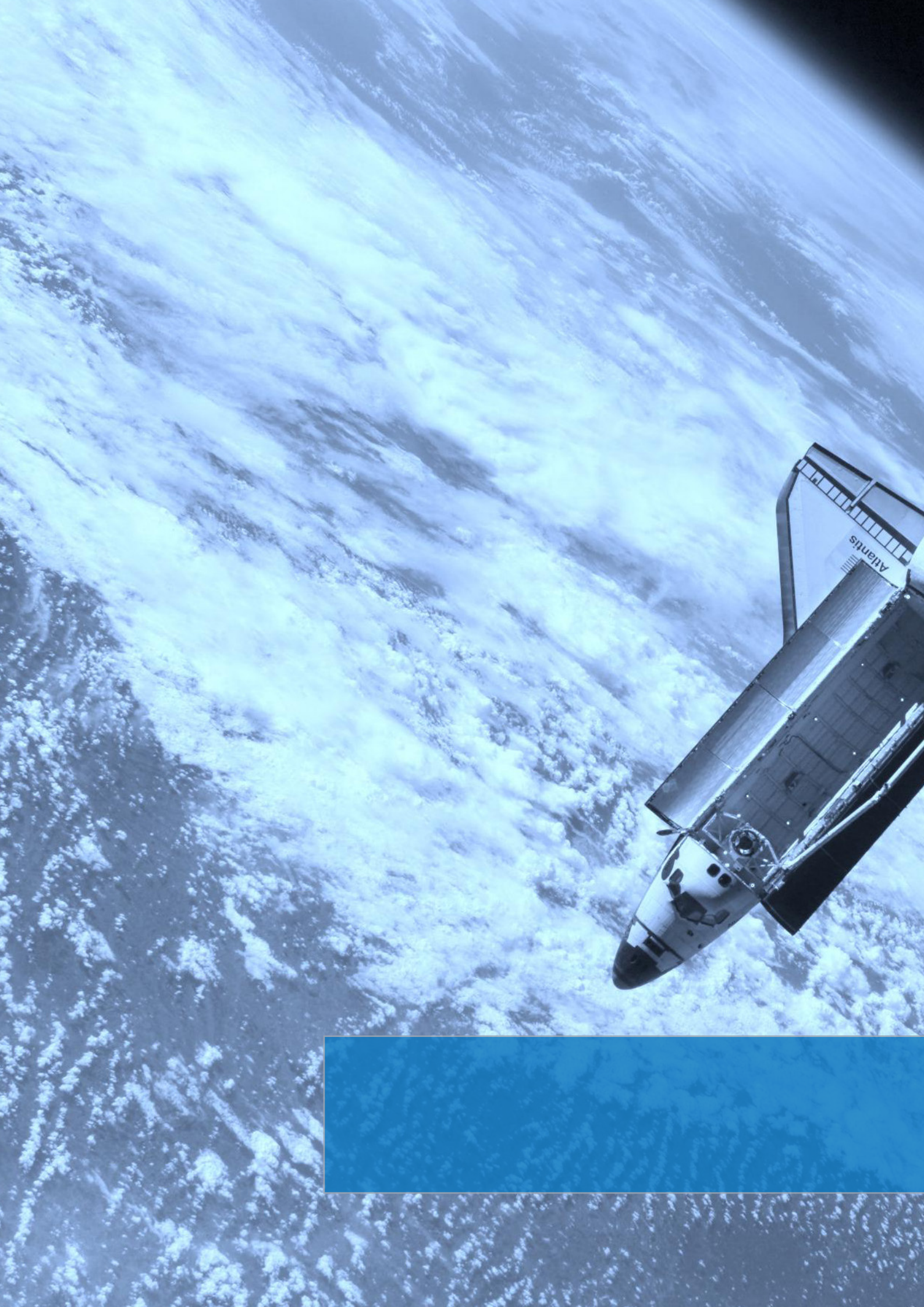
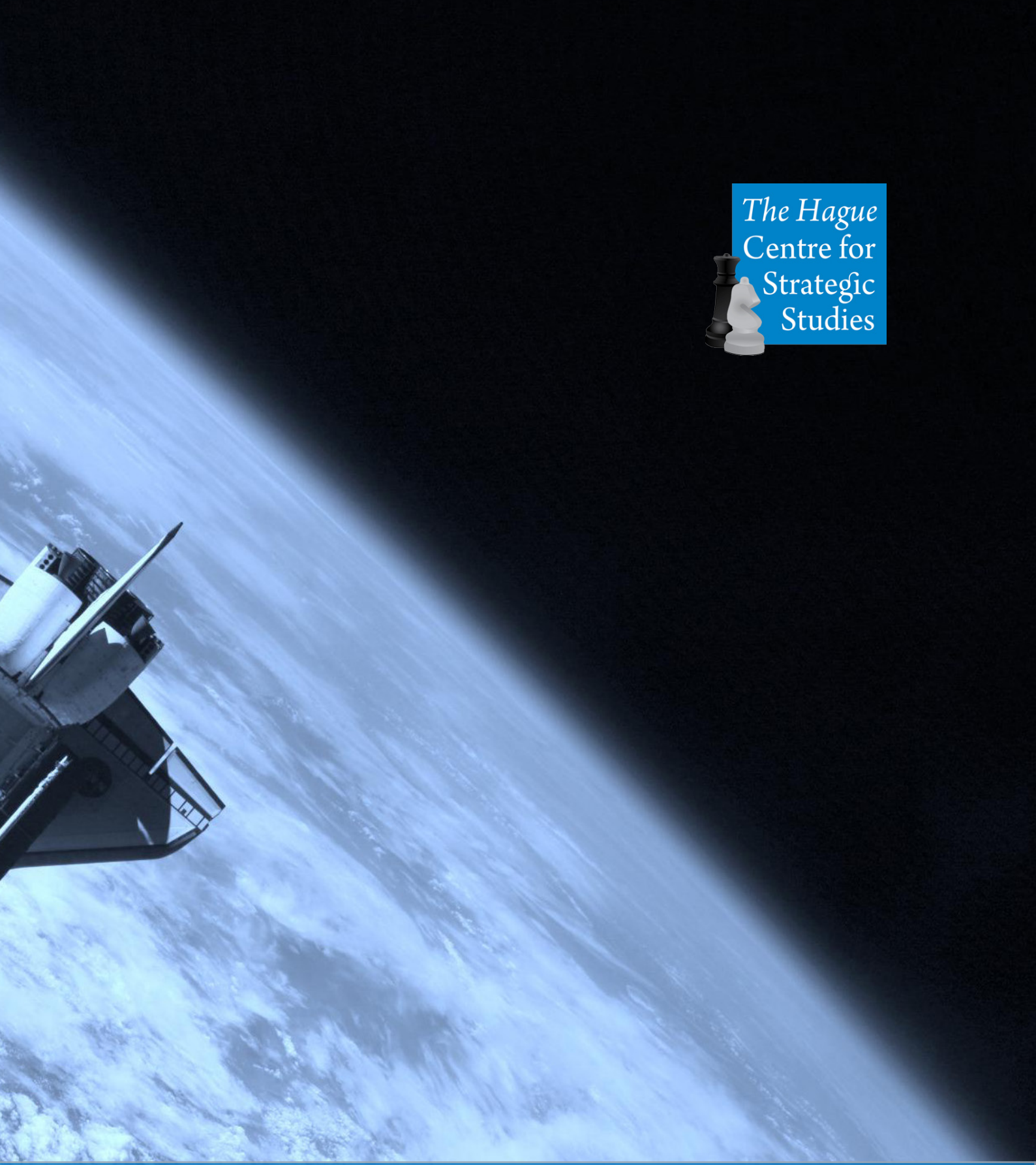

Atlantis



The Hague Centre for Strategic Studies

Nowcasting Geodynamics – Great Powers and Pivoting

The Hague Centre for Strategic Studies, StratMon 2016-2017

Nowcasting Geodynamics - Great Powers and Pivoting

Volatility and Friction in the Age of Disintermediation: HCSS StratMon Annual Report 2016/2017

***The Hague* Centre for Strategic Studies**

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Nowcasting Geodynamics - Great Powers and Pivoting

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This study is part of seven research projects that make up the HCSS Strategic Monitor 2016-2017.

The full report can be accessed at http://hcss.nl/report/volatility-and-friction-age-disintermediation.

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Nowcasting Geodynamics

Great Powers and Pivoting

The Hague **Centre for Strategic Studies**

This report is from the HCSS theme SECURITY. Our other themes are GLOBAL TRENDS and GEO-ECONOMICS

SECURITY

HCSS identifies and analyzes the developments that shape our security environment. We show the intricate and dynamic relations between political, military, economic, social, environmental, and technological drivers that shape policy space. Our strengths are a unique methodological base, deep domain knowledge and an extensive international network of partners.

HCSS assists in formulating and evaluating policy options on the basis of an integrated approach to security challenges and security solutions.

Key Take-Aways

» As a group, great powers are neither more active nor more assertive than non-great powers. Their share in global assertiveness is lower than their share in global population, GDP and trade. Yet great power assertiveness does trend upwards – especially in recent years. And this is – worrisomely – especially the case with its most dangerous type: *factual* negative *military* assertiveness.

» The USA remains the single most assertive great power in the world, although its assertiveness has been more subdued during the Obama administration.

» Our new approach to 'Europe' shows it to be the second most assertive great power. This is due to fact that we measure 'Europe' differently this year – as the cumulative external assertiveness of all 28 member states (E28) towards the rest of the world.

» We this year, for the first time, include a new dataset that attempts to measure countries' international influence potential – the Global Influence Index (GII). The most striking finding here is Europe's unmatched influence potential. Our reading of this outcome is that it highlights the enormous gap between Europe's potential and actual influence.

» Our datasets highlight China's economic ascendance, as it surpassed the USA's economic influence in 2015, and Russia's continued military power. Japan and India remain the 'odd men out', lagging behind the other great powers in terms of both influence and assertiveness.

» Alongside our focus on great powers, we continue to track the geodynamics of a number of selected pivot states. The part of our analysis capturing these dynamics from the vantage point of great powers again confirms the enormous (potential) 'attraction' of Europe, conceptualized as E28, vis-à-vis pivot states. The USA scores significantly lower and it is especially the increasing influence scores of China as well as Russia that capture our attention.

» We also looked at geodynamics from the point of view of pivot states, which we assigned to five categories – aligning, distancing, pivoting, stable and triangulating – based on changes in their positioning vis-à-vis great powers. Almost a third – 14 out of 35 pivot states – can be categorized as 'distancing' with respect to E28. Among these, for Indonesia, Iran, Nigeria, Pakistan and Venezuela, a movement towards China can be observed. The second largest group are 'stable' pivot states, including for instance Turkey and Afghanistan, which do not display any shifts out of the E28 sphere of influence.

» The Netherlands continues to punch above its weight in the global web of influence: in the GII dataset it scores higher than great powers like Japan or India (mostly due to Japan and India's low scores on *security*). The Dutch influence is the by far the strongest in the *economic* realm.

» We find that the Netherlands experienced the biggest increases in its global influence in the heydays of European integration. We submit this is a yet another important new data point in the debate about the relative merits of European integration for the Netherlands.

» The Netherlands has the greatest influence on Belgium, Germany, the UK, Portugal and Greece. Outside of Europe – and with less than half of the amount of influence – we find Chile, Turkey and Indonesia. The country with the largest influence on the Netherlands is Germany, followed by France, the UK, the USA, Belgium and Italy.

3.1 Introduction

HCSS introduced the two terms 'nowcasting' and 'geodynamics' in the last version of our contribution to the Dutch government's Strategic Monitor.[1] By 'nowcasting' – as opposed to forecasting – we mean the process of monitoring, depicting and analyzing ongoing developments in international relations as they occur. It is our attempt to move beyond the anecdotal towards the systematic by starting to produce richly granular evidence-based time series for what is happening in the fields of international politics and security. This effort mirrors the rich – even if imperfect – datasets[2] that economists have been using for decades to analyze ongoing economic dynamics. By 'geodynamics' we mean the complex dynamics of international interactions in different fields – diplomatic, economics, legal, military, etc. By using this more 'neutral' term, we endeavor to stay away from often more value-laden terms like geopolitics or geoeconomics. Our primary ambition here is not ideological or theoretical but empirical, yet we hope to increasingly be able to infuse these debates with more empirical riches. In this chapter we take these two terms 'nowcasting' and 'geodynamics' in unison as we present data-based analyses of global geodynamics with a special focus on the world's great powers and a number of smaller, yet strategically important, pivot states that (re-)align themselves towards or away from the greater powers.[3] The case studies on Turkey and Moldova following after this chapter zoom in on details of recent and ongoing domestic and foreign policy changes in these two crucial pivot states. Turkey's importance stems not only from its pivotal role in the Syrian conflict and in the fight against ISIS, but also from its domestic changes and its historical position as the bridge between the West and the Middle East. The case of Moldova is highly interesting given that both EU and Russian (competing) interests are heavily invested there and because of the observable (and quite dramatic) pivoting back-and-forth that we observe there directly along a terrestrial border with the EU.

We qualify the following states as great powers: China, 'Europe', India, Japan, Russia, the United States. After we explain our methodological approach (section 3.2), section 3.3 presents an analysis of great power assertiveness, defined as an increase in a country's either projected (*factual*) or professed (*rhetorical*) power.[4] Our analysis towards great power assertiveness in this year's report closely mirrors the approach that was taken in analogous previous studies[5] – even though our evidentiary base has widened with the inclusion of a new measure of 'influence' that we developed in close cooperation with the Pardee Center for International Futures.

Section 3.4 moves on towards analyzing the influence of great powers on the pivot states that we have selected based on their strategic importance. Section 3.5 flips this around by looking at the pivot states' behavior towards our six great powers. The analytical approach towards pivoting behavior in this report differs from our previous work. In that work, HCSS identified a set of states disposing of a range of strategic military, economic or ideational assets that might be coveted by other countries.[6] Based on a composite measure of these strategic goods and on expert judgment,[7]

1. Stephan De Spiegeleire, Sweijs and Bekkers, *The Wheel of Fortune.*

2. Diane Coyle, *GDP: A Brief but Affectionate History* (Princeton University Press, 2015).

3. De Spiegeleire, Sweijs and Bekkers, *The Wheel of Fortune.*

4. Stephan De Spiegeleire et al., *Assessing Assertions of Assertiveness: The Chinese and Russian Cases.* (The Hague Centre for Strategic Studies, 2014), 11–14, http://www.hcss.nl/sites/default/files/files/reports/Great_Powers_Assertiveness.pdf.

5. De Spiegeleire et al., *Assessing Assertions of Assertiveness.*; Sweijs et al., *Strategic Monitor 2015.*; De Spiegeleire, Sweijs and Bekkers, *The Wheel of Fortune.*; Stephan De Spiegeleire, *Strategic Monitor 2016: Great Power Assertivitis* (The Hague Centre for Strategic Studies, 2016), http://www.hcss.nl/sites/default/files/files/reports/HCSS_Great%20Power%20Assertivitis.pdf.

6. Tim Sweijs et al., *Why Are Pivot States so Pivotal?: The Role of Pivot States in Regional and Global Security*, vol. 4 (The Hague Centre for Strategic Studies, 2014), http://hcss.nl/sites/default/files/files/reports/Why_are_Pivot_States_so_Pivotal__The_Role_of_Pivot_States_in_Regional_and_Global_Security_C.pdf.

7. Web-based readers can make their own selection of pivot states based on their selection of these and other criteria of

our analysis this year includes 35 pivot states scattered all around the world. Finally, section 3.6 is devoted to the position of the Netherlands within current global geodynamics.

3.2 Methodology

As in previous editions our approach is highly evidence-based. We this year continue (and expand) our use of event datasets, but we also use a new dataset , the Global Influence Index, that attempts to capture the dyadic influence between countries.

3.2.1 Event Datasets

In previous versions of our contribution to the Strategic Monitor HCSS started using three large event databases: GDELT[8], Lockheed Martin's ICEWS (Integrated Crisis Early Warning System)[9] and the Open Event Data Alliance's Phoenix database[10]. All three datasets automatically extract events from various online news sources across the globe. An event consists of a 'triplet': a source actor, an event code and a target actor. To give an idea of the scope of the datasets: just in the year 2015, GDELT contained 11 million events for the USA and 15,000 events with the Netherlands as source actor. All datasets use natural language processing (NLP) techniques to parse relevant triplets out of a sentence. Next is the usage of rich dictionaries to associate the terms encountered in the relevant part of a sentence with the appropriate actor or event code from hierarchical multi-tier lists. The term 'Indian National Congress', for instance, is recognized and recorded into the database as first-tier actor code 'IND' (i.e. India) and as third tier actor code 'INDGOVOPPPTY' (i.e. Indian Government Opposition Party).

All three datasets are open-source and use the same coding scheme (CAMEO). They differ, however, in the sources they scan, the dictionaries, coding engine, deduplication method, time-span coverage, release frequency, etc.[11] Based on a number of audits that HCSS has performed on these datasets (one again this year), we generally[12] only report findings that we can corroborate with data from at least 2 of the three datasets. For reasons of economy of space, we include the data of only one of those two datasets – typically GDELT, as that remains by far the richest one of the three.

All recorded events in the CAMEO coding scheme contain certain standard elements that we can use directly in our analyses. For instance, every single one of the 200+ event codes is also identified as being *verbal* or *material*; and as conflictual, neutral of cooperative. Another important standard coding element is the Goldstein-score, which attributes to every event a score along a scale from -10 for the most conflictive events (e.g. a military attack) to +10 for the most co-operative (e.g. retreating militarily).

On top of these standard CAMEO event classes, HCSS has developed a number of additional coding classes on its own. In our work on assertiveness, we have identified the subset of all CAMEO events that we consider to be assertive. We have also categorized every event code along functional lines

strategic goods.

8. The GDELT Project, "The GDELT Project," 2016, http://www.gdeltproject.org/.

9. Lockheed Martin, "World-Wide Integrated Crisis Early Warning System Lockheed Martin," *Lockheed Martin*, December 2013, http://www.lockheedmartin.com/us/products/W-ICEWS.html.

10. Philip A. Schrodt, "Phoenix Event Data Set Documentation" February 2014, http://openeventdata.org/datasets/phoenix/Phoenix.documentation.pdf.

11. Refer to our stratbase comparison

12. Because of some continued anomalies with ICEWS, we felt uncomfortable applying this rule consistently, so in some occasions, we did apply to our judgment and decided to only use GDELT data.

into a coding scheme we call 'DISMEL', allowing us to zoom in on *diplomatic*, *informational*, *security*, *military*, *economic* and *legal* types of events. All of these coding schemes are implemented as filters in the Business Intelligence software tool we use (Tableau Software).

As a result of all of this, we can now analyze and compare the behavior and the rhetoric of every single state (and many non-state) actor(s) in the world since 1979 on a daily basis. In order to avoid statistical artifacts due to the growing number of online news outlets that are being covered in GDELT, we also apply various normalization techniques to make our findings comparable across time and across countries. In most cases, we look at the number of events that our selected filters generate (e.g. *factual* military negatively assertive events initiated by Russia as a state towards other states in a certain time period) and then represent that number as a percentage of all inter-state events in that same time period. Given the enormous amount of events in the dataset, these percentages typically are extremely low – but we caution our readers that they can still represent 100s or 1000s of singular events and so changes over time can be quite significant.

3.2.2 The Global Influence Index

Since we attempt to provide a yearly 'monitoring' report that deals with the most important trends and developments over the past year, event datasets remain our only counterweight against the oftendeep and rich, but still essentially anecdotal analyses and opinions of subject matter experts. We remain keenly interested, however, in the more traditional datasets that typically aggregate national official statistics. These are more widely used in the analytical world but only become available oneor two years after the reported year. This year, we are delighted to be able to draw upon a unique new data collecting and curating effort by the University of Denver's Frederick S. Pardee Center for International Futures: *the Global Influence Index* (GII).

Influence Index Domains and Indicators

Economic Domain

Bandwidth Indicators: Total Trade, Trade Agreements

Dependence Indicators: Trade % Country B Trade, Trade % Country B GDP, Aid % Country B GDP, Aid % GDP

Security Domain

Bandwidth Indicators: Total Arms Transfers, Military Alliances

Dependence Indicators: Arms Imports Stock % Total Arms Imports, Arms Imports Stock % Country B Military Spending Stock, Military Spending Ratio

Political Domain

Political Bandwidth: Level of Representation, Intergovernamental Membership

GII tracks the levels of influence that states have on other states over time. The dataset includes 119 different *economic*, *political* and *security*[13] indicators with over 200 million individual observations between 1962-2015. Because *actual* influence is context dependent and it is extremely hard to ascertain when it occurs, the influence index does not directly measure incidences of influence. Instead, GII measures influence capacity or the *potential* influence across dyadic (i.e. country A -> country B) *economic*, *security* and *political* interactions.

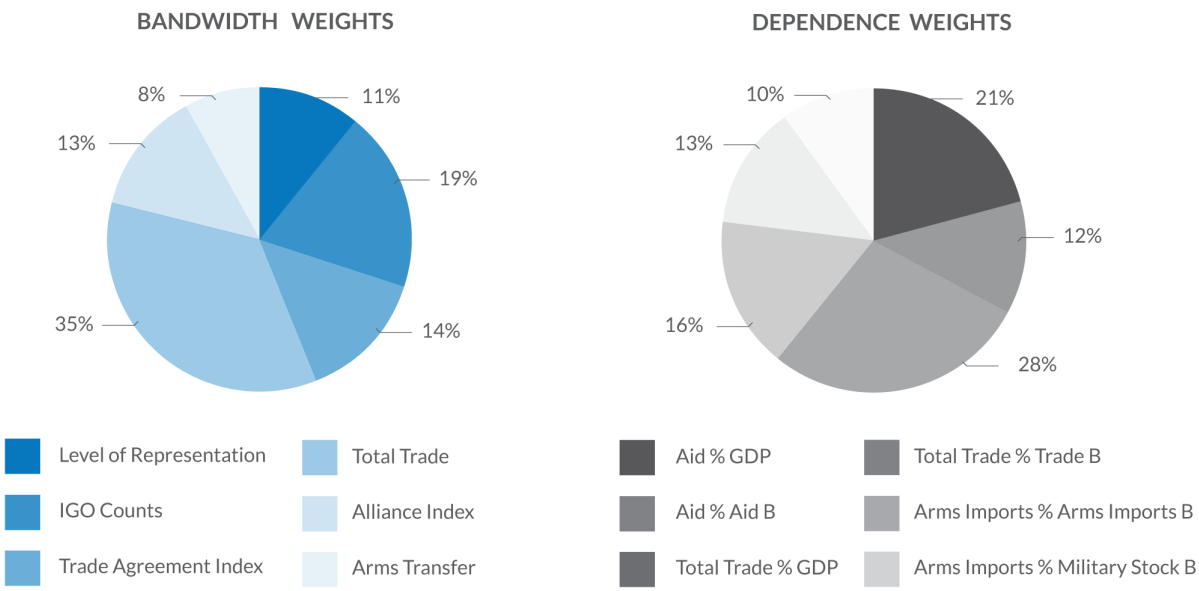
Influence is exercised between two actors. Therefore, in order to assess the level of influence of a particular state it is necessary to assess the degree of influence exerted by the *influencer* (country A, e.g. a great powers) over the *influencee* (country B, e.g. a pivot state) within a dyadic relationship. This is an asymmetrical relationship: the overall influence of country A over country B is calculated based on how dependent country A is on country B in relation to how

13. *We* would like to point out that in order to remain consistent, we use the label 'security' for the security-related indicator in the GII dataset in this chapter – even though is primarily military in nature. Note that in our event datasets, we only focused on the military (and not also security) DISMEL-code.

dependent country B is on country A. The final influence score quantifies the overall ability of a great power to influence other states. The higher the score, the higher the degree of influence.

