms of which political sovereignty is defined, Lefebvre argues that the territorial scale has been replicated throughout the world system. In this sense, the nation-state form has been constituted not only on the state scale but on a global scale through its “modular” replication throughout the world system (see Goswami 1997; Brenner 1997, 150). Capitalism can only be achieved on a global scale, and globalization has unfolded through the process of territorial state consolidation on a world scale. This is a conclusion that can be drawn from Lefebvre’s ideas, which were studied by Brenner.

When developing their own concept of geopolitical economy and introducing it into literature, Agnew and Corbridge (1995, 5) stated,

There have been historical periods, and there are world regions, in which the “sovereignty” of any one state in relation to other states and non-state organizational actors is far from complete. This is apparent throughout the modern world economy with regard to the determination of exchange and interest rates; many state powers have been ceded to the markets.

Moreover, they also emphasized the power of international financial institutions, transnational companies, and international organizations. It is a world economy...
marked above all by a globalization of production, exchange and information flows which has brought with it not so much spatial homogenization as a new round of geographical differentiation and uneven development at all spatial scales.

Therefore, Agnew and Corbridge also recognize the uneven development that has from the early 1990s accelerated and taken new forms. However, they also accentuate the different and decreasing role of the state and emphasize the role of the global economy, while Desai writes about the competition between the states and rejects the existence of a “global economy” while Lefebvre emphasizes the projection of a territorial state at a world level.

Agnew and Corbridge (1995, 9) also point out that geopolitical economy as they conceive it cannot be seen in a traditional way as a rise and fall of great powers, as “a model that has so much in common with the model of apostolic succession.” They support their claim with the example of Japan and claim that the aforementioned models “misconceive the nature of dominance and hegemony in the contemporary geopolitical economy.” Economic power can no longer be seen only as an attribute of states that have more or less of it. This is to fall into the territorial trap.

The modern world system is characterized rather by a global political economy in which no single national economy has a dominating role and in which many actors, including multinational corporations and transnational banks, are global in outlook and organization. This understanding of geopolitical economy is opposite to that of Desai and Lefebvre, since these authors clearly emphasize the role of territorial states, their mutual competition (Desai, although she also mentions cooperation between the dominant states in order to keep the status quo which must not be omitted), and the consolidation of the state on a world scale (Lefebvre).

Ó Tuathail, who is also one of the key geopoliticians, sees geopolitical economy as one of the four different concepts used by other key geopoliticians to analyze the history of geopolitics (along with geopolitical world order, techno-territorial complexes, and geopolitical discourse). Geopolitical economy, according to Ó Tuathail (2002), is “the geopolitical order governing economic production, trade and consumption of goods across the world, and the geoeconomic consequences of this order.” Ó Tuathail draws a connection between geopolitical world order, techno-territorial complexes, geopolitical economy, and geopolitical discourse in different historical periods which he calls geopolitical “worlds.” He also mentions the geopolitical economy concept, for which he states that it was introduced by Agnew and Corbridge (1989) and further developed (1995) as a “device to emphasize the embeddedness of geopolitical discourse in the dynamics of the global economy.” However, its suggestive utility as a concept is underdeveloped and the analytical argument is subordinated to the dominant concept of “geopolitical order” (Ó Tuathail 2003, 77–78).
Nevertheless, if we accept the theoretical perspective of UCD, it is clear that the international political economy is characterized by uneven development. Powerful and developed states tend to keep the existing world order in power (keeping the status quo), and the developing contender states want to change that order. Combined development is what enables the acceleration of development in general, and through it, the possibility of a change is given. Regardless of the time when it occurred, combined development always wanted to change the geopolitical economy. To be able to do that, both groups of states need resources so that they could further develop their economies. Resources are therefore what “feeds” the processes of UCD. Hence, wars, crises, and radical changes of social order, regardless of when and where they occur, are expressions of UCD, and they expedite the changes. Why is that the case? Because the only way for contender states to surpass the developed states that are trying to defend the status quo lies in a more rapid economic development, which is impossible to achieve without the access to resources, especially oil and other strategically important commodities such as metals and rare minerals. Wars are also expressions of uneven development since the dominant states are eager to keep their dominant position in the world. Taking into consideration that these dominant states are ready to go to war (for example, the USA and the UK entering Iraq in 2003) or to lead a “proxy” war through their allies in order to keep their positions, it is clear that wars are also products of uneven development. Wars for resources can be seen as an expression of UCD; war, which is an accelerator of change per se, is fought for something that is unconditionally needed in order to boost the economic development, hence being the outcome of combined development. On the other hand, to engage in a war, you need the opposing side, i.e., a rival, an enemy. Rivals of contender states are the dominant states which support uneven development since it indefinitely provides them with the dominant position (at least from their perspective).

