

Conflict and Cooperation

The Hague Centre for Strategic Studies, StratMon 2016-2017



Conflict and Cooperation

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

The Hague Centre for Strategic Studies

ISBN/EAN: 978-94-92102-47-8

Conflict and Cooperation

Authors: Stephan De Spiegeleire, Iuliia Solodovnik, and Nicholas Farnham

Contributors: Yana Petrova and Yulia Aleshchenkova

Design: Camilla Bernardi

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>.

The HCSS StratMon Program offers strategic assessments of global risks to Dutch national security. The Program gratefully acknowledges its financial support from the Dutch Government within the context of the Dutch Government's Strategic Monitor.

© 2017 The Hague Centre for Strategic Studies. All rights reserved. No part of this report may be reproduced and/or published in any form by print, photo print, microfilm or any other means without prior written permission from HCSS. All images are subject to the licenses of their respective owners.

The Hague Centre for Strategic Studies

Lange Voorhout 16 • 2514 EE The Hague • The Netherlands

info@hcss.nl • HCSS.NL

Conflict and Cooperation

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.



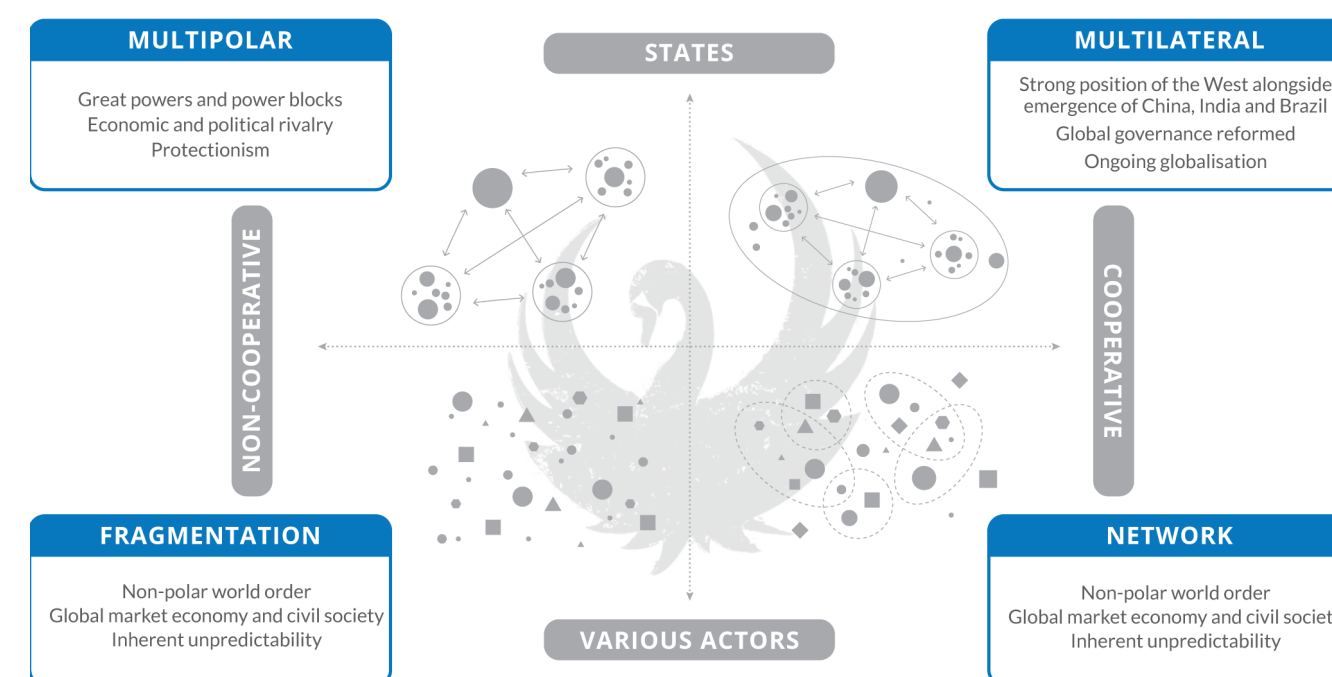
Key Take-Aways

- » There are many more cooperative events reported, compared to conflictual ones, yet there has been a downward trend in cooperation and an upward trend in conflict since the early 2000s. The observed share of conflict events in the world increased from 15% in 2000 to 20% on in 2016.
- » The average Goldstein score (AVG), a scale ranking every recorded event from the most negative (-10) to the most positive ones (+10), since 2000 remains positive for all GDELT events, but has been trending downwards in the past 15 years.
- » Verbal cooperation represents the lion's share of all interstate events, but its level has decreased in 2015-2016. This means that states talk a lot more than they act and they do so overwhelmingly in a cooperative mode, even though negative *verbal* exchanges are on the rise.
- » Global volatility has increased significantly in the past two years, yet it is still not even close to Cold War levels.
- » While states still talk the talk of international cooperation (albeit somewhat less so than in previous years), they seem increasingly unwilling and/or unable to walk the walk.
- » Events related to conflict can be found most frequently in the *security, military* and *legal* domains, whereas cooperative events are more dominant in the *economic, diplomatic* and *informational* domains.
- » Like their governmental counterparts, non-state actors initiate significantly more cooperative international events than conflictual ones; but contrary to states, cooperation between non-state actors is trending upward and conflict downward.
- » The world's most cooperative countries tend to be micro-states in various parts of the world.
- » We find a surprising amount of Western 'Allies' amongst the world's least cooperative countries (e.g. Iraq, Israel and Turkey).
- » The most striking geographical findings are the improvements in AGS in various African regions (except for the *military* domain) and rising tensions in the Middle East.
- » Our findings on how other countries are treating the Netherlands and on how the Netherlands behaves towards other countries confirm its internationally relatively enviable position. The Netherlands' attitude toward several great powers has cooled somewhat over the past year, however, its position in the ebb and flow of international interaction remains healthily positive.

2.1 Introduction

As part of our contribution to the inter-agency Strategic Monitor of the Dutch government, HCSS continues to track overall trends in global cooperation and conflict. This effort dates back to the last major forward-looking governmental strategic defense reflection that took place in the Netherlands in 2010: the Future Policy Survey¹, which spawned the Dutch government's efforts to create and sustain a 'Strategic Monitoring' effort. In its strategic foresight section, this interdepartmental study highlighted what the survey argued (and we still feel) to be two quintessential parameters of any future security environment: whether states or non-state actors would be dominant in the future; and whether – whoever would prove dominant – these actors would tend to be more cooperative or conflictual.

Figure 2.1 Future policy survey's 2×2 scenario matrix



Over the past years, we – and others – have added many caveats to this 'scenario framework'. There are many important attributes of the global security environment other than the two highlighted here that should be taken into account and monitored. Moreover, the two axes represented in Figure 2.1 are not nearly as neatly orthogonal in reality, as changes that simultaneously point in different directions can and do occur. Finally, the 'fundamental uncertainty' that the Future Policy Survey devoted an entire chapter to has to be taken to heart, which is why we portray it against the background of the 2×2 matrix. Nonetheless, HCSS maintains that the axes running from 'cooperative' to 'non-cooperative' and from 'states' to 'various actors' still represent two quite fundamental attributes of the international system.

1. The Netherlands Ministry of Defence, "Future Policy Survey: A New Foundation for Netherlands Armed Forces," 2010, <https://www.files.ethz.ch/isn/157125/Netherlands%202008%20Future%20policy%20survey.pdf>.

Several readers might be unfamiliar with or even surprised by our approach to the way in which we monitor this scenario framework. Our approach to this ‘monitoring’ effort aspires to collate and curate a systematic empirical evidence base that allows all relevant stakeholders – analysts, military planners, policy-makers, but also interested companies, NGOs, citizens, etc. – to get a better grip on these fundamental international trends. Economists have already for quite some time had access to a number of ‘big picture’ indicators that allow interested parties to keep their fingers on the pulse of analogous trends in the international economy: data on trends in global GDP,² global trade,³ global amounts of protectionism,⁴ etc. Analysts of international political and/or security trends were – until recently – unable to operationalize the two comparatively more ‘comprehensive’ axes of the scenario framework of the Future Policy Survey in a systematic way. With the advent of (open-source) event datasets, that has changed.

Accordingly, this year again, we update the findings from our three datasets on these two fundamental aspects of the international system. This chapter starts by presenting some general global trends in cooperation and conflict over time. It then zooms in on how these trends differ geographically. We finally take a closer look at the role that the Netherlands plays in all of this – both as an actor and as a target.

2.2 Trends Over Time

2.2.1 Number of Events

Figure 2.2 breaks down all recorded inter-state events initiated by state- and non-state actors into cooperative and conflictual categories since 2000. As in previous years, our event datasets show that there is more cooperation than conflict in the international system. At the same time, however, we also observe an overall downward trend in cooperation and an upward trend in conflict since the early 2000s. The observed number of conflict events in the world rose from 15% in 2000 to 20% on November 15, 2016. A drill-down into the underlying news articles shows that this increase reflects various strong disagreements between Russia and the USA, continuing instability in the MENA region as well as Islamic State activity.

Looking at the trend in conflict events over the past one and a half years in more detail, for the period from July 2015 until the end of 2015 the share of conflict events fluctuated between 18%-28% on the daily basis, averaging at 21%. 2016 started with a high level of conflicts worldwide, including a chain of days with 30% of conflict events. From February until mid-2016, the share of conflict events decreased again to 21-25% on average. July and August were among the most conflict-ridden months in 2016, with average percentages of inter-state conflict events of 25% and 26% respectively. Stabilizing at 23% in October, the percentage of conflict events has been steadily decreasing to 21% in November.

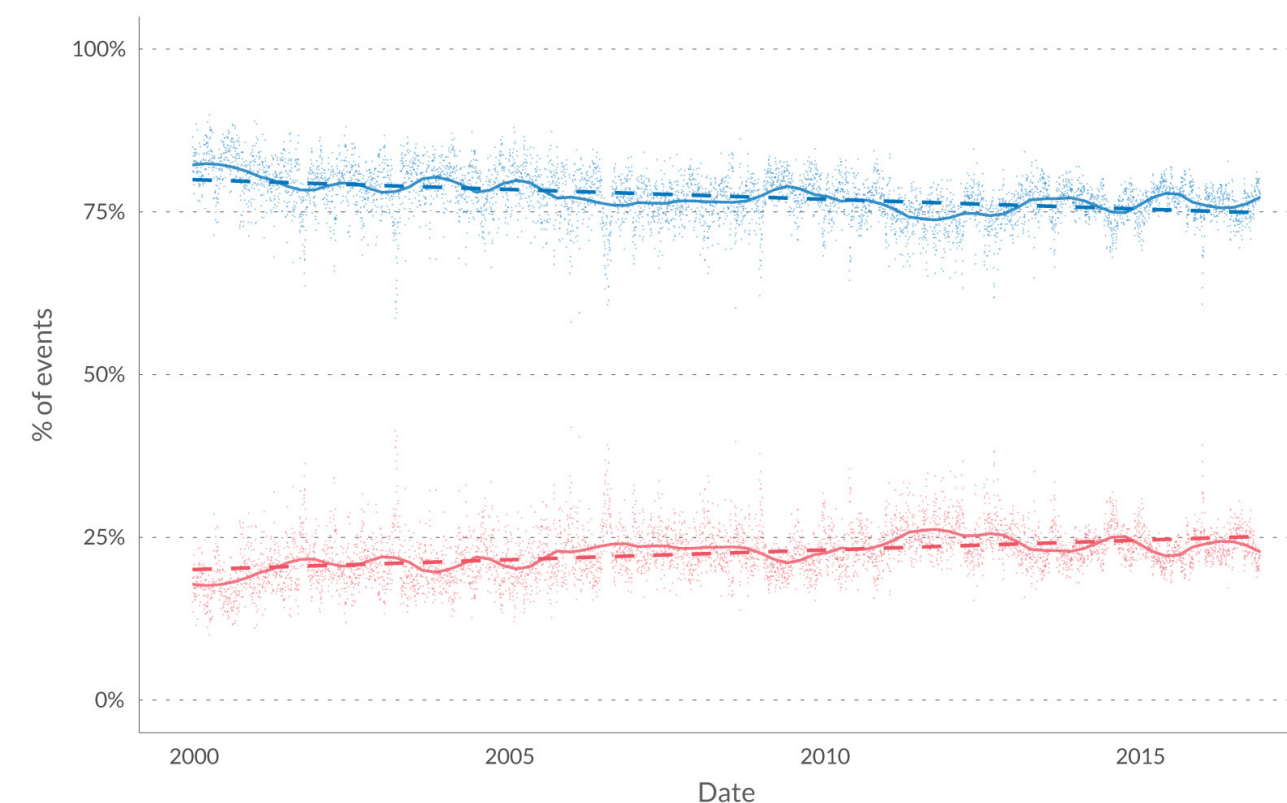
Over the last two years, the leading countries reported to initiate these conflictual events are: the USA, E28, Russia, Israel, Iran, China and Syria.

2. The World Bank, “GDP (Current US\$),” *The World Bank*, 2016, <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD>.

3. The World Trade Organization, “International Trade and Tariff Data,” *The World Trade Organization*, 2016, https://www.wto.org/english/res_e/statis_e/statis_e.htm.

4. The World Trade Organization, “‘Persistent’ Economic Challenges Continued to Weigh on Trade in 2016,” *The World Trade Organization*, December 9, 2016, https://www.wto.org/english/news_e/news16_e/trdev_09dec16_e.htm.

Figure 2.2 Global trends in overall cooperation and conflict (GDELT, 2000-2016)



2.2.2 Volatility

There has been much discussion about whether or not international relations have become more volatile in recent years. To shed some light on this debate, this year we developed a way to measure volatility over time in our event datasets. We named this metric the HCSS ‘VIM’-indicator: a reference to the VIX index that is used to measure volatility in the stock market,⁵ but also with a wink to the accusative case of the Latin noun ‘vis’ (power), that is sometimes used in English to connote energy, dynamism, or schwingung. For this first iteration of our HCSS-‘VIM’ index, we calculated the standard deviation of overall daily average Goldstein scores (explained below) within a 60-day time window. Since we are operating with changes in averages of extremely large numbers of events, the actual volatility we observe is quite a bit lower than, for instance, in the VIX index. To address this issue, we are in the process of developing a new, more fine-grained version of the HCSS VIM-indicator for the 2017 edition of the Strategic Monitor. Nevertheless, even in this first iteration of the VIM-indicator we do detect some interesting trends.