The overall influence index is computed by using various indicators that measure cross-border flows such as international aid and trade and shared political and institutional alignment. The GII is comprised of two subindices: Bandwidth and Dependence. Each of these subindices attempts to capture a separate aspect of influence in the *economic*, *political* and *security* domains.

Figure 3.1 Bandwidth and dependence weights



The *Bandwidth* sub-index is comprised of six variables which measure the magnitude of the relationship between country A and country B as reflected in the volume of the shared interactions within that dyad each year, for both bidirectional flows of e.g. trade and bidirectional ties, such as in diplomacy. These variables, which are weighted as shown in Figure 3.1, represent three important domains in which international influence is exercised: *political*, *security* and *economic*. An alternative way of looking at this sub-index is as the magnitude of potential influence.

The *Dependence* sub-index, on the other hand, measures the "direction of the flow" or the degree to which the *influencee* is dependent on the *influencer* for crucial *political*, *economic* and *security* flows. It is intended to measure the share each *influencer* has of the *influencee's* aid, arms transfers and trade flows. This can be interpreted as the degree of dependence inherent in a dyad based on its asymmetrical attributes, in short – who has more say in the relationship.

The combination of both the bandwidth and dependence invites comparisons across the *economic*, *security* and *political* domains. By adding the bandwidth and dependence scores for each of these domains, an assessment can be made of the total leverage held per domain. With the final influence score being a sum of the bandwidth and dependence sub-indices, in an ideal case, these should have equal weighting. Still, if some great powers have higher dependence scores than bandwidth and vice versa, either of the sub-indices could have more weight than the other.

We note that economic indicators are weighted disproportionately heavily in both the bandwidth and dependence, making the global influence index econ-centric. This means that the weighting of

the different indicators results in greater influence for great powers with high economic bandwidth and dependence scores. Moreover, there is a lack of data on Political Dependence, as this is difficult to capture quantitatively given that there is no accurate proxy to measure such a variable.[14]

3.2.3 How Do You Solve a Problem Like Europa? Measuring Europe

The inclusion of 'Europe' as a great power in our analysis has, over the last years, presented us with an intriguing methodological puzzle: What is the best way to quantitatively – and conceptually – capture its international position? Is it best reflected in the data on the European Union (EU) as an actor *sui generis*? Or does looking at the aggregate of the EU member states better mirror 'Europe's' standing on the global arena? And what about the European countries that are non-EU members yet maintain close cooperation with it?

In response to these questions, HCSS has begun exploring the use of multiple 'Europes' in order to allow for a more differentiated comparison in the datasets between 'Europe' in its different incarnations and other states for future iterations. The original Pardee Global Influence Index is a nation-state based index and was not intended by its authors to be used to measure a supra-national entity like Europe. We suggest that a quadruple approach to conceptualizing, operationalizing and measuring 'Europe' may offer the best way forward, even if we are not yet in a position to present all the four 'Europes' in this year's report.

The first option, which we label 'national Europe 28' (**E28**), consists of aggregating the individual national scores of the different EU member states into one measure, excluding independent international agency by the European Union itself. This is the approach followed in this report, which is made possible by the fact that we have data for all variables that we present and for all EU member states in the GII. Therein lies an advantage of using E28. But there are also two – quite different – disadvantages. On the one hand, E28 underestimates Europe's presence, activity and influence in the world by excluding the international presence of the European Union itself. At the same time, however, it also substantially exaggerates Europe's *net* influence in global affairs, where we all cannot help but observe how the sum of 28 times 1 plus 1 ends up being significantly smaller than 28. Below, it is explained why we nevertheless think that E28 is a useful way of at least conveying Europe's potential, if not its reality.

The second option is 'national Europe 32' (**E32)**. It includes the previously mentioned E28 but also adds the European Economic Area (EEA) countries Iceland, Liechtenstein and Norway plus Switzerland. Whereas some might still quibble about which countries do or not not belong to 'Europe', in our experience there is little or no debate about at least this subset. It would not make a big difference with respect to **E28** in the overall scheme of things, but would at least be more inclusive of some universally recognized European states. Hence, on this criterion, E32 scores better than E28, even though it is still subject to the same strengths and weaknesses as E28.

Our third – even more maximalist – metric, **EU+** would include E32 but would also add the external interactions of the European Union in its own right, i.e. in areas of 'undisputed' competences of the European Union in economic (e.g. trade and EU aid) and political areas (EEAS diplomatic representation, treaties to which the EU is a party, EU military presence, etc.). It is clear that this metric would inflate Europe's role in the world even more. But it would still be a usefully aspirational metric, that – even more than E28 and E32 – would show how today's Europe fails to live up to

14. There is a forthcoming HCSS methodology note with a more elaborate explanation of the operationalization of the data, the conceptualization of influence and the method used to construct the Global Influence Index.

its potential. The main reason we decided against this option was not so much its inflated nature, but the fact that we did not (yet) have data for the purely EU events (and some of the influence indicators). Accordingly, we opted for E28 for reasons of internal consistency of the data.

Finally, we are planning to do more work on developing a fourth **EU-** metric that more accurately captures the 'tous azimuts' influence of the European Union as an independent actor in the international system – including in cultural and ideational fields.

Moving from these conceptual considerations to our actual research work with event datasets, in the last year's report, we based our analysis on the 'EUR' actor code in GDELT.[15] Since the actual actor dictionary for the GDELT event coder is not publicly available, we have however been unable to ascertain exactly which terms are coded as 'EUR'. Based on the URLs of the events that are coded as having 'EUR' as either a source or a target actor, we infer that it is probably based on generic terms such as 'Europe' or 'European'. That includes 'European Union' (for which there is no separate GDELT code), but does not include the individual European states.

Therefore, in this iteration, we decided to work with the E28 metric presented above for the aggregated events, assertiveness and influence of EU member states. Accordingly, the E28 metric was adopted for both our event and our 'official' datasets. Applying this new operationalization of 'Europe' significantly alters the findings from our last reports. In particular, E28's influence across different domains now appears significantly larger compared to that of the other great powers. These findings must be interpreted with care. Our suggested reading of this is not so much that 'Europe' is the most influential actor in the world. Instead, we are inclined to see them as a healthy reminder of Europe's continued *potential* weight in the world and the big gap between *potentiality* and *actual reality*.[16] We believe this new approach better captures – for better *and* for worse – Europe's real footprint in the international web of interaction and influence.

3.3 Great Power Assertiveness and Influence

3.3.1 Introduction

China's actions in the South China Sea, escalating rhetoric (and strains) between Russia and the West in Central Europe and the Middle East, geoeconomic tensions between great powers around TTP and TTIP: re-emerging geocultural and -legal divergences between some of the different values proposed by different great powers: all around the world the global dynamics – even clashes – of great power assertiveness[17] once again dominated the headlines of the world's media last year. As in previous years, we focus our reporting on a few selected great powers: China, 'Europe', India, (for the first time) Japan, Russia and the USA. These include the world's currently 5 largest economies[18] (in nominal terms) plus Russia – in light of its continued (and resurgent) military weight, brinkmanship and crucial importance to European security.

15. De Spiegeleire, *Strategic Monitor 2016*.

16. In some sense, this gap could be seen as another twist on Christopher Hill's well known formulation of a 'capabilities-expectations gap, Christopher Hill, "The Capability-Expectations Gap, or Conceptualizing Europe's International Role," *JCMS: Journal of Common Market Studies* 31, no. 3 (September 1993): 305–28, doi:10.1111/j.1468-5965.1993.tb00466.x.' in the European Union's international presence – the gap between what it has been talked up to do and what it was able to deliver. The gap we are referring to here is one between latent and manifest influence.

17. For our definition of assertiveness, see De Spiegeleire, *Strategic Monitor 2016*, p.17-18.

18. Zach Vega, *World Share of Nominal GDP IMF WEO 2015*, May 28, 2016, Own work, https://commons.wikimedia.org/wiki/File:World_share_of_nominal_GDP_IMF_WEO_2015.png.

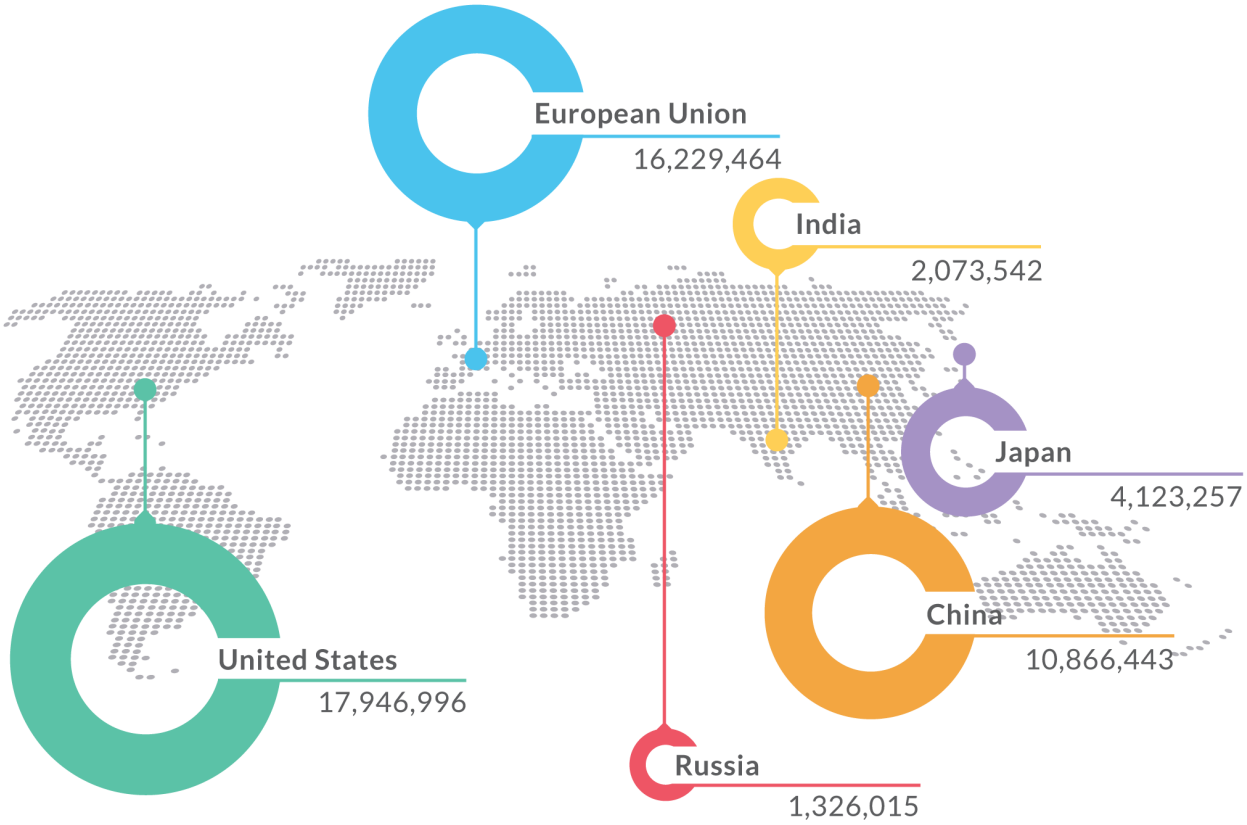


Figure 3.2 Nominal GDP (in US$ million) of great powers

As in previous years, we have also this year updated the datasets we use for our great power assertiveness (GPA) monitoring effort. As elaborated in section 3.2, these include the event datasets GDELT, ICEWS and Phoenix. For reasons of economy of space, in this report we only visually present GDELT data. Nevertheless, interested readers are cordially invited to explore the three datasets on our interactive StratBase platform. We also draw on the Global Influence Index (GII) that allows us to track long-term dyadic (i.e. between country A and country B) dynamics of great powers. Finally, we make use of 'Military Balance' data from the International Institute for Strategic Studies (IISS), which enables us to complement our picture on the great powers' military assertiveness.[19]

So what, then, do our different datasets tell us this year about the geodynamics of the world's great powers – and especially on how assertive and influential they are? We will address these two aspects in turn.

3.3.2 Great Powers as a Group

Great Power Assertiveness[20]

How assertive are great powers and how does their assertiveness compare to that of non-great

19. For further details on the three event datasets, the GII and the IISS military balance see section 3.2.

20. "Overall" assertiveness refers to the assertiveness of great powers in all domains, i.e. diplomatic, economic and military, taken together. We refer to "aggregate" assertiveness when we speak of the cumulative assertiveness of all great powers as a group. "Global" assertiveness describes the assertiveness of all countries, i.e. not only great powers.

powers? As we start answering these questions, we will first present evidence on how many inter-state events in our datasets are initiated by great powers (as opposed to non-state powers – Figure 3.3). We will then compare how many of all of these inter-state events prove to be assertive – and will again compare the share of great powers vs that of the others (Figure 3.4).

Figure 3.3 Share of great power events in total global events

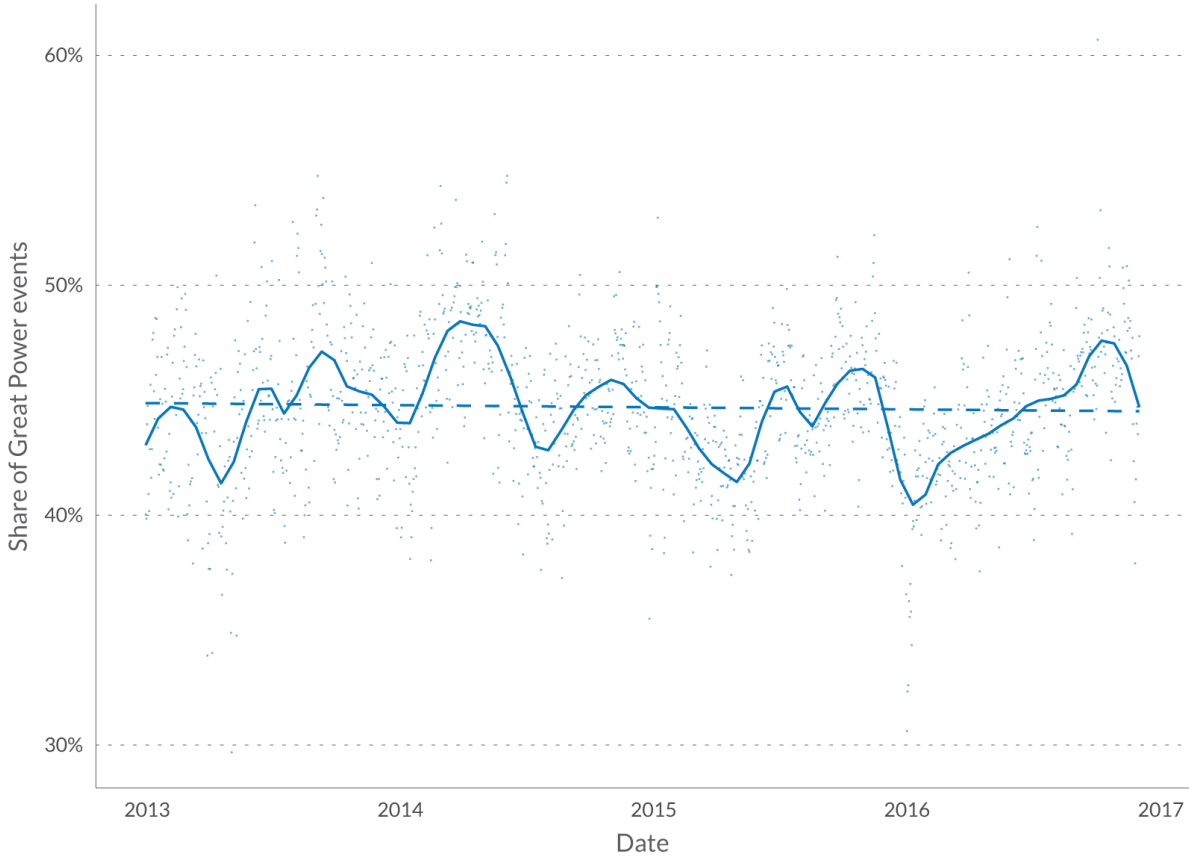
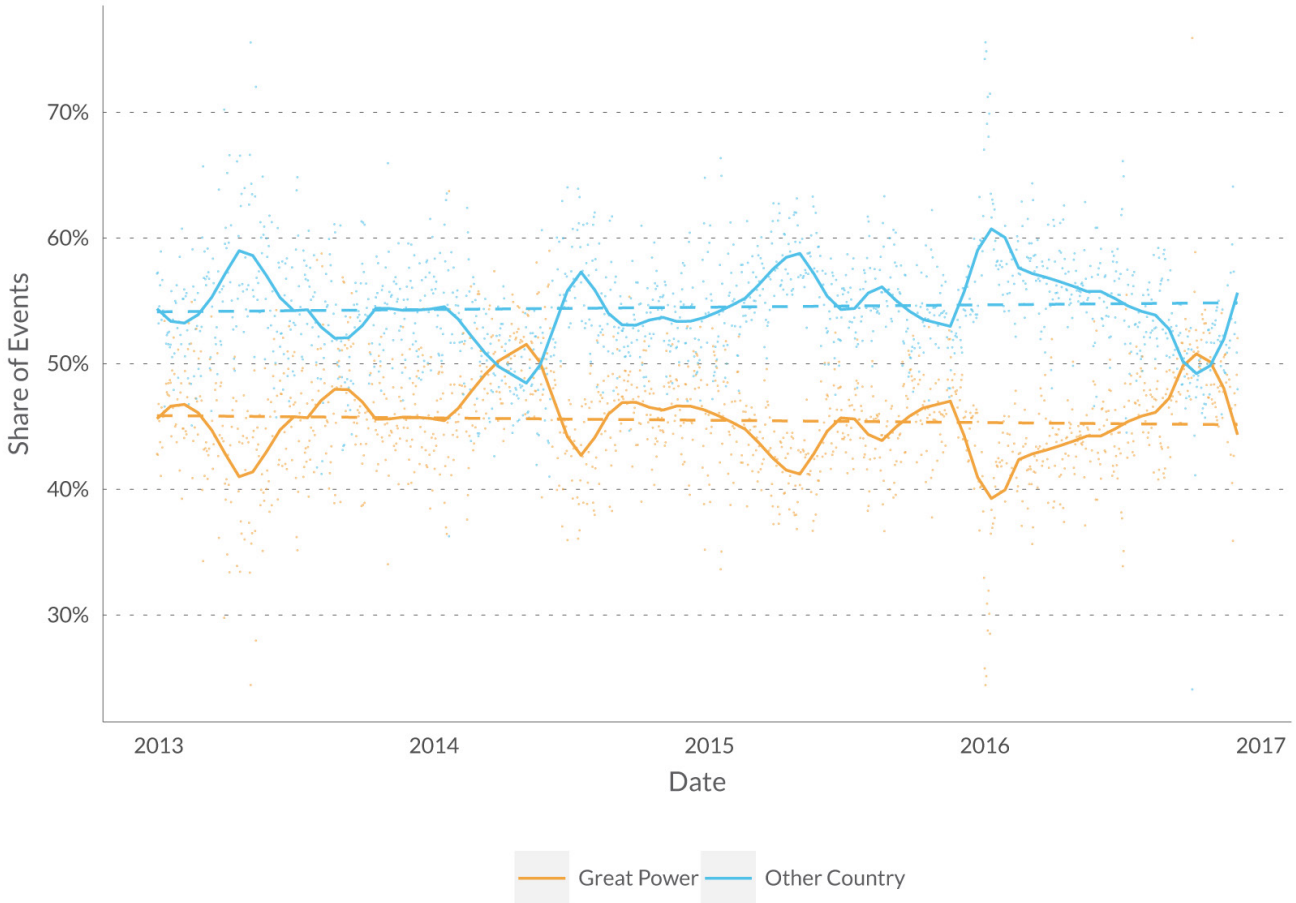


Figure 3.3 shows that over the past three years the number of international events initiated by great powers as a percentage of the total number of recorded global inter-state events has oscillated between 37% and 53%. The trend line shows a slightly negative slope, indicating that over this entire time period their 'dominance' (as a group,) in reported events is slightly declining. The lowest number of cumulative great power events was recorded in early 2015, but since then we can see a fairly steady increase.

As with some other visuals we will present in this section, It is not easy – also for us – to fully make sense of these findings. We encourage our readers to think of this as an analogous measure to the 'volume' index that is a standard reporting measure for stock markets: the amount of interactions that take place between buyers and sellers in any given time period. This measure says nothing about the *quality* of interactions. A very small number of extremely large interactions can easily wash out a much larger number of very small ones. It does, however, say something about the actual ongoing activity. And just like in the case of stock markets, for which the financial analytical community finds it meaningful to report on the 'volume' of interactions, so too, we submit, will we – once the policy analytical community becomes more accustomed to these types of heretofore unavailable high level aggregations of massive lower-level data points.

The previous visual illustrated the share great powers represent in *all* inter-state events. But what does their share look like if we only look at *assertive* events? Figure 3.4 reveals that in 2013-2016, the share of assertive great power events in total assertive events has been in the range of 38% to 51% – with a single peak reached in May 2014. During the period from March until May 2014, the share of great power events in all assertive events exceeded that of non-great powers. Yet, throughout the rest of the analyzed time period, non-great powers accounted for a significantly higher number of global assertive events compared to other countries. Considering that the 6 great powers currently represent approximately 52% of global population (and that share is declining)[21] and account for 71.51% ($52.26 trillion) of world (nominal) GDP ($73.502 trillion) (also declining)[22] and 61.66% of global exports of goods and services (declining as well)[23], we find that, as a group, they are actually less 'assertive' than more 'normal' nations.

Figure 3.4 Breakdown of assertive events in great power and non-great power assertive events



21. The World Bank, "Population, Total," *The World Bank*, 2016, http://data.worldbank.org/indicator/SP.POP.TOTL.

22. The World Bank, "GDP (Current US$) | Data," *The World Bank*, 2016, http://data.worldbank.org/indicator/NY.GDP.MKTP.CD?end=2015&locations=RU-US-IN-CN-EU-1W&start=2015&view=bar.

23. The World Bank, "Exports of Goods and Services (Current US$)," *The World Bank*, 2016, http://data.worldbank.org/indicator/NE.EXP.GNFS.CD?locations=US-CN-RU-IN-EU.

