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# Inflation and War, a Dynamic Relationship Amidst the Crisis of Civilization

A pernicious combination of processes is unfolding and threatening to put the world's population in a precarious position in the coming years. The ravages of the SARS-CoV-2 pandemic loom large in the social imaginary, to which was added last year the war between Russia and the Ukraine, with the participation of other powers, specifically the members of the North Atlantic Treaty Organization (NATO).<sup>1</sup> Both processes have affected value and commodity supply chains, generally leading to increased prices, a redistributive effect that accelerated inflation brings with it. Specifically, the conflict in the European theater of operations implies hikes in crucial commodity prices such as fuel, grains, food in general, and fertilizers. In addition, it supposes increased military spending, not only in the conflict region itself, but also in others, like Asia, determined by old conflicts, whether with bordering countries or by the dynamic created in the current geopolitical dispute.

In this context, the divergent courses of inflation linked to the financial sector and that plaguing the world population is noteworthy. In one case, it supposes huge benefits accruing to those profiting from inflated stock prices, resulting in deeper concentration of wealth. On the

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other extreme is the generalization of a declining quality of life and even a process of induced scarcity, related to a monetary policy to control inflation but that undoubtedly implies other social costs.

In effect, in different regions of the planet, invoking austerity measures has become a common economic recipe for public spending. This generally refers to the growing asymmetry between the financialization of the economy and its separation from productive processes.

In the sphere of social reproduction, the main effects of inflation affect the goods and services sectors, which on a deeper level implies severe detriment to the purchasing power of wages. The latter are increasingly used for food, transportation, or rent, and this also impacts other mechanisms of social reproduction. However, these concerns are framed in deeper processes that, taken together, put human and non-human life in imminent danger. I am referring here to a multidimensional crisis of civilization that brings into question the systemic capabilities of changing the current course. This applies particularly to the planet-wide environmental limits and all the environmental repercussions we are already seeing that will only sharpen in the coming years. At the same time, these processes synchronize with a redefinition of social conflicts and the

canon constructed about wars, particularly in the twentieth century.

The recent process palpably shows that it is not useful to consider economic policy as a group of technical, impersonal solutions, but as something closely linked to both general geopolitical definitions and to the day-to-day sphere of social reproduction.

## II

In the first place, I propose to problematize the conditions of possibilities in the health emergency of the last three years. The transformations we witnessed are related to processes of the decline/impoverishment of biodiversity and the unstoppable expansion of agriculture and of urban centers, leading to incessant deforestation of forests and jungles. The pandemic we have gone through is the definitive proof of the impacts of ecological depredation and had been expected at least since the end of the first decade of this century.<sup>2</sup> Events since then have borne out the systemic inertia that sacrifices the population rather than reformulating its destructive practices and logic.

Underlining the pernicious cycle of the crisis of civilization is necessary for establishing a clearer relationship among the different phenomena. The devastating effects of the neoliberal political, economic, cultural, and social project combine with the increasingly frequent natural disasters, creating what has been characterized as a “catastrophic convergence,” in which each of its components deepens and is expressed in the others. The expectation is that this process will be move virulent in what has been called the “Tropic of Chaos.” This is the name that has been given to the strip of the planet between the Tropics of Cancer and Capricorn, where inhabitants traditionally linked to agriculture and fishing —almost three billion people— will face the effects of climate change. This will increase different kinds of social conflict, including armed violence and wars.

This allows me to articulate these problems with the military aspect. To better exemplify, I would mention that for years now, the U.S. military elite has thought about the simultaneous combination of natural disasters, migration, damage to regional and global supply chains, disputes among the great powers, the collapse of countries considered allies of the North American power, or the effects of climate change. As a whole, what they foresee is that

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these phenomena will challenge the capabilities of the hegemon’s Department of Defense, leading to “hell being unleashed.”

This prospect should be considered more closely, but instead of that, the pandemic and now the war in Europe are dealt with based on an imperious need to “forge blindly ahead.” This is clear if we observe the behavior of big corporations that, together with national and transregional infrastructure construction projects, seem to be stepping on the gas with regard to extractive activities. This, in turn, implies the reiteration of disruptive conditions for social reproduction.