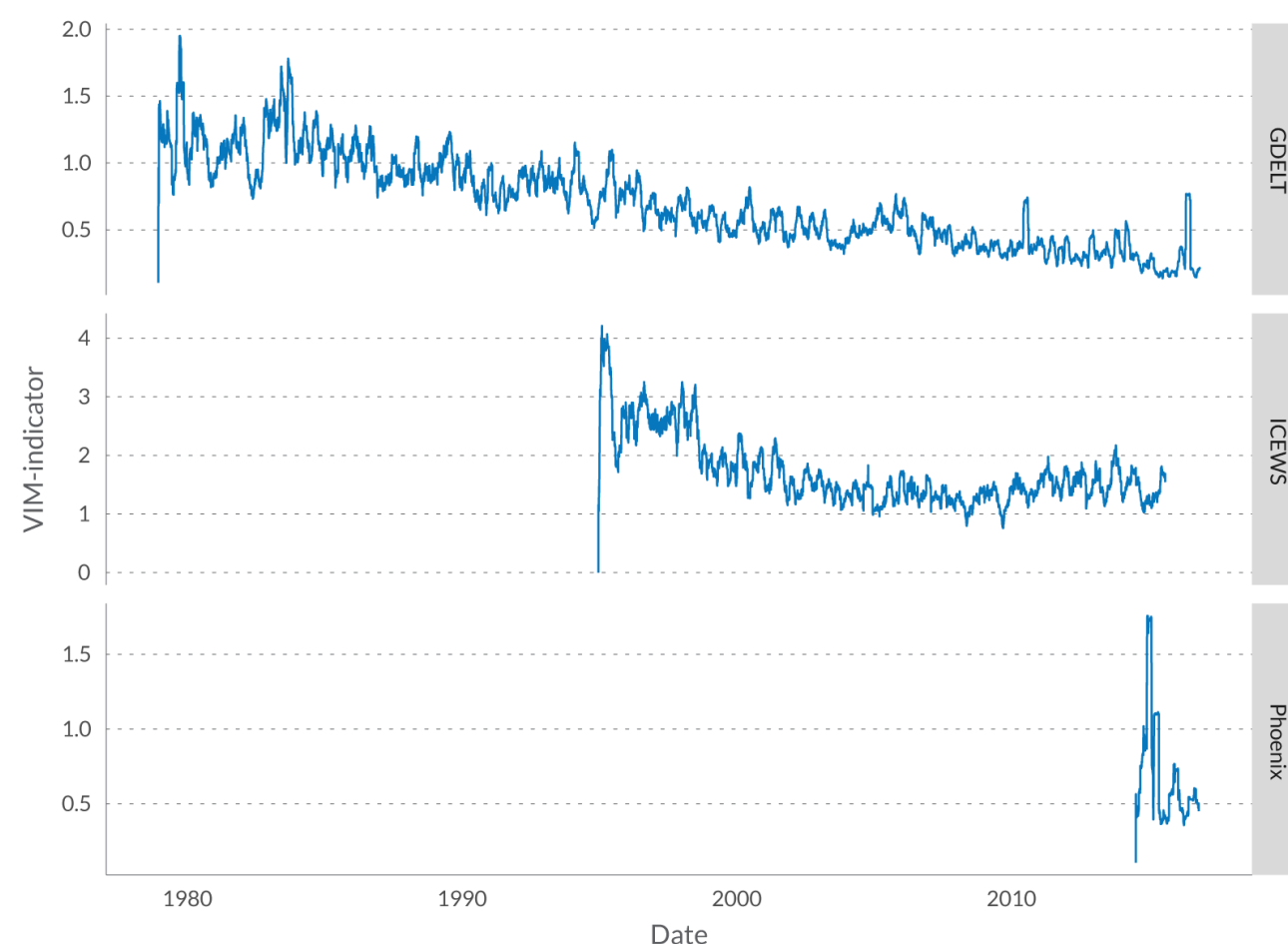
5. The Chicago Board Options Exchange, “The CBOE Volatility Index - VIX,” 2003; Robert E. Whaley, “Understanding VIX,” Available at SSRN 1296743, 2008, http://papers.ssrn.com/sol3/Papers.cfm?abstract_id=1296743.

Figure 2.3 shows that over the entire period from 1979 to November 2016, global volatility in material inter-state events (i.e. excluding *verbal* ones) has gone down in all three datasets. GDELT shows that oscillations in volatility were quite a bit more dramatic during the Cold War than in recent years.

When we zoom in on the past two years, it can be seen that global volatility has increased significantly in both our GDELT and Phoenix datasets. We emphasize that these are all past levels of volatility and may change in the (even near) future. We are inclined to agree with the claim by the risk consultancy Eurasia Group that in 2017 risks will be “most volatile year since World War II”⁶. Looking slightly beyond that, we anticipate some more fundamental changes ahead (see the conclusion of this report).

When we zoom in on the past two years, it can be seen that global volatility has increased significantly.

Figure 2.3 The HCSS VIM-indicator of global material event volatility (GDELT, ICEWS and Phoenix, 1979-2016)



6. Rainer Buerger, “It’s the ‘Most Volatile’ Year for Political Risk Since WWII, Eurasia Group Says,” *Bloomberg Press*, January 3, 2017, <https://www.bloomberg.com/news/articles/2017-01-03/political-risk-spike-from-trump-to-china-seen-in-2017-by-eurasia>.

Figure 2.4 The HCSS VIM-indicator of global material event volatility (GDELT, ICEWS and Phoenix, 2015-2016)



2.2.3 Goldstein Scores

The numbers we reported on above represent the overall *quantity* of events in our datasets. If we were to compare this to (European) football statistics, this would be akin to the overall number of wins vs. ties vs. defeats of a team. But losing two ‘tight’ games is qualitatively quite different from two overwhelming losses (e.g. with a 5 goal difference). This is why standard football statistics⁷ now increasingly include these cumulative goal differences; and why we are also witnessing a trend towards automatically generated statistics such as the percentage of ball possession or the percentage of successfully completed passes.⁸ An example of an equivalent of these more in-depth qualitative soccer statistics for event datasets, which we have also used in previous editions, is the *Goldstein score* – an indicator for the more *qualitative* fluctuations of international conflict and cooperation.

7. And we note that – contrary to US sports like baseball or basketball – soccer has been solely relying upon using even just these ‘coarse’ statistics for approximately 40 years and these new, more fine-tuned statistics for a few years. To this date (and to the best of our knowledge), HCSS is still the only organization to systematically compute and publish these statistics for international relations.

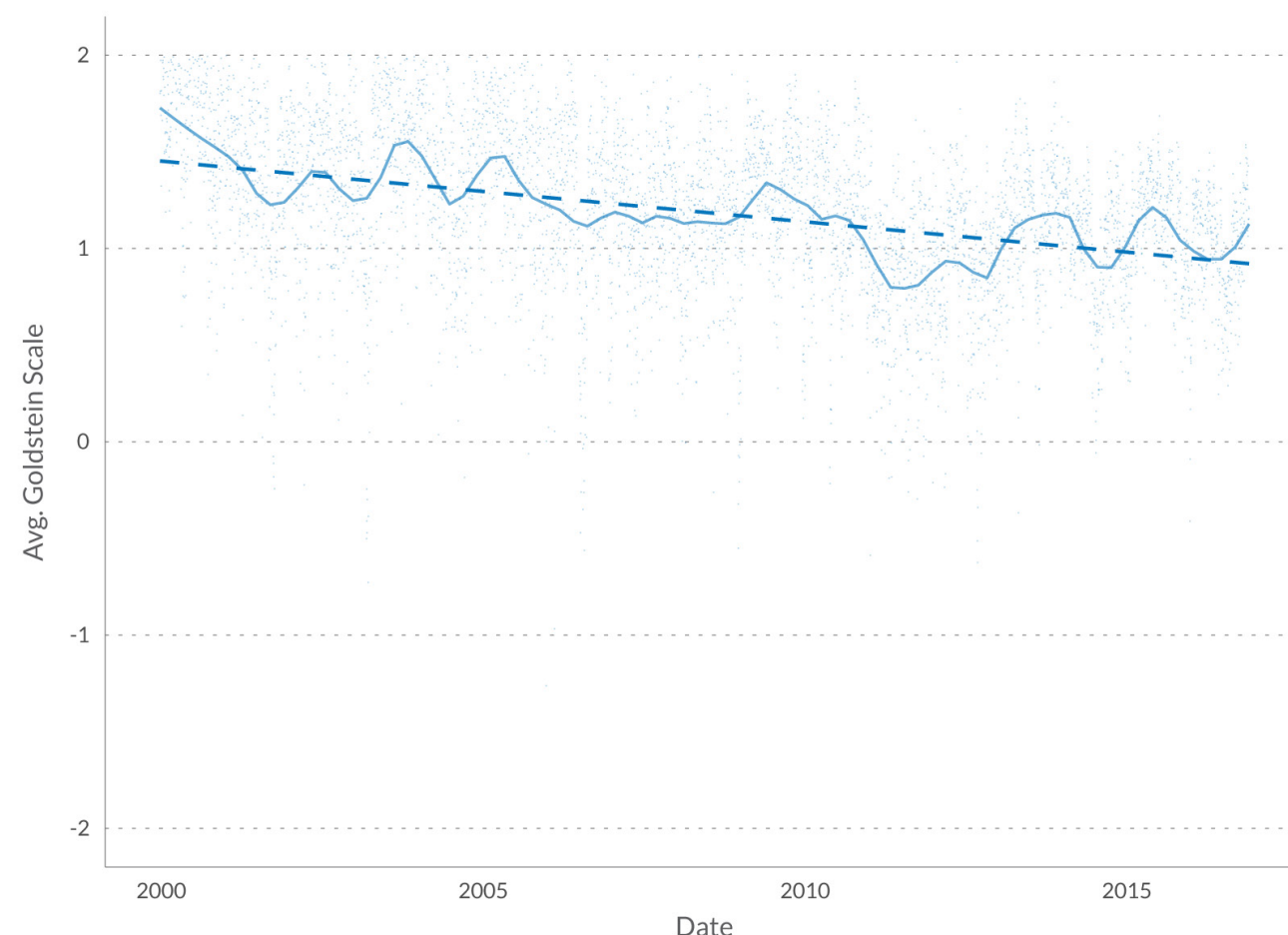
8. Michael C. Rumpf, “Performance Analysis,” *Footballscience.net*, 2015, <http://www.footballscience.net/special-topics/performance-analysis/>.

The Goldstein score is an interval-level scale that ranks every recorded event from the most negative ones (-10 – e.g. a military attack) to the most positive (+10 – e.g. retreating militarily). That is, we still operate with the overall number of (daily/weekly/etc.) events, but rather than summing up the number of cooperative and conflictual events and presenting them as a percentage of all events (“there were far more conflictual events between country A and B yesterday”), we calculate the (daily/weekly/etc.) average Goldstein scores (AGS) in the respective time period (“not only were there more conflictual events yesterday, but their average value was extremely low”). For more information on the Goldstein scales, see the method textbox on p. X).

Overall

Figure 2.5 shows the trends in daily average Goldstein scores (AGS) for all GDELT events since 2000. We note that the overall AGS – encouragingly – remains positive (i.e. on the more cooperative side of the scale), but has – unfortunately – been trending downwards over the past 15 years.

Figure 2.5 Daily average Goldstein scores for all GDELT events since 2000



When looking at the past 5 years, as opposed to the past 15 years, we note that the daily Goldstein scores zigzag around a relatively more stable base, but with a number of attention-catching highs and lows. We did not investigate these in greater depth in previous editions because they typically consist of various unrelated events that occur in different parts of the world. At the request of some

of our readers, for this edition we decided to illustrate a number of these peaks and troughs with at least some of the events observed on the respective dates. We would once again like to draw a comparison with analogous economic datasets that are used for monitoring various markets like, for instance, stock markets and national accounts. Some analysts of economic trends may have a gut feeling about underlying market macro-trends based on their knowledge of certain subsets of the data, historical analogues, leading indicators or other sources of information. Most responsible economic decision-makers would, however, prefer to wait to make judgment calls until the aggregated trends for various national, firm- and intra-firm level data is published.

Similar to their economic counterparts, so too are pundits in the broader realm of international interactions (this company included) often quick to offer high-level judgment calls about ‘increased levels of conflict’ or ‘increased volatility in the world’ based on their own observations and/or hunches. What we have been trying to do in our contributions to the Strategic Monitor in the past few years is to start assembling millions of underlying data points, including event data, which we aggregate in order to obtain a more comprehensive sense of what is going on in international relations. The event datasets – like their economic counterparts – will undoubtedly still improve in depth, breadth and reliability in the future. However, they are at least starting to give us an inkling of deeper currents in international relations that the Future Policy Survey admonished us all to track more consistently. This year’s decision to drill-down into some highlights is intended to give our readers a better feel for what lies behind the statistics that we present.

Towards the end of September 2012, the global Goldstein score significantly decreased to a level of 0.6 (compared to, for instance, 1.2 in May 2012, see Figure 2.5). This is mostly due to the low on September 29, 2012 – a date on which our event data reveals several highly negative events. These include a Boko Haram attack on dormitories of an agricultural college in Nigeria, resulting in numerous fatalities and injuries. Other less extreme, but still negative events that contributed to the low score were unsuccessful negotiations between Australian and Indonesian dignitaries regarding asylum-seeker specifics and Iran’s military parade with slogans such as: “Death to America”.⁹ After this low, we see an improvement in the Goldstein score with peaks on July 1, 2013 (1.3) and November 20, 2013 (1.3), which were mostly due to the increase in collaborative events that took place on those dates. For July 1, 2013, this includes a wide range of high-level foreign visits (e.g. former UK Prime Minister David Cameron’s visit to Kazakhstan) and a number of signed cooperative agreements (e.g. agreement on transferring convicted individuals between the UAE and Pakistan). Among the events contributing to the peak value on November 20, 2013, the most positive ones were the discussions between the USA and Pakistan on long-term defense ties, as well as the achievement of an agreement between the USA and Afghanistan on a crucial security pact concerning US troops’ presence in Afghanistan after 2014.

Another major AGS slump occurred on July 21, 2014, when it dropped to 0.6. Among the events with the highest negative scores on that day, we found: the suicide of a Melbourne teenager who killed five people in Iraq through suicide bombing, the aggravation of Israel-Palestine relations portrayed by the media as a holocaust against Palestinian families, a Chinese vessel spying on RIMPAC naval exercises and MH17 disputes between Russia and the USA.