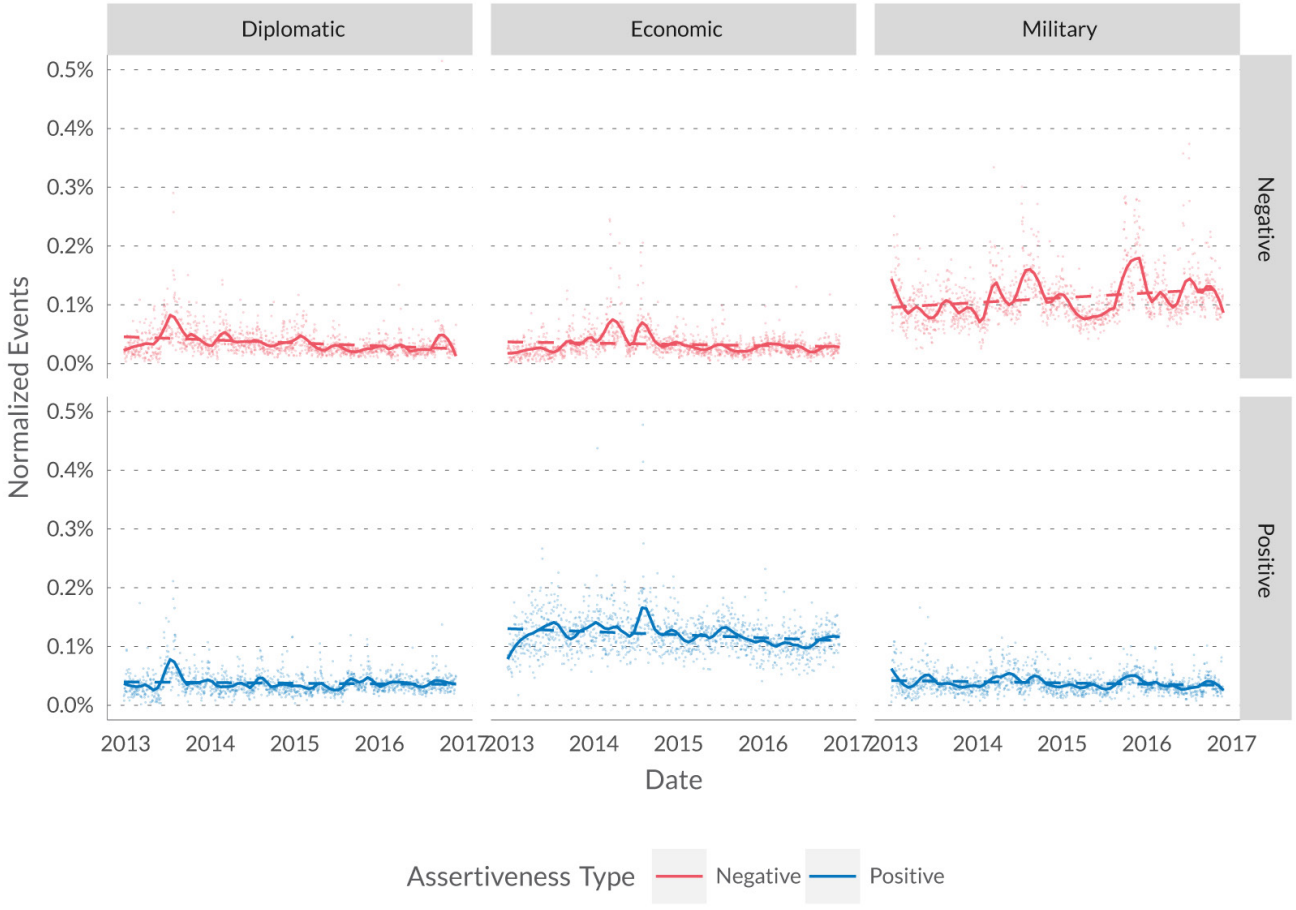
We thus find that the cumulative assertiveness of great powers is lower than many might have suspected. But is it growing or declining? Contrary to what we saw previously with respect to their share in total global events, the relative share of great power assertive events over the entire time frame from 1979 until 2016 trends upwards. Our data also shows that the peak of 51% recorded on several days in May 2014 represents the highest percentage of assertive great power events throughout the entire time period from 1979 to 2016. At the same time, to put this in perspective, we still would like to note that when we compare the Cold War period with the observations in the last three years, great power assertiveness relative to the assertiveness of other states was, on average, slightly higher in the 1980s than it has been for the past few years. So we are not quite back to Cold War levels, but the upward trend is still visible.

Non-great powers as a group actually initiate more assertive events globally compared to great powers.

Summing up, the above analysis allows us to conclude, somewhat counterintuitively, that non-great powers as a group actually initiate more assertive events globally compared to great powers.

Figure 3.5 displays the breakdown of aggregate *factual* (i.e. excluding purely *rhetorical* events) assertive great power events across the *diplomatic*, *economic* and *military* domains. The row labelled "Negative" indicates negative assertiveness (assertive in negative ways); "positive" illustrates positive assertiveness (assertive in positive ways).

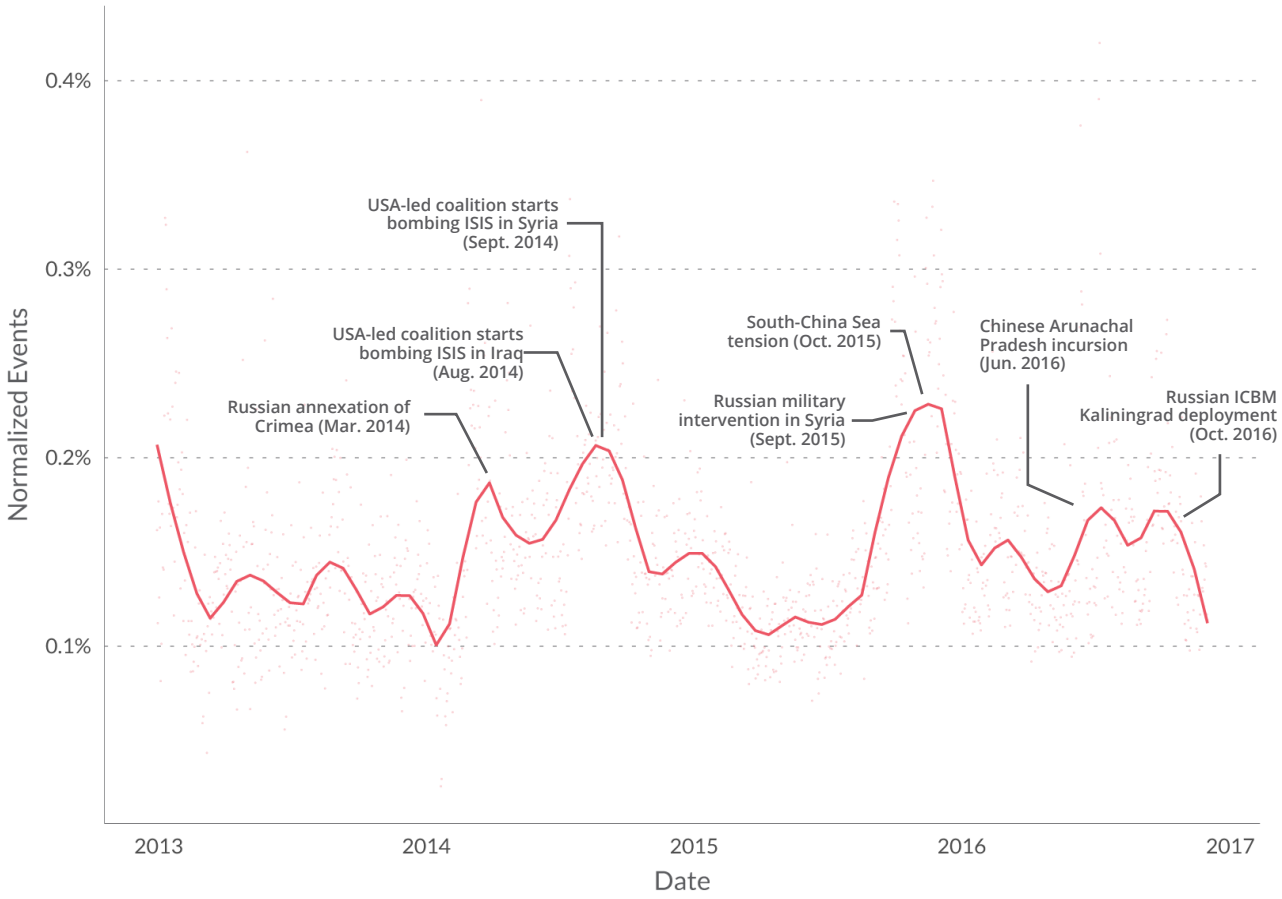
Figure 3.5 Aggregate *factual* great power assertiveness (GDELT, 2013-2016)



In different domains, we observe diverging trends in aggregate great power assertiveness. Both of our GDELT and ICEWS datasets robustly indicate that both negative and positive *diplomatic* assertiveness for the group of great powers has been decreasing *factually*. In the *economic* realm, we observe a fairly strong decline in positive assertiveness. Against the backdrop of growing evidence that economic ties tend to decrease the likelihood of conflict among states,[24] we see this as a worrisome development.

In the economic realm, we observe a fairly strong decline in positive assertiveness. Against the backdrop of growing evidence that economic ties tend to decrease the likelihood of conflict among states, we see this as a worrisome development.

Figure 3.6 *Factual* military assertiveness for all great powers (GDELT and ICEWS, 2013-2016)



24. See, for instance, John R. Oneal Håvard Hegre and Bruce Russett, "Trade Does Promote Peace: New Simultaneous Estimates of the Reciprocal Effects of Trade and Conflict," *Journal of Peace Research* 47, no. 6 (August 4, 2011): 763–74. The view that economic interdependence promotes peace is, however, not undisputed in the academic literature. For an overview seeEdward D. Mansfield and Brian M. Pollins, eds., *Economic Interdependence and International Conflict: New Perspectives on an Enduring Debate*, Michigan Studies in International Political Economy (Ann Arbor, MI: The University of Michigan Press, 2003).

Even more discomfortingly, the most salient trend for the overall group of great powers has been the increase in negative *factual military* assertiveness. This trend figures prominently in both our GDELT and ICEWS data, as can be seen in the upper right section of Figure 3.6. This observation jibes with observations we made in previous edition of the HCSS Strategic Monitor and therefore appears to represent a robustly worrisome longer-term trend.[25] Correspondingly (and also discomfortingly) a slightly decreasing trend has occurred in positive *military* assertiveness.

The most salient trend for the overall group of great powers has been the increase in negative factual military assertiveness.

The upward trend in negative *military* assertiveness can be illustrated by the fact that over the past three years several major conflicts involving many of our six great powers in one way or another have taken place. This is depicted in more detail in Figure 3.6 which shows our GDELT data on aggregate *factual military* assertiveness. We observe that peaks in assertiveness levels as recorded by GDELT coincide with the major conflicts of the last years. The most prominent of these have been the conflict in Ukraine, the Syrian Civil War and the Iraqi Civil War. Other arenas of tension have been the territorial disputes in the South China Sea, the Baltic region and Kashmir.

We just found that as a group, great powers do not appear more assertive than other states. Their overall levels of assertiveness also does not seem to have undergone any major shifts over the past three years. But what happens when we compare the six of them with each other? Even if they are not 'big bullies' as a group, could some of them still be bigger 'bullies' than others?

Figure 3.7 clearly visualizes that – even under the Obama administration – the USA *factually* remains the single most assertive great power across all categories. This corresponds to its standing as the world's only remaining superpower. Its lead is most pronounced in the categories negative *military* and positive *economic* assertiveness.

In most domains, our newly defined 'E28' proves to be the second most assertive power after the USA. This goes against the grain of some of our findings in previous HCSS work on assertiveness. This is due to the way in which we are treating 'Europe' as an actor this year (see section 3.2.3).[26] Instead of using the more ambiguous 'Europe' actor code, we this year aggregated the individual data points for the respective EU member states. This is also why we use the code 'E28'. Not surprisingly, this leads to dramatically different and – we would suggest – more realistic findings. With respect to negative *military* assertiveness, we find E28 to be the second most assertive actor for most of this period after the USA, until it was surpassed by Russia at the end of 2015 (Syria). Given EU member states' (including the Netherlands) military activities in Northern Africa and in the Levant, this should not come as a total surprise. Throughout the different kinds of GP assertiveness, our current operationalization still shows India and Japan as much more low-key compared to the rest of the group. We therefore still – and here we are in line with the main observation we made in our *Assertivitis* study earlier this year[27] – do not find 'assertivitis' to be congenitally 'encoded' in the DNA of every single great power.

The USA factually remains the single most assertive great power across all categories. This corresponds to its standing as the world's only remaining superpower.

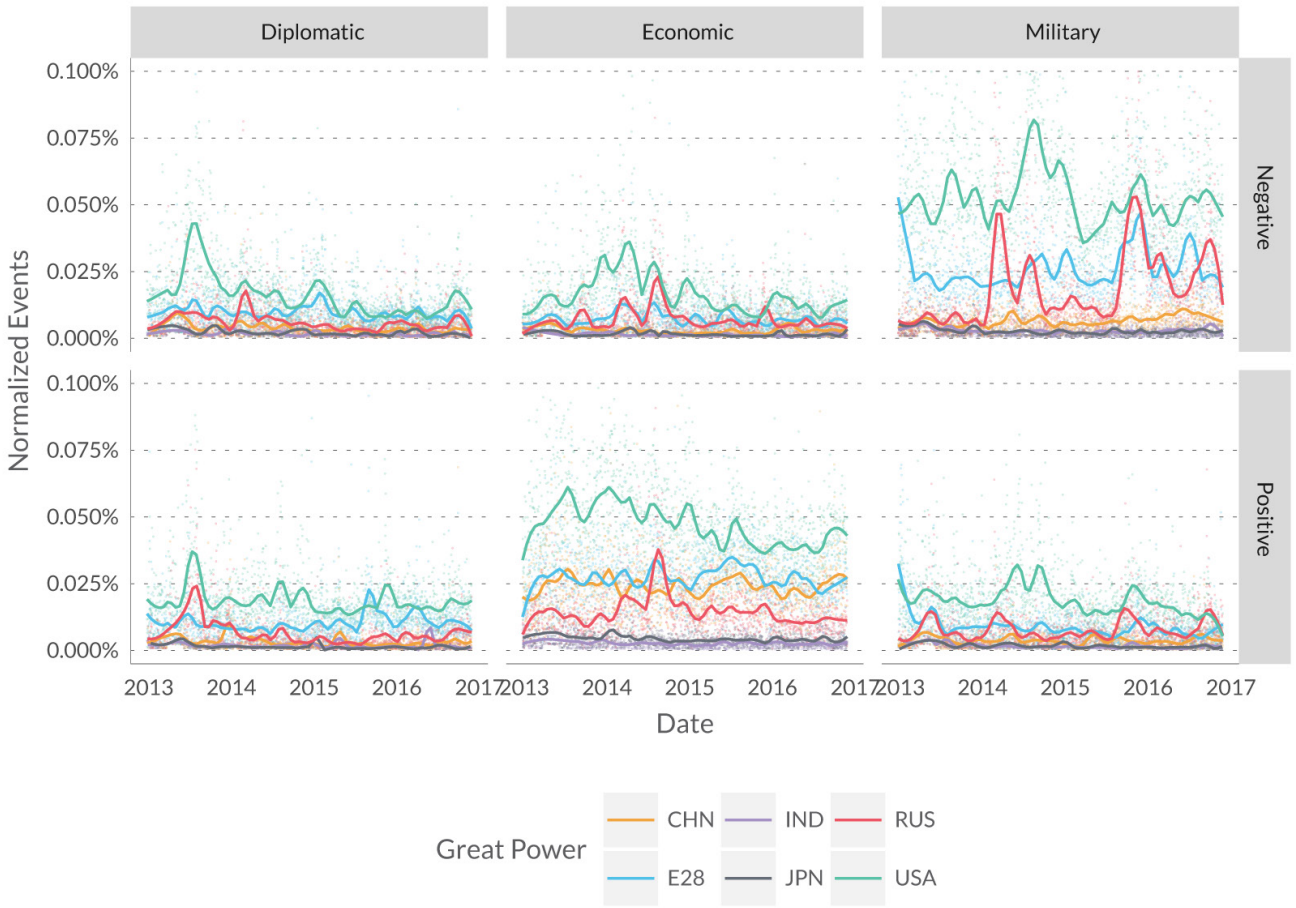
25. De Spiegeleire, *Strategic Monitor* 2016.

26. In previous editions, we use the CAMEO code 'Europe'. An additional micro-audit we conducted into GDELT this year suggests that the GDELT 1.0 coding engine (TABARI) only picks up words like "Europe" or "European" when it codes an actor as 'EUR'.

27. De Spiegeleire, *Strategic Monitor 2016.*

With regard to positive *economic* assertiveness, we see that the world's largest economies, i.e. China, E28 and the USA are leading, while India, Japan and Russia lag behind in this domain.[28] Noteworthy is that the positive *economic* assertiveness of the USA can be seen to have been declining quite steeply. E28 show a stable increase in positive *economic* assertiveness whereas China seems to have declined slightly. Taken together, these trends can be viewed as an indication of an indeed increasingly polycentric world – at least in economic terms.

Figure 3.7 Diplomatic, economic and military assertiveness of great powers (GDELT, 2013-2016)



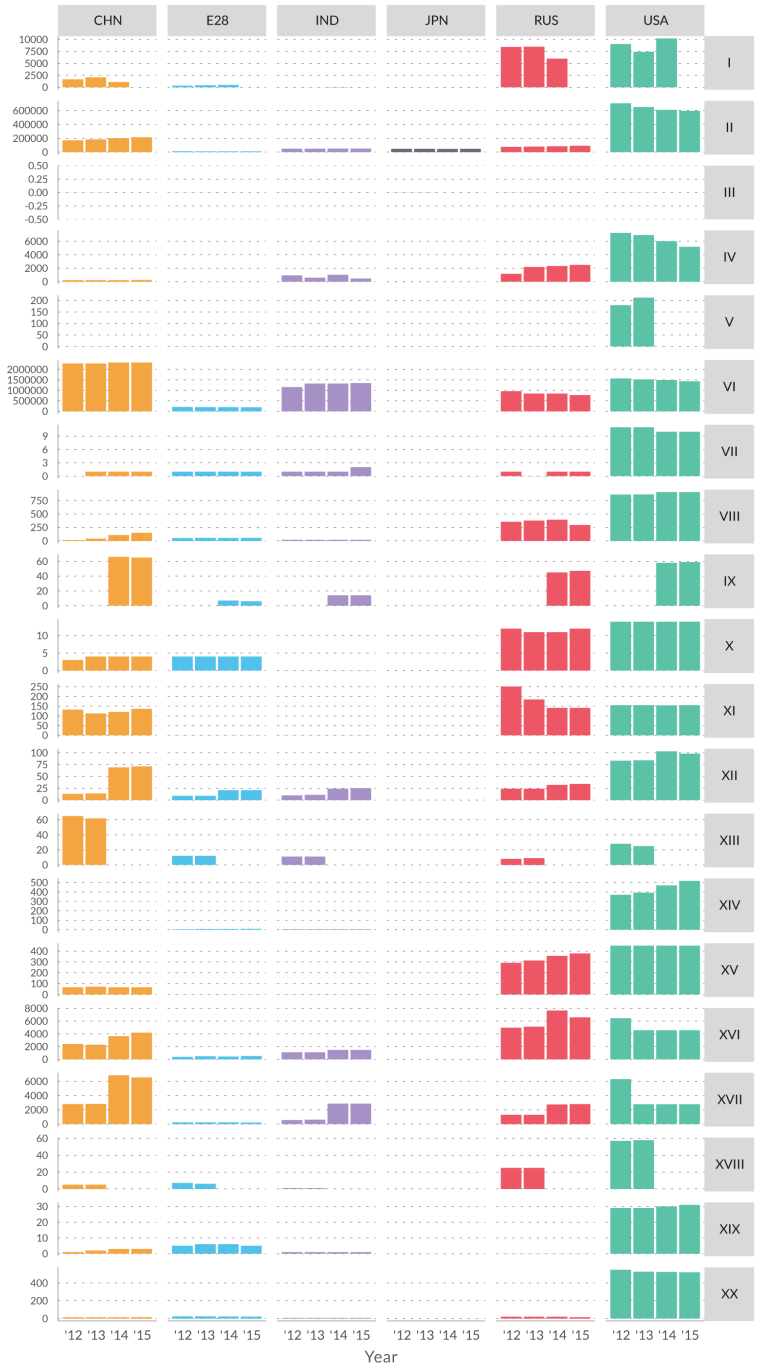
Offering us further insights into the *military* assertiveness of the six great powers in comparison, Figure 3.8 provides an overview of their military assets that we have coded as potentially 'assertive' based on the IISS Military Balance data.[29] We can see that the Chinese and Russian military expenditure shows an upward trend, while the USA has been cutting its defense budget. Simultaneously, arms transfers have been decreasing for the two former countries, while the USA shows an increasing trend. This is an important indication that the upward trend in military assertiveness is not demonstrated by our great powers to an equal extent. Section 3.3.2 will provide more detailed analyses of individual great power assertiveness trends.

28. The World Bank, "GDP (Current US$) | Data."

29. The International Institute for Strategic Studies, *The Military Balance 2016* (The International Institute for Strategic Studies, February 9, 2016), https://www.iiss.org/en/publications/military%20balance/issues/the-military-balance-2016-d6c9.

Figure 3.8 Overview military assets for the great powers, IISS (2015)

I Arms Transfers - by exporter (SIPRI)
II Military Expenditures (SIPRI)
III Military Personnel, as % of population
IV Troops Deployed - by Source
V Weapon Systems - 5th gen TA
VI Weapon Systems - Active Manpower
VII Weapon Systems - Aircraft carriers
VIII Weapon Systems - Attack Helicopters
IX Weapon Systems - Attack/Guided missile submarines
X Weapon Systems -Ballistic-missile nuclear-powered submarine
XI Weapon Systems - Bomber aircraft
XII Weapon Systems - Cruisers/destroyers
XIII Weapon Systems - Frigates
XIV Weapon Systems - Heavy unmanned aerial vehicles
XV Weapon Systems - ICBM
XVI Weapon Systems - Modern AIFVs
XVII Weapon Systems - Modern MBTs
XVIII Weapon Systems - Nuclear-powered submarines
XIX Weapon Systems - Principal amphibious ships
XX Weapon Systems - Tanker and multi-role tanker/transport aircraft



Great Power Influence

So much for great power assertiveness. But what do our datasets tell us about how (potentially) *influential* the different great powers are?

The GII data presented in Figure 3.9 shows that the E28 and the USA – which we also just labelled the world's two most assertive powers – have the largest overall global influence in the *security*, *economic* and *political* domains.

The E28's influence is – by far – the greatest across all these categories. As we pointed out before, this finding must be interpreted with care. First of all, our actor code 'E28' aggregates the influence of all 28 EU member states into a single metric. Secondly, it is important to reemphasize that our index does not try to capture *actuated* influence, but *potential* influence (see section 3.2.3). Our own reading of this finding is therefore not so much that 'Europe' is the most influential actor in the world. Instead, we are inclined to see E28's high influence scores as a healthy reminder of Europe's continued potential weight in the world (which many Europeans might find encouraging) but also of the enormous gap between that potentiality and actual reality.[30]

We are inclined to see E28's high influence scores as a healthy reminder of Europe's continued potential weight in the world (which many Europeans might find encouraging) but also of the enormous gap between that potentiality and actual reality.

