

Major “Geopolitical Risks” in 2024-2025: Economic Slowdown and Expanding Hegemonic Conflicts

By [Prof Rodrigue Tremblay](#)

Global Research, January 12, 2024

Region: [USA](#)

Theme: [Global Economy](#)

All Global Research articles can be read in 51 languages by activating the Translate Website button below the author’s name (only available in desktop version).

To receive Global Research’s Daily Newsletter (selected articles), [click here](#).

Click the share button above to email/forward this article to your friends and colleagues. Follow us on [Instagram](#) and [Twitter](#) and subscribe to our [Telegram Channel](#). Feel free to repost and share widely Global Research articles.

[New Year Donation Drive: Global Research Is Committed to the “Unspoken Truth”](#)

“When every country turned to protect its own private interest, the world public interest went down the drain, and with it the private interests of all.” —Charles Kindleberger (1910-2003), American economic historian, (in his book “The World Depression 1929-1939”, 1973)

“The world is a dangerous place to live—not because of the people who are evil but because of the people who don’t do anything about it.” —Albert Einstein (1879-1955), (As quoted in the book by Josep Maria Corredor “Conversations avec Pablo Casals”, 1955)

“I think it is the beginning of a new Cold War... I think the Russians will gradually react quite adversely and it will affect their policies. I think it is a tragic mistake. There was no reason for this whatsoever. No one was threatening anybody else.” —George F. Kennan (1904-2005), American diplomat and historian, (in *The New York Times*, May 2, 1998, about the U.S. expansion of NATO toward Russia.)

“While defending our own vital interests, nuclear powers must avert those confrontations which bring an adversary to a choice of either a humiliating retreat or a nuclear war. To adopt that kind of course in the nuclear age would be evidence only of the bankruptcy of our policy—or of a collective death—wish for the world.” —John F. Kennedy (1917-1963), 35th U.S. President, 1961-1963, (in an important speech on Monday, June 10, 1963)

In 2024, most economies are expected to face economic headwinds. Indeed, that is why in many countries, especially in Europe and in North America, [polls](#) indicate that people’s main preoccupations are economic topics, such as the lingering inflation, high personal and public debts and the likelihood of a more or less severe economic recession.

An economic-social issue such as the influx of hordes of illegal immigrants will also be a source of concern, especially in Europe and in North America, especially if the rates of unemployment increase.

Similarly, the ongoing bombing wars in Ukraine and in Palestine, as well as the growing tensions between the United States and China and those between the U.S. and Iran, are foreign policy issues that could raise concerns.

Important Economies According to Their GDP vs. Smaller Rich Economies Per Capita

According to [World Bank](#) data, the gross domestic product (GDP) of the United States, at mid-year 2023, was \$25,463 billion. This places the U.S. economy number one with 24.3 percent of the world economy.

The economy of the European Union (EU), a bloc of 27 countries, represents 21.7 percent of global GDP and is the second largest in the world. China's economy follows in third place, with 15.0 percent of global GDP.

However, in terms of living standards (GDP per capita), small economies dominate the list, with Luxembourg (\$127,580) in the lead, followed by Norway (\$106,328), Ireland (\$103,176) and Switzerland (\$92,381).

An Overview and Expectations

The [economic cycles](#) of the major economies do not coincide perfectly, and vary somewhat depending on their economic structures and the economic policies followed by their governments.

The central question today is whether or not the coming economic year will be one in which major economies will be able to avoid a full-fledged economic recession.

The exuberance in the stock and bond markets seems to indicate that they are anticipating a gentle economic slowdown, driven by a marked decline in inflation and multiple cuts in interest rates to come.

The alternative situation to consider, contrary to the general optimism, could be that of a year characterized by a classic economic recession, more or less severe, a consequence of economic and financial imbalances accumulated in the past. It could be caused also by unexpected economic, financial and geopolitical shocks to come.

Currently, the general economic consensus is that the fight with higher interest rates that the main central banks are waging against inflation, (which was generated by large public deficits and by excessive monetary creation to counter the harmful economic effects of the 2020-2022 pandemic.), will succeed.

Thus, the central question boils down to whether the coming year will witness a very manageable mild economic slowdown or that many countries could rather have to go through a longer and more severe economic recession, with a minimum of two successive quarters of contracting GDP.

The American Economy

Even if the U.S. economy is presently the most resilient of all, being at a virtual full employment level, with an official 3.7 percent unemployment rate, and with a rising [consumer confidence](#), there are nevertheless some cracks appearing.

For example, the Conference Board's [leading economic index](#) is still declining and forecasting a mild economic recession in the United States in 2024. Also, even though U.S. employment still holds steady, [job openings](#) are declining. This could be an indication that business investment and production plans in some sectors are being adjusted downwards.

The reason why the U.S. economy is performing better than other economies, besides the contribution of its vibrant [technology sector](#), is partly due to its heavily subsidized [arms industry](#), which is one sector that is prosperous and in constant growth. It comprises more than [200,000 companies](#), the most prominent being Lockheed Martin, Northrop Grumman, RTX (Raytheon), General Dynamics and Boeing.