The final drop (to 0.7) in Goldstein scores during the time period we are reporting on here occurred on July 30, 2016 and was mostly due to great power activity and instability in the Middle East and South Asia. The majority of conflict events on that date were initiated by great powers, 42%

9. Vic Rosenthal, “A Nuclear Iran: Get Used to It,” *The Jewish Press*, *FresnoZionism.org*, (September 29, 2013), <http://www.jewishpress.com/blogs/fresno-zionism/a-nuclear-iran-get-used-to-it/2013/09/29/>.

compared to 32% of those initiated by the countries from the Middle East and South Asia. It is important to keep in mind that India is both a great power and a country in South Asia, as the amount of events with the highest negative Goldstein scores of -10 was quite close in both of the regions: 11% and 9% respectively. For example, among such events was a major ISIS attack killing 80 people and injuring over 200 people in Kabul. That day was also marked by a renewed debate on the results of the US invasion of Afghanistan 15 years ago and the actual outcomes of the 'War on Terror' in light of the 2016 US presidential election¹⁰. Other major concerns that contributed to the low Goldstein scores were a shooting at the police station in Yerevan and continuing political violence in Burundi.

We note that many observed AGS drops tend to coincide with terrorist attacks. The significantly increased number of terrorist attacks (and deaths) over the past 15 years¹¹ is therefore likely to be one of the primary causes behind the aggravation of global Goldstein scores.

Many observed AGS drops tend to coincide with terrorist attacks.

Verbal Vs. Material

The figures we have reported on above relate to *overall* global interstate events— i.e. they include both *verbal* and *material* events. In contrast, Figure 2.6 differentiates – along the lines of the Future Policy Survey's 2x2 scenario framework – between the different types of conflict and cooperation, namely *verbal* and *factual*, for the period from January 2015 until October 2016. We note, as we did in previous editions, that *verbal* cooperation represents the lion's share of all inter-state events, however its share has decreased in 2015-2016. Over the analyzed time period, *verbal* cooperation events on average constituted nearly 63% of all events. The highest and lowest points are clearly visible on the graph, with the biggest increase in the sphere of *verbal* cooperation taking place between January and October 2015. The major drop in the share of *verbal* cooperation events began in the end of October 2015, eventually leveling off at 67% in February 2016.

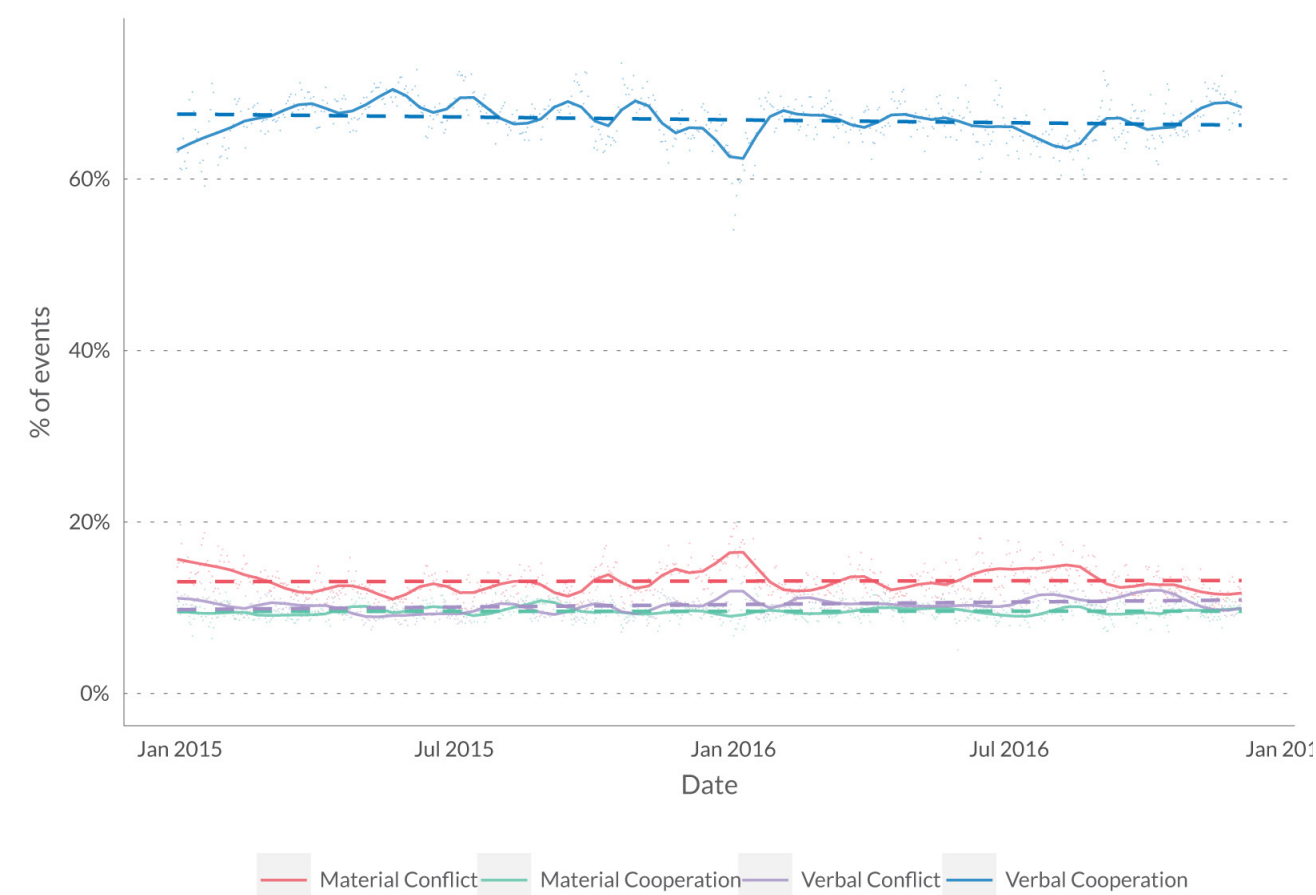
We see a peak (73%) of *verbal* cooperative events on October 21, 2015, when the highest Goldstein scores were 8 and the lowest ranged around 0 and -1. On October 21, 2015, the countries that initiated the most *verbal* cooperation were great powers, such as the USA (20%), EU28 (13%), Russia (9%), and China (7%). The lowest amount of *verbal* cooperation (54%) occurred on January 3, 2016. The data reveals that the leading countries involved in *verbal* interaction on that date were the USA (16%), EU28 (10%), Saudi Arabia (7%), Iran (7%), Russia (3%), China (3%), Pakistan (3%) and Israel (3%). Among the types of events with negative Goldstein scores that day, some related to pessimistic comments regarding other actors or declining comments, denying responsibility and reducing the relations. Another slight decrease in terms of *verbal* cooperation took place between June and mid-August 2016, with a low point occurring on July 31. Once again, the leading source countries on that day were the USA (20%), EU28 (13%), Russia (7%) and China (6%). Since then and until the end of the reported period, the percentage of *verbal* cooperation has been increasing again. However, despite the fact that by the ending date of the observed period the percentage of *verbal* cooperative events has grown to 67% on average, the overall trend line from January 1, 2015 to November 15, 2016 points downwards, having a negative slope coefficient of -0.0000246097.

Verbal cooperation represents the lion's share of all inter-state events, however its share has decreased in 2015-2016.

10. MWC News, "SIGAR Report: Taliban Gained Territory in Afghanistan," MWC News, July 29, 2016, <http://mwcnews.net/news/centrals-asia/60120-taliban-gained-territory.html>.

11. The Institute for Economics and Peace, *Global Terrorism Index 2016: Measuring and Understanding the Impact of Terrorism*, November 2016, <http://economicsandpeace.org/wp-content/uploads/2016/11/Global-Terrorism-Index-2016.2.pdf>.

Figure 2.6 Breakdown between verbal and material forms of conflict and cooperation (GDELT, 2015-2016)



Verbal negative, i.e. conflictual, events between inter-state actors are much less prominent in our datasets than their positive, i.e. cooperative, counterparts. *Verbal* conflictual events represent around 10% towards the end of 2016. Over the entire time period, the line illustrating the total moving average of *verbal* conflict events has been fluctuating between 8% and 11%. The share of *verbal* conflict events dropped from 10% to 9% from April to July 2015, but a tangible rise from 10% to 11% occurred from December until February 2016. The scores were fluctuating around 11% again from August to November. The overall trend coefficient over the whole period is 0.0000186929, meaning that the level of *verbal* conflict has slightly gone up. The trend line since June 1, 2016 shows an even bigger increase with the slope coefficient of 0.0000357253. We can therefore conclude that states still talk a lot more than they act, that they still do so overwhelmingly in a cooperative mode, but that negative *verbal* exchanges are on the rise.

We can therefore conclude that states still talk a lot more than they act, that they still do so overwhelmingly in a cooperative mode, but that negative verbal exchanges are on the rise.

When we turn from talk to action by comparing the amount of purely *material* cooperation and conflict between states, we see a slight dominance of *material* conflict over *material* cooperative events. Although visually barely – if at all – detectable, the mathematically calculated slope coefficient of the *material* cooperation trend line is slightly positive (0.000000135474) and it has

been improving since June, 2016 with the slope coefficient of 0.0000202427. With the value of 0.0000578137, the slope coefficient for *material* conflict events is significantly larger. Yet, contrary to *material* cooperation events, the trend line for *material* conflict events has recently (from June, 2016 onwards) been trending downwards with the slope coefficient -0.000177131. Although states still talk the talk of international cooperation (although less so than in previous years), they seem increasingly unwilling and/or unable to to walk that walk.

Although states still talk the talk of international cooperation (although less so than in previous years), they seem increasingly unwilling and/or unable to to walk that walk.

We observe a pattern whereby the share of *material* conflict increases in January in both 2015 and 2016. For instance, our *material* conflict event indicator rose to 20% and our *verbal* conflict event indicator to 11% on January 3, 2016 – due to a higher than average number of *factual* negative events. These include a suicide bomber attack near Kabul airport in Afghanistan, multiple cases of ISIS teenage recruitment worldwide, aggravation of Saudi Arabia's clashes with Iran and the subsequent rupture of diplomatic relations with other countries supporting Saudi Arabia, for example Bahrain. In general, various tensions in the Middle East region have significantly contributed to the increase in conflictual events over the past two years.

By Functional (DISMEL) Category

A more detailed picture of changes in the interaction of countries during 2000-2016 is provided in Figure 2.7. This figure breaks down the event data along the DISMEL domains.¹² We see that conflict events consist mostly of *security*, *military* and *legal* ones; whereas cooperative events are more dominant in the *economic*, *diplomatic* and *informational* domains.

Contrary to the widespread belief that conflicts, especially *material* ones, typically consist of military activity, the largest amount of conflict in our dataset took place in the *security* domain.¹³ A thought-provoking fact here is that out of all events in the *security* domain during the observed 16 years, 99% were conflictual. The highest drop in AGS occurred from -7 in February 2003 to -8 in October 2004. This is due to the aggravation of scores of several countries including Australia, E28, China, India, Iran, Japan, North Korea, Occupied Palestinian Territory, Pakistan, Russia, Saudi Arabia, Syria, Thailand and the USA in that period. The day with the highest negative AGS (-9.7) was July 17, 2005. Among the source countries triggering conflicts in the *security* domain on that date were the USA, Iraq and Israel because of the use of unconventional violence and the perpetration of suicide bombings. During 2015-2016, the daily AGS for *security* events was around -7.6. An outlying negative score of -8.9 was observed on August 28, 2016. The drill-down to the underlying URLs shows that it is due to the large number of reports about Turkey's Diyarbakir airport attacked by suspected Kurdish militants and more terrorist attacks worldwide.

Conflict events consist mostly of security, military and legal ones; whereas cooperative events are more dominant in the economic, diplomatic and informational domains.

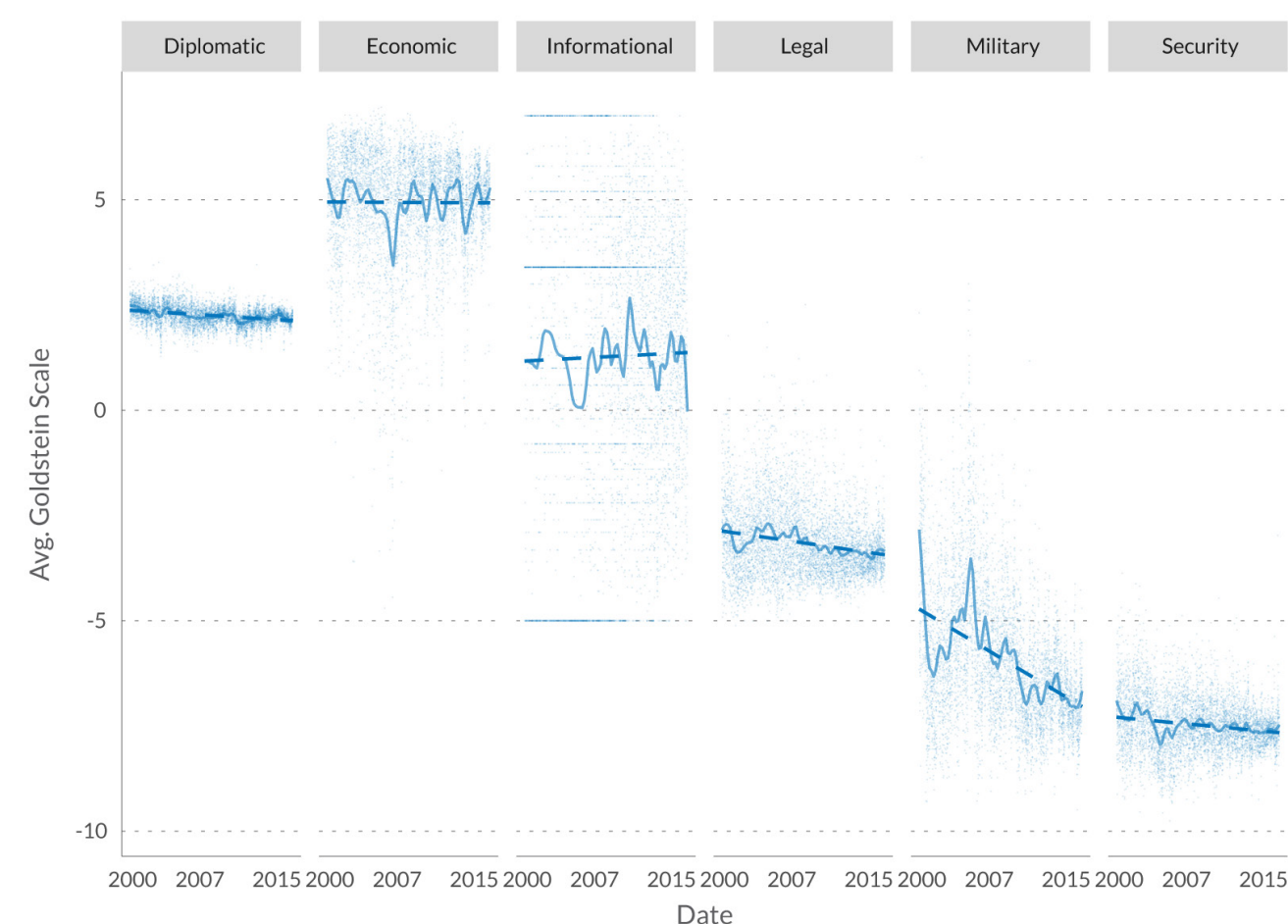
Goldstein scale indicators are less negative for the *military* domain, mostly due to the fact that in the early 2000s, there was a pleiad of only weakly negative peaks ranging from -1.7 to -4. However, toward the end of the analyzed period (2000-2016), the Goldstein scores fluctuated around -6

12. See footnote 36 in De Spiegeleire, Sweijs and Bekkers, *The Wheel of Fortune*.

13. We note that the overall amount of events in the military domain in that period is three times higher than that of security ones, accounting for 4,209,762 and 1,249,569 respectively.

and -7, which explains why the trend line has been going downwards in the *military* domain. At the same time, as the slope coefficients from Figure 2.9 show, the downwards trend was stronger in the beginning and has decreased toward the end of the period. The lowest Goldstein score was recorded on May 30, 2016 at -9.5. This low score was due to the attack launched to dislodge ISIS from the city of Manbij, its last foothold along the Syrian-Turkish frontier. 56 ISIS members and 19 Syrian fighters were reported killed as a result of the attack.¹⁴ Among other extremely negative events with the score of -10 in that period was a rocket attack on the market in Taiz, Yemen, killing 12 and wounding over 122 people. In addition, China's refusal to abide by any ruling of the U.N. arbitration panel over its claims to the disputed South China Sea also contributed to a high negative score.