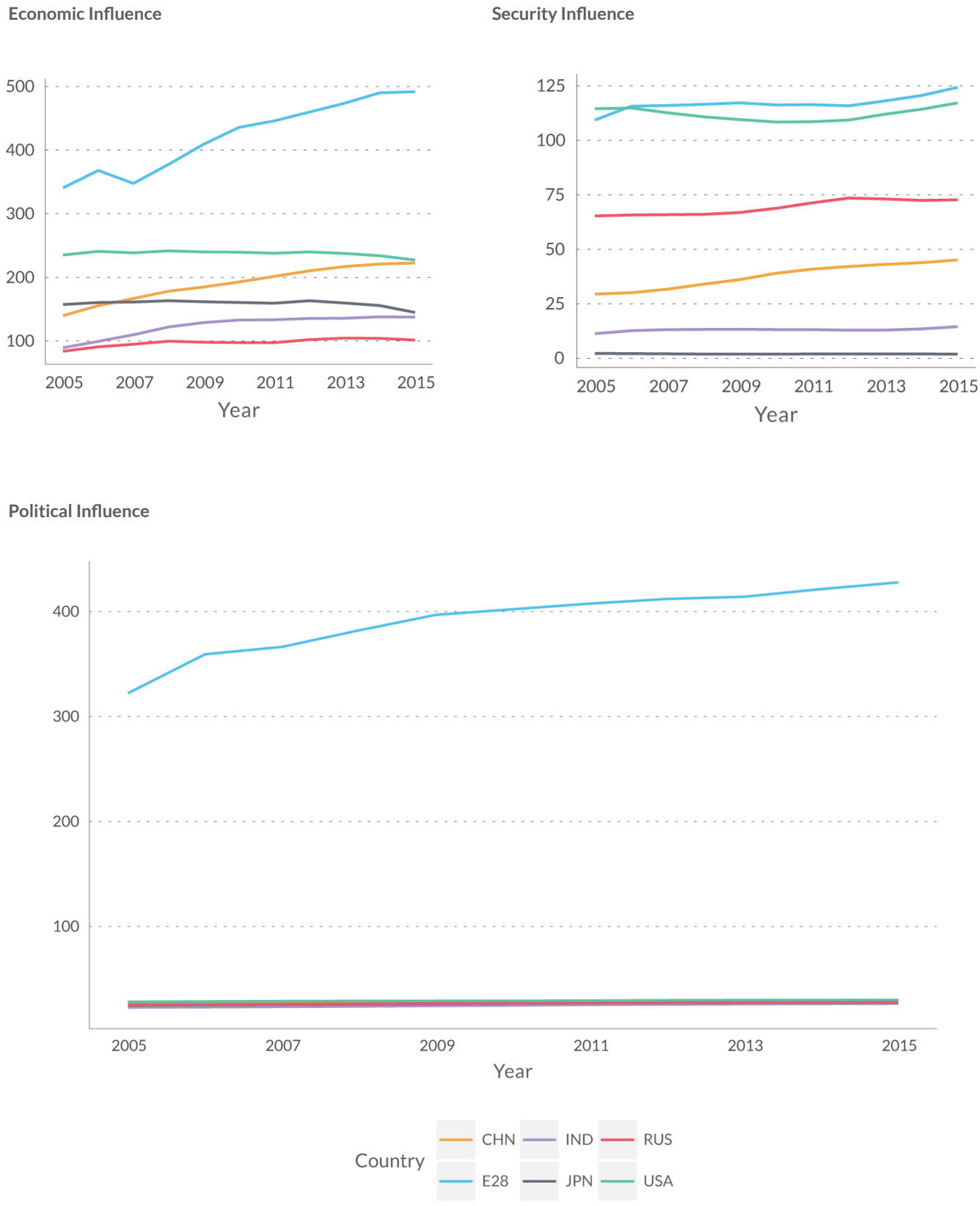
With regards to Russia, we observe that it wields the least influence in the *economic* domain, while being the third most influential – after the USA and E28 – in the realm of *security*. China has over the last years occupied the "midfield" in terms of *economic* and *security* influence, yet according to the GII data in 2015 it has caught up with the USA in terms of *economic* influence. This is in line with the familiar narrative of the Chinese challenge to US unipolar dominance in world affairs – thus far, however, only in economic terms.

Japan and India appear as the great powers with the least influence in the *security* domain. This is fully in line with the trends in assertiveness based on our event databases.[31] In the *economic* domain, Japan's influence is higher than that of India, yet their trends point in different directions: while India's economic clout is growing, Japan's influence is on a downward trajectory.

30. In some sense, this gap could be seen as another twist on Christopher Hill's well known formulation of a 'capabilities-expectations gap Hill, "The Capability-Expectations Gap, or Conceptualizing Europe's International Role."' in the European Union's international presence – the gap between what it has been talked up to do and what it was able to deliver. The gap we are referring to here is one between latent and manifest influence.

31. For an in-depth GII-based analysis of the influence of individual great powers on selected pivot states see section 3.4.

Figure 3.9 GP influence in the *economic*, *political*, *security* domain (2005-2015), Global Influence Index



3.3.2 Individual Great Powers

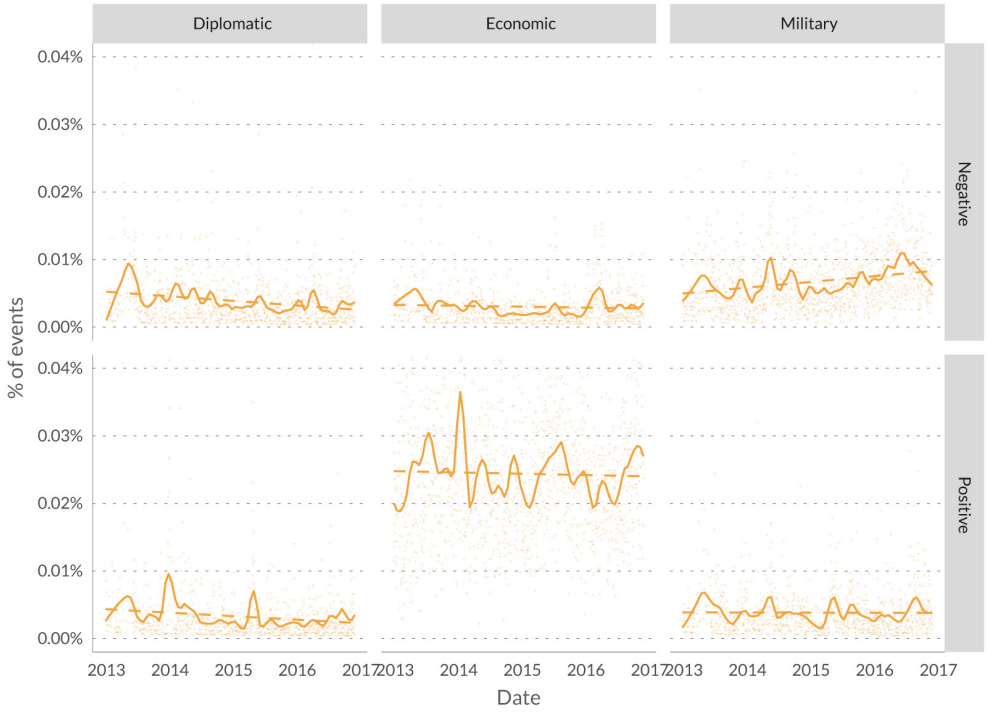
China

In line with our finding for the entire group of great powers, the most salient trend with respect to China has been its increasing negative *military* assertiveness. GDELT shows peaks in China's assertiveness in events where China has been firmly defending its stance in the South China Sea conflict against the ruling of the Permanent Court of Arbitration. China claims the 9-dash line, which conflicts with UNCLOS-defined maritime borders of adjacent states, including, amongst others, the Philippines, Malaysia and Vietnam. In these disputed South China Sea territories, it has been increasing its military presence by deploying anti-ship cruise and surface-to-air missile systems, amongst others on the Paracel island group in early 2016. Moreover, China conducted military exercises near the Japanese island of Okinawa, to which it lays territorial claims. Another example of China's increasing negative *military* assertiveness are extensive joint Chinese-Russian military exercises in the South China Sea.

GDELT shows peaks in China's assertiveness in events where China has been firmly defending its stance in the South China Sea conflict against the ruling of the Permanent Court of Arbitration.

Next to the upward trend in China's negative assertiveness in *military* terms, the GDELT and Phoenix data points to a decrease in its negative *diplomatic* assertiveness – although it is somewhat less pronounced. A recent example of China's positive *diplomatic* assertiveness is the Chinese-Turkish pledge to increase collaboration in counter-terrorism in a side meeting of the G20 Summit in Beijing despite disagreements over China's treatment of its Muslim Uighur minority.

Figure 3.10 China – *Factual* diplomatic, economic and military assertiveness



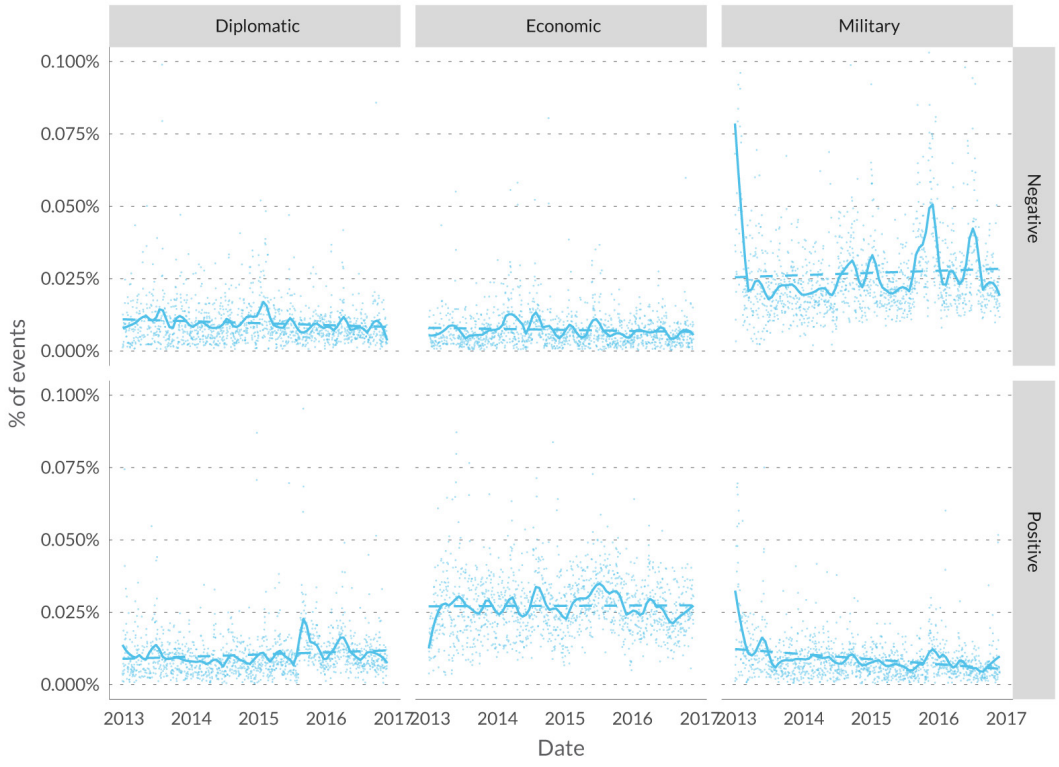
E28

Our event data shows a slight upward trend in E28's negative *military* assertiveness. Regarding the magnitude of this trend, a comparison of trend line coefficients shows that it is smaller than the Russian trend (see below), but larger than China's. We re-emphasize that our finding of E28's increased negative *military* assertiveness differs from our previous findings, as published in our *Great Power Assertivitis* report earlier in 2016,[32] which pointed to decreased EU military assertiveness. We attribute this difference to our altered – in our view more accurate – operationalization of 'Europe' in this report (see above). In this case, for instance, this upward trend is based on the significant military involvement of a number of E28 states, e.g. Belgium, Denmark, France, the Netherlands and the United Kingdom in coalitions against ISIS and to the participation in Russia-deterring troops in the Baltics.

Regarding *economic* assertiveness, we can see upward trends in E28's positive as well as negative *economic* assertiveness. As an example of the former, recently – despite a delay caused by a veto of Belgium's regional parliament of Wallonia – the EU succeeded in getting unequivocal support for Comprehensive Economic and Trade Agreement (CETA), the free-trade agreement between Canada and the European Union, among its member states.

In the *diplomatic* realm, GDELT and ICEWS show a slight downward trend in the E28's negative assertiveness. This can be illustrated by the fact that the EU was resolute in introducing sanctions against Russia over the annexation of Crimea and Russia's role in Eastern Ukraine, but did not do so following the Aleppo bombings in Syria.

Figure 3.11 E28 – *Factual* diplomatic, economic and military assertiveness



32. De Spiegeleire, *Strategic Monitor 2016*.

India

In contrast to the overall trend for the group of great powers, our data suggests that India's negative *military* assertiveness has been on a declining trend over the past three years. To be sure, recently, rising tensions and ceasefire violations at the highly militarized Line of Control (LOC) in Kashmir in September and October 2016 have driven up the level of Indian assertiveness in our data. However, our analysis suggests that these incidents are not yet reflective of a broader trend in India's negative *military* assertiveness.

Similar to the trend in its *military* assertiveness, India's negative *diplomatic* assertiveness is on a slightly declining trajectory. Simultaneously, India's positive *diplomatic* assertiveness is also decreasing, as is its *economic* assertiveness. Against this backdrop, India is best regarded as a – *factually* – comparatively low-profile great power in our group that does not currently strive to expand its international influence in as assertive a manner as its great power peers. Since Modi's ascent to power in 2014, in its foreign policy India has strived to maintain and deepen relations with numerous countries across the globe and to strengthen its position in global governance fora, e.g. by successfully lobbying for full membership of the Shanghai Cooperation Council (SCO) and ongoing attempts to acquire a seat on the United Nations Security Council (UNSC).[33]

On the contrary, when turning from *factual* to *rhetorical* assertiveness, the GDELT data for India shows a slightly increasing trend. In fact, some analysts have found that the country has entered a new era of assertiveness when Modi and his nationalist party BJP came to power in 2014.[34] According to our data, this statement could only – and with much caution – be related to Modi's rhetorical pronouncements, while *factual* developments do not support it.

Figure 3.12 India – *Factual* diplomatic, economic and military assertiveness

33. IANS, "India's UN Security Council Permanent Seat Hope Receives Setback - Times of India," *The Times of India*, July 28, 2016, http://timesofindia.indiatimes.com/india/Indias-UN-Security-Council-permanent-seat-hope-receives-setback/articleshow/53432239.cms.

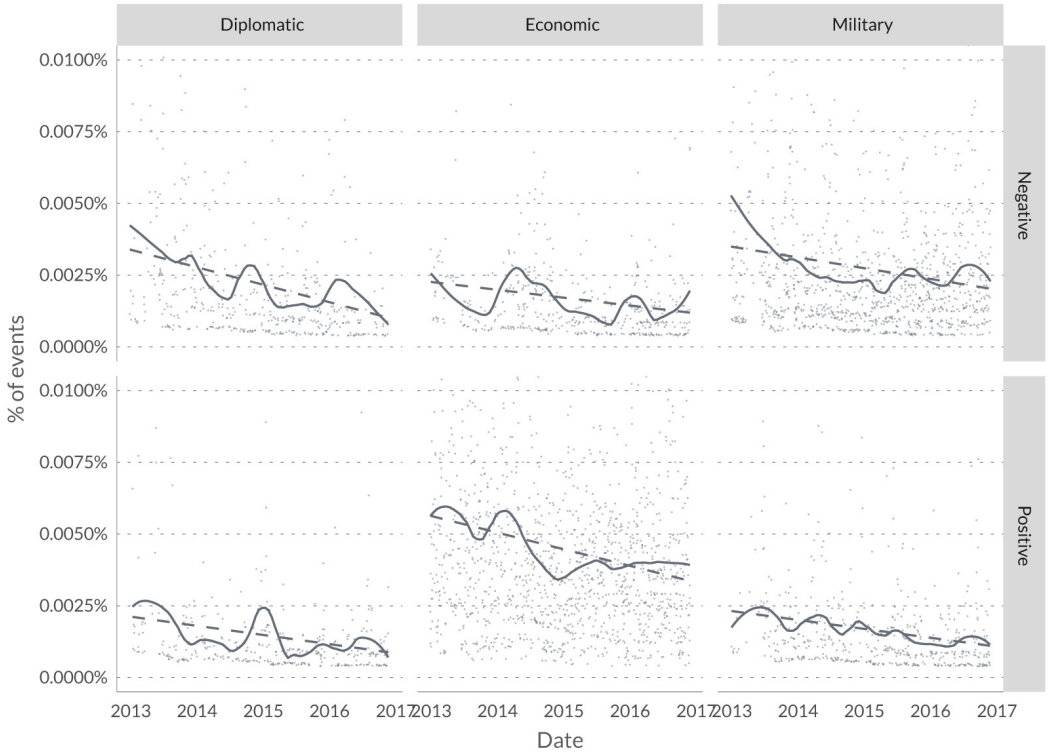
34. See, for instance, Hailin Ye, "India's Policy Towards China Under the Mindset of 'Assertive Government,'" in *Annual Report on the Development of the Indian Ocean Region (2015)*, 2016, 33–46. See also De Spiegeleire, *Strategic Monitor 2016*, p.39.

Japan

Turning to Japan, our data surprisingly suggests that its assertiveness has been on a downward slope in all our categories. This is true both for *factual* and *rhetorical* assertiveness. Despite this overall downward trend, we still detect some peaks that confirm the widely cited coverage of the ongoing Japanese debate on the need to strengthen its security position. Part of this debate – appearing as an instance of negative *rhetorical military* assertiveness in GDELT – has been the discussion on the revision of Article 9 of Japan's constitution prohibiting the maintenance of armed forces able to wage war.[35] Moreover, to strengthen the Japanese defense industry, in April 2014, on Prime Minister Abe's initiative the Three Principles covering Japan's arms exports and defense cooperation were relaxed. Japan has since then been able to sign defense deals with a number of countries including Britain, India and the Philippines.[36]

While perceiving China's rise as a potential security threat, Japan has thus far primarily relied on the strategy of strengthening its international partnerships rather than on systematic displays of assertiveness.

Figure 3.13 Japan – *Factual* diplomatic, economic and military assertiveness



35. Justin McCurry, "Japan Could Change Pacifist Constitution after Shinzo Abe Victory," *The Guardian*, July 11, 2016, sec. World news, https://www.theguardian.com/world/2016/jul/11/japan-could-change-pacifist-constitution-after-shinzo-abe-victory.

36. Yuki Tatsumi, "Why Japan's Defense Deal With the Philippines Is Unique," *The Diplomat*, March 10, 2016, http://thediplomat.com/2016/03/why-japans-defense-deal-with-the-philippines-is-unique/.

Yet, overall, our data shows that, while perceiving China's rise as a potential security threat, Japan has thus far primarily relied on the strategy of strengthening its international partnerships rather than on systematic displays of assertiveness. This may be a good example of how some widely known and debated 'peak-events' might still mask a broader and more balanced assessment of the full record. A recent landmark in the Indo-Japanese relationship, for instance, has been the signature of a civil nuclear deal. Japan is also currently aspiring to improve relations with Russia, nevertheless the negotiations over the Kuril islands past December did not lead to a salient solution solving the territorial dispute dating back to WWII.[37]

Russia

Out of the five great powers, Russia is the country with the most pronounced upward trend in negative *military* assertiveness. Over the last two years, it has been operating militarily in Ukraine and in Syria as well as increasing its military presence at the borders with the Baltic region. The phase of Russia's increased negative *military* assertiveness began with the annexation of the Crimea in March 2014 and its support for the pro-Russian separatist territories in the Ukrainian civil war.

Out of the five great powers, Russia is the country with the most pronounced upward trend in negative military assertiveness.

Figure 3.14 Russia – *Factual* diplomatic, economic and military assertiveness

37. Ankit Panda, "What Will a Kuril Islands Deal Between Russia and Japan Take?," *The Diplomat*, November 7, 2016, http://thediplomat.com/2016/11/what-will-a-kuril-islands-deal-between-russia-and-japan-take/.

In September 2015, Russia militarily intervened in Syria, where it has been engaged in an air campaign supporting Bashar al-Assad. In autumn 2016, Russia's bombings of Aleppo have drawn vast international attention and have led to calls for war crimes investigations. As well, Russia increased the presence of combat aircraft to fly missions and sent its only aircraft carrier the Admiral Kuznetsov to the Eastern Mediterranean in October 2016. In that same month, In the Baltic region, Russia stationed nuclear-capable "Iskander" intercontinental ballistic missiles (ICBM) in the enclave of Kaliningrad, directly bordering NATO. Since the eruption of the conflict in Ukraine, Russia-NATO tensions in the Baltic region have been continuously increasing.

Next to the trend of increased negative *military* assertiveness, based on GDELT and ICEWS Russia shows a slight but robust negative trend in positive *diplomatic* assertiveness. Examples of this have included Russia's strained diplomatic relations with Turkey following the shooting down of a Russian warplane by Turkey in autumn 2015 and, as recently as in October 2016, President Putin's cancellation of an official visit to France after President Hollande had requested a war crimes investigation into Russia's actions in Syria.

In regards to *economic* assertiveness, a minor decrease in both positive and negative economic assertiveness can be observed, despite several individual events pointing to the contrary, e.g. when Russia demonstrated economic assertiveness banning agricultural and food imports from Turkey following the shooting down of a Russian warplane by the Turkish military in November 2015.

In the realm of rhetorics, we also can observe that Russia's negative *rhetorical military* assertiveness is increasing. Yet, at the same time – and contrary to what much of the current commentary on foreign affairs suggests – Russia's *rhetorical* assertiveness in the *diplomatic* domain shows a downward trend.

USA

While remaining at a higher level compared to the other great powers, the USA's negative and positive *military* assertiveness have actually decreased over the past few years, with the downward trend being more pronounced for positive *military* assertiveness. This resonates with the familiar – albeit controversial – narrative of a declining superpower or of a more 'reserved' Obama administration. These narratives are supported by the dramatically decreasing trends in the USA's positive and negative *rhetorical* assertiveness shown by our data.

Our data also suggests slight decreases in U.S. positive and negative *diplomatic* and *economic* assertiveness. These can be explained by President Obama's focus on multilateralism and strengthening of international institutions, rather than unilateral assertive action.

Figure 3.15 USA – *Factual* diplomatic, economic and military assertiveness

3.4 Great Powers → Pivot States

We have so far given the great powers their due. They remain, as we have emphasized on many occasions,[38] disproportionately important to many of the key geodynamics at work in the international system. Yet they are not the only drivers of international dynamics. In this section, we add pivotal non-great powers to our picture and explore how the influence of the six great powers radiates out towards them – both over time and disaggregated in *economic*, *security* and *political* domains.

HCSS has identified 35 pivot states that we consider to be of crucial strategic importance to the international system. In previous work, we brought forth a set of countries' military, economic and ideational strategic assets – presented in Figure 3.16 – that are likely to be coveted by other states.[39]

38. De Spiegeleire et al., *Assessing Assertions of Assertiveness*, 7–11.
39. Sweijs et al., *Why Are Pivot States so Pivotal?*

Figure 3.16 Identification criteria for pivot states

Military Goods	Economic Goods	Ideational Goods
Adjacent to Great Power	Adjacent toSLOCs/LLOCs	Secular Sites of Importance
Adjacent to Theater of Conflict	Governs a Key (Air)Port	Religious Sites of Importance
Military Expenditures	Foreign Direct Investment	Religious battleground
	Foreign Direc Investment as % of GDP	Political Background
	Resource Rents	Secular Leadership
	Resource Rents as % of GDP	Religious Leadership

Based on a composite measure of these strategic goods as well as on expert judgment,[40] our analysis this year includes the following pivot states: Afghanistan, Australia, Belarus, Brazil, Canada, Cuba, Djibouti, Egypt, Georgia, Indonesia, Iran, Iraq, Israel, Kazakhstan, Korea, Kuwait, Malaysia, Moldova, Mongolia, Myanmar, Nigeria, Oman, Pakistan, Philippines, Saudi Arabia, Singapore, Syria, Thailand, Turkey, Turkmenistan, Ukraine, United Arab Emirates, Uzbekistan, Venezuela and Vietnam. Figure 3.17 illustrates their geographic location.

Our analysis rests on the triple meaning of the term 'pivot' as a noun, a verb and an adjective. As a noun, pivot states are critical points around which great powers revolve. As a verb, 'pivoting' implies shifting allegiance from one great power to another. As an adjective, 'pivotal' illustrates the importance of a pivot state to the international system.

