

THE END OF THE WORLD (PETER ZEIHAN) IS WRONG: HERE'S WHY.

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A. PETER ZEIHAN (“*The End of the World*”) IS WRONG

What a disheartening title. I’m sorry. It’s true. Peter Zeihan is wrong.
After all, *most Deza is half truths &*
the rest is lies.

In *The End of the World is Just the Beginning* Zeihan elaborates a complex set of interlocking assumptions, linked to empirical details, leading to logically entailed conclusions with broad ranging implications.

Unfortunately, several of the assumptions Zeihan makes are wrong.

What exactly is Peter Zeihan wrong about?

1. Zeihan Predicts the USA Will Withdraw from the World.

In Reality, Globalization will Continue and May Even Intensify with Invention

Peter Zeihan predicts, roughly, that **the USA will withdraw from global engagement** into a form of what I call neo-isolationism.

Zeihan argues that globalization has not benefited the USA. That is simply untrue. A better argument would be that the costs of global hegemony in dead Americans and trillions of dollars wasted for little or no perceptible benefit are simply too high for American voters. However, even the better argument is also untrue.

Zeihan miscalculates the costs and benefits to the USA of engagement.

The USA will not retrench, withdraw, or enter into any other form of neo-isolationism because states are, roughly speaking, rational power maximizers and the USA benefits with a sort of seignorage from global hegemony – literal seignorage in the case of the fact the dollar is the global currency, figurative seignorage in the form of several extensive and mutually supporting alliance and trade networks as well as soft power in the form of an attractive culture and ideology.

a. Zeihan Over-Estimates the Costs of the Failed Global War on Terror (GWOT)

Zeihan errs in part by over-estimating the damage done by 20 years of failed US liberal internationalist strategy. The GWOT was a costly failure. However, Zeihan doesn’t recognize just how much punishment the proles can take and *still* support the home team. Let’s just imagine London in 1940, Berlin in 1945, or Kyiv today. People no matter how beaten down don’t just roll over and give up. The

USA in 1979, when it was closest to defeat in the last cold war, was nowhere near Berlin '45. The USA in 2022, aside from pockets of heroin addicts, Chinese revenge for the opium wars, is far better off than in 1979, even with all those idle factories, which are as Zeihan says being fired up again.

Tragic but true: non-elites lack the capacity to comprehend international affairs, especially war. Consequently they can, will, and do go like sheep to the slaughter for their own government, it's all they know, even when their own government doesn't deserve their sacrifice. US workers are unbeatable, even if only in the worst possible sense. This tragic logic of mass slaughter is vile, but violence is generally vile, and we must understand it thoroughly to prevent it.

Zeihan seriously under-estimates the capacity of non-elites to absorb casualties.

America's casualties from 20 *years* of a so-called global war on terror are like ... a bad *week* on the Stalingrad front for Germany, or a bad *day* on the Leningrad front for Russia. That is not an exaggeration. Twenty years and a half dozen wars with only about twenty thousand dead is comparable to the casualties for *one* major battle in World War II.

After all, "I have not yet begun to fight" is an American military proverb. Of course, seeing brave Americans without legs, arms, trapped in wheelchairs is horrible. Guess what? Here's another proverb: *You should see the other guy.*

b. Zeihan Under-Estimates the Benefits of Globalization to the USA

As well as over-estimating the damage done by 20 years of failed liberal internationalist strategy and its inbred drunk half-sister the GWOT, Zeihan under-estimates the material benefits to the United States in global trade, which also follow from liberal internationalism. The fact is: free trade makes businesses more efficient resulting in greater riches for all. Free trade also makes war less likely: countries heavily invested and trading in each other enjoy prosperity thereby and thus are less likely to go to war against each other. All that cheap Walmart swag comes from somewhere, and if it comes from Illinois instead of Hanoi it will be much more expensive and Hanoi will be less likely to support US policies. Zeihan appears not to recognize the basic principles of liberal peace-through-trade theory.

Costly tactics in pursuit of failed strategy (the so-called "war on terror" & liberal internationalism) do not mean a better strategy with lower costs is unavailable. The USA will in fact elaborate a better less costly strategy to maintain its global hegemony than the failed GWOT, specifically a form of neo-realist off-shore balancing coupled with liberal trade theory, possibly in pursuit of hegemonic stability.

c. Zeihan Predicts The USA will retrench into Isolation because Liberal Internationalism Failed: In Reality, the USA Cannot and Will Not Become Neo-Isolationist because the Benefits of Hegemony are far greater than its Costs

Even if the US elites wanted to go all-in on neo-isolationism, and they don't, *they can't*. The USA was isolationist until 1914. Two global wars resulted from that, and forced the USA out of isolationism. US neutrality and isolationism made it impossible for European countries to calculate their relative power and thus made Europe dangerously unstable.