Resources are located in the geographical space that is in the contemporary world mainly organized in the political space of mutually exclusive, defined territorial blocks of sovereign nation-states. Therefore, any claim on resources located on the territory of some other state means an attack on the sovereignty of that particular state. This raises the probability of a conflict between the involved states to a much higher level. Geoeconomic rivalries precede geoeconomic conflicts, i.e., “resource wars” (see Klare 2001; Renner 2002), which arise and are fought because of resources. These geoeconomic rivalries significantly and sometimes even crucially define geoeconomic and geopolitical relations in certain regions of the world that are abundant with resources (e.g., the Middle East, the Gulf of the Guinea region, etc.), causing long-term instability which results in very weak opportunities for both economic and social development. A development that would benefit the majority of the population in these regions, and not just the
military and political elites, is still impossible. There is a clear and permanent connection between the global commodities market and wars that can be designated as “resource wars” (Le Billon 2004). This connection makes the possibility of future international and subnational conflicts having a strong resource dimension very probable. The rivalries for resources, which were designated as strategic materials, had clear characteristics of a rivalry and sometimes turned into conflicts even during the Cold War. The consequences of the actions taken by dominant, powerful states in pursuit of control over the exploitation of resources resulted in landings of military forces in the surroundings of resource deposits or transport installations (oil pipelines) and oil reserve build-ups in order to influence the market and get ahead of the rivals, as well as supporting or even initiating coup d’états and supporting military regimes whose main purpose was to ensure resource exploitation and transport the resources to the export harbors.

2. The Consulted Studies of Resource Conflicts and Wars

Among the studies of resource conflict proneness, interdependence between resource abundance, and countries’ dependence on resource exports that were consulted for the purposes of this paper, quantitatively based studies of Collier (2004, 2007), as well as Collier and Hoeffler (1998, 2005), stand out. These are mostly focused on the opportunity to loot or exploit resources, which is crucial for the possibility of an emergence of a violent rebellion and its sustainability. Actually, the first econometric study to determine a link between the resources and the risk of civil war was done by Collier and Hoeffler (1998). These studies have shown a clear connection between the dependence of some states on resource exports and the risk of conflict and the prolonging of already ongoing conflicts. However, the author of this paper believes that opportunity and greed can only explain the first part of the resource conflict causes—the supply. When the other part of the commodity market is considered—the demand—we need to be aware of the geopolitical economy, which can explain the role of resources in the processes of UCD.

Nevertheless, Collier and Hoeffler (2004) have analyzed 54 large-scale civil wars that occurred between 1965 and 1999 and have found that a higher share of primary commodity exports in GDP significantly and substantially increases the risk of conflict. They have compared countries with 10% and 25% of their GDP coming from resources, holding other characteristics constant at the mean for low-income developing countries. The risk of a civil war\(^ {11}\) for these countries in the subsequent five years rises from 11% to 29%. They have studied whether there were significant differences between groups of commodities and found that oil is the only one, which is distinctive. High levels of oil dependence are even more
likely to be associated with conflict than similarly high levels of dependence upon other commodity exports (Collier 2004, 2). Studies made by Ross (2003, 2004a, 2004b) and Collier (2004, 2006) have shown a clear connection between resource abundance and the desire for profits on one side and the intrastate conflicts, usually called civil wars, on the other. The study done by Ross (2003) showed a causality of resource abundance and exploitation on one side and the probability of prevalence, geographical pattern, and longevity of resource conflicts (i.e., conflicts with a strong resource component) on the other. Ross also found that resource abundance plays an important role as the cause of a conflict. He has supported this thesis and certain other theses by studying 13 different resource conflicts, mostly from Sub-Saharan Africa. Nevertheless, while oil, non-fuel minerals, and illicit drugs appear to influence conflict, other types of primary commodities—notably legal agricultural commodities—seem to be unrelated to civil war, at least in these 13 cases. Resource abundance, however, does not have such a clear effect on the longevity of resource conflicts, according to Ross (2004a, 35–36).

Oil probably has the clearest effect on conflict proneness. As Le Billon states, whereas the number of conflicts declined after the Cold War, it doubled among oil producers between 1989 and 2005 (Ross 2008), and the proportion of conflict zones overlapping oil-producing areas increased from about 20% to 40% (quoted in Le Billon and Cervantes 2009, 837).

The quantitative study made by Brunnschweiler and Bulte (2009) has shown, through the regression and robustness analysis, the influence of resource abundance on longevity of resource conflicts. A conflict increases the dependence on resource extraction (as a default sector). Moreover, resource abundance is associated with a reduced probability of the onset of war. The studies of causes of conflicts in which resources represent a strong component are mainly focused on the economic causes of conflict. Hitherto, economists and political analysts have been explaining the causes of conflicts (and civil wars) through the factors of greed and grievance. Ballentine (2003) suggests that a mix of greed and grievance is an especially strong factor, which is relevant when explaining conflicts. Rosser (2006) claims that external factors, such as foreign interventions, can influence the onset of conflict. Collier and Hoeffler (2005) found that an increased probability of economic shocks, caused by fluctuations of resource prices, also increases the probability of resource conflicts, which can then turn into civil wars. This possibility is more likely to happen in states that are highly dependent on resource exports as generators of their GDP and on the foreign currency.