Those companies are important contributors to the industrial growth and economic prosperity of states such as Alabama, Connecticut, Virginia, Texas and California.

The European and Canadian Economies

It is even possible that future economic data, to be released next March, will confirm that several European countries and Canada are already into a recession, with two quarters in a row of decline in domestic production.

An energy crisis stemming from the Ukrainian-Russian conflict is adding to the rise in interest rates in slowing down European economies, notably those of the 20 countries of the [Eurozone](#). Presently, the German and Italian economies would seem to be the best candidates for a recession.

In Canada, the unemployment rate is still respectable at 5.8 percent. But [job growth](#) is anemic, with only 100 new jobs created last December.

Additionally, largely due to an open-door immigration policy, the Canadian population is growing at a record rate, by far the most of all industrialized countries, while employment growth stagnates. This is translating into a decline in [living standards](#), as measured by real GDP per capita.

[The Organization for Economic Co-operation and Development](#) (OECD) has even published a study, in March 2023, in which it highlighted that Canada is lagging behind developed economies in terms of the standard of living of its population, which continues to decline. The standard of living in Canada has been deteriorating since 2014, under the effect of unbridled immigration and poor general productivity growth.

Geopolitical Risks

What could turn a mild economic recession into a more serious one would be an expansion of the ruinous and ongoing military conflicts in Ukraine and in the Middle East, or new and wider hegemonic wars to come.

In such a case, as most governments face high debt levels (i.e. total public debts greater

than their yearly total domestic product), such developments would be likely to reignite inflation and cause a further surge in interest rates in years to come.

It is rare for economic conditions and geopolitical risks to be linked so closely, but unfortunately, this is the type of world we live in today.

Conclusions

The economic conundrum in 2024 is whether the expected economic slowdown will be mild and not very disruptive to labor and stock markets, or rather, whether unforeseen financial events, such as the failure of a large financial institution, could precipitate a more serious and severe global economic recession.

The geopolitical ball is murkier because the U.S. government of Joe Biden does not seem anxious to end military conflicts, even though the President had initially promised, at the start of his administration, to rely more heavily on diplomacy to resolve international disputes.

Nevertheless, the year 2024 could be an important turning point, both economically and geopolitically.

*

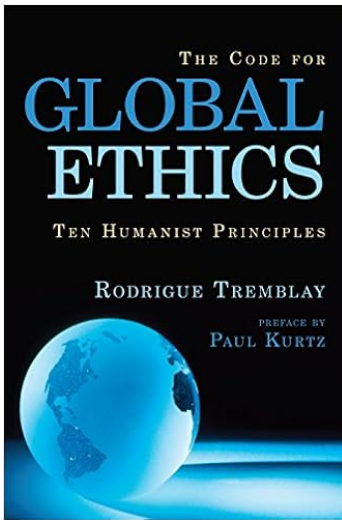
Note to readers: Please click the share button above. Follow us on Instagram and Twitter and subscribe to our Telegram Channel. Feel free to repost and share widely Global Research articles.

This article was originally published on the author's blog site, [Dr. Rodrigue Tremblay](#).

International economist Dr. Rodrigue Tremblay is the author of the book about morals "[The code for Global Ethics, Ten Humanist Principles](#)" of the book about geopolitics "[The New American Empire](#)", and the recent book, in French, "[La régression tranquille du Québec, 1980-2018](#)". He was Minister of Trade and Industry (1976-79) in the Lévesque government. He holds a Ph.D. in international finance from Stanford University. Please visit Dr Tremblay's site or email to a friend [here](#).

Prof. Rodrigue Tremblay is a Research Associate of the Centre for Research on Globalization (CRG).

Featured image [source](#)



The Code for Global Ethics: Ten Humanist Principles

by [Rodrigue Tremblay](#), Preface by [Paul Kurtz](#)

Publisher: Prometheus (April 27, 2010)

Hardcover: 300 pages

ISBN-10: 1616141727

ISBN-13: 978-1616141721

Humanists have long contended that morality is a strictly human concern and should be independent of religious creeds and dogma. This principle was clearly articulated in the two Humanist Manifestos issued in the mid-twentieth century and in Humanist Manifesto 2000, which appeared at the beginning of the twenty-first century. Now this code for global ethics further elaborates ten humanist principles designed for a world community that is growing ever closer together. In the face of the obvious challenges to international stability—from nuclear proliferation, environmental degradation, economic turmoil, and reactionary and sometimes violent religious movements—a code based on the “natural dignity and inherent worth of all human beings” is needed more than ever. In separate chapters the author delves into the issues surrounding these ten humanist principles: preserving individual dignity and equality, respecting life and property, tolerance, sharing, preventing domination of others, eliminating superstition, conserving the natural environment, resolving differences cooperatively without resort to violence or war, political and economic democracy, and providing for universal education. This forward-looking, optimistic, and eminently reasonable discussion of humanist ideals makes an important contribution to laying the foundations for a just and peaceable global community.

[Click here to purchase.](#)

The original source of this article is Global Research
Copyright © [Prof Rodrigue Tremblay](#), Global Research, 2024

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Prof Rodrigue Tremblay](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca