



GEO ECONOMICS: A GUNS VS BUTTER SCHEMA

(Maj Gen Harvijay Singh, SM)

Geoeconomics entered the lexicon in 1990 with an article by **Edward Luttwak**, which argued that following the Cold War, the importance of military power was giving way to geoeconomic power; *how naïve*. European politicians jumped for this juicy 'Luttwak' option to score in the '*Guns vs Butter*' debate. The smug gang was soon downsizing militaries and gloating on Euros saved.

They then added a new trick – mothballing. Military hardware was packed and sealed for the '*future*' and military training moved to simulators in airconditioned environs. Mothballing weapons in active service is simply an illusory sham because reactivating them takes time and costs money; *the Leopard Tanks gifted to Ukraine took months to break their mothball induced slumber, and inadequate hands-on training of the crew has made them good targets*.

America too, riding a high horse against weak oppositions became self-assured over standard conventional weapons. Encouraged by overwhelming air superiority in Iran and Afghanistan, the US, *pushed by boardroom finance wizards*, allowed its Short-Range Air Defence capability to wither to zero. Tactical realities from Ukraine and Gaza woke them up to the risk posed by cheap weaponized UAVs, rockets and ground skimming Cruise Missiles.

This wakeup call carries cost penalties since manufacturing units have shut shop; *a geoeconomics self-goal?* Edward Luttwak's article beyond adding to the vocabulary has cost the west heavy; *evidence aplenty from the Ukraine war*.

NATO is now worried that in this race of logistics, key capabilities like ammunition, fuel, and spare parts must reach Ukraine before Russia seizes initiative post the ~~delayed, failing~~, failed Ukrainian counter offensive. In the real world however, such capabilities cannot be created overnight. Those who were once arrogant on security are now singing a different tune:

European Commission President Ursula von der Leyen suggests that: *ammunition production must follow the pattern undertaken for emergency large-scale production of a COVID vaccine during the pandemic.*

A worried US Secretary of State Antony Blinken states: *We're scouring every corner of Earth for appropriate ammunition for Ukraine. It is not like flipping a light switch. It takes real effort. It takes real-time.*

Geoeconomics is however not a complete goner, others have made good use:

- China has been described by experts as *world's leading practitioner of geoeconomics'*. China intentionally lends money for large infrastructure projects in Asia and Africa well aware that the debt could not be repaid, leaving China with economic and political leverage; *predatory lending, and creation of debt traps*.
- Russia uses its energy endowment to advance strategic objectives: shutting off gas pipelines to parts of Europe in the middle of winter. Systematically destroying Ukraine's energy infrastructure to weaken the country and make it more dependent for its energy needs; *hitting where it hurts*.
- Russia has prevented Ukraine from freely exporting its grain, simultaneously increasing its own production to strip Ukraine of its position as one of the world's top wheat exporters, constraining its economy and, by extension, its war-fighting potential; *beating the 'west' at its own geo economic game of 'sanctions'*.
- US has taken steps to limit the sale of advanced computer chips to China with an aim to contain Beijing's technology and military ambitions. In response China has restricted US access to important rare earth metals; *a tit for tat*.

While the difference between human lifestyles of today and 100 years ago is remarkable.....The manner in which we settle our differences and disputes (led by the Global bullies) remains aggressive and primitive Barbarism, refugees and destruction has not abated in this so-called modern era.....there is enough global evidence.

The world needs to change: time for big global campaigns aimed solely at the G7 is over. Veto by the big 5 at the UN is archaic, it needs to end. The increased convergence between economics and security is clearly putting pressure on the laws and institutions that govern the international system. As far as Guns and Butter are concerned, Ukraine is a live example that *Guns make nations strong and Butter fat*.