One important risk factor is that countries which have a substantial share of their income (GDP) coming from the export of primary commodities are radically more at risk of conflict. The most dangerous level of primary commodity dependence is 26% of GDP. At this level, the otherwise ordinary country has a risk of conflict of
23%. By contrast, if it had no primary commodity exports (but was otherwise the same) its risk would fall to only one-half of 1%. Thus, without primary commodity exports, ordinary countries are safe from internal conflict, while when such exports are substantial the society is highly dangerous. Primary commodities are thus a major part of our conflict story (Collier 2007, 202). In addition, common economic indicators exist that point to conflict proneness and military coups, low level of income, and slow economic growth (Collier and Hoeffler 2005, 626).

3. Resource Conflicts as the Outcomes of Geoeconomic Rivalries

Before entering in a discussion on geoeconomic rivalries and resource conflicts, i.e., geoeconomic-geopolitical conflicts, we need to clarify the term “geoeconomics.” Geoeconomics refers to the

positioning of specific regions within global flows . . . It is useful in that it gets at the way in which a geopolitical phenomenon (of imagining territory as a mode of political intervention and governance) is closely articulated with a whole series of economic imperatives, ideas and ideologies. . . . Geoeconomics, in other words, is useful as a term insofar as it allows us to name an array of quotidian assumptions and practices that emerge out of the context of free trade and the resulting force of borderless economic flows. (Sparke 1998, 69–70)

Geopolitical reasoning, as a way to explain the functioning of political interventions and the governance of a certain territory, is closely connected with a number of economic imperatives, ideas, and ideologies.

Geopolitics is an old expression shaped by both academic and popular usages going back to imperial concerns with the links between geography, state territoriality, and world power politics. By contrast, geoeconomics is a relatively new term which has had much more limited academic adoption and which is used in popular writings to express ideas ranging from managerial concerns over the competitive economic positioning of states and cities (e.g., Schlevogt 2001) to the basic “post-Cold War” strategic notion that economic competition has now eclipsed military confrontation at the center of interstate relations (e.g., Cruz de Castro 2000; Sparke 2007, 339). Geoeconomics provides, apart from the free market ideology, the logic behind resource extraction and use. Resources are used in order to boost global production and trade.

Nevertheless, geoeconomic visionaries tend as a result to anticipate capitalist inclusion (expanding so-called economic flatness) rather than the expulsion or containment of evil others. Their focus is on networks not blocs, connections not iron curtains, and transborder ties instead of national territories. And rather than
reproduce geopolitical understandings of “us” and “them” that fetishize place, they tend instead to fantasize about connectivity and pace (Sparke 2005; 2007, 351). Economic flatness, through economic convergence, does not have foundations in the economic reality, not even in the past decade or less, when the economic growth rates of the developed countries have mostly been stagnating or falling below zero (see Rodrik 2011). Therefore, capitalist inclusion and economic flatness, which geoeconomic visionaries suggest as a paradigm for explaining the contemporary world, are not compatible with the UCD, which the author of this paper finds more appropriate and representative for explaining the contemporary political economy.

Geoeconomics, as a subject of study in the contemporary critical geopolitics, has a distinguished place in the post-modern geopolitical imagination. The connection between geopolitical imagination and the knowledge about the world (geographical knowledge, shaped for the purpose of geopolitics through geopolitical reductionism) demands a very profound understanding of power, knowledge, and identity, which is much more profound than the previous “deciphering” of the dominance patterns (see Ó Tuathail 1996, 1–5). Geopolitics, seen as a relict paradigm from the Cold War, has for a brief period been put aside and replaced by the ideology of globalization (see Desai 2013, 187–225) embodied in geoeconomics. Geoeconomics has not put aside the importance of the accessibility to resources as a precondition of economic development and market competition through the processes of UCD. Geoeconomic rivalries can be studied as outcomes of geopolitical economy, which are shaped by the aforementioned processes of UCD. The structure of the international economy, in which national economies are competing for prestige, transforms natural resources into indispensable objects of geoeconomic rivalry that is happening between the developed dominant states and the contender states.