The empirical analysis of great power influence on pivot states enables us to get a nuanced picture of key movements in global geodynamics, the strategies of great powers and the pivot states' behavior on the international arena. Changes in a pivot state's geodynamic alignment may have important repercussions for both regional and global security.[41]

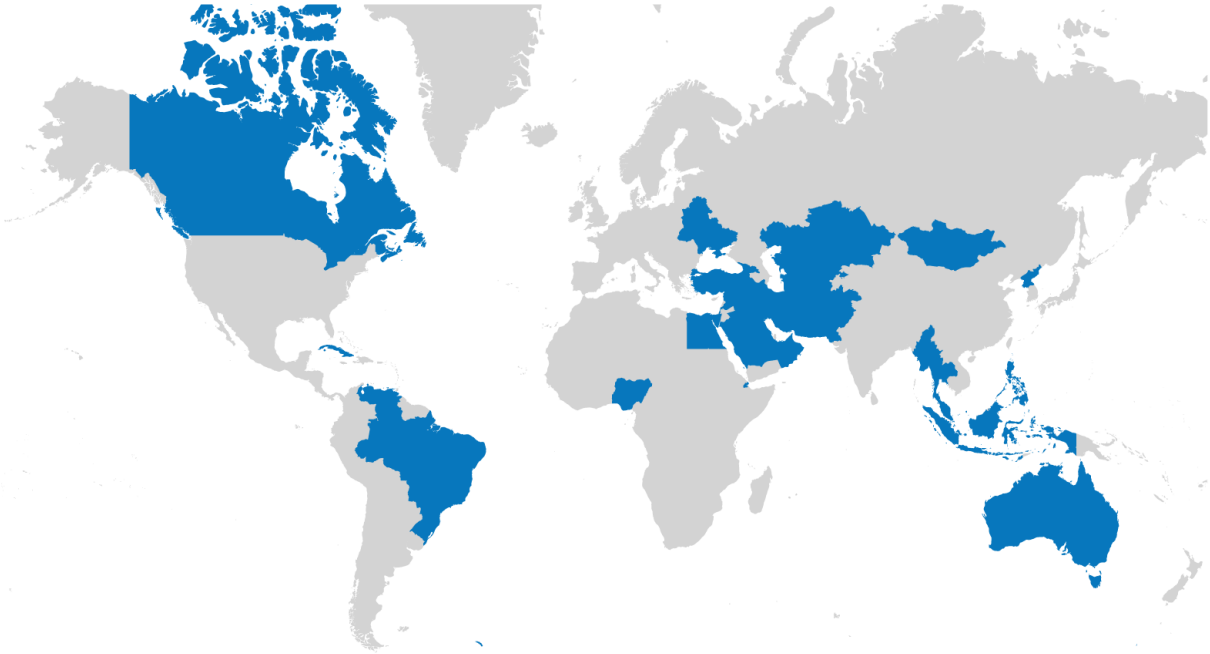
Rather than projecting their *economic*, *security* and *political* influence onto one great power, pivot states tend to interact with multiple great powers at various levels and pursuing different ends. This may be related to the much debated end of the 'unipolar moment'.[42] From an essentially binary choice in the Cold War era ("are we with 'the West' or with 'the Soviet Union'?") and the post-Cold War unipolar moment ("do we (want to) become part of the West or not?"), 'pivot states' now tend to make portfolio choices of relationships that they think are likely to enhance their chances to prosper. The dynamic nature of the interconnections that ensue from these new dynamics arguably make today's international system more fluid.

40. Web-based readers can make their own selection of pivot states based on their selection of these and other criteria of strategic goods.

41. Sweijs et al., *Why Are Pivot States so Pivotal?*, 4:8–9.

42. Michael Mastanduno, "Preserving the Unipolar Moment: Realist Theories and U.S. Grand Strategy after the Cold War," *International Security* 21, no. 4 (1997): 49–88, doi:10.2307/2539283; Charles Krauthammer, "The Unipolar Moment Revisited," *The National Interest*, no. 70 (2002): 5–18; Mark Sheetz and Michael Mastanduno, "Debating the Unipolar Moment," *International Security* 22, no. 3 (January 1, 1998): 168–74, doi:10.1162/isec.22.3.168.

Figure 3.17 Geographic location of pivot states



3.4.1 Overall Trends Over Time

The influence score quantifies the overall potential of a great power to influence other states. The higher the score, the higher the degree of potential[43] influence a great power possesses. In Figure 3.18, we can see that the influence on pivot states of E28[44] (with a 2015 influence score of 8.171) is several times higher than that of the US (with a 2015 score of 1.405), China (0.886), Russia (0.858), India (0.302) and Japan (0.393). As noted in section 3.2, this is due to our methodology operating with the aggregate 'E28' metric and emphasizing the extent of *potential* rather than *actual* weight of the EU in the world. Especially against the background of current discussions about Europe's declining position in the world, this serves both as a salubrious reminder of how much power Europe can still potentially wield and as an indication of what we have called the potential vs actual influence gap.[45]

Turning to the trends in influence over time, we can see that, while the influence of the US and Japan on pivot states seems to be declining recently, E28, Russian, Chinese and Indian influence scores have increased significantly over the past ten years.

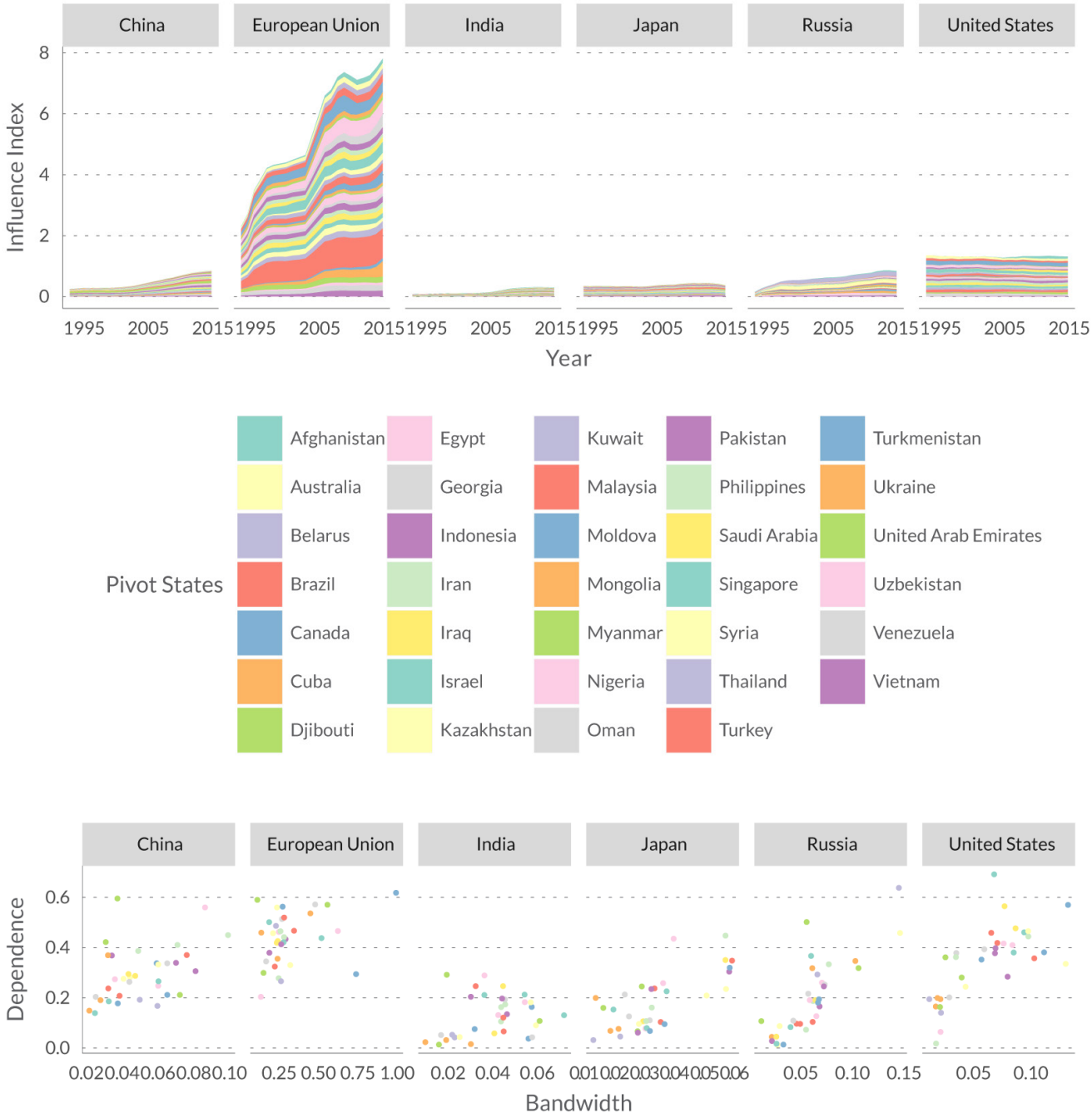
While the influence of the US and Japan on pivot states seems to be declining recently, E28, Russian, Chinese and Indian influence scores have increased significantly over the past ten years.

43. We urge our readers to bear in mind that whenever we use the word 'influence' in this chapter, we are referring to the 'potential' influence and not to the actual actuated influence. See the Methodology

44. Note that label "European Union" in the graphs represents the data for E28, as defined in the introduction to this chapter.

45. In some sense, this gap could be seen as another twist on Christopher Hill's well known formulation of a 'capabilities-expectations gap Hill, "The Capability-Expectations Gap, or Conceptualizing Europe's International Role."' in the European Union's international presence – the gap between what it has been talked up to do and what it was able to deliver. The gap we are referring to here is one between latent and manifest influence.

Figure 3.18 Influence on pivot states overtime and scatter plot of bandwidth and dependence sub-indices



As described in detail in section 3.2.1, the bandwidth subindex – related to the dependence subindex in Figure 3.1 for the year 2015 – measures the magnitude of the relationship between great powers and pivot states reflected in the volume of shared *economic*, *security* and *political* interactions within each dyad. From our data, we can see that the most variance across countries emerges in the dependence of pivot states on great powers. On the contrary, the bandwidth across all great powers – except E28 – tends to be limited to <0.15. For E28, the bandwidth occupies the full range of the variable. This indicates that, while the dependence of pivot states on the different

great powers tends to be of a similar magnitude, the influence bandwidth of E28 on pivot states is greater than that of the other great powers.

3.4.2 Individual Great Powers → Pivots

China

China's ascendance in the international political arena since the early 2000s has been remarkable, with a significant increase in its influence on pivot states from a score of 0.327 to 0.886 in 2003-2015. In fact, between 2005 and 2015, China has increased its influence on all but three pivot states (Oman, Kuwait and Egypt). Its largest influence increases were in Venezuela (+1167%), Turkmenistan (+593%) and Nigeria (+557%).

This surge in influence can above all be attributed to the expansion of the Chinese economy. Over the entire time period we investigate (1992-2015), Chinese influence in the *economic* domain increased from 20.48 to 54.91. According to our data, China's influence is pulled by increases both in the magnitude of *economic* influence and in *economic* dependence on China. Accordingly, between 2005 and 2015, China increased its *economic* influence in all pivot states with the exception of Syria, most notably in those in its close proximity such as Iraq, Georgia, Turkmenistan and Moldova, as well as in Venezuela. Much of this growth in economic influence can be attributed to China's pragmatic approach to foreign economic relations under the guise of Hu Jintao's – supposedly marxist – 'scientific concept of development', which prioritized economic growth over geopolitical muscle-flexing.

In fact, between 2005 and 2015, China has increased its influence on all but three pivot states.

China has consolidated (and aspires to further consolidate) its position as a key trading partner of many pivot states. As such, between 2003 and 2008 China concluded several free trade agreements (FTAs), notably with Singapore (2008), South Korea (2006), Pakistan (2005) and Australia (2005), improving relationships with these pivot states.[46] Moreover, China is currently negotiating or considering FTAs with the GCC (Gulf Cooperation Council) states such as Kuwait, the United Arab Emirates, Oman and Saudi Arabia, as well as Moldova, Japan (vis-à-vis South Korea) and Georgia.[47]

There has also been an increase in Chinese influence in the *security* domain, which has increased from 10.16 to 13.86 between 1992 and 2015 respectively. This can be broken down into three phases, where China's influence first decreased in between 1992 (10.16) and 1999 (8.55), then incrementally rose until 2008 and, finally, increased more quickly in between 2008 (10.3) and 2015 (13.86). China has attempted to assert itself as an international arms exporter with an 88% increase of arms exports between 2006 and 2015, during which China's share of global arms rose from 3.6% to 5.6%.[48] Pakistan and Myanmar account for 35% and 16% of China's total export of arms respectively, both of which are neighbors of India, the leading importer of arms in the region.[49] In line with the expansion of its *security* influence, in June this year China set up its first military base in the Horn of Africa.[50]

46. China Free Trade Agreements Network, "China FTA Network," 2016, http://fta.mofcom.gov.cn/english/fta_qianshu.shtml.

47. Ibid.

48. Aude Fleurant et al., "Trends in International Arms Transfers 2015" (Stockholm International Peace Research Institute, February 2016), http://books.sipri.org/files/FS/SIPRIFS1602.pdf.

49. Ibid.

50. Katrina Manson, "China Military to Set up First Overseas Base in Horn of Africa," *The Financial Times*, March 31, 2016, https://www.ft.com/content/59ad20d6-f74b-11e5-803c-d27c7117d132.

E28

Over the past fifteen years, the most significant change in E28 influence scores occurred between 2003 and 2008, when E28 influence increased from 4.776 to 7.40. Between 2009 and 2011, its influence declined slightly, which was followed by a renewed recovery between 2011 and 2015, with the influence score of E28 ultimately peaking at 8.172. Against this backdrop, the influence of E28 on pivot states over the last fifteen years can be characterized as fairly volatile.

The dramatic rise in E28 influence between 2003 and 2008 is partially due to the expansion of the EU, with 12 states acquiring EU membership during this period.[51] This resulted in greater aggregate influence of what are today 28 member states. As a single aggregate entity, the expansion of the EU greatly increased Europe's international economic influence, with trade as percentage of GDP growing from 65% in 2003 to a 2008 peak of 77.7%.[52]

The decline in E28's influence in 2009-2011 is related to the adverse economic effects of the global financial crisis. In fact, this resonates with the forecast in one of our previous analyses that the financial crisis would contribute to a global shift of power from West to East.[53] At the same time, we note that most of the overall decline in 2009-2011 is pulled by decreases in the *economic* dependence on the E28, while the magnitude of economic exchanges increased – despite the economic crisis.

Economic factors also are the main driver behind the increase in E28's influence on pivot states in 2011-2015. In particular, in between 2013 and 2015, E28's *economic* bandwidth score experienced its steepest rise over the entire fifteen-year period we look at. Therefore, to sum up, while the E28's good economic standing is what elevates its status as a great power, its influence is vulnerable to economic downturns. Much of the E28's influence in the *economic* domain is concentrated on pivot states within its immediate proximity, such as Georgia, Ukraine, Belarus and Moldova, as well as Afghanistan, Djibouti and South Korea. We find no indication that the *security* and *political* domains had any major impact on the volatility of E28's influence over time, with both *security* dependence on the E28 and *security* and *political* bandwidth of E28 increasing steadily in 2000-2015. In the *security* domain, E28 influence on pivot states increased from a 1993 score of 21.75 to a 2015 score of 49.52. We note that between 2005 and 2015, E28 influence increased in Southeast Asia, notably in Indonesia (by 29%), Malaysia (34%), the Philippines (19%), Vietnam (40%) and Thailand (30%), mostly due to increases in arms exports to this region. Another interesting development is the expansion of the E28 arms trade in former Soviet states. For instance, the UK began trading arms with Ukraine in 2014, Spain with Uzbekistan in 2009, Germany with Kazakhstan in 2009 and Italy with Turkmenistan in 2010. The shift of these pivot states to European markets demonstrates the changing nature of the international arms market, as it is increasingly becoming a buyer's market. While they previously imported arms mostly from Russia, new avenues are now open for arms exchange with the E28.

While the E28's good economic standing is what elevates its status as a great power, its influence is vulnerable to economic downturns.

Finally, regarding the relations of E28 with pivot states, Turkey is an important outlier, with E28 influence over Turkey being much higher compared to its influence over other pivot states. This

51. With Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia ascending in 2004 and Bulgaria and Romania ascending in 2007.

52. The World Bank and Organisation for Economic Co-operation and Development, "Trade (% of GDP)," *The World Bank*, 2016, http://data.worldbank.org/indicator/NE.TRD.GNFS.ZS?locations=EU.

53. Michael Glod et al., *Future Issue: Economic Crises - Examining the Security Implications* (The Hague: The Hague Centre for Strategic Studies, 2009), http://hcss.nl/sites/default/files/files/reports/01.10_.2009_-_Future_Issue_-_Economic_Crises_.pdf.

stems from Turkey's high *economic* and *security* dependence on the E28. This finding is not entirely unexpected, as Turkey has flirted with the idea of joining the European Union since 1997, when it was first deemed eligible.[54] We present a detailed analysis of Turkey's pivoting behavior in relation to the EU as well as to other international actors in the case study "A Farewell to the West? Turkey's Possible Pivot in the Aftermath of the July 2016 Coup Attempt".

Regarding the relations of E28 with pivot states, Turkey is an important outlier, with E28 influence over Turkey being much higher compared to its influence over other pivot states.

India

India's influence on pivot states increased over time from a score of 0.080 in 1992 to 0.302 in 2015. Nonetheless, it remains dwarfed compared to that of the other great powers. India's increases in influence can be divided into two stages, with incremental increases (from 0.080 to 0.132) between 1992 and 2004 and a substantially steeper increase between 2004 (0.132) and 2008 (0.261). The latter was driven by the rise in India's *economic* influence and, in regional terms, by the expansion of India's influence in Iraq, Myanmar, Nigeria and Singapore. In the last few years (2013-2015), India's influence on pivot states experienced a slight decline from 0.314 in 2012 to 0.302 in 2015.

Moreover, we find that from 2005 to 2015, India's influence increased on all pivot states except Syria. In 2015, the largest recipients of Indian influence were Afghanistan, Iraq, UAE, Singapore and in Myanmar. Yet, the magnitude of India's influence in these countries is still comparatively low in relation to the influence exercised upon them by other great powers. Dependence on India is also generally low as India, itself, is relatively dependent on other great powers. For instance, India is the largest arms importer in the world.

Movements in India's overall influence on pivot states are closely aligned with the shifts in its *economic* influence. Contrariwise, India's *security* influence – which is low in relation to its *economic* influence as well as in international comparison – increased between 1996 and 2005 as well as more recently from 2012 onwards. India's *security* influence is traceable in only a few pivot states, including Uzbekistan, Ukraine, Israel and Myanmar.

Many experts attribute India's overall lack of international influence to disorientation and volatility in Indian foreign and strategic policy (or even its absence), especially considering its shifting stances in relation to regional adversaries.[55] Yet, we do not find that India's influence has been more volatile (with volatility being measured as the standard deviation of influence scores for each pivot state) compared to the other great powers.

Japan

Japan's moniker as a stagnant power is reflected in the plateau-like behavior of Japanese influence over pivot states. Overall, its influence score rose only very slightly from 0.362 in 1992 to 0.393 in 2015. In fact, the period between 1990 and 2000 is often cited as the Lost Decade in Japanese history, with this time frame recently being expanded to 2000-2010 by some analysts.

When dissecting the data further, it does however become more evident that Japan's influence has experienced some fluctuation over the time period we look at. There have been three different

54. The European Commission, "European Neighbourhood Policy and Enlargement Negotiations," *European Commission*, October 27, 2016, http://ec.europa.eu/enlargement/countries/detailed-country-information/turkey/index_en.htm.

55. Sreeram Chaulia, *Modi Doctrine: The Foreign Policy of India's Prime Minister* (Bloomsbury Publishing, 2016).

trends. First, between 1992 and 2002 (the Lost Decade), Japanese influence declined incrementally to a 2002 score of 0.343. Second, this decline was followed by a significant and steady increase, reaching the peak score (0.464) in 2012. Third, in 2012-2015, Japan's influence has again been on a declining trajectory. During this latest time period, the continuing decrease in Japan's influence in the economic domain is particularly conspicuous.

Nonetheless, we can see that, in recent years Japan has begun to forge stronger ties with Southeast and Eastern Asian pivot states. The largest recipients of Japanese influence include many Southeast Asian countries, such as Vietnam, Myanmar (mainly from 2011 onwards), Thailand, the Philippines, Malaysia and Indonesia. Moreover, in the post 2005 period Japanese influence rose significantly in Georgia and Moldova, where its influence increased respectively by 416% and 298%. In contrast, Japan experienced substantial decreases in influence in Syria (-92%), Pakistan (-58%) and Turkey (-58%) during the same period. Generally, we find that there is a strong positive correlation between the magnitude of Japan's influence on pivot states and the latter's dependence on Japan, with dependence on Japan increasing as the magnitude of its influence increases.

Japan's history of institutionalized pacifism and, relatedly, a relatively modest military industry make Japan quite dependent on international security actors such as the US and the EU (and lately Russia).

Finally, it can be noted that Japan's history of institutionalized pacifism and, relatedly, a relatively modest military industry make Japan quite dependent on international security actors such as the US and the EU (and lately Russia) for its arm imports.

Russia

According to our data, Russian influence has increased over time from 0.121 in 1992 to a 2015 score of 0.851. This is mostly due to increases in the magnitude of its *economic* (mostly energy-related) and *security* exchanges with pivot states. Moreover, worthy of note is a steep surge in its influence between 2007 (0.675) and peaks in 2013 and 2014 (0.872).

Delving a bit deeper into Russia's relationships with pivot states, we note that, compared to other great powers, Russia's influence is most unevenly spread across the 35 pivot states that we analyze. While it exerts a very large influence on some of them, it barely affects others. Belarus and Kazakhstan stand out as being – by far – the two most important pivot states for Russia. This holds in both the *security* and the *economic* domain. The economic importance of Belarus and Kazakhstan for Russia is based on the Eurasian Economic Union, which over the last years has gradually developed from a trading bloc into a single market.[56] If we remove Kazakhstan and Belarus from the pivot state list, Russian international influence drops from its current score of 0.851 to 0.597 – additional illustration of how strongly its influence is founded upon them.

Belarus and Kazakhstan stand out as being – by far – the two most important pivot states for Russia.

Next to Kazakhstan and Belarus, Russia is economically quite influential in Ukraine, Uzbekistan and Moldova, i.e. states within Russia's immediate vicinity. Russia's *economic* influence witnessed its most important increase in between 2001 and 2008 (from 24.18 to 29.35). It is during these years that the Russian economy began to recover from the economic shocks of the 1990s, which culminated in a government default in 1998. This economic boom was largely driven by increases in

56. The International Crisis Group, "The Eurasian Economic Union: Power, Politics and Trade," *The International Crisis Group*, 2016, https://www.crisisgroup.org/europe-central-asia/central-asia/eurasian-economic-union-power-politics-and-trade.

oil prices from under $30/barrel in 2001 to just under $150/barrel in 2008.[57] Following the global economic crisis, increases in Russia's *economic* influence largely stalled, before starting to decrease in 2014. We can, overall, see that Russia's influence in the *economic* domain does not stem from the quality of its economic interactions with pivot states per se, but rather from external events such as oil price movements, the recession in 2008 and sanctions placed on Russia after the Crimea Crisis.

We can, overall, see that Russia's influence in the economic domain does not stem from the quality of its economic interactions with pivot states per se, but rather from external events such as oil price movements, the recession in 2008 and sanctions placed on Russia after the Crimea Crisis.

In the *security* domain, Russian influence is more evenly spread across different pivot states. Next to Belarus and Kazakhstan, Russia's *security* influence is strong in Afghanistan, Mongolia, Turkmenistan, Vietnam and Syria – a reflection of continued strong Russian arms sales. Contrary to Russia's *economic* influence, its *security* influence has swiftly, steadily and dramatically grown over the time period we look at – from 3.32 in 1992 to 30.04 in 2015.