Figure 2.7 Average daily Goldstein scores for all diplomatic, economic, informational, legal, military and security types of events (GDELT, 2000-2016)



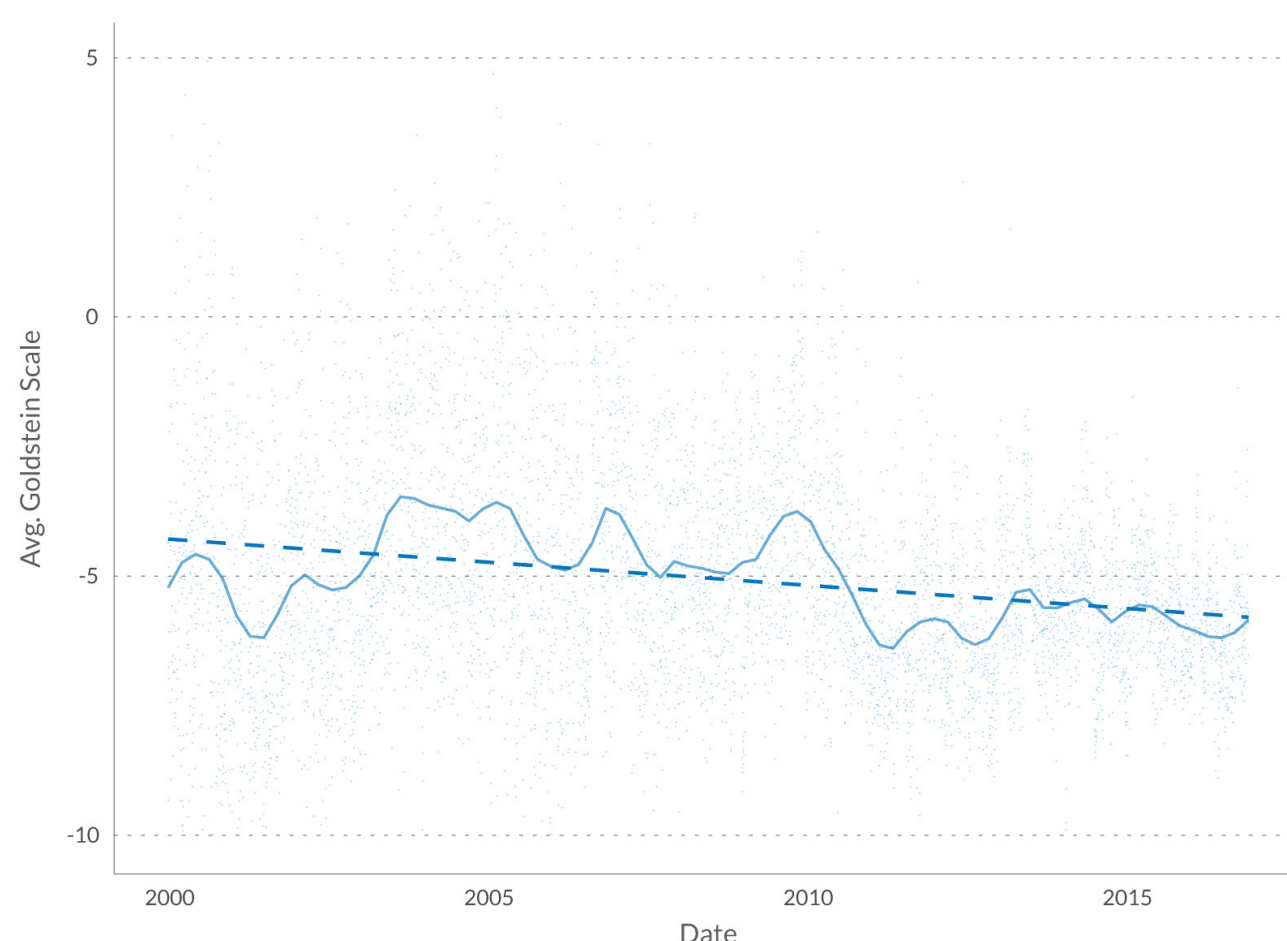
The least negative scores, out of all domains, is the *legal* sphere, in which conflict is, however, the prevailing type of interaction. The share of conflicts in all *legal* events during 2000-2016 is very high – 85%. The AGS were fluctuating between -2.2 and -3.5 in 2000-2010 and between -2.8 and -3.5 during the last six years of the analyzed time period. There has been an improvement in the conflict trend over the past six years, yet the overall trend line is going downwards.

14. Tom Perry, "ISIS-Held City Nearly Surrounded by U.S-Backed Syrian Fighters," *Haaretz*, June 6, 2016, <http://www.haaretz.com/middle-east-news/1.723428>.

Regarding cooperative events, the majority of these can be traced to the *economic* domain, accounting for 88% of all *economic* events. Overall, this is the domain with the most stable AGS: around 4.8 for the analyzed time frame. As well, the trend for 2015-2016 seems more positive in this area, as the 'troughs' were less intense. The biggest 'trough' – on January 31, 2016 – had the score of 4.6 and came as a result of the U.S. and China agreeing to impose new sanctions on North Korea in reaction to the country's recent nuclear weapon tests. That same day, Saudi Arabia also imposed a ban on importing goods from Iran. Nevertheless, the AGS for *economic* events in 2015-2016 is 5, close to the overall average of 4.8 for the whole period observed. However, for the slope coefficients, we observe a slightly negative development in 2015-2016, as well as over the entire period from 2000 until 2016.

It is worthy to note that the majority of events analyzed, approximately 71%, have been in the *diplomatic* domain. Out of all events, CAMEO codes¹⁵ of 37 events were negative *diplomatic* and their total average Goldstein score was -4.4. The AGS was 2.3. By mid-May, 2012, the scores averaged around 2.2 and decreased slowly until reaching a low point of 2 on August 11, 2016. The highlight among the events with the most negative score on that day was the ultimatum of Turkey's President Recep Tayyip Erdogan leveled against the USA, calling on the latter to choose between Turkey and the US-based Turkish cleric Fethullah Gülen. Since then, the AGS have been increasing until the end of the observed period in November 2016. The overall trend line is slightly going downwards.

Figure 2.8 Average daily Goldstein scores for *factual military* events (GDEL, 2000-2016)



15. Philip A. Schrod, "Conflict and Mediation Event Observations (CAMEO): Event and Actor Codebook" (Pennsylvania State University, 2012), <http://data.gdelproject.org/documentation/CAMEO.Manual.1.1b3.pdf>. See also the [Methodology section](#)

When assessing the *informational* domain, it seems to be an amalgam of both negative Goldstein scores from -5, as well as positive scores up to 7. The average level fluctuates around 2 during 2000-2016. The highest peak of 3.5 is on December 25, 2010. However, a decrease of the trend to -1 can be seen for the entire time period from 2000 until 2016. Particularly, the deterioration of Goldstein scores is seen in April 2001 (-0.1), March 2005 (-0.5), February 2006 (-0.8), October 2013 (-1.1), October 2015 (-0.3) and October 2016 (0.1). The target countries with the highest positive Goldstein scores during 2000-2016 in the *informational* sphere are Saint Lucia, Suriname and Swaziland, whereas the ones with highest negative scores are Sao Tome and Principe, Malawi and Saint Kitts-Nevis. Figure 2.9 shows the slight deterioration of the trend line during the last six years, however, the overall slope coefficient is a positive number.

Figure 2.9 Slope coefficients for DISMEL categories domains for 2000-2016, 2010-2016 and 2015-2016 periods

Sphere/Period	2000-2016	2010-2016	2015-2016
Security	Slightly downwards (-0.0000597955)	Almost flat (-0.0000282752)	Almost flat (0.000105964)
Military	Strongly downwards (-0.000377298)	Slightly downwards (-0.00016684)	Almost flat (0.000105964)
Legal	Quite downwards (-0.000091656)	Almost flat (-0.0000338209)	Almost flat (0.000105964)
Economic	Almost flat (-0.00000317934)	Slightly upwards (0.0000696498)	Almost flat (-0.0000251548)
Diplomatic	Slightly downwards (-0.0000405167)	Almost flat (0.0000111831)	Slightly downwards (-0.000248516)
Informational	Almost flat (0.0000379345)	Slightly downwards (-0.000173555)	Slightly downwards (-0.000594613)

States Vs. Non-States

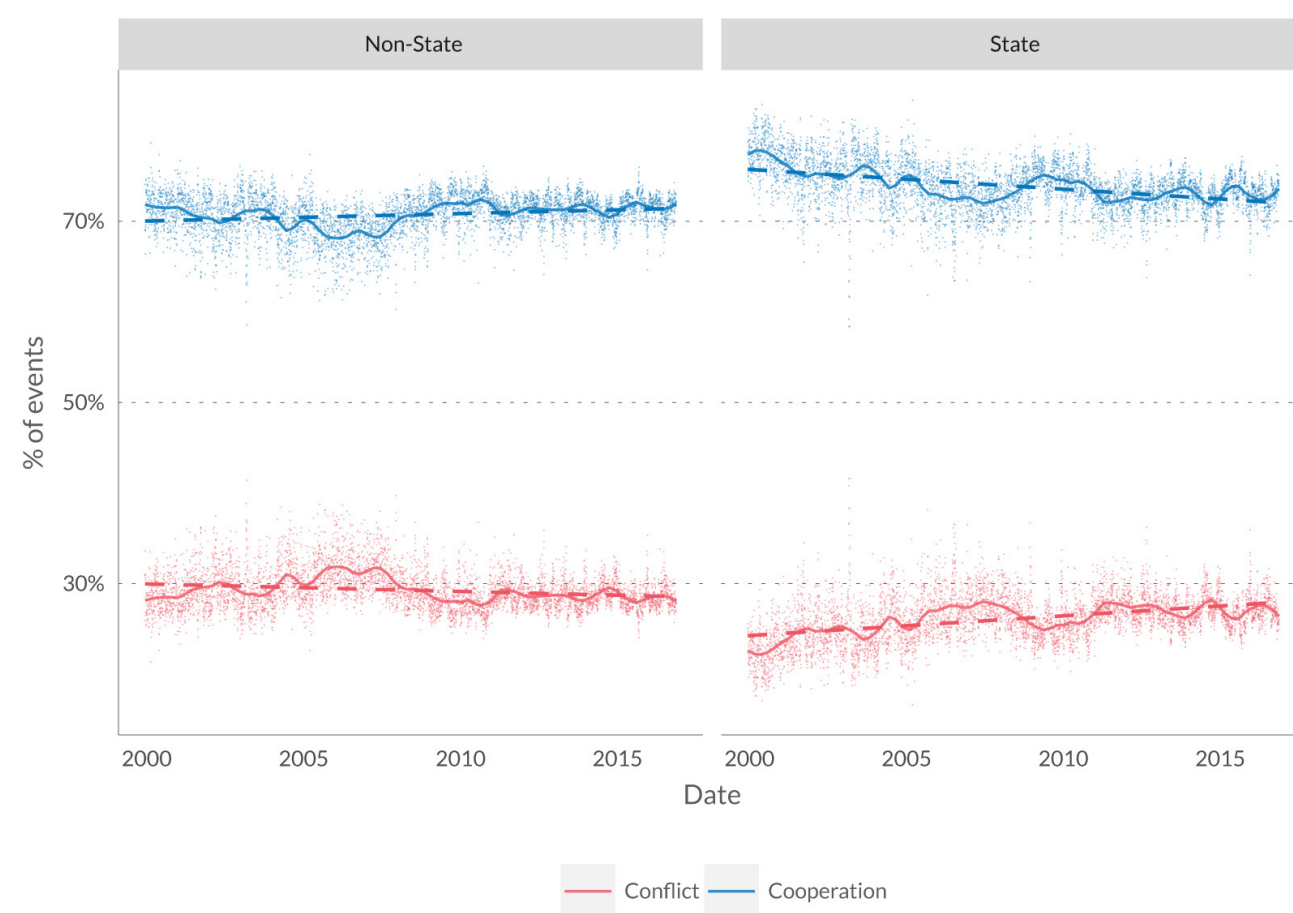
As we saw in the scenario framework of the Future Policy Survey (see page 6), the second selected axis reflected whether states or non-states will be dominant actors in the international arena. Our event datasets are providing us with some evidence on this question. Figure 2.10 shows the percentage of both conflict and cooperative inter-state events for state and non-state actors as a percentage of all inter-state events.

By unpacking the data presented in Figure 2.10 we now find that the relative amount of cooperation between state actors has declined by a few percentage points between 2001 and 2012 and that it has since remained at that lower level. But that smaller relative proportion still represents more

than twice the absolute amount of conflictual events – and we remind our readers that this pertains not just to *factual* but also to *rhetorical* events; and not just *military* or *economic*, but also *legal*, *diplomatic*, etc. – initiated by states.

Like their governmental counterparts, non-states also initiate significantly more cooperative international events than conflictual ones. Contrary to state actors, however, the trend line for cooperative events between non-state actors has been going upwards with a slope coefficient of 0.00000227738.