If we accept the thesis that we need to understand the relationship between geopolitical and geoeconomic interests (Popke 1994; Sparke 1998; Sidaway and Pryke 2000)—what Agnew and Corbridge (1989) have called a “geopolitical economy” (Smith 2002, 650)—we accept the fact that different geopolitical and geoeconomic interests co-exist. We also accept that contemporary conflicts, as outcomes of conflicted interests, have the characteristics of geoeconomic and geopolitical conflicts. Resource conflicts are manifestations of conflicted geoeconomic and geopolitical interests, which means that they represent geoeconomic-geopolitical conflicts. Geopolitical interests are connected with the direct or indirect control of territories (which contain resources), while geoeconomic interests are connected with resource management (exploitation and exports) and the inclusion of resources into national economies.

However, the empirical evidence linking the resource curse and war is relatively weak in quantitative studies, and, with the exception of oil-dependent
Table 1  Resource Conflicts (Wars), Determinants to Be Studied

<table>
<thead>
<tr>
<th>Motive behind resource conflict/ with a strong resource component</th>
<th>Characteristics of resources with regard to availability</th>
<th>Resource predation as a cause or consequence of a conflict</th>
<th>Influence of resources on the longevity (duration) of conflict</th>
<th>Levels of resource conflict</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resource abundance/ greed and lootability as the primary cause of conflict, looting and smuggling of diamonds, precious metals and minerals, tropical hardwoods</td>
<td>Resources suitable for looting and smuggling, diamonds, precious metals and minerals, tropical hardwoods</td>
<td>Conflicts in which resource abundance did not influence the outbreak of conflict, Afghanistan, Angola, Burma, Cambodia, Columbia, Liberia, Indonesia (West Papua), Peru</td>
<td>Resources as means of prolonging the conflict, Angola, Sierra Leone, Liberia, Peru, Columbia, Sudan</td>
<td>Intrastate conflict, Bougainville (Papua New Guinea), Aceh (Indonesia)</td>
</tr>
<tr>
<td>Scarcity of resources as the primary cause of conflict, struggle for living space, water, arable land</td>
<td>Resources suitable for sabotage of their exploitation, oil and natural gas</td>
<td>Greed and looting as primary causes of conflict, Angola (Cabinda), Zaire (Dem. Rep. of Congo), Indonesia (Aceh), Papua New Guinea (Bougainville), Sierra Leone, Sudan (civil war, Darfur)</td>
<td>Resources as means of shortening the conflict, Zaire-Dem. Rep. of Congo (1996–1997)</td>
<td>Intrastate and interstate character of conflict, Zaire (Dem. Rep. of Congo), Sierra Leone, Angola</td>
</tr>
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</table>

Source: Systematized according to the data taken from Renner (2002, 15–16).

countries, not much consensus has yet emerged (for a review, see Ross 2004b; Fearon 2005). Qualitative studies are therefore also needed in order to study the dependence on resource exports and conflict proneness. Renner (2002) suggested the main determinants of resource conflicts, which should be studied in order to gain a complete understanding of a particular resource conflict (see Table 1).

4. Resource Conflicts and Wars, Geoeconomic-Geopolitical Conflicts

After the Cold War, the world entered the period of globalization and transnational liberalism. According to the processes of UCD, contender states are trying to change the current relations and take the place of dominant,
developed states based on combined development. Therefore, those states, as well as dominant states (which want to keep the status quo), need natural resources. Drawing on Sparke’s (2007, 340) thesis that geopolitics and geoeconomics are better understood as names for distinct geostrategic discourse, and not that geopolitics and geoeconomics describe distinct geostrategic periods that have led from nuclear war dangers to commercial expansion opportunities in a clear-cut chronological progression, the prevalence of a certain type of conflict can be identified, but that definitely does not mean that other types of conflicts are excluded.

Resource conflicts studied as geoeconomic-geopolitical conflicts represent a third type, i.e., the type of conflicts that have been occurring since the beginning of the Cold War. These conflicts were characterized as “ideological” and were happening between the capitalist and Marxist forces in the “Third World” where the superpowers (the USA, the USSR) used their allies and led “proxy” wars. However, we can also designate these conflicts as indirect, proxy conflicts between the dominant and the contender states that are supported by their allies in the “Third World,” leaving the states, which were unwillingly pulled, into these conflicts ravaged and underdeveloped. The dominant (the USA and former colonial powers) and contender states (the USSR) transformed the underdeveloped states during the Cold War into a stage for their own pursuit of keeping or achieving world domination. In the post-Cold War era, new contender states have emerged. Hence now the People’s Republic of China (PRC) is the main contender state that imports resources located in underdeveloped states.

After the 1960s, the superpowers were with their forces directly (but not directly against each other) involved in “only” two large ideological conflicts, in Vietnam and in Afghanistan. The geopolitical conflicts that, according to Y. Lacoste (2000), originated in the late 1970s in Southeast Asia were not characterized by the ideological rivalry since all of the parties involved in the conflicts were by their ideological affiliation communist. The archetype of this kind of conflict was the 1979 conflict between Vietnam and the Khmer Rouge regime in Cambodia, as well as the conflict between Vietnam and China. The driving force behind these conflicts was the desire that the mentioned regimes had to acquire and control certain territories, notwithstanding the control of the aforementioned region. The size and value of the territory perceived as an object of conflict is not a decisive factor determining whether the conflict will occur or not.

Contemporary conflicts occurring in geopolitically unstable regions of the world at a first glance seem like “pure” geopolitical conflicts in which the main cause of the conflict is the direct, physical control of a certain territory that can (but does not necessarily have to) have only a symbolic and not strategic or economic value. Nevertheless, by exposing the background of resource conflicts,
which at a first glance could be regarded as geopolitical, it is suggested that very powerful motives and intentions do exist and are connected with the control of the deposits, as well as transport routes of resources. Many of today’s conflicts definitely cannot be explained in terms of ideology or geopolitics only. A new characteristic of these conflicts is a quest for resources which is used in the international capitalist economy and which brings us again to the term “geoeconomics.” These conflicts are especially reflected in the non-material forms of violence and they demand an expanded definition of violence. Le Billon (2008, 347) suggests this definition on the basis of the work of other authors, and this definition encompasses non-physical forms of violence and acknowledges the pervasive presence of (realized or implied) violence in resource (dis)possession regimes (Blomley 2003; Harvey 2003; Harris 2004; Hart 2006).

Conflicts or even wars, both civil and interstate, which are waged for small pieces of territory that contain no resources or arable land, can be considered “purely” geopolitical. However, conflicts that are fought over areas abundant with resources do not have to be motivated by the desire to gain direct control over a certain territory (although these possibilities are not excluded). Geoeconomic rivalries, which can result in resource conflicts or even wars, are initiated by an interest for the control of resource deposits and transport (export) routes, which need not be direct.

The classification of conflicts (as ideological, geopolitical, and geoeconomic-geopolitical) should not be based on exclusiveness and exceptionalism. Every conflict is a case sui generis, whether by its geographic prevalence, genesis, object, parties involved, longevity, or, finally, character. Some conflicts comprised features of both ideological and geoeconomic-geopolitical conflicts because they lasted long enough to witness the significant changes in the international environment (e.g., the fall of communism and the disintegration of the USSR). Therefore, ideological cleavage was lost, and the only interest that remained was looting the resources through the control of territories where those resources were located. The war in Angola is a prime example of such conflict; it lasted for 27 years (1975–2002). In the 1990s, ideological conflicts became much less important and they were not as prevalent as they were during the Cold War era. Since the 1990s, resource conflicts, which previously used to have a strong ideological component (e.g., the war in Angola) became “pure” resource conflicts and can be titled as geoeconomic-geopolitical conflicts. Why geoeconomic? Well, mainly because geo economics recognizes the value of resources and of the undisturbed and secure access to those resources. It also emphasizes the need to keep the transport routes (pipelines, sea-lanes) of resources safe. Resource conflicts are outcomes of geoeconomic rivalries between dominant and contender states, which both need enormous quantities of resources located in countries whose internal structure is
unstable, which is why the outside world perceives them as weak. Why should these conflicts also be titled as geopolitical? Because resources are located in a geographical space, and access to resources cannot be considered secure without at least some form of territorial control that does not have to be direct when it comes to countries whose economies need these resources.\textsuperscript{15} Actually, examples of direct territorial control by foreign powers are seldom found in the contemporary world, the American and British occupation of Iraq notwithstanding. Territorial control is usually maintained through the formation of military bases of foreign powers and a supporting satellite, which is usually found in clientelistic and/or crony regimes.\textsuperscript{16}

The question is how the subsequent types of conflicts from the Cold War and the post-Cold War era fit into the concept of geopolitical economy. If we again take into consideration the concept of geopolitical economy proposed by Ó Tuathail (2002), we see that he mentions three geopolitical “worlds,” the Inter-Imperialist Rivalry, 1870–1945; the Cold War, 1945–1991; and the post-Cold War era, 1991 to the present. If we bring into connection the geopolitical economies that according to Ó Tuathail marked these geopolitical “worlds” with the types of conflicts, we can establish a connection with the prevalent types of conflicts shown in Table 2.

The real nature of conflicts and rivalries in the regions of the world that are abundant with resources (especially oil), and the classification of these conflicts as either geopolitical or geoeconomic-geopolitical, has to be taken into account. As Agnew (2005) points out, in the contemporary world, dominance is not imposed or maintained primarily through military means and territorial control. However, bloody conflicts are still occurring and their continuation is justified on the basis of strictly geographical relations and conditions. In the contemporary geopolitical condition, military power is connected with the borders of the “market society.” Even though the military power might not be shaping the current global order directly, a question of whether that military power is used to preserve the current order when it feels threatened so that the dominant states could indefinitely preserve the status quo has to be posed.