## III

In the future, it will also be necessary to think about certain elements that have changed the links among the aforementioned variables. In particular, I’m referring to the levels of conflict on a world scale that are abandoning the canon of understanding about wars, even though they have important repercussions on economic dynamics, which is why it would be fundamental to take them into consideration. In this sense, we can incorporate two indicators that show up substantial changes in this sphere. In the first place, let us consider the Institute for Economics and Peace (IEP) reports, which use the Global Peace Index to stipulate the level of potential for conflict and peace among more than 160 countries of the world. The 2022 report indicates that a profound link exists between social and political instability and inflation. The IEP states that eighty-four countries, more than half those analyzed, have become less peaceful since 2008, experiencing violent protests. These mobilizations are repeatedly linked to an increase in the cost of food and fuel.

Another source, but which puts forward a qualitatively different scenario, is “The War Report. Armed Conflicts in 2018,” published by Switzerland’s Geneva Academy of

International Humanitarian Law and Human Rights. The academy's most recent report, published in 2018, before the pandemic, stated that there were sixty-nine armed conflicts underway in thirty states and nations. Immediately thereafter, it points out that only seven of them were between different states, which is usually the prevailing notion about wars.<sup>3</sup> It also mentions processes defined as belligerent or military occupations underway in parts of ten states and territories (Azerbaijan, Cyprus, Eritrea, Georgia, Lebanon, Moldavia, Palestine, Syria, the Ukraine, and the Western Sahara). The interesting aspect, more relevant for the aims of this article, involves the generalization of what have been called non-international armed conflicts (NIAC). In 2018, fifty-one of these were identified in twenty-two states (Afghanistan, Colombia, the Central African Republic, the Democratic Republic of the Congo, Egypt, India, Iraq, Libya, Mali, Mexico, Myanmar, Nigeria, Pakistan, the Philippines, Somalia, Southern Sudan, Sudan, Syria, Thailand, Turkey, the Ukraine, and Yemen). The criteria for including countries experiencing non-international armed conflicts in this report are based on the International Humanitarian Law, specifically drawn from the experience of the trials about the former Yugoslavia, which defined them as follows: "An armed conflict exists whenever there is a resort to armed force between States or protracted armed violence between governmental authorities and organized armed groups or between such groups within a State."<sup>4 5</sup>

Based on all this, we should reconsider the link between inflation and the rise in the potential for social conflict, but also the substantive changes in the ways contemporary wars are waged. In the case of countries experiencing non-international armed conflicts such as Mexico, this could contribute more elements about the kinds of effects this kind of processes have on economic performance and in the field of social reproduction. In addition, it would suppose including on the balance sheet the course followed by neoliberalism and the generalized

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social reaction to it that makes it possible to foresee a general reformulation of the system's behavior.

## Further Reading

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- Tropic of Chaos: Climate Change and the New Geography of Violence* (New York: Nation Books-HBG, 2011).
- Vega, C. R., *El capitaloceno. Crisis civilizatoria, imperialismo ecológico y límites naturales* (Bogotá: Teoría y Praxis, 2019).
- Wallace, R., *Big Farms Make Big Flu: Dispatches on Influenza, Agribusiness, and the Nature of Science* (New York: NYU Press, 2016). ■■■

## Notes

- 1** This is without taking into consideration multifactorial holdovers from the 2008 financial crisis that have not yet been resolved, such as global de-growth.
- 2** This is a result of the processes of zoonosis derived from the growth of cities and the overflowing of the limits among species. See Rob Wallace, *Big Farms Make Big Flu: Dispatches on Influenza, Agribusiness, and the Nature of Science* (New York: 2016, NYU Press).
- 3** The report deals with the conflicts between India and Pakistan, the Ukraine and Russia, and those between Syria and the states that are part of the U.S.-led coalition. It also includes shorter conflicts between Libya and Egypt, Israel and Syria, and Turkey and Iraq. See Annysa Bellal, "The War Report. Armed Conflicts in 2018" (Geneva: University of Geneva, 2019).
- 4** A. Bellal, *The War Report. Armed Conflicts in 2017* (Geneva: Université de Genève, 2018), p. 18.
- 5** Based on the International Criminal Court decision on the former Yugoslavia Tadić case, the report defines organized armed groups as those who have a command-and-control structure and are in possession of a variety of weapons, as well as a significant logistical capability that allows them to conduct regular military operations.