Figure 2.10 Percentage of conflict and cooperative events by state and non state actors, (GDELT, 2000-2016)



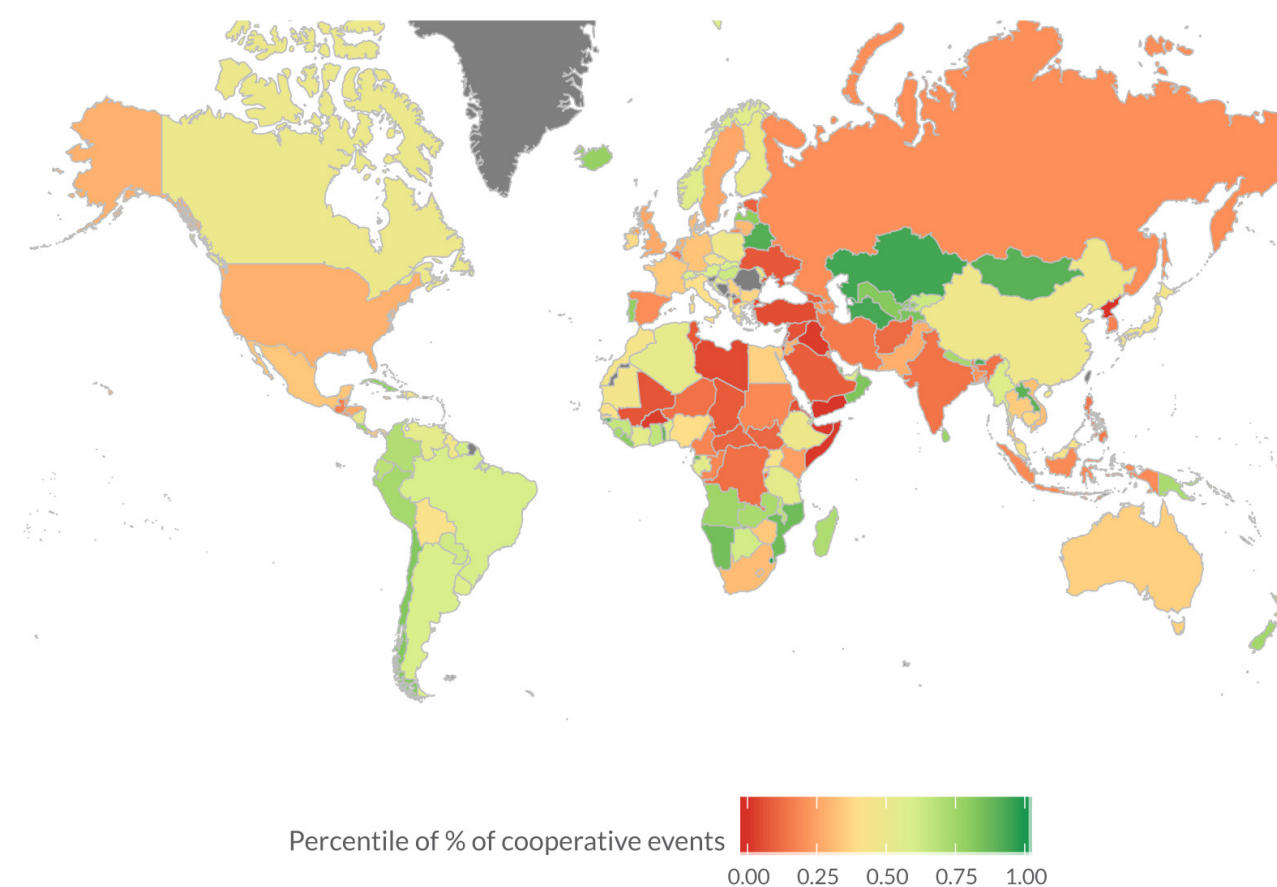
2.3 Trends Over Space

In this section, we take a closer look at how ratios of cooperative versus conflictual events play out geographically, rather than over time, with the visual support of world maps.

Average Goldstein Scores in 2016

Figure 2.11 shows the countries that have the highest percentage of conflictual events in dark red and those with the highest percentage of cooperative events in dark green.

Figure 2.11 Percentile of cooperative events by countries as a source actor (GDELT, 2016)



The following table summarizes this information, showing the top-20 most and least cooperative countries as measured by proportions of cooperative versus conflictual events.

We see that the most cooperative countries tend to be micro-states in various parts of the world,¹⁶ whereas we find a surprising amount of Western 'Allies' in the left column of

The most cooperative countries tend to be micro-states in various parts of the world.

16. This might be an unexpected corollary of Peter Katzenstein's thesis that small states have to be more flexible to be successful in world politics. Peter Katzenstein, *Small States in World Markets: Industrial Policy in Europe* (Ithaca: Cornell University Press, 1985).

the least cooperative countries (such as Palestine, Iraq and Israel). In Europe, the most cooperative states are Belarus (92%), Latvia (80.5%), Portugal (79.6%) and Iceland (78.5%). The least least cooperative ones are Ukraine (7.5%), Estonia (10%) and Belgium (16%).

Figure 2.12 Top-20 most and least cooperative countries in the world in 2016

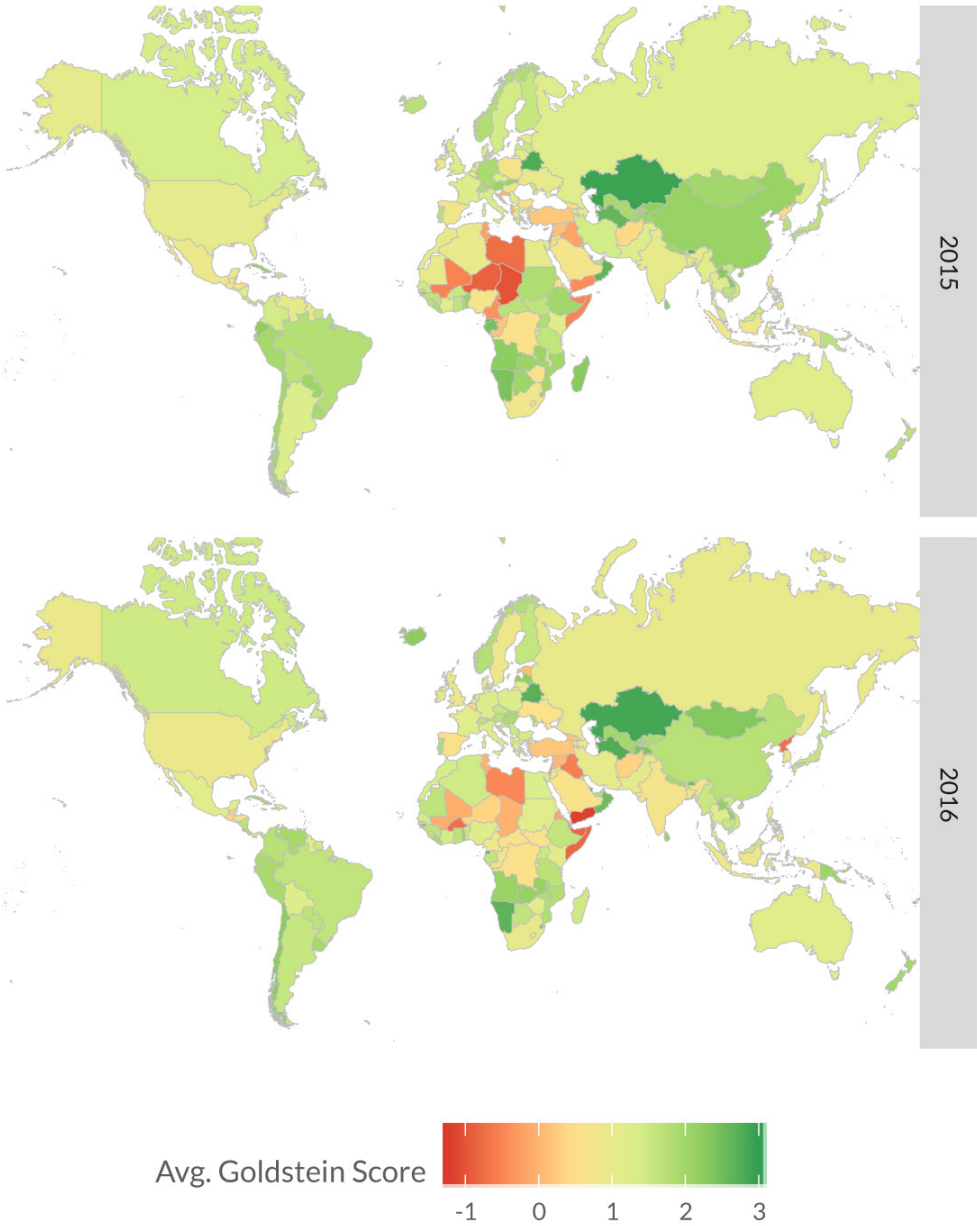
Country	% of Cooperative Events per country	Country	% of Cooperative Events per country
Occupied Palestinian Territory	0%	Wallis and Futuna Islands	100%
North Korea	0.50%	Tuvalu	99.50%
Yemen	1%	Saint Helena	99%
Somalia	1.50%	Swaziland	98.50%
Iraq	2%	Palau	98%
Burkina Faso	2.50%	Cook Islands	97.50%
Lebanon	3%	Samoa	97%
Israel	3.50%	Dominica	96.50%
Maldives	4%	Andorra	96%
Libya	4.50%	Sao Tome and Principe	95.50%
Bahrain	5%	Kazakhstan	95%
Turkey	5.50%	Turkmenistan	94.50%
Eritrea	6%	Fiji	94%
Syria	6.50%	Guinea-Bissau	93.50%
Mali	7%	Bhutan	93%
Ukraine	7,50%	Anguilla	92.50%
Tunisia	8%	Belarus	92%
Chad	8,50%	Saint Kitts-Nevis	91,50%
Saudi Arabia	9%	Mongolia	91%
Georgia	9,50%	Vanuatu	90,50%

2015 Vs. 2016

When we compare the geographical spread of conflict and cooperation in the world between the years 2015 and 2016, we find little change. The global AGS declined by a very small amount,¹⁷ while the number of overall more cooperative states increased by one. The most striking findings are the improvements of the situation in various African regions and rising tensions in the Middle East. We note an overall improvement of Goldstein scores in Northern, Western and Central Africa, especially in Niger, Mali and Libya. Cameroon and Chad have also improved their scores. At the same time, there has been a significant increase in negative Goldstein scores in Somalia. A startling example of this trend from the Middle East area is Yemen.

The most striking findings are the improvements of the situation in various African regions and rising tensions in the Middle East.

Figure 2.13 Average Goldstein scores in the entire world (GDELT, 2015 and 2016)

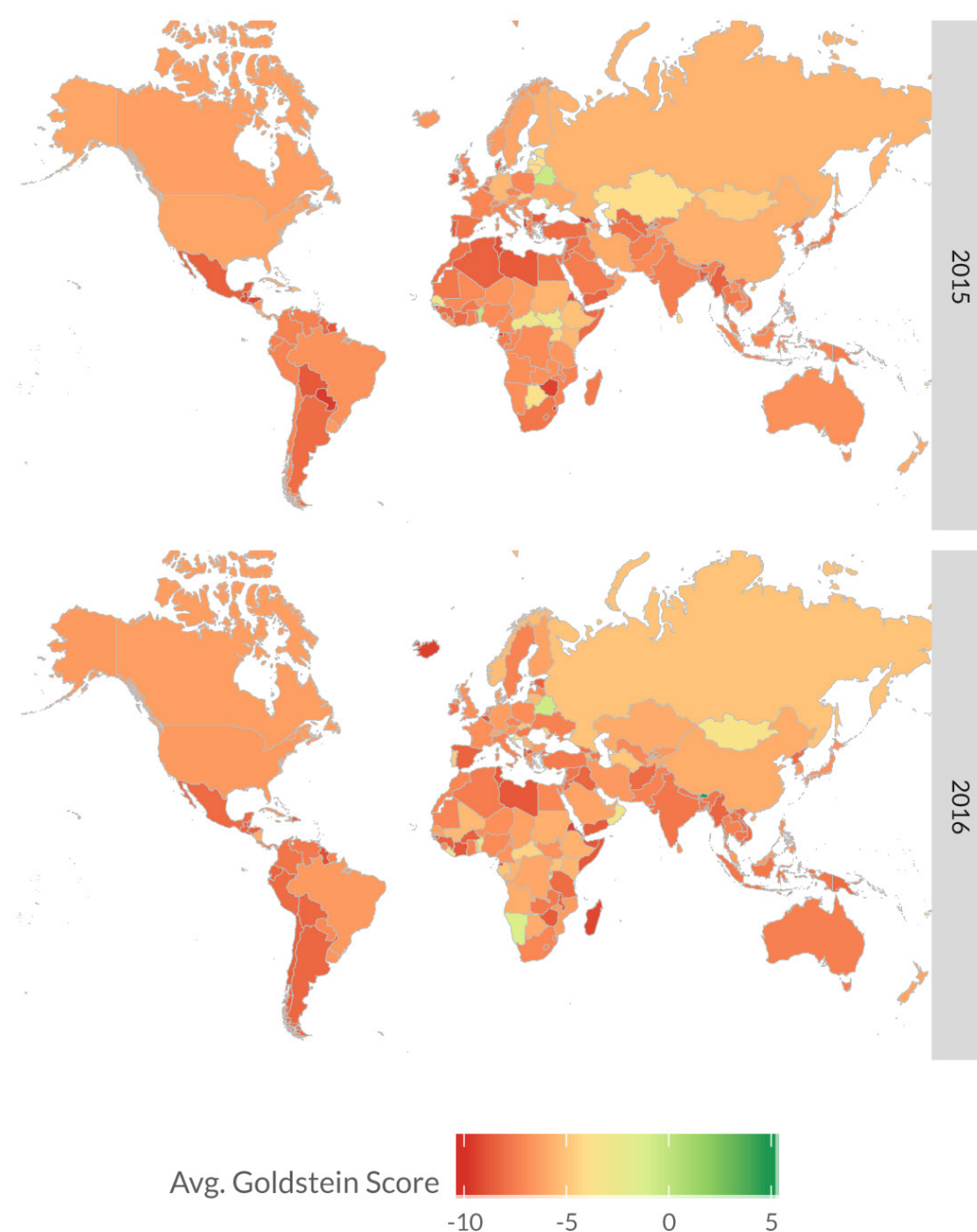


17. Only in terms of hundredths: the score of 1.43 in 2015 decreased to 1.42 in 2016.

Average Military Goldstein Scores by Region

Taking a closer look at AGS in the *military* domain only (Figure 2.14), we see a slight decrease in the overall level of tension. The *military* AGS in 2015 was -7 and -6.8 in 2016. It is worth mentioning that during both years, the countries with higher negative Goldstein scores between -5 to -10 prevailed compared to the number of countries ranging in the segment from -0 to -5.

Figure 2.14 Average military Goldstein scores in the entire world (GDEL, 2015 and 2016)



The average *military* Goldstein scores have been changing differently across world regions. In Central and South America, the majority of countries experienced an increase in negativity in frames of up to 1 additional Goldstein score, specifically Argentina, Chile, Peru, Ecuador, Colombia,

Venezuela, Costa Rica, Guyana, Uruguay, Panama. A few countries in the region had higher scores in 2016, particularly Brazil, Bolivia and Suriname. The most significant increase occurred in Paraguay, from -9.6 to -7.1 over the past year.

The *military* AGS are quite high in North America and the Caribbean: during both years they range from -5 to -10. The most negative score of -10 was reached by Anguilla in 2015 and by Saint Kitts-Nevis in 2016. Both Canada (-6.4) and the USA (-6.5) experienced a slight decimal increase in 2016. In countries such as Mexico (-8.2), Guatemala (-9.2) and Honduras (-8.6), which happened to be among the ones with the most negative scores in 2015, a similar decimal decrease took place in 2016.

Regarding Europe, a rise in negative *military* Goldstein scores can be observed, especially in its central part. The negative scores have grown exceptionally in Estonia, Latvia, Lithuania, Belarus, Ukraine and Moldova. Also Iceland's score has risen radically, from -6.6 in 2015 up to -9.5 in 2016. The slight decrease is observed in the area of the "Foggy Albion"; the scores in Ireland have changed from -8.5 to -7.1 and from -7.2 to -6.9 in Great Britain.

Throughout Africa, the *military* Goldstein scores worsened almost ubiquitously in 2016. The scores have reached -9 in Eritrea and Madagascar. The situation did, however, improve in Gambia (from -6.4 to -2.4) and Namibia (from -6.9 to -1.2).

In the Middle East area, the indexes of negativity tend to fluctuate. They decreased by 1 point in such Turkey, Syria, Jordan, Saudi Arabia and Qatar. The biggest decrease took place in Oman, from -6.4 to -3.1.

Improvement in *military* Goldstein scores can be seen in the Asian region, especially in such states as Mongolia (from -4.8 to -3.4), Tajikistan (from -6.7 to -5.9), Malaysia (from -7.2 to -6.5) and Bangladesh (from -8.7 to -7.9).

In the Oceania region the biggest progress is observed in Tuvalu, which reached the score of 0.4 in 2016, significantly moving up from -6.3 in 2015. Goldstein scores have undergone a slight deterioration from -6.8 to -7.5 in Australia and from -5.9 to -6.1 in New Zealand.

Overall Average Goldstein Scores by Region

In 2015-2016, the overall Goldstein scores for all the world regions have been positive. AGS have been oscillating between 0.7 and 1.8. Of the 6 regions represented in Fig 2.15, the number of trend lines going downwards and upwards is equal: the ones for North America, Asia and Europe show a negative trend, while those for Latin America and Caribbean, Africa and Oceania have a positive slope. However, examined closer, some of these trend lines move in the opposite direction in 2016, which will be addressed further below.

The AGS for the presented regions in 2015-2016 have been the following: Latin America and the Caribbean (1.5), Oceania (1.3), Europe (1.2), North America (1), Africa (0.97), Asia (0.87).

The highest average score is demonstrated by Latin America and the Caribbean region (1.5). One of the reasons for this could be the fact that during the observed period, the number of events with negative scores amounted to a mere 51 out of 5058. Accordingly, the slope coefficient is 0.0000141539. The Latin America and the Caribbean region has also and similar to Africa as described below, demonstrated a continuous trend upwards throughout 2016, with the slope coefficient of 0.000775056. The average Goldstein scores have been fluctuating without strong

spikes, thus providing a basis for a steady trend line. The most significant decrease in AGS occurred from October 2015 to January 2016, decreasing from 1.8 to 0.9, respectively. However, in February 2016, the scores improved again, reaching the value of 1.7. Since August 2016, the AGS have been increasing to 1.8.

Figure 2.15 Average Goldstein scores broken down by region (GDELT, 2015-2016)

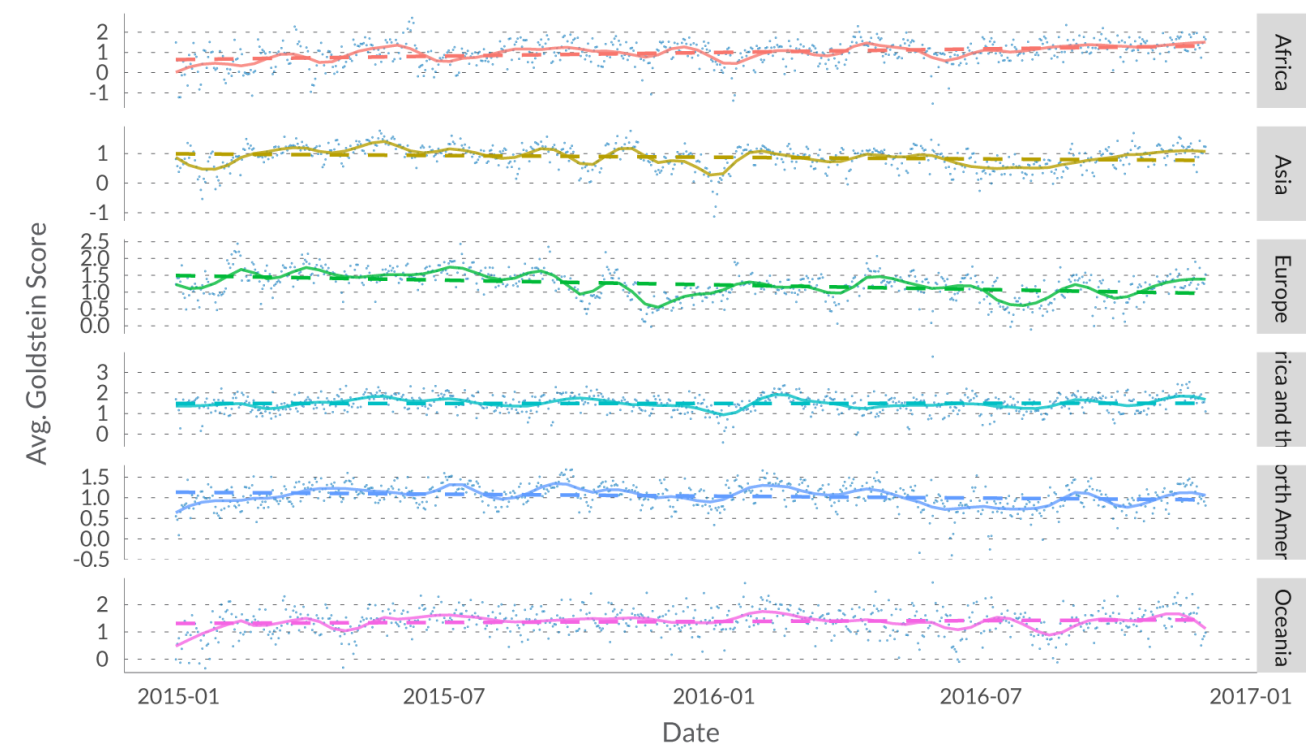


Figure 2.16 Slope coefficients for world regions for 2015-2016 and 2016 periods

Region/Period	2000-2016	2010-2016
Africa	Strongly upwards (0.00095875)	Strongly upwards (0.00199334)
Asia	Slightly downwards (-0.000313992)	Slightly upwards (0.000500776)
Europe	Strongly downwards (-0.000754674)	Slightly downwards (-0.000336239)
Latin America and the Carribean	Almost flat (0.0000141539)	Slightly upwards (0.000775056)
North America	Slightly downwards (-0.000259926)	Slightly downwards (-0.000706387)
Oceana	Slightly downwards (0.0000811065)	Slightly downwards (-0.000173555)

Oceania's scores jumped from 0.8 in January 2015 to 1.3 in March 2015 and – after a brief period of decline – rose to 1.6 in June 2015. Since then the scores have been oscillating between 1.6 and 1.3 until February 2016. After a slow decrease to an average value of 1 in August 2016, the scores moved upwards until December. The slope coefficient for 2015-2016 is 0.0000811065, which deteriorated to -0.000401521 in 2016.

Even though Oceania and Europe are close in scores, the European region has been exposed to a more drastic change in Goldstein scores over the last two years. Despite the fact that the difference in average scores in the beginning and the end of the observed period is rather insignificant (from 1 to 1.3), over the entire period, events have been obtaining scores ranging from -0.1 to 2.4. The decline in AGS from 1.6 to 0.7 in the second half of 2015 was the most drastic decrease occurring in Europe in the analyzed time period. After regaining a score of 1.3 in April 2016, a similar decrease in average scores to 0.7 occurred in August 2016. However, the scores have been increasing since then and the value of slope coefficient improved during 2016, as illustrated in Figure 2.16.

In North America, a pattern similar to the regions described above occurred in the beginning of 2015, when its AGS increased from 0.8 to 1.1. Another similarity are the fluctuations of scores and their major decrease to 0.9 in December 2015. Subsequently, the graph again repeats the changes in scores of the analogue period in the European region: Scores start to drop from 1 in May to 0.7 in August and then rise again to 1.1 in the end of November.

The African region shows improving scores. In January 2015, it started out with the negative Goldstein score of -1.2, with the average indicator for the beginning of January being 0.4. There was then notable growth to 1.1 in May 2015. Between May 2015 and April 2016, the Goldstein scores were oscillating between 0.7 and 1.2. Following a significant drop in June 2016, the score increased to 1.4 on average in the end of November. The slope coefficient for Africa is 0.00095875.

Asia also seems to have similar fluctuations in AGS as Africa, however with more pronounced ups and downs, which might explain why this region has the lowest average Goldstein scores for the two-year period of 2015 and 2016. Starting with 0.5 in January, the score reached a value of 1.1 in April, then declined to 0.5 in December 2015, swung back upwards to 0.9 in May 2016 and finally moved downwards again to 0.4 in the beginning of August. As for the rest of the regions, the AGS in Asia increased in the end of the observed period. This might have contributed to the improvement of the slope coefficient's value in 2016. The slope coefficient is -0.000313992 and shows a downward sloping trend line.

All of the regions seem to have similar fluctuation patterns for 2015-2016. In 2015 there is an upward trend in the first quarter, followed by a decrease in AGS towards the end of the year. Despite the oscillations of scores in the first half of 2016, one of the trends shared across all of the regions is that the AGS have been increasing steadily in the second half of the year. The biggest differences between the regions were in number of events and the duration of rises and falls.

2.4 Role of the Netherlands

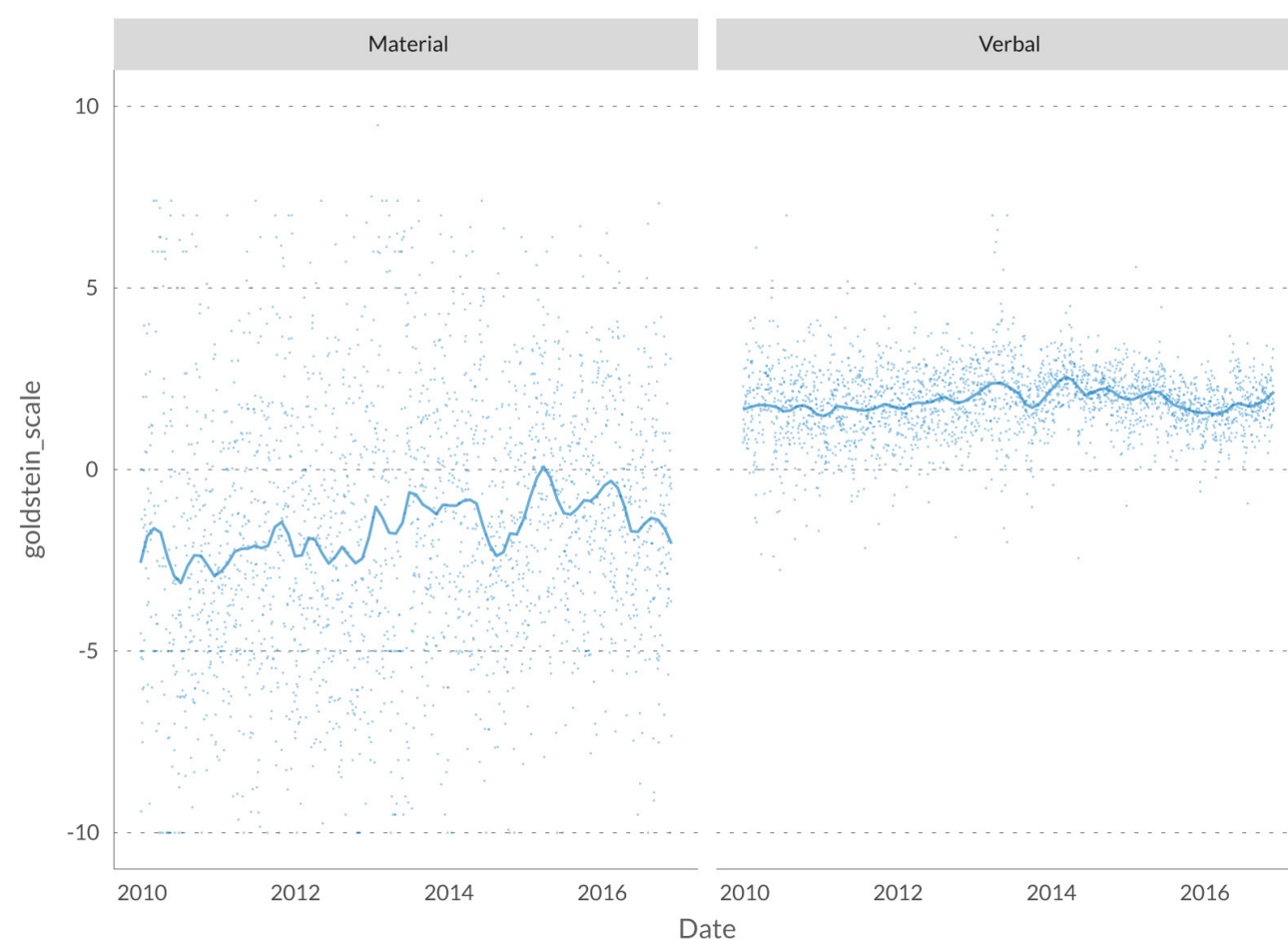
In the final section of this chapter, we take a closer look at how the Netherlands fits in the global cooperation and conflict trends that we described. We first look at how the various countries in the world behaved towards the Netherlands in 2016 and subsequently at how the Netherlands itself treated the 'rest of the world'.