The governments, rebels, and various “warlords” have earned (and they still do) billions of dollars by selling resources, and they use the profits earned to enrich themselves through corruption and/or to finance wars. Financing is something that distinguishes civil wars from interstate wars. Most would-be rebel groups simply cannot finance their activities on a scale beyond minor acts of terrorism. Natural resource predation is by no means the only source of finance for a rebel army, but where natural resources abound in rural areas they are uniquely vulnerable because they are difficult to defend, lucrative, and immobile (Collier 2006, 5). Natural resources that have specific characteristics (have a high value, do not comprise
large volume, and do not demand sophisticated transport equipment) are very convenient for looting and smuggling. Diamonds are the best example of such natural resource, as well as rare, strategically important minerals (e.g., coltan). On the other hand, oil cannot be transported without sophisticated infrastructure, and it does not have a high value in small quantities. Incomes earned from looting and smuggling are the main factor why areas rich in natural resources are pulled into resource conflicts. Geographical prevalence of conflicts is disproportionately high for the areas abundant in and dependent on exploitation of natural resources (see Collier 2006, 2007).

Although the prices of commodities on the world market have been declining (in real prices) since the 1970s, an increased demand for non-renewable and renewable
resources such as oil, natural gas, minerals, water, arable land, etc. has been growing since the beginning of the twenty-first century. With the economic growth of the contender states, the possibilities of geoeconomic rivalries have also started growing. The will of the dominant states (primarily the USA) that also need resources in order to preserve their position has also been increasing (see Klare 2001, 20–21). Available resources are very often found in the unstable parts of the world (wider Middle East region, Sub-Saharan Africa), which is why the following question arises—Are those parts of the world more unstable because of their resources and the desire of the dominant and contender states to acquire them?

Ensuring the constant flow of resources, especially sources of energy (predominantly oil), is a perquisite for the functioning of the economies (and societies in general) of the most powerful, developed states, as well as of most of the contender states. This flow of resources is seen by the powerful states as a necessity because of which they use military force in the weak states abundant with resources in order to acquire those resources. Nevertheless, the abundance of resources does not necessarily mean that a state will be involved in a resource conflict, either internal or external. This claim can especially be supported when it comes to the most important non-renewable resource, oil, by listing examples of oil-rich states which were never involved in resource conflicts, or at least have not been involved in them for decades (at least not on their soil), Saudi Arabia, Russia (the former USSR), the USA, the PRC, Canada, and Norway. Some of those states are among the biggest exporters of oil. The USA and the PRC are important oil producers; however, because of their immense consumption, they are also two of the world’s biggest oil importers. The USA has waged a certain number of resource conflicts, i.e., wars for oil (e.g., the First and the Second Gulf War), but those conflicts were fought far from its territory. Resource conflicts occurred among the significant oil producers from the most unstable parts of the world (Iraq, Kuwait, Nigeria, Sudan, Angola, etc.). Sometimes they were “camouflaged” as ethnical or religious conflicts, or civil wars. The key factor that pushes a state into a resource conflict is not its abundance in oil. Geographical location, geopolitical (military, political, economic) importance, and the degree of dependence a certain state has on resource rents were the key factors that pushed some of the states into resource conflicts connected with oil, together with the dependence of the world’s powerful states (especially the USA) on oil imports from a particular oil-exporting state.

The geopolitical economy of the Empire that became dominant during the USA presidency of G. W. Bush showed that ensuring accessibility to oil resources and control of as much oil as possible was one of the key determinants of this geopolitical economy perspective (see Desai 2013). Geographical distribution of violence connected with oil has showed that control over resources is one prime motive behind the use of military forces by the dominant states. The US military power is almost
without exception used in the resource-abundant (primarily oil) regions, up to a point
that the USA (and the UK) was willing to start a war against Iraq in 2003. Considering
the fact that about 11% of world’s oil reserves was at that moment located in Iraq, the
stakes were high enough to start a real, full-scale resource war and occupy Iraq in
order to gain long-term unlimited access to the Iraqi oil.

The prevalence of the US use of military forces and certain forms of violence has
shown that the US military power was not used so that the peripheral and the under-
developed, but at the same time oil-abundant parts of the world, would be included
into the global economic flows. The use of military force was limited to the notion
of ensuring an undisturbed flow of oil (and other important resources), primarily to
the USA since its economy was so needful of such resources (Tucker 2007).