USA

Despite often being proclaimed a global hegemon, the USA looks decidedly less preponderant in our influence index when compared to (the potential weight of) the E28, Its influence on pivot states still remains substantially higher than that of Russia, China, Japan and India. Regarding the trend in US influence over time, our data shows that it has been on a slight decline. The USA's influence score peaked in 1993 (1.449), reached a nadir in 2005 (1.357), yet then rose again to 1.405 in 2015. There have been two significant periods of decline in US influence. The first occurred in 1993-1998, when its score dropped from 1.449 to 1.399 and the second in between 2002 and 2005 (from 1.411 to 1.357).

The causes behind the overall decline in US influence include, firstly, the diminishing dependence of pivot states on US trade. While the magnitude of US *economic* influence, as reflected in bandwidth scores, has slightly increased in 1992-2015, in between 2004 and 2007 a significant decline in USA's *economic* influence took place. In 2008, the US *economic* influence score rose one last time to 54.89, before a renewed decline enduring until today set in. Still, the US' declining *economic* influence from 2009 onwards was not enough to prevent Korea (2012) and Oman (2009) from signing a free trade agreement with the US.[58] In addition to these, the US has free trade agreements with Australia (2005), Canada (as part of NAFTA 1994), Israel (through a series of extensions from 1996 onwards) and Singapore (2005).

Secondly, the decrease in the USA's influence is driven by declines in its influence across the majority – 20 out of 35 – pivot states. Yet, it needs to be added that from 2003 onwards the USA has markedly increasing its influence on Iraq and Afghanistan. If these two pivot states were removed from the pivot state list, the USA's overall influence score would drop drastically 1.405 to 1.260, illustrating how pivotal these states are to the USA.

At the start of the 21st century, the US accounted for a quarter of the world's economic output.[59] Yet, with the *security* domain pulling up overall US influence since 2003 we see the US transitioning from relying on both *economic* and *security* domains as instruments to exert influence to mostly relying

57. The U.S. Energy Information Administration, "Europe Brent Spot Price FOB," January 5, 2017, http://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=RBRTE&f=D.

58. The Office of the United States Trade Representative, "Free Trade Agreements," 2016, https://ustr.gov/trade-agreements/free-trade-agreements.

59. Joseph Nye, "The Future of American Power: Dominance and Decline in Perspective," *Foreign Affairs* 89, no. 2 (December 2010).

on the *security* domain. Between 1992 and 2015, there is an overall increase in US influence in the security domain. While it first significantly decreased between 1992 (31.46) and 2003 (28.17), from 2004 until 2015 it rose to the score of 30.28, the highest across the US dataset. US influence is largely untested in the *security* domain mostly due to it being the largest exporter of arms, accounting for nearly a third of global arms exports.[60] The largest recipients of the USA's *security* influence in 2015 were Canada, Australia, South Korea and Turkey. The table shows the change in influence of each great power per sector (*politics*, *economy* and *security*) on the pivot states.

Figure 3.19 The change in influence of each great power per domain (2005-2015)

	Economic Influence						Political Influence						Security Influence					
	CHN	E28	IND	JPN	RUS	US	CHN	E28	IND	JPN	RUS	US	CHN	E28	IND	JPN	RUS	US
Afghanistan	118%	-25%	34%	-46%	94%	-4%	8%	1570%	5%	8%	7%	19%	0%				29%	605%
Australia	102%	-12%	20%	16%	29%	2%	3%	581%	6%	6%	6%	4%		-17%	36%			33%
Belarus	109%	6%	35%	34%	0%	-30%	5%	100%	7%	6%	5%	-13%		-45%			28%	
Brazil	98%	12%	25%	-46%	7%	-1%	4%	580%	5%	5%	6%	3%		-7%			1783%	4%
Canada	51%	7%	18%	-8%	5%	-4%	2%	54%	2%	2%	3%	2%		-22%			0%	21%
Cuba	41%	-13%	18%	-48%	-32%	-26%	2%	608%	1%	2%	5%	9%						
Djibouti	185%	-31%	-3%	-60%	4778%	-17%	3%	1384%	141%	9%	12%	4%		1433%			-100%	
Egypt	111%	-25%	46%	-42%	54%	-37%	3%	86%	20%	3%	7%	2%	-27%	24%			45%	-18%
Georgia	350%	11%	27%	194%	2%	11%	39%	1590%	136%	226%	-55%	4%		-28%			-4%	-20%
Indonesia	61%	1%	37%	-15%	32%	20%	2%	500%	2%	0%	10%	2%		6%			17%	58%
Iran	111%	-47%	87%	-54%	-13%	-18%	3%	1102%	4%	3%	7%	31%	-8%	-100%			-20%	
Iraq	492%	-15%	278%	-45%	49%	-48%	10%	1143%	13%	20%	10%	98%	-54%	120%				353%
Israel	73%	-25%	27%	-15%	2%	-47%	3%	11%	5%	4%	6%	4%	-100%	6%	5%			-13%
Kazakhstan	56%	32%	52%	-39%	3%	-3%	2%	1780%	7%	5%	5%	0%	0%		-100%		-8%	3%
Korea, Republic of	29%	11%	53%	-20%	46%	6%	4%	274%	12%	4%	6%	7%		-3%	-100%		-35%	-3%
Kuwait	151%	-48%	288%	-38%	125%	10%	1%	22%	0%	1%	-1%	-3%	-100%	-39%			16%	33%
Malaysia	46%	8%	63%	-30%	21%	-13%	2%	3%	3%	-1%	5%	-5%		13%			53%	-46%
Moldova	158%	14%	35%	361%	12%	-37%	3%	376%	16%	15%	5%	5%		259%			0%	-100%
Mongolia	66%	-21%	175%	-11%	8%	-64%	3%	2093%	3%	6%	8%	5%					5167%	
Myanmar	117%	-37%	9%	239%	87%	-32%	3%	669%	-1%	2%	7%	16%	-2%	-10%	46%		-8%	
Nigeria	96%	-9%	102%	2%	17%	-38%	2%	88%	2%	3%	6%	9%		5%			-34%	49%
Oman	78%	-5%	168%	-51%	76%	31%	3%	1570%	4%	5%	8%	5%	-100%	15%				54%
Pakistan	140%	-13%	33%	-66%	10%	-18%	3%	92%	7%	2%	7%	1%	33%	-17%	0%		-10%	49%
Philippines	41%	-18%	15%	-4%	24%	-27%	6%	84%	7%	4%	9%	5%		20%				18%
Saudi Arabia	76%	-40%	188%	-52%	24%	-25%	6%	128%	7%	7%	10%	7%		14%				-9%
Singapore	35%	-46%	29%	-45%	72%	-17%	1%	44%	4%	2%	8%	3%		29%			-100%	4%
Syria	-8%	-63%	-16%	-84%	-14%	34%	2%	36%	-4%	-43%	9%	-35%					92%	
Thailand	59%	3%	37%	-20%	27%	21%	3%	80%	3%	1%	7%	2%	-7%	5%				-42%
Turkey	79%	6%	48%	-48%	26%	-12%	3%	91%	7%	6%	8%	6%	37%	-4%			2%	-4%
Turkmenistan	765%	-3%	33%	19%	12%	-44%	2%	0%	5%	140%	3%	2%	0%				202%	
Ukraine	79%	28%	56%	-34%	1%	-4%	-1%	96%	4%	3%	4%	3%	28%	21%	-1%		158%	-33%
United Arab Emirates	87%	-42%	84%	-32%	23%	-1%	4%	1670%	7%	2%	9%	6%	-100%	-15%			24%	67%
Uzbekistan	97%	-39%	31%	6%	-2%	-68%	3%	4052%	2%	13%	4%	2%	100%	259%	3%		-61%	
Venezuela	248%	-5%	225%	-40%	69%	-19%	1%	87%	1%	0%	4%	-12%		-3%			378%	-42%
Vietnam	95%	5%	83%	24%	31%	44%	6%	65%	7%	5%	9%	7%		5%			27%	

60. Office of the United States Trade Representative, "Free Trade Agreements."

Textbox 3.1 A Pivot Example: the Philippines

The Philippines' pivoting behavior– allegedly away from the United States and towards China– has made a lot of headlines inthe international press. We therefore decided to take a closer look at what our datasets say about this.Much to the international community's surprise, the Philippines, under newly appointed President Rodrigo Duterte, seem to bein the process of pivoting towards China over recent months. This reflects a broader sense of unease throughout the entire Indo-Pacific region over the directions in which the geodynamic winds are blowing. Even the West's closest (Anglo-Saxon) ally in this region– Australia– is balancing its economic relations with China with its military relations with the US. Nevertheless, what remains so intriguing about the Filipino seeming volte-face is the timing of this pivot, considering it was only in July earlier this year that the ICJ ruled in favor of the Philippines over China's claims in the South China Sea.[1] Despite this, Duterte, heavily courted by China's economic bounty, has persisted with the Philippine's pivot toward China. Duterte's objectives of increasing economic growth has helped propagate this pivot.[2]

Based on our event datasets, we do indeed find (see Figure 3.20) that the Philippines experienced a post-July 2016 increase in *verbal* cooperation with China, peaking towards the end of October when Duterte went to China on a state visit with a group of 400 Filipino businessmen.[3] The slight spike in *material* conflict on July 12-13 is partly due to the ICJ case over disputed islands in the South China Sea, where Indonesia, Thailand and Vietnam were also included in the ruling. During this same period, China responded with threats of military action in the South China Sea, accounting for the increase in *verbal* conflict. Still, there is an overall post July increase in *verbal* cooperation between China and the Philippines, with *verbal* communication having the highest number of records and peaks. Duterte often refers to the ability of China and the Philippines to reach a compromise prior to his visit in October. This finding is compounded by Duterte's talk of a new alliance with China (and to a lesser extent Russia). During his October trip to Beijing, Duterte announced a "separation" from the US, feeding speculating of his pivoting towards China.[4] The decline in *verbal* cooperation with the USA as a proportion of overall records decreases overtime, while *verbal* conflict increases.

The significance of the October peak should not be underestimated. Indeed, the proportion of overall events occupied by verbal cooperation is indicative of the rise in positive Sino-Philippine relations. From June onwards the proportion of verbalcooperation is often the highest out of all the data, with an exception between August 21st and September 18th, due to an increase in neutral records. At the time, there were reports of Chinese boats approaching the disputed Scarborough shoal islands. If we compare this to the E28, the increase in verbal cooperation between China and the Philippines is matched by volatility in the E28's relationship with the Philippines, with the data fluctuating slightly between the beginning of September and November 6th.We also find the Sino-Philippine rapprochement back in the Goldstein scores from May onwards and their upward increase overtime suggests that this pivoting is increasing, with the variation plateauing from mid-October to November. In contrast to this, the US and E28 experience downward trends in average Goldstein scores.This immediate post-election pivot suggests that this pivot is planned and intentional. There are, however, many reports indicating that the Philippine's relationship with the US has remained the same.[5] Nonetheless, with the Philippines getting closer to China and with other regional pivot states forming closer bonds with other great powers, the international political climate is changing where pivot states are beginning to adaptively redefine their relations with particular great powers.

1. Jane Perlez, "Tribunal Rejects Beijing's Claims in South China Sea," *The New York Times*, July 12, 2016, http://www.nytimes.com/2016/07/13/world/asia/south-china-sea-hague-ruling-philippines.html.

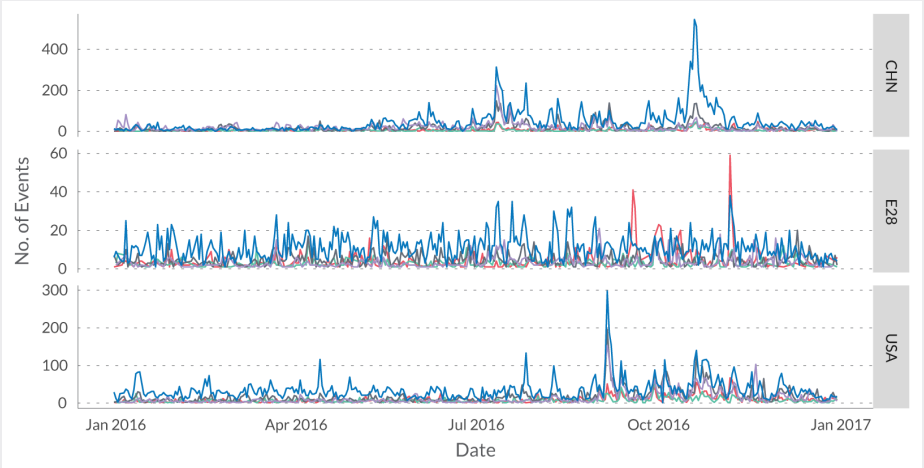
2. The Economist, "Duterte's Pivot," *The Economist*, October 22, 2016, http://www.economist.com/news/asia/21708984-philippines-until-now-staunch-american-ally-falling-chinese-camp-dutertes-pivot.

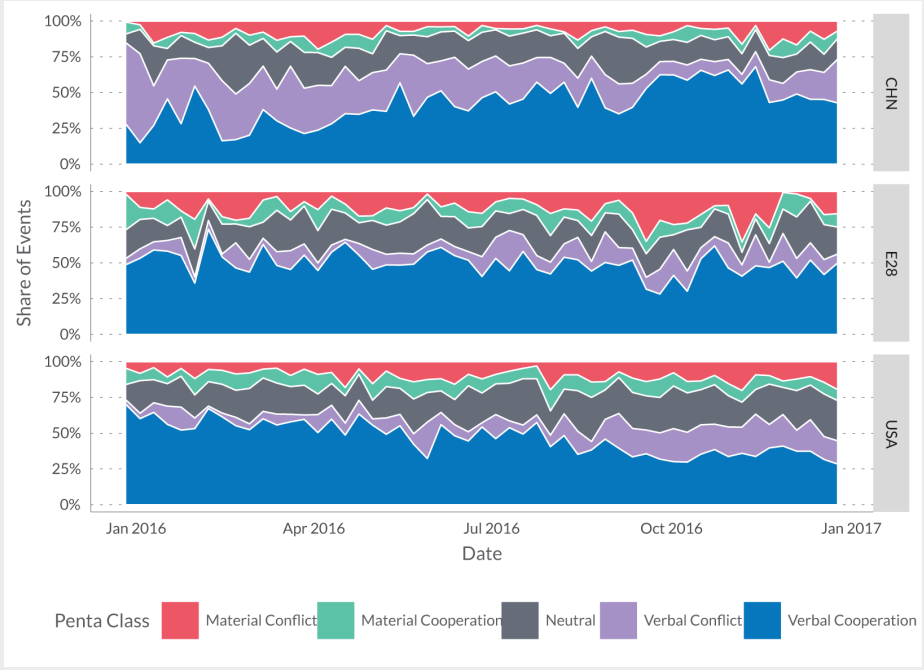
3. Ibid.

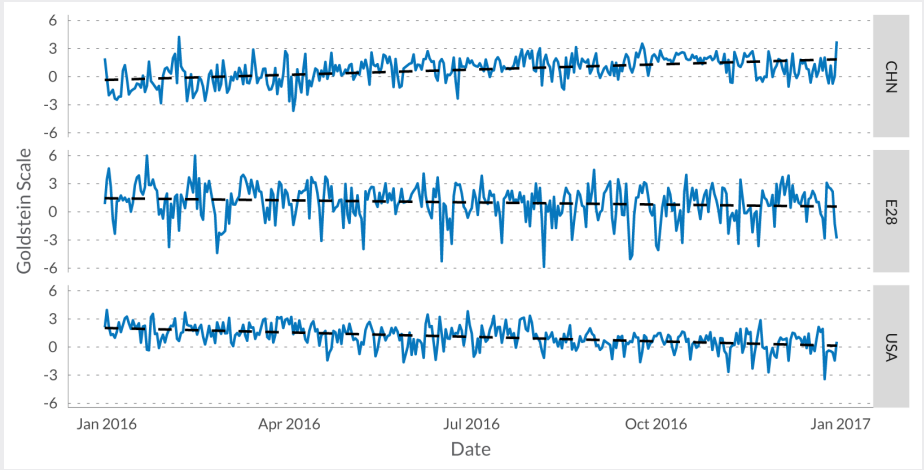
4. ABS-CBN, "Duterte: It's Russia, China, PH 'against the World,'" *ABS-CBN News*, October 20, 2016, http://news.abs-cbn.com/news/10/20/16/duterte-its-russia-china-ph-against-the-world.

5. The Economist, "Duterte's Pivot."

Figure 3.20 The Philippines' pivoting behavior







3.4.3 In Geographic Perspective

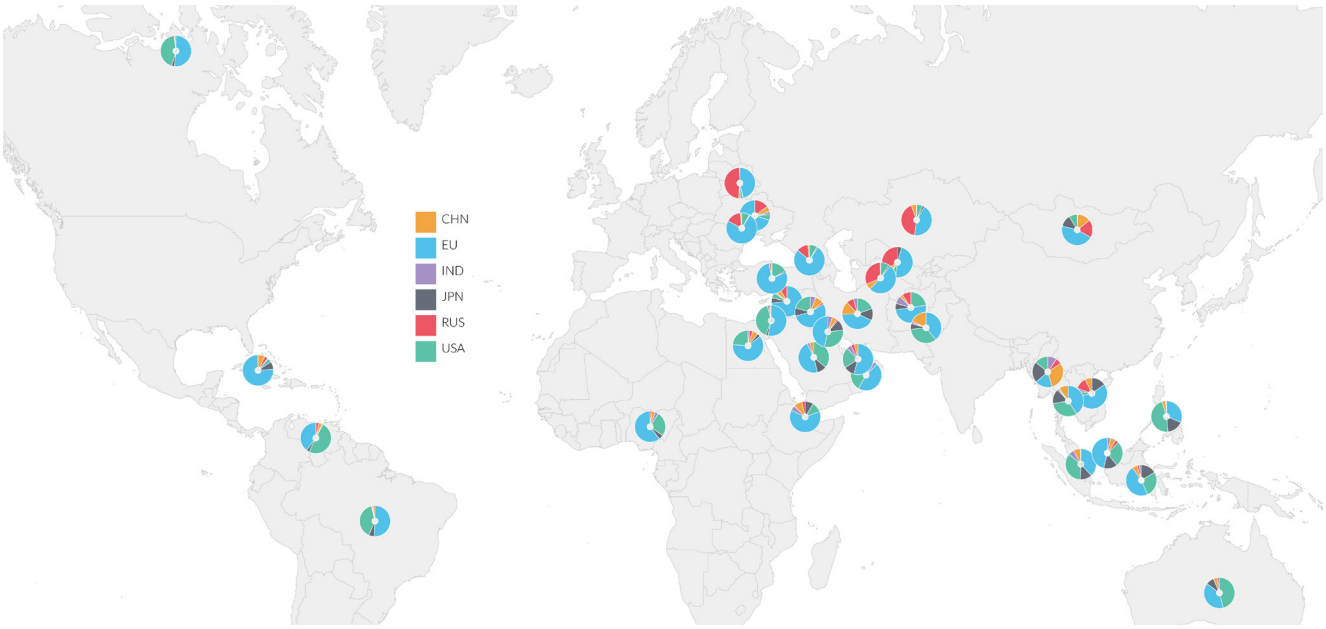
Figure 3.21 puts the data that we presented in the previous section in a geographical perspective. The overview on the left shows changes in the overall influence (across the *economic*, *security* and *political* domains) of the six great powers over the pivot states in the past 10 years. We see here that biggest increase in influence in this period was between India and Venezuela (+4355%); and the biggest decline between Japan and Syria (-92%). The pie charts in the right pane of the figure show the relative proportions of great power influence experienced by the pivot states. For instance, when we look at Ukraine, we see that the (brown) E28 piece of the pie is more than three times bigger than the (red) Russian piece. This section will highlight a few interesting observations that jump out of these data.

Change in Influence per Sector						
	CHN	E28	IND	JPN	RUS	US
Afghanistan	135%	120%	85%	-37%	78%	220%
Australia	100%	4%	50%	38%	203%	34%
Belarus	383%	47%	89%	64%	16%	-28%
Brazil	113%	37%	153%	-46%	345%	4%
Canada	61%	-3%	277%	-13%	21%	11%
Cuba	40%	26%	144%	-49%	-51%	-21%
Djibouti	342%	68%	31%	-43%	-40%	62%
Egypt	28%	19%	104%	-47%	87%	-25%
Georgia	454%	173%	70%	416%	-7%	2%
Indonesia	268%	29%	76%	32%	44%	47%
Iran	38%	-17%	196%	-46%	-27%	-67%
Iraq	146%	56%	1112%	-35%	1484%	76%
Israel	-9%	5%	33%	-23%	41%	-30%
Kazakhstan	46%	138%	91%	-36%	-2%	-2%
Korea, Republic of	32%	128%	34%	-14%	7%	6%
Kuwait	-22%	-24%	333%	-25%	82%	25%
Malaysia	77%	34%	93%	9%	88%	-34%
Moldova	173%	263%	69%	298%	27%	-68%
Mongolia	59%	23%	261%	20%	312%	-48%
Myanmar	56%	2%	22%	224%	10%	-33%
Nigeria	557%	18%	182%	3%	-31%	-3%
Oman	-14%	29%	184%	-33%	370%	68%
Pakistan	98%	12%	86%	-58%	-22%	26%
Philippines	47%	19%	70%	48%	101%	-2%
Saudi Arabia	182%	4%	276%	-35%	109%	-15%
Singapore	61%	0%	39%	-29%	53%	-4%
Syria	152%	-45%	-29%	-92%	62%	-24%
Thailand	35%	30%	96%	30%	341%	-17%
Turkey	133%	16%	174%	-58%	24%	-8%
Turkmenistan	593%	117%	40%	69%	220%	-31%
Ukraine	88%	183%	94%	-45%	56%	-2%
United Arab Emirates	68%	3%	72%	-20%	62%	45%
Uzbekistan	114%	43%	30%	12%	-52%	10%
Venezuela	1167%	11%	4355%	-53%	836%	-42%
Vietnam	91%	40%	180%	91%	41%	40%

In 2005-2015, E28 experienced a decline in influence in 4 pivot states (Syria, Kuwait, Iran and Canada), with the greatest decrease in Syria (-45%). Simultaneously, the influence of E28 grew considerably in Central Asia (Turkmenistan, Kazakhstan and Afghanistan), Eastern Europe (Georgia, Moldova and Ukraine) as well as Djibouti. While the E28 retains a high level of influence in the Middle East, it has been partly declining between 2005 and 2015. As such, the influence of E28 on Kuwait declined by 24% and on Iran by 17%.

The influence of the USA decreased in 20 of our pivot states – mostly in post-Soviet states, Latin America, Malaysia, Mongolia and in some (though not all) areas of the Middle East – while stagnating in many others. At the same time, the USA's influence remains high in the Pacific, in Pakistan, in Afghanistan and in the Middle East. The USA's influence is also still strong in Venezuela (despite the huge increases in Indian, Russian and Chinese influence). The USA does not seem to place a strong regional emphasis regarding the states it strives to influence, with the clusters in Figure 3.22 not revealing a pronounced geographical focus. Still, pivot states in the upper left cluster (Europe/Middle East) have particular regional importance to the USA, as they include Egypt, Iraq, Saudi Arabia and Israel, that is, pivot states with strong – though not always friendly – historical relations with the USA. Also, the South-East Asia (and Pacific) cluster includes states, notably Australia and Singapore, where the USA has a high share of influence.

Figure 3.21 The influence of great powers on pivot states



Overall, in 2005-2015, Russia's influence declined in eight pivot states. Simultaneously, its influence has grown in South America (in Venezuela by 836% and in Brazil by 345%), Iraq (+1484%) and Turkmenistan (+220%). Simultaneously, Russia's influence declined in a range of countries that experienced high levels of Russian influence in the past, including Cuba, Georgia and Iran.