2.4.1 World → Netherlands

Average Goldstein Scores Over Time

From Figure 2.17 we note that other countries talked more to the Netherlands (5014) than they materially engaged with it (4872). During the observed period, the AGS for *verbal* events averaged between 1.2 to 2.7 and the trend line reveals a slightly upward tendency. The slope coefficient for *verbal* events was 0.0000817387 and the AGS for the whole period in the *verbal* sphere was 1.9. When looking specifically at the 2015-2016 time frame, we observe a slightly downward trend: the slope coefficient was -0.000295536 and the AGS was 1.8. The highest daily Goldstein score was 7 and occurred once in 2010 and twice in 2013.

Figure 2.17 Average Goldstein scores with the Netherlands as target country (GDEL, 2010-2016)

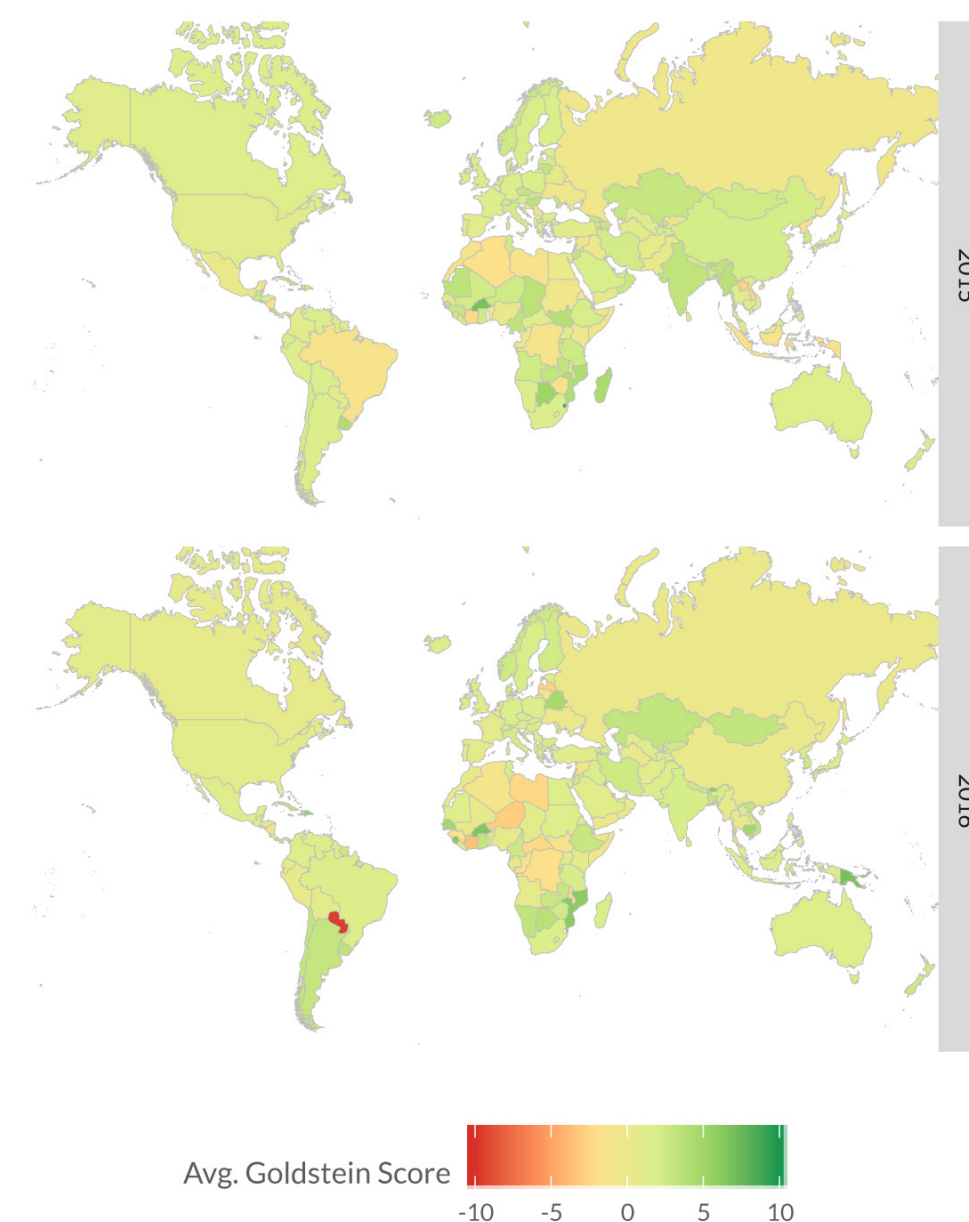


In contrast to *verbal* events, events in the *material* sphere varied more along the Goldstein scale during the analyzed period. On average, the Goldstein scores have been oscillating in between -1.6 and 0.4. The number of events with negative Goldstein scores was significantly exceeding those in the *verbal* sphere, constituting 67% of all *material* events. The AGS in 2010-2016 was -1.6, however, the slope coefficient was 0.000696491, showing a fairly strong upwards trend. Even though the AGS during 2015-2016 improved to the value of -0.9, the trend line for just these two showed a slight decline (and the slope coefficient was -0.00158983). We can therefore confirm observations in our previous editions that the Netherlands continues to enjoy a relatively propitious position in international interactions.

The Netherlands continues to enjoy a relatively propitious position in international interactions.

Geographical Representation for 2015-2016

Figure 2.18 Average Goldstein scores with the Netherlands as target country (GDEL, 2015 and 2016)



Over the past two years, the geographical details behind these trends have slightly changed. The most conflictual countries in 2015, such as Burkina Faso (from -10 in 2015 to 0 in 2016), Swaziland (from -5 to 1), Belize (from -3 to 1) and Morocco (from -2 to -0.5) saw a significant improvement in their AGS towards the Netherlands. The new most conflictual countries towards the Netherlands in 2016 proved to be the Marshall Islands (-10), Sao Tome and Principe (-10) and Guatemala (-7). The notable increase in the number of conflictual countries towards the Netherlands – from 10 in 2015 to 24 in 2016 – might cause some concern, although we would like to reiterate that these are averages based on sometimes extremely low numbers of events. We report them for the sake of consistency, but urge our readers not to draw excessive conclusions from these.

The most conspicuous finding in Figure 2.18 is the improvement in the scores for two great powers for which we had been reporting negative *material* scores in recent editions. Russia remains in the realm of negative AGS, but after a few particularly negative years with an absolute low (since 1979) in March 2016 (at -5.6), its score towards the Netherlands shot up to almost -0.1 and stabilized at around -0.2 in the end of 2016. The second great power with an improved *factual* behavior towards the Netherlands is Brazil. After a decline between 2011 and an absolute (again since 1979) low in February 2015, Brazil is now back in positive territory with an AGS above 1.8.

Other visually striking observation from Figure 2.18 is that we see Africa coloring redder on the map in 2016 than in 2015. A number of African countries started behaving more negatively towards the Netherlands last year. They, first of all, includes some the countries whose scores are radically negative, e.g. Sao Tome and Principe (-10), Libya (from -0.2 to -5), Cape Verde (from 0.33 to -5) and Ivory Coast (from -1.4 to -4). Second, there is a range of countries which were neutral during 2015, but became more negative during 2016. These include, for instance, Guinea (from 0.3 to -3.3), Mali (from 0.8 to -3.2), Central African Republic (from 1.3 to -1.6) and Lebanon (from 0.9 to -1.8). Another type of countries with deteriorating Goldstein scores are those that had a fall in positive scores between 2015 and 2016, such as Botswana (from 3.2 to 0.3), Liberia (from 2.2 to 0.3) and People's Republic of the Congo (from 1.1 to 0.2). The countries that had the highest positive scores in 2015 have also faced a significant drop, e.g. Madagascar (from 8.5 to 1.7) and Namibia (from 6.9 to 3.9).

When looking closer at the event codes, there were 31640 events with the Netherlands as the target country during 2015, only 18% of which were assertive. The majority of assertive events were represented by the event codes 36 'Express intent to meet or negotiate' (31%), 61 'Cooperate economically' (10%), 111 'Criticize or denounce' (8.5%), 112 'Accuse, not specified below' (7%).

Great powers – which, in this year's report, include China, Europe, India, Japan, Russia and the USA – produced 39% of all the events with the Netherlands as the target country in 2015. 19% of these events were assertive. Therefore, only 7% of all events targeted at Netherlands were assertive events initiated by great powers. The two most assertive great powers towards Netherlands in 2015 were the USA (72%) and Russia (16%). The greatest amount of assertive events generated by great powers was categorized under event code 36 'Express intent to meet or negotiate', constituting 31%.

In 2016, the number of assertive events with the Netherlands as the target country has slightly increased with respect to 2015, constituting 19% of the 30731 events reported. The majority of assertive events were represented by the event codes 36 'Express intent to meet or negotiate' (27%), 61 'Cooperate economically' (11%), 112 'Accuse, not specified below' (10%), 111 'Criticize or denounce' (7%).

As for the great powers, the number of events targeted at the Netherlands that they initiated has increased to 40% in 2016. The number of great power assertive events towards the Netherlands has not changed in terms of percentage (7%), although quantitatively it has decreased by 151 events. Once again, the biggest number of assertive events generated by great powers was reflected by event code 36 'Express intent to meet or negotiate', constituting 31%.

2.4.2 The Netherlands → World

Average Goldstein Scores Over Time

Figure 2.19 Average Goldstein scores with the Netherlands as source country (GDEL, 2010-2016)

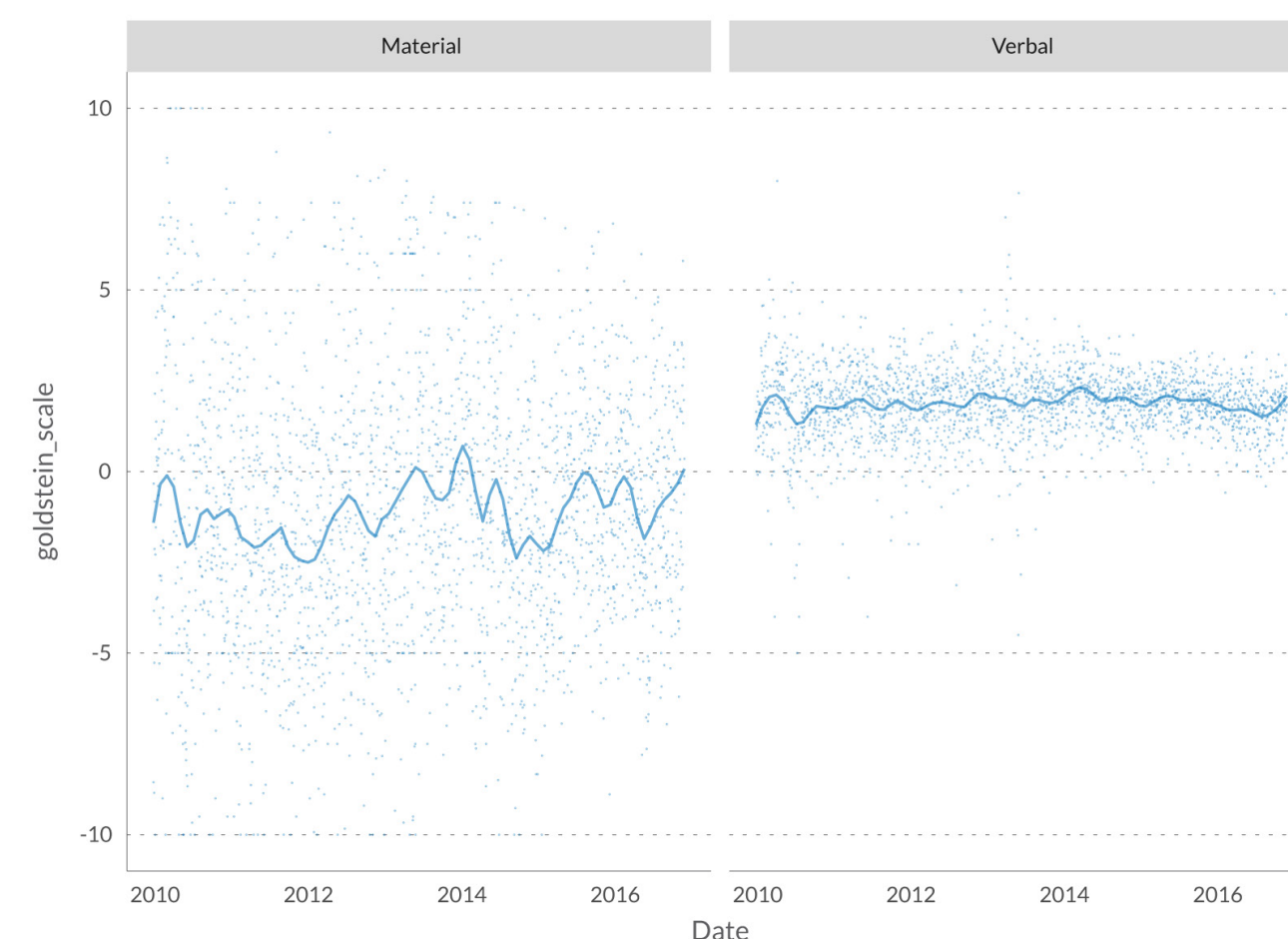


Figure 2.19 reveals that the AGS of *verbal* events vacillates between 0 and 5, whereas the *material* events are more scattered along the entire Goldstein scale. The data shows that during 2010-2016 the AGS for *verbal* events with the Netherlands as the source country was 1.8, whereas for the *material* ones it was -1.3. The AGS for only assertive events in *verbal* and *material* spheres were the same: 1.8 and -1.3 respectively.

The main finding here is that the Netherlands, already one of the more cooperative countries in the world, became even more cooperative in 2010-2016. The overall trend line for the entire 2010-2016 period trends slightly upwards, with a slope coefficient of 0.000205706. The upwards tendency continued in 2015-2016 when the slope coefficient equaled 0.00111124.

The Netherlands, already one of the more cooperative countries in the world, became even more cooperative in 2010-2016.

The AGS of *material* events for the whole period was -1.3, with events with negative Goldstein scores constituting 60% of *material* events. The aAGS lied between -3 and 2.1 on the Goldstein scale. The highest peak value of AGS (2.1) was observed on March 17, 2010. It was due to cooperation with Afghanistan in the *military* domain, with code 62 'Cooperate militarily'. The lowest point in the AGS (-2.8) was on January 23, 2015, due to the 161 CAMEO code event 'Reduce or break diplomatic relations' as the Netherlands recalled its ambassador from Indonesia in connection with the execution of a Dutch citizen. Despite a large number of events with negative Goldstein scores, events in the *material* sphere were averaging between -2.7 and 0.3.