**Conclusion**

Various authors use and perceive the term geopolitical economy in different ways.
A major distinction among their views is connected to the role and the importance
of the state both in the international political economy and at the global level. The
processes of UCD, in which the dominant, developed, and powerful states want to
keep the status quo, crucially determine the world economy and politics. Contender
states are determined to, through combined development, transform into dominant
states. These processes have established and are maintaining the geopolitical
economy. In this struggle, the weak states, especially those located in the unstable
parts of the world, being underdeveloped and resource export-dependent, are most
likely to be pulled into resource conflicts, which can be studied as geoeconomic-
geopolitical conflicts. Those conflicts are outcomes of geoeconomic rivalries,
through which dominant and contender states are expressing their “unquenchable
thirst,” mainly for non-renewable resources, of which oil is currently the most
important one. Consequently, these conflicts are destroying and tearing apart the
states in which they are fought, thereby making those states, and the regions in
which they are located, unstable in the long term.

The placement of the US military power in the Horn of Africa and the attempts
to place it in the Gulf of Guinea, along with its permanent presence in the Gulf
region, clearly shows that the interest that the USA has for controlling the oil-rich
regions is expanding. The USA has so far shown that it wants to be present in
every region of the world that holds some strategic resources. The fracking boom
that is currently happening in the USA is lowering the US dependence on imported
oil. However, it is difficult to imagine the USA pulling out of the world’s resource-
abundant, unstable, and underdeveloped regions where states cannot defend them-
selves against the influence and presence of a military superpower. Through
cooperation with the elites and its military presence, the USA has for at least the
last 60 years been holding its grip in the Gulf region on more than 50% of the world’s oil reserves. On the other side, the PRC, as the second great power that needs resources and as the prime contender state, is not using its military power outside its borders with the purpose of gaining access to resources. It has chosen another way, which is evident mainly in Africa and based on the use of economic means, as well as on diplomatic measures. In the future, resource conflicts could become the most important conflicts that the world will experience, especially if the rivalry between the dominant and contender states continues to grow. If that were to happen, resource conflicts would become even more determined by the interests of dominant and contender states. Resource conflicts and “proxy resource wars” (without the direct involvement of great powers) that take place in the unstable parts of the world—where mostly the weak states are located—could even become the most often occurring future forms of conflict.

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Notes

1. The problem area of water wars has not been included in this paper. Due to their complexity and specific characteristics, water wars should be studied separately.
2. The term “resources” is used throughout the paper for non-renewable natural resources, primarily oil, gas, precious minerals, and ores (excluding water, forests, and arable land).
3. One-fifth of the world’s population currently uses about four-fifths of the world’s energy, according to Dobkowski and Wallimann in “Introduction: On the Edge of Scarcity.” With upward trends in consumption, many analysts predict that the world will suffer severe oil shortages in 40–60 years, followed by natural gas shortages in 60–80 years. These non-renewable resources will also be allocated to many more people; the global population will be around 8.5 billion in 2025, 9.5 billion in 2050, and 10 billion in 2075 (Sharp 2007, 323).
4. Even resource conflict researchers have been divided into two groups with regard to resource abundance or resource scarcity as the cause of conflict, and therefore the object of their study. Le Billon (2001, 564) points out, “According to advocates of the scarce resource wars hypothesis, people or nations will fight each other to secure access to the resources necessary for their survival, the more scarce the resource, the more bitter the fight.” According to the abundant resource wars argument, primary commodities are easily and heavily taxable and are therefore attractive to both the ruling elites and their competitors.

   Among others, Collier and Le Billon are in the first group, whereas Homer-Dixon and Renner are in the second.
5. The main external factor congealing the Hobbesian configuration is, of course, the existence of a more advanced state/society complex, which by its transnational expansion has already occupied the international terrain commercially and culturally, whereas the contender state still is struggling to forge national/state unity and demarcate its territory. Therefore, the bureaucratized vanguard cannot and will not relinquish state power; the Glorious Revolution by which the ascendant class confirms its primacy and the relative autonomy of society vis-à-vis the state is postponed (van der Pijl, 1998, 80).

6. Lefebvre argues that this state mode of production has, particularly since the late nineteenth century, played a major role in securing the territorial preconditions for the accelerated circulation of capital, “Only the state can take on the task of managing space on a grand scale” (Brenner 1997, 148).

One of Lefebvre’s central arguments in De l’Etat is that the process of globalization cannot be grasped independently of the role of the state in producing, organizing, and stabilizing the spatial scales on which capital accumulation occurs (Brenner 1997, 150).

7. A third characteristic of the modern geopolitical imagination is its state-centric representation of the global space, what Agnew terms the “territorial trap” (Agnew, 1994).

This state-centric approach to world politics has over the centuries evolved both in practical and formal geopolitical reasoning. According to Agnew, it is underpinned by three geographical assumptions, “(1) that states have an exclusive power within their territories as represented by the concept of sovereignty; (2) that ‘domestic’ and ‘foreign’ affairs are essentially separate realms in which different rules obtain; and that (3) the boundaries of the state define the boundaries of the society so that the latter is ‘contained’ by the former” (Agnew 1998, 21–22).