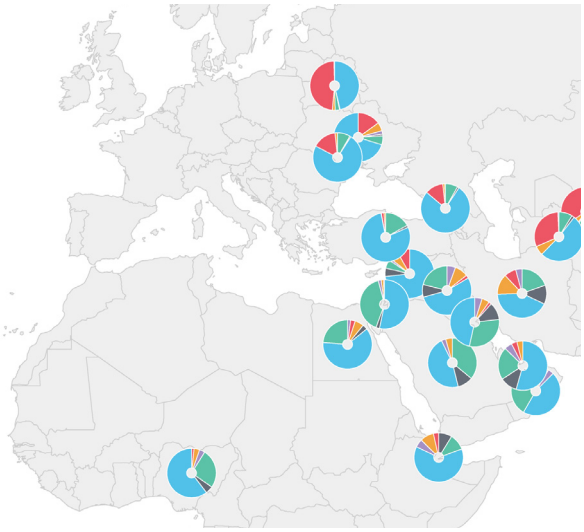
India's regional stake in Western Asia is evidenced by its significant proportions of influence in Afghanistan, Iran, UAE and Iraq. India's level of influence pales in comparison to the other great powers. Nonetheless, as elaborated in section 3.4.2, in terms of trend India's influence rose in all pivot states except Syria. The largest increases took place in Iraq (+1,112%), Kuwait (+333%) and Saudi Arabia (+276%) in the Middle East and in Venezuela (+4,335%) in the Americas.

In regards to Japan, the largest recipients of its influence include many Southeast Asian countries, such as Vietnam, Myanmar (mainly from 2011 onwards), Thailand, the Philippines, Malaysia and Indonesia. As for the Europe/Middle East cluster, Japanese influence rose significantly in the post 2005 period in Georgia and Moldova (by 416% and 298% respectively). At the same time, it experienced substantial decreases in influence in Syria (-92%), Pakistan (-58%) and Turkey (-58%). While Japan's influence is small compared to that of other great powers across the globe, its low influence is especially conspicuous in the Americas.

Figure 3.22 Influence of great powers on pivot states in regional perspective

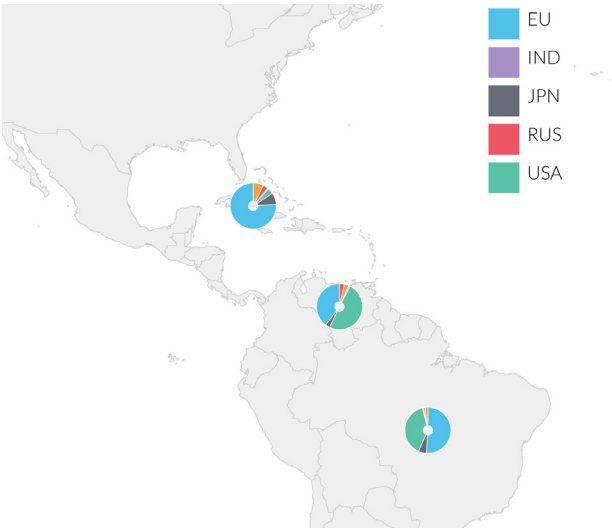
CHN EU IND JPN RUS USA

GP Influence: Europe/Middle East



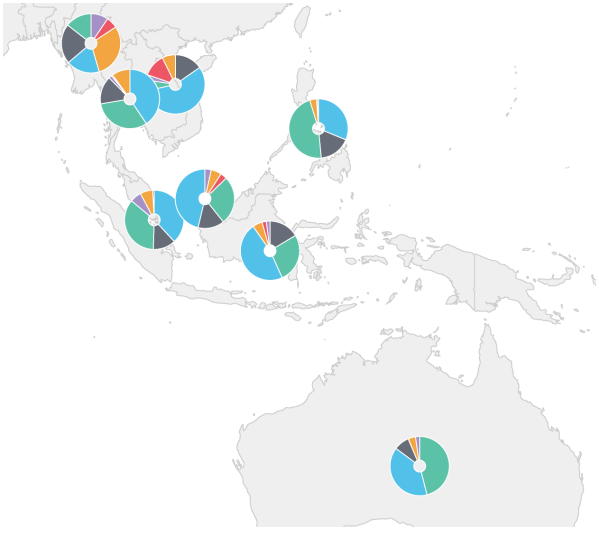
China increase
India increase
EU stable (Up: Ukraine, Moldova; Down: Syria, Kuwait)
Russia increase (Iraq + Egypt, down Georgia)
US decrease

GP Influence: Americas



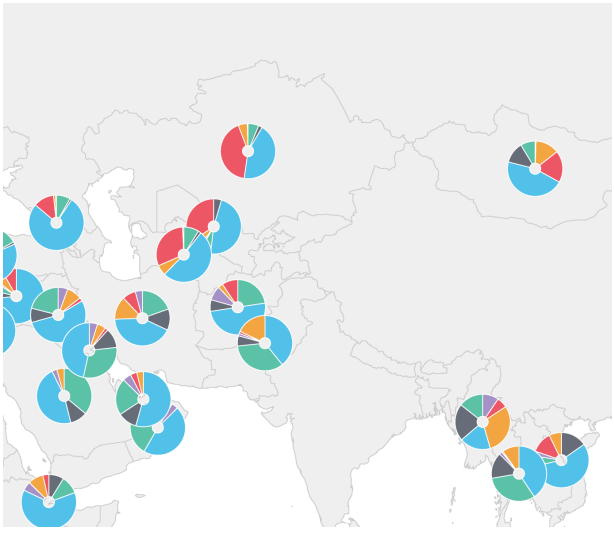
US influence down (Venez. + Cuba)
Russia increase (except Cuba)
Europe stagnant
China increase
India increase

GP Influence: South-East Asia



US decline (except Aus + Indo)
Russia increase
China increase
India increase
Europa stable

GP Influence: Asia



China increase
India increase
Europe increase (except Iran + PAK + UAE + India)
Russia increase (except UZB + India + PAK + Iran)
United States stable (strong increase Afghanistan)

3.5 Pivot States → Great Powers

In this section of 'Nowcasting Geodynamics', we turn our attention to pivot states themselves. Conflict around overlapping great power spheres of interest is more likely to occur in times of changing influence configurations than in times of political stagnation. In light of the growing volatility of the international system due to changes in conflict and cooperation, in great power assertiveness, in non-state actor violence and in allegiance between states, pivot states are more prone to shifting between different great power alliances. Being able to reliably capture the degree and direction of this pivoting behavior may therefore be of great benefit to analysts of international relations.

Using the Global Influence Index (GII), we have computed the share of influence that each great power holds over the specified pivot states and tracked it over time. Strong shifts in the distribution of influence among the great powers indicate shifts in allegiance. Heavy fluctuations or, conversely, extreme stability, inform us where competition for influence is occurring and where dominance is clearly established. The GDELT data, specifically the events capturing the interactions of the great powers vis-à-vis pivot states (and vice versa) and the Goldstein scores, reflect current dynamic day-to-day interactions. These dynamics are much more volatile compared to those captured by the GII, as they comprise "actions" rather than flows of goods or memberships in councils. Thus, event data gives a more complete picture of the "intent" of countries towards each other (e.g. is it a positive or negative interaction?) as well as the frequency of such "actions" occurring per year. As the GII is comprised of more static factors and has a three-year average applied to it, it lags behind the reality of the GDELT scores. Hence, GDELT can help us identify the pulling and pushing forces of great powers, before – if these forces are successful – seeing the respective movements in the Influence Index can be seen.

Based on the (change in) the number of events and (change in) Goldstein scores from GDELT, as well as (change in) the share of influence held by the great powers, HCSS presents the following categorization of identified pivot states in five categories of pivoting behavior:

- 'Aligning': moving to become more firmly embedded within a great power's 'sphere of influence' (>40% of total influence);
- 'Distancing': moving away from a great power without leaving its 'sphere of influence';
- 'Pivoting': moving out of the sphere of influence of a particular great power and being drawn towards the 'sphere of influence' of another great power;
- 'Stable': being stably in the 'sphere of influence' of a particular great power, showing no significant sign of change;
- 'Triangulating': adaptively adjusting their portfolio without clear signs of direction.

Figure 3.23 Trends in pivot states' behavior

Aligning	Distancing	Pivoting	Stable	Triangulating
Cuba (E28)	Syria (E28)	Myanmar (EU decrease, China increase)	Brazil (E28)	Belarus – (E28 + Russia, relatively stable)
Ukraine – (E28)	Kuwait – (E28)		Djibouti (E28)	
Israel (E28)	Iraq – (E28)		Malaysia (E28)	
Moldova – (E28)	Australia (E28)		Turkey (E28)	
South Korea – (E28)	Canada – (E28)		Egypt (E28)	
Georgia (E28)	Mongolia (E28)		Oman (E28)	
Kazakhstan (E28 increase, Russia decrease)	Nigeria (E28)		Philippines (E28)	
Uzbekistan (E28)	Pakistan (E28)		Saudi Arabia (E28)	
	Indonesia (E28)		Singapore (E28)	
	Turkmenistan (E28)		Thailand (E28)	
	UAE (E28)		Afghanistan – (E28 stable, moving slightly towards US)	
	Venezuela (E28)			
	Vietnam (E28)			
	Iran (E28)			

Aligning[61]

Cuba has been strongly under E28 influence since the latter's establishment. Starting at 77% in 1993, E28 rose steadily to an 88.5% influence share in 2015, without noteworthy fluctuations. US influence has been steadily climbing since the early 2000s, whereas Russian influence has declined continually since the early 1990s. Despite the fact that Chinese influence over Cuba has decreased slightly between 2008 and 2015, there has been an overall increase of Cuba-related events, namely

61. The pivot states that are categorized as aligning show some similar characteristics. First, the great power they are aligning to is the dominant originator of events and events are showing either proportional increase compared to the other great powers. This number of events signifies a (strong) focus of the great power on these pivot states. Notable exceptions are Ukraine, where the civil war caused a spike of US + Russian events. Only in 2015 did the E28 managed to match the events of these countries again. Kuwait is an exception in another fashion, as the US only reaches about 50% of the E28's events (albeit none of the great powers has more than a handful of annual events in Kuwait). Syria also shows a higher n of events from the US than from Russia, which might be due to the civil conflict. Most great powers that see pivot signs align to them do not have the highest Goldstein scores, except for those aligned to the E28. Furthermore they are all either a) directly bordering the great power they align to, or b) engaged in a conflict that the respective great power has strongly engaged in. The exception to this categorization would be Kuwait, that neither is in conflict nor borders the US. The share of influence over time is quite different between the countries in this category.

with China. In 2014 Cuba and China have begun negotiations to formalize both defense and economic agreements.[62]

Georgia was in the Russian sphere of influence until 1997, after which the Russian influence continually declined (to 4% in 2015). E28 influence has risen gradually, taking Georgia into its sphere of influence in 1996 (leaving Georgia triangulating between Russia and E28 for two years) and continuing to rise to 89% in 2015. Georgia experiences low numbers of events overall, with the E28, US and Russia the only great powers recording events. E28 events remain positive while Russian and US events remain volatile. The E28 has drawn Georgia closer into its sphere of influence by granting it access to the Single Market, especially by means of the recent ratification of the Association Agreement, coming along with a Deep and Comprehensive Free Trade Area. Simultaneously, Georgia is currently negotiating a free trade agreement with China, who has of late also increased its influence over the Eurasian country.

Israel has – based on our dataset – pivoted away from the USA towards the E28. US influence accounted for 53% of total influence in 1993, but has declined gradually and dipped below 20% in 2007. The E28 accounts for 78% of total influence, a rise from 42% in 1993. Israel's pivoting towards the E28 has been spurred by the strengthening of economic ties between the two entities, building on the trade agreement adopted in 2007. Since 2000, E28-Israel events have increased, while post 2000 US influence in Israel dropped by 80%. Israel has strongly embedded itself in the E28 sphere of influence to increase their economic activity whilst maintaining strong security ties with the US.

Kazakhstan was in the Russian sphere of influence until 2006 and has since lost influence to E28, dipping below 30% in 2014 for the first time. The E28, on the other hand, has brought Kazakhstan into its sphere of influence in 2006 and since gained influence consistently to nearly reach 60% in 2015.

Moldova, triangulated between Russia and E28 until 1997, until the E28 overtook the Russian influence in 1998 and gradually increased its own to a share of 89%. Russia, on the other hand, shows a steady decline from 1998 onwards, reaching 7% in 2015.

South Korea shows a strong increase of E28 influence throughout the index, as it overtook the USA as dominant influencee in 1998 to signal US decline (17% in 2015) and E28 gain (70%) of influence.

Ukraine and *Uzbekistan* switched from the Russian sphere of influence (dominant until 1993 and 2004 respectively) to the E28 sphere of influence (from 1994 and 2005 onwards). Russia made a 'play' to capture influence over Ukraine (peaking in 2012-2013), but its influence has decreased (strongly) again in 2015. E28 influence has shown an upward trend in influence, from 51% in 1994 to 82% in 2015. In Uzbekistan, Russian influence has declined gradually, to 18% in 2015, whereas Chinese influence in Uzbekistan has been rising steadily to 11% in 2015.

Distancing

Pivot states that show distancing but have not left the sphere of influence of their affiliated great power permanently seem to show some similarities too. First, these countries are all connected to western great powers. Second, these states all have great military importance in their respective region.

62. Shannon Tiezzi, "China, Cuba Seek Economic and Defense Cooperation," *The Diplomat*, June 27, 2015, http://thediplomat.com/2015/06/china-cuba-seek-economic-and-defense-cooperation/.

Australia and *Canada* were part of the US sphere of influence until 1996 and 1994 respectively, after which the E28 became the dominant player and gradually increased its influence until its peak in 2006 and 2008. The US remained near 20%, even at its lowest point and has shown a gradual increase since these years (up to 25% in 2015 in both countries) as the E28 shows decline (59% and 71% respectively in 2015).

Indonesia has been in the E28 sphere of influence since 1993 and showed continual aligning until 2000, when E28 influence started to shrink in favor of Chinese influence (growth from 3% in 2000 to 11.5% in 2015). The US' influence exceeded 10% (with the exception of 2008-2013), but remains the second greatest influencer (12%) after the E28 (60%) in 2015.

Iran shows a relatively stable position in the sphere of influence of the E28. Since 2006, however, it has decreased from 64% to 56% in favor of Chinese influence (rise from 15% to 23.5%).

Iraq shows strong decline of E28 dominance (85% in 1996 to 56% in 2015), largely in favor of US influence, which has seared to 20% in 2003 and centered around 25% since. This surge coincides with the invasion in Iraq by the US military. The US has shown a consistently elevated number of events since the invasion in Iraq, yet the number of events seems to have increased over time, whereas its influence share decreased. The Goldstein scores for all great powers show high volatility over time in Iraq and seems to have little connection to shifts in influence.

Mongolia has been part of the E28 sphere of influence since 1996, following various years of triangulating and grew to 61% influence in 2007. Since, the E28 influence has gradually decreased to 47% in 2015, whereas Russian influence has grown to 29%. Despite the low number of events in general, Russian positive events since 2014 have increased, while China's, the E28's and US' have declined. This supports the observations from the Influence Index, perhaps signaling a gradual pivot towards Russia.

Nigeria has been captured by E28 influence since 1993 and shown an increase to 79% in 1998, a decline to 68% in 2002, followed by another increase to 76% in 2006 and a gradual decline to 69% in 2015. During the first decline, the US climbed up from it's initial decline (17%) and Russia established itself (5%) before fading away again. The second E28 decline coincides with an increase in Chinese influence, from 2% in 2006 to 11% in 2015. Since 2010, China has had more positive events and has increased its interaction with Nigeria during this period. Nigeria and China have developed strong ties in recent years, as illustrated by China endorsing Nigeria's bid to become a permanent member of the Security Council in 2015 and with Nigeria's reciprocation of supporting China's position in the South China Sea territorial disputes.

Pakistan and *Venezuela* show E28 alignment until 2006 and 2005 respectively, after which a slight decline from 61% to 56% and 64% to 58% in 2015 manifests itself. This decline is simultaneous with an increase of Chinese influence, from 12% and 1% in 2006 to 20% and 13% in 2015. The US has remained stable around 20% influence since 1995 in Pakistan, whereas in Venezuela its influence has decreased from 52% in 1993 (dipping below 40% in 1997) to 15% in 2015. Venezuela triangulates with the US in terms of political movements, mainly due to Venezuela being one of the key oil suppliers to the US, while China has begun formalizing trade agreements with Venezuela. Despite this, the US maintains the most events in Venezuela, while Russian and Chinese events have increased since 2015. China's close economic affinity with Venezuela suggests that Venezuela is cultivating relationships with the US and the E28 for economic reasons, with Russia for military reasons and with China for both economic and military reasons. Geopolitically, the recent Chinese interest in Latin America shows that China is slowly gaining a foothold in the historical sphere of

influence of the US. Lately, Pakistan has moved towards the Chinese sphere of influence, which accounts for the high post 2012 Goldstein score events. India, however, has the highest number of positive Goldstein score events. Pakistan's close affinity to China is partially due to the challenge they are posed by India.

Syria, despite E28 hegemony, shows a strong increase of Russian influence since the early 2000's (6% to 19%), simultaneous with E28 decline from 87% to 68%. The decline of E28 influence has accelerated since 2011, as it dropped from 77% and Russian influence went up from 10% and Chinese influence from 5% to nearly 10%.

Turkmenistan was a battleground for E28 and Russian competition, until the E28 established itself as the dominant power. E28 influence rose to 63% in 2008 and Russian influence fell to 19% in the same year. From 2009 onwards, however, Russia has once again challenged E28 dominance and rose to 37% in 2011. The E28 seems to have retained its position for now, as Russian influence fell to 30% in 2015, with E28 at 55%, but the E28 has lost influence to Russia nonetheless.

UAE has shown consistent E28 dominance, yet decline from 2005 (68%) onwards to 61.5% in 2015. Largely, this decline has given rise to gradual increases for the other great powers, most noteworthy the US, which has increased its influence from 14% in 2005 to 18% in 2015. Since 2009, US events have greatly increased, with 2014 and 2016 being the only two years where the US is not dominant due to increases in E28 events. With the US having the most events since 2009 and India, Japan, Russia and China having higher averages than the E28, the UAE is pivoting towards the US. This is unsurprising when considering that the UAE is the one of the highest importer of US arms.

Vietnam is part of the E28 sphere of influence too, rising to 66% share of influence in 2007 and declining to 57% in 2015 after. This decline coincided with an increase in Chinese influence (9% in 2015, 7% in 2007), Japanese influence (8% in 2007, 12% in 2015) and Russian influence (10.5% in 2007 to 12% in 2015).

Pivoting

Pivoting states move out of the sphere of influence of a particular great power and are being drawn towards the sphere of influence of another great power. A pivot state might transition into being part of overlapping spheres of influence or might gradually exit one sphere of influence in favor of another.

Myanmar has mostly shown a strong relation with China, which has been dominant until 2000. From 2001 to 2013, the E28 and China have been competing to secure Myanmar as influencee. For a short time, India was competing for influence in Myanmar as well (up to 18% influence in 2010), but it has since lost a significant amount of influence again (8% in 2015). In 2014, China seems to have recaptured most influence (41% vs E28 25%), but as Japan's influence has grown strongly as well (15% in 2015) and Russian influence is still at 10% in 2015, we do not categorize Myanmar as aligning yet. Hence, Myanmar seems to be in a pivoting phase, seemingly back to China, out of it's former state of triangulating. It is important to note, however, that the recent years have been very volatile and thus a definitive conclusion cannot be drawn. This may be the result of Myanmar reaching out to other great powers, as after years of political isolation from the world (resulting in high dependence on China), Myanmar began pivoting toward other great powers – namely the US and the E28 – through the liberalization of their economy.[63]

63. Sara Perria, "Myanmar's Parliament Awash with Colour as Aung San Suu Kyi Ushers in a New Era," *The Guardian*, February 1, 2016, https://www.theguardian.com/world/2016/feb/01/myanmars-parliament-awash-with-colour-as-aung-san-suu-

Stable

A stable pivot state has not aligned or distanced itself from the sphere of influence it is currently in and they do not demonstrate any convincing signs of pivoting in a particular direction.

Afghanistan has been in the sphere of influence of the E28 since the early years of the EU (1993). These same years are marked by a strong decrease of Russian influence (26% in 1993 to 5% in 1996). An insurgence of Russian influence occurs from 2002-2007, where it once again peaks above 10%. American influence increases dramatically from 2005 onwards (up to 28%), both of which seem to coincide with the "war on terror" efforts the United States started after 9/11. E28 influence, however, remained dominant in Afghanistan, as stayed comfortably over 50%.

Brazil and Egypt have been part of a dominant E28 sphere of influence, rising to >70% in 2005 and nearly 80% in 2006 respectively and since fluctuating around 73% and 80%. Since the E28 influence rose above 70%, the US influence has dipped below 20% and has been hovering at around 15% thereafter in the case of Brazil and at around 10% for Egypt.

Djibouti shows strong ties with the E28, fluctuating between 60% and 70% since 2002, yet not showing any trend of decline or growth over time. The relative volatility in the E28 influence is accompanied by a growth in Chinese influence (7% in 2002, 20% in 2015) and a general decline of US influence. The decline of the US and the idleness of the E28 can be attributed to declining trade flows. In the event data, Chinese events have slightly increased, with strongly positive Goldstein scores since 2002.

Malaysia has shown a similar trend to Egypt, with a steadily increasing E28 influence until 2007 (reaching 64%) and then remaining stable at that level. Simultaneously, a drop in US influence is observed, dipping below 20% and stabilizing around 10%.

Oman shows somewhat more fluctuation than the above-mentioned countries, with E28 influence generally around 60%, but dropping to 50% from 2007-2010 and climbing back up thereafter. During the dip, US influence rose to 25%, following by a drop back to 15%.

Singapore and *the Philippines* have been part of the E28 sphere of influence since 1993 and since 1994 (Singapore) and 1999 (Philippines) it has been around 52% consistently. The US has fluctuated around 25% mostly since 1994 in Singapore, with a slight peak between 1998-2001 (around 30%). China has gradually increased in influence from 5% in 1994 to 10% in 2015. In the Philippines, US influence has continually dropped since 1993, dropping to 23% in 2015. At the same time, Japanese influence has been above 10%, but seemingly not making any movements to a higher share of influence. Prior to 2015, China experiences a low number of events with Singapore, this then is followed with an increase in 2015. China is Singapore's largest export market, while Singapore is one of China's biggest foreign investors since concluding a free trade agreement in 2008. However, over the past year Singapore has sought to bolster its military ties with the US, considering China's military assertiveness in the region.[64]

Saudi Arabia has centered around 65% E28 influence since 2004, after a general increase from 1993 onwards. A dip is observed between 1998 and 2003, marking an increase of US influence to >30%, but since this has dropped to 17%, whereas E28 influence has stabilized again around the 65% mark.

kyi-ushers-in-a-new-era.

64. Jeevan Vasagar and Christian Shepherd, "South China Sea Spat Exposes Singapore-Beijing Strains," *The Financial Times*, September 28, 2016, https://www.ft.com/content/07345320-852f-11e6-8897-2359a58ac7a5.

Thailand has maintained its position in the E28 sphere of influence, growing to 60% in 2005 and remaining at that level since. US influence has gradually declined since 2000, dropping from 25% to 12.5% in 2015. Chinese influence is stable around 11% and Japanese influence has been stable around 10%. According to our event dataset, there is little change in Thailand, with some increases in positive scores between the US and E28 since 2012. However, after 2015, Chinese events increase and remain generally positive.