As for the *verbal* events, they were fluctuating between 0.9 to 2.5 during the observed period. The events with negative Goldstein scores constituted 3% of all *verbal* events for the whole period. This is a positive indicator considering the fact that, as our previous graphs show, the majority of interaction between states is in the *verbal* sphere. The highest and the lowest daily Goldstein scores of 8 and -5 both occurred in 2010: on April 12, 2010 and July 16, 2010, respectively. However, in terms of daily negative Goldstein scores, after 2013 they did not exceed -1. Furthermore, the trend line for *verbal* events demonstrated a slight upwards tendency with a slope coefficient of 0.0000362738. However, as we also note in the earlier graphs, during 2015-2016 there was a decrease in the *verbal* sphere, therefore the direction of the trend line of AGS with the Netherlands as the source country also changed downwards, while the slope coefficient deteriorated to -0.000475356. When we examine events in *verbal* sphere during the last two years, we note that they averaged around 1.3 and 2.1.

Geographical Representation for 2015-2016

Also geographically the Netherlands became even more cooperative in 2016 than in 2015, as it obtained positive AGS for 86% of the world's countries compared to 82% in 2015. Paraguay was the country with the lowest AGS (-9.5), followed by the Marshall Islands (-4.7) and Ivory Coast (-3.4). Among the countries with the highest positive scores were Papua New Guinea (7), Sierra Leone (6.4) and – the country which demonstrated a significant increase – Burkina Faso (6.6). We again stress that these are averages of extremely low numbers of events.

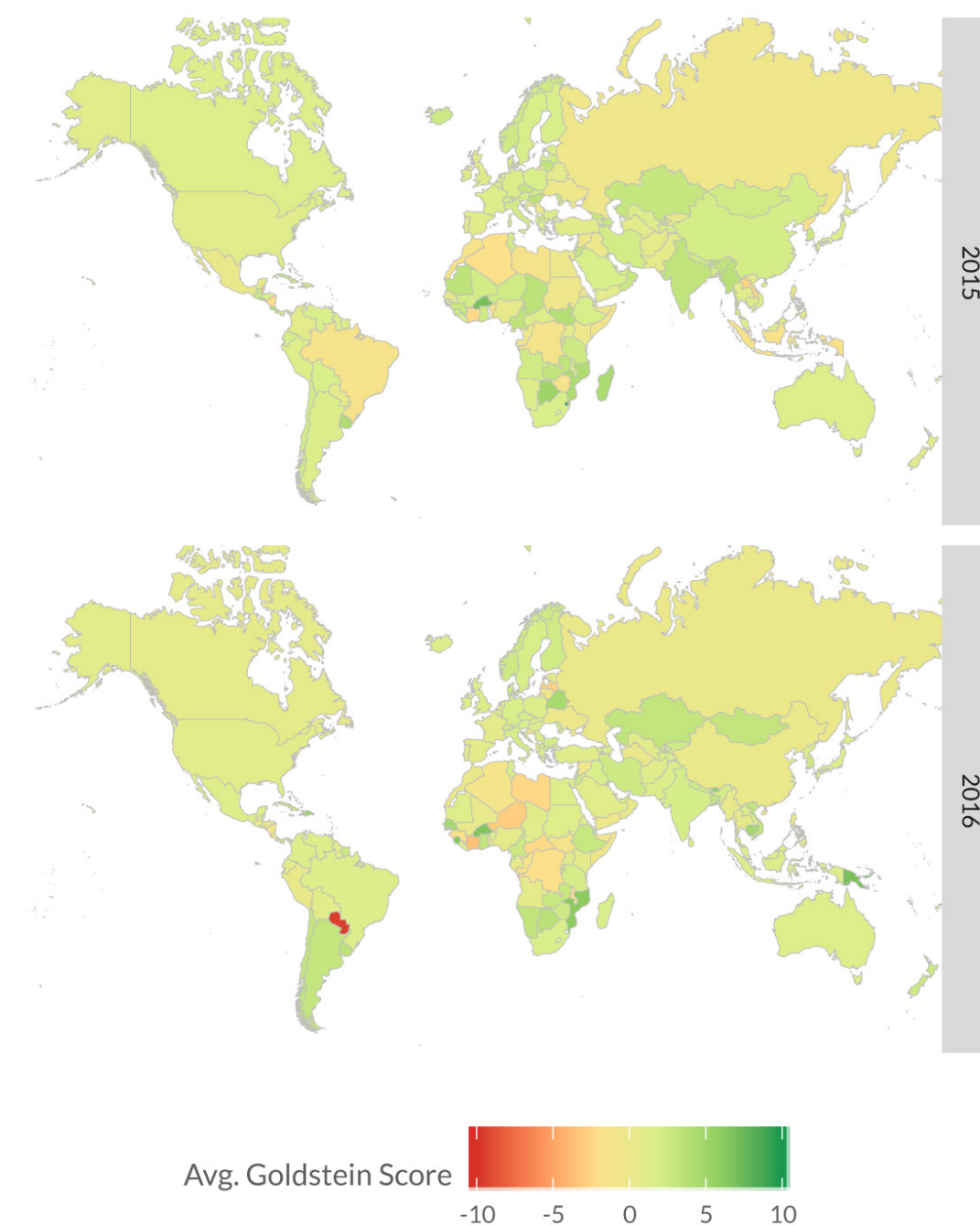
What is of more interest, however, are a number of noticeable improvements in the scores for the following target countries with the Netherlands as source country from 2015 to 2016: Brazil (from -1.13 to 1.80), Mexico (from 0.34 to 1.43), Morocco (from -1.20 to 0.37), Sudan (from -0.33 to 1.03), Belarus (from 0.87 to 4.67), Russia (from -0.26 to 0.11), Indonesia (from -1.35 to 1.55), Laos (from -2.50 to 1.80) and, interestingly, North Korea (from -1.68 to 1.83).

Visually striking are a number of deteriorations in AGS on the African continent: Libya (from -1.13 to -2.40), Niger (from 2.55 to -2.9), Central African Republic (from 1.38 to -2.34), Democratic Republic of the Congo (from -0.86 to -1.93), Guinea (from 2.99 to -1.84), Ivory Coast (from -2.32 to -3.48) and Malawi (from 1.77 to -2). Scores experienced a slight drop in a few other countries as well, for

instance in Syria (from -0.35 to -0.60), Yemen (from 1.01 to -0.29) and Peru (from 1.62 to 0.32).

The Netherlands continues to maintain positive relations with all of the great powers with the exception of Russia. While relations with Russia are improving in both directions (RUS → NLD and NLD → RUS), we note that this relationship still shows negative scores in our data. Also, the Netherlands has a much more positive *factual* attitude towards Russia than vice-versa. For all other great powers, Dutch attitudes have chilled somewhat: China (from 2.25 to 0.24), Japan (from 1.54 to 1.24), India (from 3.32 to 2.16) and the USA (from 1.24 to 1.02). All of these still remain in the positive AGS 'zone', however.

Figure 2.20 Average Goldstein scores with the Netherlands as source country (GDELT, 2015 and 2016)



When looking closer at the event codes, there were 34453 events with the Netherlands as the source country during 2015, of which 19% were assertive. The majority of the assertive events were represented by the event codes 36 'Express intent to meet or negotiate' (28%), 71 'Provide economic aid' (11%), 112 'Accuse, not specified below' (9%) and 111 'Criticize or denounce' (7%). In 2015, out of all events with the Netherlands as source country, 8% were targeted at great powers and 43% of assertive events as well.

In 2016, the number of assertive events with the Netherlands as the source country has slightly decreased in absolute terms, but remained at 19% out of the total 33681 events reported. The majority of the assertive events were represented by the event codes 36 'Express intent to meet or negotiate' (27%), 112 'Accuse, not specified below' (11%), 111 'Criticize or denounce' (10%), 61 'Cooperate economically' (7%). The highest number of assertive events targeting great powers were represented by the event codes 36 'Express intent to meet or negotiate' both in 2015 (31%) and 2016 (24%).

2.5 Conclusion

This chapter analyzed current global trends in conflict and cooperation as part of the HCSS contribution to the inter-agency Strategic Monitor of the Dutch government and with a particular focus on the role of the Netherlands.

We find that overall, cooperative events significantly prevail over conflictual incidences in the world today. At the same time, the share of conflict events has risen over the past fifteen years – from 15% of total observed events in 2000 to 20% in 2016. This drastic increase is striking and is especially disconcerting when viewed in conjunction with other conflict-driving factors and trends mentioned in other chapters of this year's report.

The majority of conflictual events occurring today are found in the *security*, *military* and *legal* domains, as opposed to *economic*, *diplomatic* and *informational* domains, in which more cooperative events occur. Moreover, we find that the majority of *verbal* – as opposed to *material* – events are cooperative, yet *verbal* conflict events show an upward trend. Conversely, in the *material* sphere, there are slightly more conflictual events. Looking at the relative proportions of *verbal* and *material* events, we find that, while states still talk the talk of international cooperation, they seem increasingly unwilling or, perhaps, unable to to walk the walk.

Furthermore, it isn't the smaller political players whose behaviors have become increasingly conflictual over recent years. Great powers are frequently responsible for initiating conflict events. Numerous disagreements between Russia and the United States and its allies, continuing instability in the MENA region and activity by terrorist organizations such as the Islamic State are the most notable driving influences of the downward trend in cooperation and upward trend in conflict witnessed since the early 2000s. Furthermore, several important Western 'allies' – such as Iraq, Israel, Turkey and Saudi Arabia – are among the world's least cooperative states and run greater risk of pulling its allies into escalating events today as a result. In contrast, the states most resilient to this trend and continuing to behave overwhelmingly cooperatively are largely micro-states – such as the Wallis and Futuna Islands, Tuvalu, or Saint Helena.

Almost as though it were insulated from these choppy currents, overall behavior towards the Netherlands remains positive. Especially in terms of *material* events this fundamentally positive

attitude has improved since 2010 and it shows an upward trend over the past two years. When we look at individual countries, we note the improvement in the Netherlands' relations with Russia and Brazil, with which – for different reasons – its relationship had witnessed a slump before. However, despite this improvement Russia remains in negative AGS territory. Brazil now again shows positive figures. The main damper on this positive story is that as of last year, we witness more African countries displaying conflictual behavior towards the Netherlands, with especially Madagascar and Namibia jumping out.

The reverse picture – i.e. Dutch behavior directed at the rest of world – remains equally buoyant overall. Already one of the more cooperative countries in the world, the Netherlands became overall even more cooperative since 2010 and that positive trend continued over the past two years. We find the Netherlands with positive AGS vis-à-vis 86% of countries in 2016, a percentage even higher than that of 82% in 2015. This is driven by some noticeable improvements in 2016 for countries such as Brazil, Mexico, Morocco, Belarus, Russia, Indonesia, Laos and even North Korea. But also here, we see Africa standing out in a negative sense, especially Libya, Niger, Central African Republic, Democratic Republic of the Congo, Guinea, Ivory Coast and Malawi. We also note that Dutch behavior towards four of the five great powers – excluding Europe, of which the Netherlands forms part – have chilled: towards China fairly significantly (from 2.25 to 0.24), only slightly so towards Japan (from 1.54 to 1.24), India (from 3.32 to 2.16) and the USA (from 1.24 to 1.02). The one exception here is Russia, with whom *factual* relations are improving even though they remain negative overall, with the Netherlands having a much more positive *factual* attitude towards Russia than vice-versa.

Summing up, we are happy to report this year again that the Netherlands' position in the ebb and flow of international interactions remains a healthily positive one. It remains to be seen whether this positive attitude will prove sustainable in the years to come.

Bibliography

- Buergin, Rainer. "It's the 'Most Volatile' Year for Political Risk Since WWII, Eurasia Group Says." *Bloomberg Press*, January 3, 2017. <https://www.bloomberg.com/news/articles/2017-01-03/political-risk-spike-from-trump-to-china-seen-in-2017-by-eurasia>.
- De Spiegeleire, Stephan. *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.
- De Spiegeleire, Stephan, Eline Chivot, João Silveira, Michelle Yueming Yang, and Olga Zelinska. *Assessing Assertions of Assertiveness: The Chinese and Russian Cases*. The Hague Centre for Strategic Studies, 2014. http://www.hcss.nl/sites/default/files/files/reports/Great_Powers_Assertiveness.pdf.
- De Spiegeleire, Stephan, Tim Sweijjs, and Frank Bekkers. *The Wheel of Fortune: Up and Down, Round and Round, Faster and Faster. Annual Report 2015-2016*. The Hague Centre for Strategic Studies, 2016. http://hcss.nl/sites/default/files/files/reports/Strategic_Monitor_The_Wheel_of_Fortune_%28NL%29.pdf.
- Katzenstein, Peter. *Small States in World Markets: Industrial Policy in Europe*. Ithaca: Cornell University Press, 1985.
- MWC News. "SIGAR Report: Taliban Gained Territory in Afghanistan." MWC News, July 29, 2016. <http://mwcnnews.net/news/centrals-asia/60120-taliban-gained-territory.html>.
- Perry, Tom. "ISIS-Held City Nearly Surrounded by U.S-Backed Syrian Fighters." *Haaretz*. June 6, 2016. <http://www.haaretz.com/middle-east-news/1.723428>.
- Rosenthal, Vic. "A Nuclear Iran: Get Used to It." *The Jewish Press*. *FresnoZionism.org*, September 29, 2013. <http://www.jewishpress.com/blogs/fresno-zionism/a-nuclear-iran-get-used-to-it/2013/09/29/>.
- Rumpf, Michael C. "Performance Analysis." *Footballscience.net*, 2015. <http://www.footballscience.net/special-topics/performance-analysis/>.
- The Chicago Board Options Exchange. "The CBOE Volatility Index - VIX," 2003.
- The Institute for Economics and Peace. *Global Terrorism Index 2016: Measuring and Understanding the Impact of Terrorism*. The Institute for Economics and Peace, November 2016. <http://economicsandpeace.org/wp-content/uploads/2016/11/Global-Terrorism-Index-2016.2.pdf>.
- The Netherlands Ministry of Defence. "Future Policy Survey: A New Foundation for Netherlands Armed Forces," 2010. <https://www.files.ethz.ch/isn/157125/Netherlands%202008%20Future%20policy%20survey.pdf>.
- 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>.
- . "GDP (Current US\$)." *The World Bank*, 2016. <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD>.
- . "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>.
- The World Trade Organization. "International Trade and Tariff Data." *The World Trade Organization*, 2016. https://www.wto.org/english/res_e/statis_e/statis_e.htm.
- . "'Persistent' Economic Challenges Continued to Weigh on Trade in 2016." *The World Trade Organization*, December 9, 2016. https://www.wto.org/english/news_e/news16_e/trdev_09dec16_e.htm.
- Whaley, Robert E. "Understanding VIX." Available at SSRN 1296743, 2008. http://papers.ssrn.com/sol3/Papers.cfm?abstract_id=1296743.

Cover Picture

UN Members' flags - The UN Headquarters, New York. Author: Aotearoa.