8. “Geopolitical economy addresses the management of trading structures, corporate networks, and resource financial flows that characterize the contemporary global economy.” “The geopolitical economy has always been securitized but its degree of vulnerability and securitization has undoubtedly increased in the recent decades.” “Geopolitical economy addresses some very old questions of geopolitics, namely controlling maritime choke-points, ports, pipelines and general access to classic ‘strategic resources’ such as petroleum, natural gas and uranium.” “It also encompasses some of the newest ‘strategic flowmations’ of the global ‘space of flows’ such as stock market trading floors, fiber-optic networks, energy transmission lines, satellite towers and Internet routing stations. The less desirable and illicit side of these flowmations—acid rain, trade in toxic substances, transnational smuggling, corruption, the global ‘tubing’ of organized crime—are also vital elements of the contemporary geopolitical economy that should not be marginalized” (Ó Tuathail 2003, 77–78). Sparke’s view on the issues that are the objects of study in the geopolitical economy according to Ó Tuathail is expressed in Sparke (2007) and is similar to the issues that Ó Tuathail has emphasized. However, Sparke puts some of these issues in the theoretical perspective of “geo-economics” and accentuates what Ó Tuathail calls “strategic flowmations.” For Sparke and the other authors he mentions, geoeconomics is a historical perspective that is different from the old geopolitics; it does not necessarily emulate it (they can exist at the same time), and it is adjusted to the new era of economic and political relations, as well as technological breakthroughs.

For the purpose of this paper, it is also relevant to note that Ó Tuathail mentions, among other things, “the access to classic strategic resources, such as petroleum, natural gas and uranium” as the objects of study in the geopolitical economy.

9. The rare exceptions are the continent of Antarctica and international waters.

10. The question of the Arctic remains open. Arctic is considered to be a geopolitically, strategically, and geoeconomically very important area, especially after the shrinking of the polar ice cap (a consequence of global warming). The lines of delimitation on the Arctic have still not been defined among the five participating states (Russia, Canada, the USA, Norway, and Denmark).
that have overlapping exclusive economic claims on it. The offshore deposits of oil and gas that have so far been confirmed on the Arctic suggest that the Arctic is a space of great importance and value when it comes to the future of energy supply for Europe, Russia, and North America.

11. As a distinction between a conflict and a civil war, the number of one thousand combat deaths was taken as a limit.

12. Quantitative studies of the resource curse have not systematically tracked the historical origins and evolution (rather than the level) of resource dependence as variables in relation to conflicts. As the relative economic and political importance of resource production areas increases, other areas are comparatively peripheralized. Within resource production areas themselves, non-resource aspects also become peripheralized. Arguably, resource areas are also peripheralized in the dependency school understanding that they become dependent on an unequal relationship with center or core areas. The uneven development resulting from such processes of relative centralization and peripheralization, in turn, reflects the social construction, spatial distribution, and mode of production of resources (Roberts and Emel 1992). Peripheralization and uneven development entail tangible spatial effects far beyond the narrow confines of the resource sector, extending into social identities, territorialities, political governance, economic marginalization, and environmental outcomes of relevance to the study of conflicts (Le Billon 2008, 349–50).

13. While American geopolitical discourses lead to fear-filled fascination with foreign threats ranging from “peer competitors” to “rogue regimes” to “terrorist cells,” geoeconomic discourses compensate and console by offering a hope of transcending the divisions. Over and above the axis of evil and all the other enemies we are told to fear, the level playing field of global free market capitalism is envisioned as thus inexorably expanding and including all (Sparke 2007, 340).

14. The conflicts in Southeast Asia that took place before 1975 were also products of a clear ideological cleavage which was crucial up until the USA decided to pull out of the region and South Vietnam was taken over by North Vietnam, while Vietnam became a unified country. After 1975, Vietnam became a regional leader. In 1979 it crushed the Khmer Rouge regime in Cambodia, and in that same year it got involved in a border conflict with the PRC. It is evident that the ideological (Marxism vs. capitalism) rivalry of these parties was not the dominant cause of these conflicts. What was crucial were the interests for territorial control and regional domination (Vietnam) and the desire to prevent regional domination (the PRC).

15. Most world conflicts are happening in geopolitically unstable regions, primarily because of the struggle to gain control over resources. The conflicts over the control of oil deposits, pipelines, and sea-lanes through which oil is transported represent the finest examples of resource conflicts in the contemporary world.

16. According to the political economy literature, the characteristics of countries most vulnerable to civil war since 1946 are low per capita income, declining economic growth rate, “weak” state coercive capacity and institutional authority, and political regimes in transition, although the influence of different kinds of inequalities remains debated (quoted in Le Billon 2008, 347).

References