Turkey has manifested itself as one of the closest pivot states to the E28, centering around 90% influence since 2005, up from about 85% since 1996. Turkey remains closely wedded to the E28 due to dependence on the E28 economically and militarily and this is indicated by Turkey being the largest recipient of E28 influence. Turkey's strong relationship with the E28 was firmly established in the mid to end 1990s where the E28 signed a trade agreement with Turkey and deemed it eligible to join the E28 after it fulfilled E28 membership criteria.

Triangulating

With China rising as a great power and Russia often challenging US hegemony, pivot states are increasingly triangulating their relations with various great powers as the ascent of China and Russia provide new trade options. As pivot states become increasingly less dependent on one great power, they seek to diversify their attention to reap the benefits of each individual great power.

Belarus has been strongly centered in Russian influence since 1993 and shows an increase first (until 67% in 2000, declining gradually to a stable 40% afterwards (in 2008). E28 influence increases gradually in the same timespan, to >40% in 2005 and gradually sustains a >50% influence share. Both countries maintain Belarus in their sphere of influence and hence Belarus is triangulating between those powers since 2005 already, with little signs of change.

3.6 The Netherlands in Global Geodynamics

How does the Netherlands fit into these turbulent global geodynamics? We now have a new dataset that tries to capture the changes in the global web(s) of influence. This allows us to take a look at the magnitude of the influence of the Netherlands in the world – on all countries together and broken down in individual countries – as well as how that global influence breaks down into the *economic*, *security* and *political* domains.

3.6.1 The Netherlands → World

Looking first at the overall influence score of the Netherlands on all countries, we see in Figure 3.24 that its 2015 value is 1.902. Comparing this value with those of our great powers,[65] it is striking that the global influence of the Netherlands is higher than that of India and Japan – their scores being, respectively, 1.133 and 1.148. This is mostly due to Japan's and India's low scores for *security* bandwidth and *security* dependence. More in line with expectations, overall influence scores of China, Russia and the US are substantially higher – 3.014, 2.205 and 5.661 respectively.

65. Note that the influence scores presented here were computed in reference to all countries, while those presented in sections 3.4 and 3.5 refer only to pivot states.

Over Time

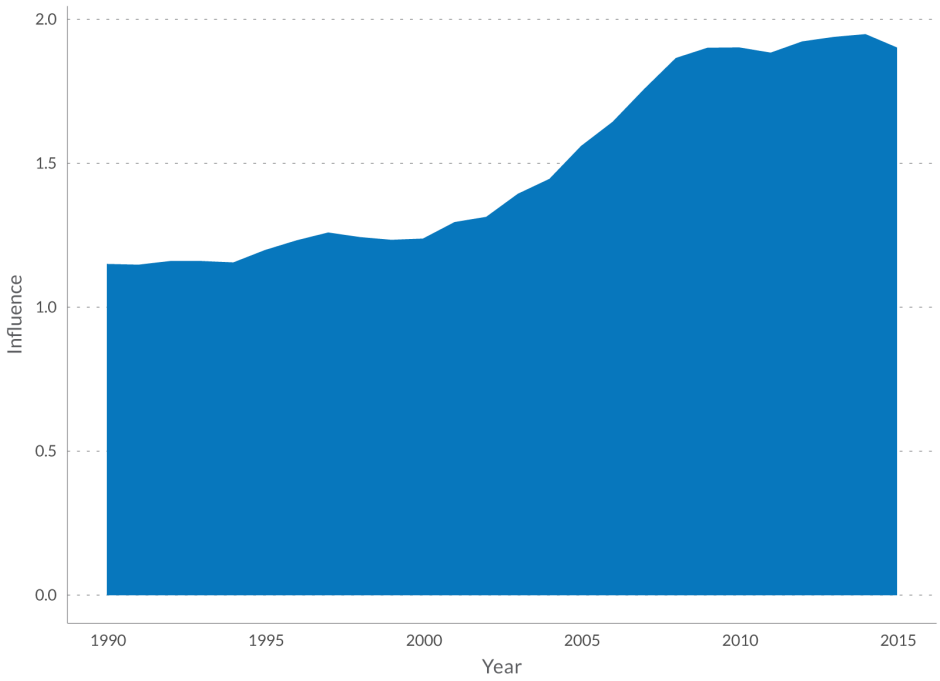
Turning our attention to the trends in the international influence of the Netherlands over time, we can see that it has experienced its steepest increase in the period from 2000 until 2008. During this time, its overall influence score jumped from 1.24 to 1.87. While remaining stable in 2009-2010 and decreasing slightly in 2011, the influence of the Netherlands has again experienced a somewhat faster rise from 2011 (1.88) until 2014 (1.95), before slightly decreasing in 2015 to 1.90. As described in more detail below, the influence of the Netherlands is by far the strongest in the *economic* domain. Key components making up the increases in influence were the following:[66]

i) For the period from 2000-2008:

» Two largest increases in influence on Belgium (from 0.06 in 2000 to 0.1 in 2008) and on Latvia (from 0.01 to 0.05). Latvia is perhaps a surprising case here. According to the GII data, this increase is driven above by increases in the *security* bandwidth (from 0.00 in 2002 to 0.421 in 2008); *security* dependence (from 0.00 to 0.657); and, even more strongly, by the *economic* bandwidth (from 0.37 to 1.15).

» Increases in influence on Germany, Poland, Czech Republic, Romania, UK and Portugal by 0.03 (rounded)

Figure 3.24 Influence of the Netherlands on the world



ii) For the period from 2011-2014:

» Increase in influence on Denmark from 0.047 to 0.063. Note that this increase constitutes part of a longer and continuing trend: From 2006 to 2015, the Dutch influence on Denmark increased from 0.0320 to 0.066.

66. These were calculated taking simple differences in influence scores in i) 2000 and 2008 and ii) 2011 and 2014.

» Increase in influence on Cabo Verde by 0.016, i.e. from 0.007 to 0.023. This is driven by the increases in *security* bandwidth and *security* dependence. From 0.00 in 2011 the *security* bandwidth score increased to 0.295 in 2014. In the same time frame, *security* dependence increased from 0.00 to 0.836.

Increase in influence on Morocco by 0.015, i.e. from 0.013 to 0.027

The steep spike in Dutch influence in 2000-2008 coincided with the intensification of the process of European integration: the introduction of the euro, EU enlargements and the Nice and Lisbon treaties. The GII data thus corroborates the well-documented (though lately sometimes forgotten) fact that the Netherlands has greatly benefited from the European integration – also in terms of its own national influence.

Geographically

As regards the influence of the Netherlands on individual countries (Fig 3.25), we can observe that over the past years, it has, on average, exerted the most influence on Belgium (0.089), Germany (0.076), the UK (0.053), Portugal (0.050) and Greece (0.047).[67] This "ranking" of top-five influencees is followed by a number of other European countries. We see that the influence of the Netherlands is strong in Europe – particularly (though not exclusively) on its direct neighbors – but is relatively weak in other regions. The non-European countries over which it has the highest influence are Chile (0.026), Turkey (0.021), Indonesia (0.018) and Suriname (0.017).

By Domain

Figure 3.26 visualizes the breakdown of Dutch international influence into *economic*, *security* and *political* influence. We can see that that the influence of the Netherlands stems primarily from its economic strength. Figure 3.26, importantly, allows us to see that the steep increase in the Dutch overall influence in 2000-2008 was driven by its expanding *economic* influence. *Economic* influence of the Netherlands peaked in 2008 and has since then been on a slow but fairly steady decline. This is likely to be due to the detrimental effects of the impact of the financial-economic crisis on European economies and, therefore, on intra-EU trade.

On the other hand, we also note that the influence of the Netherlands in the *security* domain has experienced an (almost) continuous increase since 2004 until today. Therefore, the recent (2011-2014) increase in the overall influence of the Netherlands (see above) can also partially be traced back to the *security* domain.

With respect to the influence of the Netherlands in the *political* domain, we see few changes since 2011. Over the entire time period presented in Figure 3.26 (1990-2015), we observe a (very) slight, yet steady increase in political influence.

Below, Figure 3.25 visualizes the discussed findings for a better overview. Note that it presents the maximum values of the overall influence scores over the past 15 years rather than the data for the latest year.

67. Note that the presented scores are the maximum overall influence scores over the last years and not the most recent scores for 2015.

Figure 3.25 Influence of the Netherlands on the world (Average over 2000-2015)

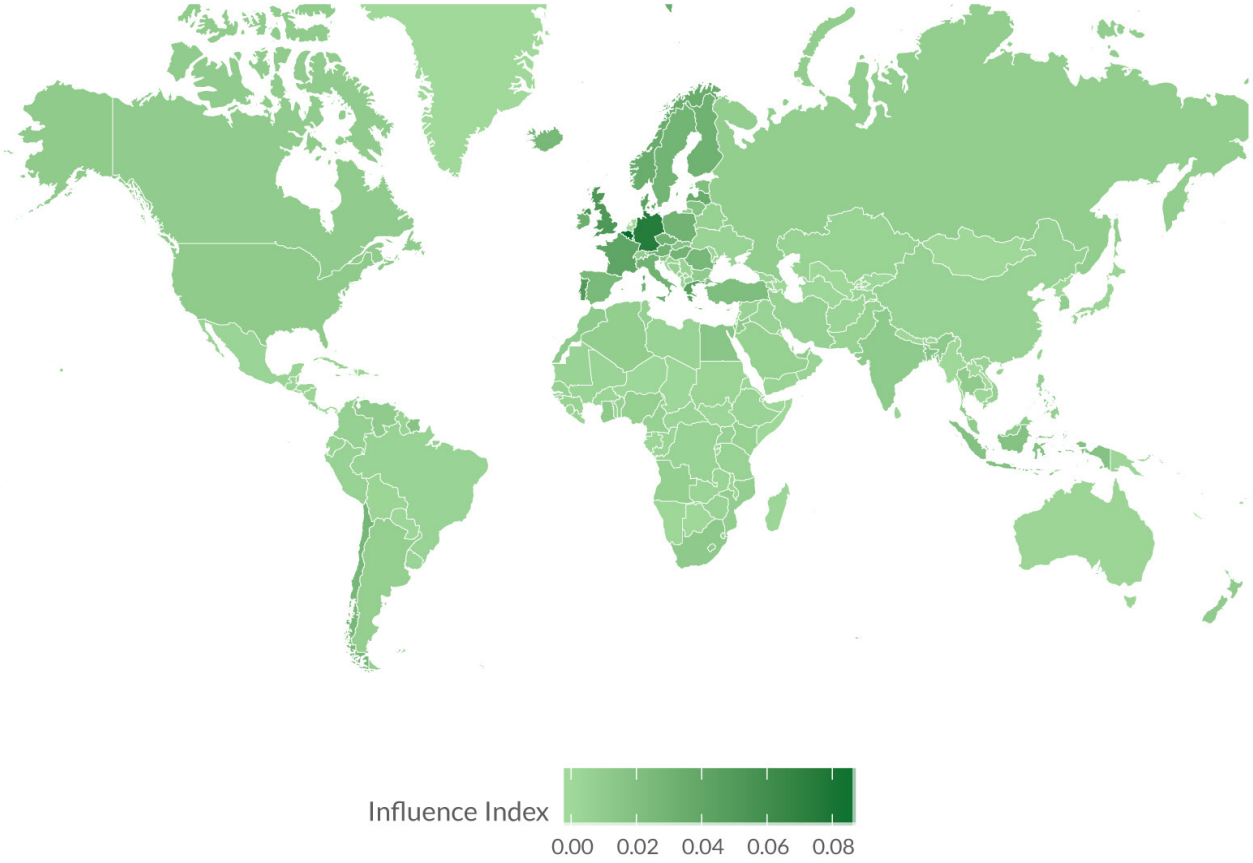
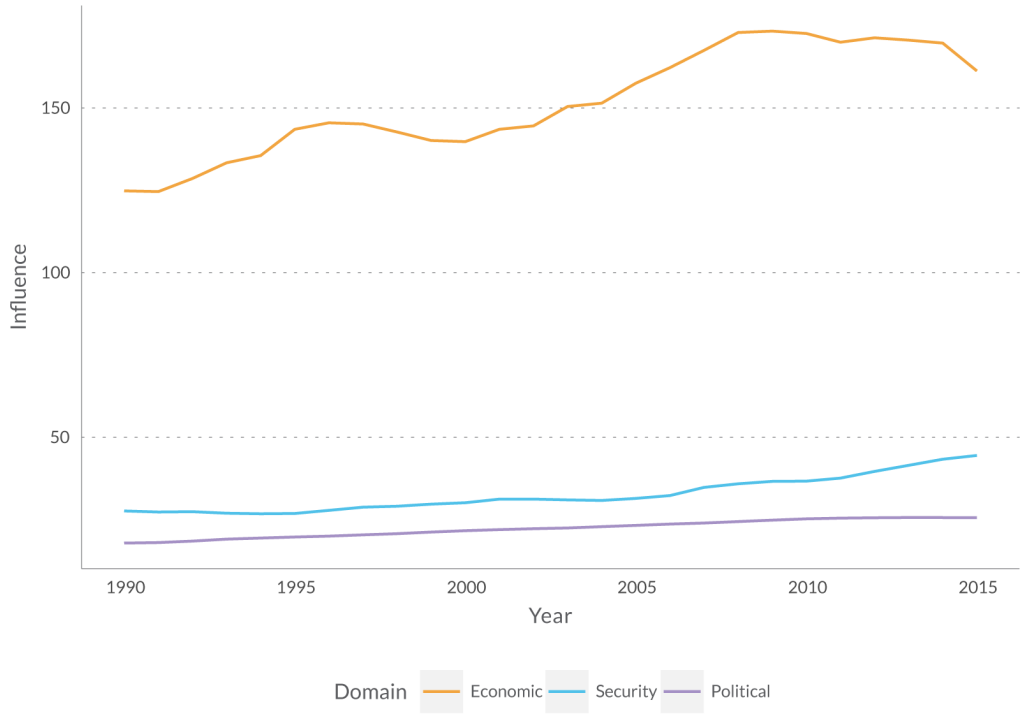


Figure 3.26 Aggregate influence of the Netherlands in the *economic*, *security* and *political* domain

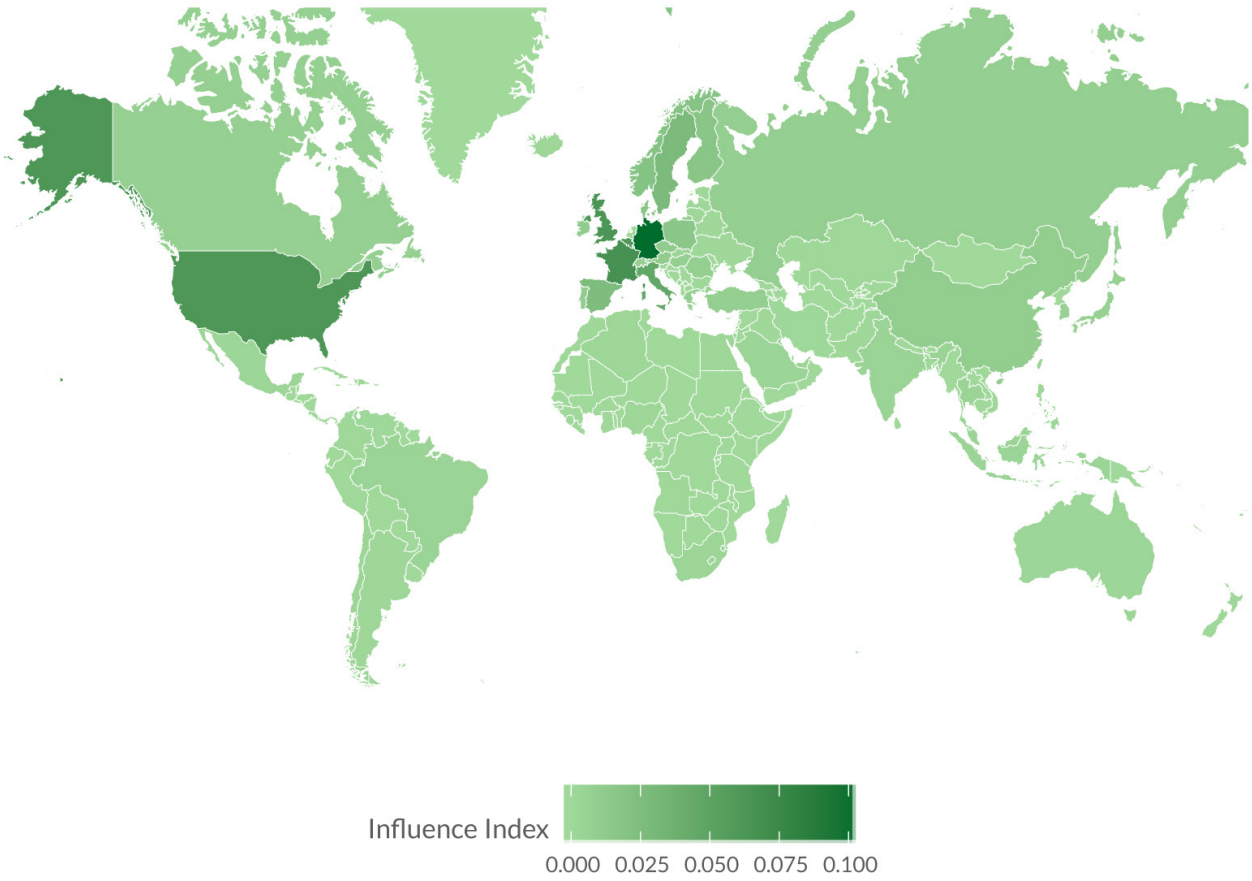


3.6.2 World → The Netherlands

Next to how much influence the Netherlands has in the world, our data also allows us to look at the countries that exert the most influence on the Netherlands (see Figure 3.27 below). According to the GII data, Germany exerts the strongest influence on the Netherlands. Its average influence score in the time period in between 2000-2015 has been 0.1, followed by France (0.07), the UK (0.06), the US (0.06), Belgium (0.06) and Italy (0.05).

The influence of Germany on the Netherlands peaked in 2010 with a score of 0.1186. There was a substantial increase in between 2002 and 2010, with the score in 2002 being 0.082. In fact, for several European countries – including, above all, Belgium and the UK, but also Norway – we can see that their influence on the Netherlands experienced a steep rise since 2002 and has been either stagnating or declining since 2008/09. This mirrors the trend described above in regards to the influence of the Netherlands. Given that key determinants of these countries' influence on the Netherlands are *economic* bandwidth and *economic* dependence (next to *security* bandwidth), we can, again, relate this to the introduction of the euro and, starting from 2008, the negative impact of the financial and, subsequently, the eurozone crisis.

Figure 3.27 Influence of the world on the Netherlands (Average over 2000-2015)



Somewhat differently, over the past 15 years the influence of France – the second strongest influencer of the Netherlands in terms of average over 2000-2015 – was highest in 2000 (0.0718), before it experienced a continuous decline until 2006 and subsequently a fairly steep rise until 2013. A relevant factor behind French overall influence on the Netherlands appears to be *security bandwidth*. For France, it is a relatively more important driver (second most important) compared to Germany and Belgium, where it is the third most important determinant after *economic* bandwidth and *economic* dependence.

The extent of Italy's influence on the Netherlands, which has been the fifth highest over the past 15 years and steeply rising since 2009 (contrary to the above described trends for Belgium and Germany) is also somewhat surprising. From our data, we can see that this increase is driven by the influence in the *security* bandwidth, while *economic* bandwidth has stagnated over the last years and *economic* dependence of the Netherlands has even slightly declined.

Turning now to the transatlantic relations, we can see that the influence of the US was stagnant in 2000-2008, before declining from 0.0647 in 2008 to 0.0579 in 2013 and then remaining stable again for the past two years. Contrary to European countries, the main driver of the overall influence score for the US is by far the *security* bandwidth, followed by *economic* dependence of the Netherlands.

3.7 Conclusion

This chapter presented the most recent from our 'nowcasting' efforts of ongoing global geodynamic shifts. These include current trends in great power assertiveness and influence and in the interaction between great powers – that is, China, E28, India, Japan, Russia and the USA – with the 35 pivot states, which we selected applying a range of criteria on countries' strategic importance. To get a comprehensive picture of these complex and fast-changing international dynamics, our analysis drew on both daily event data (from GDELT, ICEWS and Phoenix databases) and on annual datasets, notably the Global Influence Index (GII), which measures countries' international influence potential.

In regards to the assertiveness of great powers as a group, we find that their behavior on the international arena is neither more active nor more assertive than that of non-great powers. However, great power assertiveness has been on the rise in recent years. This trend is particularly conspicuous for the arguably most dangerous type of assertiveness – factual negative mili*tary* assertiveness.

Concerning recent developments for individual great powers, our analysis shows that the USA remains the single most assertive great power in the world. Yet, we note that during the years of the Obama presidency, the USA's assertiveness declined across all domains, i.e. positive and negative *diplomatic*, *economic* and *military* assertiveness. Over the last years 'Europe', conceptualized in this year's report as the aggregate of 28 member states (E28), has been the second most assertive actor among the great powers. The most startling finding on E28, based on the GII data, is its unmatched influence potential relative to other great powers. It is important to emphasize that this finding illustrates the vast gap between Europe's actual and potential international influence and does not represent a measure for its current 'actual' influence.

Our event datasets and the GII also highlight China's economic ascendance. In particular, we find that it surpassed the USA's economic influence in 2015. Regarding China's assertiveness, the most

pronounced trend has been the rise in its *factual* negative *military* assertiveness, reflected in, for example, its actions in the South China Sea. A strong increase in *military* assertiveness can also be seen in Russia, as evidenced by its actions in Crimea, Eastern Ukraine and Syria. Among the great powers, Russia's international economic influence is the lowest, while it occupies the middle ground in terms of *security* influence. Japan and India lag behind the E28, USA, China and Russia in terms of both influence and assertiveness.

Our analysis of the interactions between great powers and pivot states confirms the enormous (potential) 'attraction' of E28 vis-à-vis the latter. Europe's international influence has mostly been driven by economic factors, while also being vulnerable to global economic downturns such as the global financial crisis. Of the 35 pivot states, E28 has the greatest influence on Turkey. Over the past ten years, the USA's influence has been on the decline in more than half of the pivot states. At the same time, we would like to draw our readers' attention to the increasing influence scores of China and Russia.

This chapter also looked at geodynamics from the point of view of pivot states, which we assigned to five categories – aligning, distancing, pivoting, stable and triangulating – based on changes in their positioning with respect to great powers. Almost a third of the pivot states can be categorized as 'distancing' themselves from E28. Among these, a substantial number, including for instance Iran and Nigeria, are moving towards China. The second largest group are 'stable' pivot states, which do not display any shifts out of the E28 sphere of influence.

Finally, our analysis was concerned with the position of the Netherlands in global 'geodynamics'. It continues to punch above its weight: In the GII dataset, it scores higher than the great powers Japan and India. Dutch influence is by far the strongest in the *economic* realm, while geographically, the Netherlands had the greatest influence on Belgium, Germany, the UK and, outside of Europe, on Chile, Turkey and Indonesia. Moreover, the Netherlands experienced the steepest rise in its international influence in the heydays of European integration. We submit that this is a yet another important data point in the debate about the relative merits and demerits of the European Union for this country.

In this chapter we have drawn on several innovative event and annual datasets to infer ongoing trends in the interactions of key states on the international arena. We contend that in the 21st century, it is no longer feasible to rely on individual analysts' 'intuitions' on global trends in countries' assertiveness and influence. Instead, the vast data resources and analytical tools available today allow us to achieve greater objectivity – and, in consequence, produce better evidence-based analyses. Like every single other dataset that we use daily in economic, public opinion, or sociological areas, they remain far from perfect. We contend that they are now at a level of fidelity, where ignoring them becomes inexcusable.

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STS115_Atlantis_undock_ISS. Author: NASA.