

## Politics and regulation

### Fragmentation of world order

Institute for Statistical Studies and Economics of Knowledge (ISSEK) HSE presents the results of a study of human potential trends. The research methodology includes methods of big data mining based on the iFORA system created at HSE ISSEK, as well as expert sessions and the Delphi survey with the participation of more than 400 leading foreign and Russian scientists in the field of human potential.

The project is implemented within the framework of the activities of the [World-Class Human Capital Multidisciplinary Research Centre](#) and the UNESCO Chair on Future Studies (UNESCO Futures Literature Chairs network). The full list of trends is available in a unique open-access database [https://ncmu.hse.ru/chelpoten\\_trends](https://ncmu.hse.ru/chelpoten_trends).

This trendletter is based on data obtained from [globalaffairs.ru](http://globalaffairs.ru), [russiancouncil.ru](http://russiancouncil.ru), [valdaiclub.com](http://valdaiclub.com), [wto.org](http://wto.org), etc.

The authors are fully responsible for the selection and presentation of the material in this publication, and for the opinions expressed therein, which are not necessarily shared by UNESCO or impose any obligations on the organisation.

## Key subtrends

### ▶ Regionalisation of the world

The return of the leading role to nation-states has led to their increasingly active insistence on the right to have particular political, economic model, and values. The development focus is shifting from the global to the regional level. Today the regional institutions come up with more advanced and flexible rules for international cooperation, while the importance of the old international structures is declining. Competition for the right to set economic and technological standards is driving the development of new institutions, spurred by geopolitical rivalry.

This process is most clearly manifested in the implementation of mega-regional projects, such as the Regional Comprehensive Economic Partnership (RCEP), the US-Mexico-Canada Agreement (USMCA), the Eurasian Economic Union (EAEU), and its connection with the Silk Road Economic Belt Initiative (SREB). The institutionalisation of leadership through economic megaprojects, which set cooperation standards and norms, has become one of the most effective ways for countries to improve their international status and create a favourable neighbourhood. The same processes are taking

### ▶ Emergence of regional integration megaprojects

place in the scope of trans-regional associations (such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership).

The reformatting of the international order leads to changes in developing countries' status, and to redistribution of forces between global and regional powers. The regional security component becomes particularly important. The use of economic ties as an instrument of coercion also promotes deglobalisation trends. The COVID19 pandemic provided yet another demonstration of the dangers of interdependence, and the value of self-sufficiency. At the same time many of the current challenges are global in nature (migration, the consequences of climate change, the very pandemic itself), and can only be met by taking joint action.

The fragmentation of the global political order, regionalisation of economic relations and the international legal system, emergence of new cooperation mechanisms, and fundamental restructuring of the world's monetary and financial system are the main trends for the foreseeable future.

## Key estimates

# 351 regional

there were 351 regional trade agreements in the world in 2021 (214 in 2010)

## Trend's



### Impact on human capital<sup>1</sup>

1

2

3



### Weak signal<sup>2</sup>

Increased role of nation states



### Strongest manifestation period

After 2030 гг.



### Wild card<sup>3</sup>

Regional autarchy



### Effect of COVID-19 pandemic

Strengthened the trend



### Consequences of wild card

closer international relations within regional alliances



### Level of occurrence in Russia

Comparable with the global level

<sup>1</sup> 1 – weak influence, 2 – medium, 3 – strong.

<sup>2</sup> Weak signal is an event that has a low degree of significance (mention, popularity), but indicates a radical trend transformation in the future.

<sup>3</sup> Wild card is an unpredictable event, which, if realized, can have a significant impact on the trend development.

## Drivers and barriers



### Drivers

- The inefficient current global governance system
- Lack of consensus among the world's leading powers on key international agenda issues
- Increased role of nation states, and closer cooperation in the framework of regional institutions
- Growing competition in various areas (such as space exploration, vaccine sales on international markets, standardisation of critical industries, etc.)



### Barriers

- Impossibility to solve global security problems (such as climate change, international terrorism, etc.) at the regional level
- Great powers' ability to come to terms on a number of international problems

## Effects



### Opportunities

- Development of new ways to manage the flows of goods, capital, and human resources in the framework of integration associations



### Threats

- Escalation of regional conflicts
- Unintended conflicts in "grey security areas" such as cyberspace, space, disputed territories, etc.
- Lack of generally accepted formalised rules for the cyberspace