If two world wars are not enough proof that the US elites cannot and will not withdraw into neo-isolationism let's look at more recent events: US President Biden tried to unilaterally withdraw into a less engaged foreign policy. He withdrew from *Afghanistan*, as a result of which the US puppet

government almost immediately collapsed, transferring around a billion dollars worth of weapons and equipment to the Taliban. Emboldened by this obvious failure, Vladimir Putin decided to invade **Ukraine**. At first Biden thought he could or should leave the hapless Ukrainians to their fate. The Ukrainians had other ideas about that. Within a month the USA was forced to re-engaged in international affairs.

The USA could not withdraw into neo-isolationism even if it wanted to since rockets can cross oceans and the US has a large wealthy populace and will not be ignored by other great powers.

2. Zeihan Predicts The End of Globalization: *In Reality, Globalization Will Continue or Even Intensify*

a. Trade will Grow because People are Greedy

Jet aircraft, container ships, super-tankers, and the internet are going nowhere: globalization will continue or even intensify because trade is possible, profitable, and fosters peace.

Zeihan believes, wrongly, globalization will end. Even though China and the USA may to some extent decouple and in-source even they will only do so partially because the USA and China both desire prosperity more than they want a war with each other.

Even if hard-liners were in charge in DC and Beijing and there were a complete US-China split, there are vast swathes of global trade which are not Sino-American. These follow:

The USA, the Commonwealth, Japan, and the EU will in fact continue to trade with each other because trade makes people wealthy and makes war less likely since desperate poverty is one cause of war but mutual enrichment reduces the incentive to predatory conflicts. Alliances are stronger, so they will trade.

Moreover, *China* will still try to trade with the EU and will succeed to do so with Germany, Italy, and Serbia *at least*. Perhaps China will also maintain trade and investment ties with Spain or even France. China will also continue to trade with whatever remains of the Russian federation, all of Central Asia, much or even most of Africa, and Latin America.

b. Maritime Patrols Won't Disappear, so Piracy will Stay Suppressed

Zeihan believes, wrongly, that the US Navy will stop doing anti-piracy patrols and will also no longer do freedom of navigation operations (FONOPS). That view of his is entirely wrong. If anything, we are seeing an increase in US maritime patrols, most evidently in the South China and East China seas. Even if the US Navy were to withdraw into the Western hemisphere, China, France, and Britain would maintain anti-piracy patrols. Great powers simply do not shrug their shoulders and go home. Empires are won at gunpoint. Guess how they are lost?

Based on his wrong assumptions Zeihan predicts an increase in piracy leading to famines. In reality, piracy is on the decline. Zeihan also predicts privateering. That is also simply counter-factual. All States have a common interest in the suppression of pirates and have been quite good at suppressing them. Predictions of pirates and privateers make colorful press and good marketing but in reality: no.

Zeihan believes the USA will unilaterally withdraw its navy and that in consequence there will be a serious increase in maritime piracy resulting in literal famines. Since the premises are wrong the consequence is also wrong. The US Navy will not simply go home. Even if it did other States would pursue anti-piracy operations. Machine guns versus rockets means even small navies are able to suppress pirates.

c. Agriculture

Zeihan also under-appreciates the massive increases in agricultural productivity which happened since the 1990s. China is capable of agricultural self-sufficiency, and so is much of the world. Even if there were a collapse in global trade resulting from *Mad Max At Sea* there would be no serious famines. Aside from North Korea, a special case, there have been no major world famines since about 1985 (Ethiopia) – because of improved agricultural technology.

Zeihan believes the USA will unilaterally withdraw from the globalized world hegemony it built over the course of decades at the cost of trillions of dollars and tens of thousands of lives. He fails to appreciate the power of the sunk-costs fallacy. Even if the USA were not a key beneficiary of globalization both in terms of power abroad and in terms of domestic prosperity people and people's don't generally just walk away from massive investments. While we can easily imagine a restructured US-China relationship or even changes to EU-China relations of trade and investment, the apocalyptic world of the US living in splendid isolation Zeihan imagines and proposes is impossible, unrealistic, and dangerous. The world will not become a less hostile place if the USA withdraws from it, as we can already see in Afghanistan and Ukraine. Cross-border trade and investment makes the world wealthier and less violent, no matter how many gopniki, rednecks, or farm boys from Iowa may imagine otherwise.

3. Zeihan Predicts the Chinese Government will Fall due to Demographic Collapse & Deglobalization *How Convenient. Too bad China isn't Russia...*

Zeihan also predicts China will collapse due to demography, governance problems, and the end of global trade and investment. He is wrong again. Even though Chinese productivity will diminish as its population ages, Chinese culture remains hard working, optimistic, and civil. Xi Jinping has centralized all state power into his own hands and China is a mass surveillance state. The Chinese people don't want yet another revolution and consequent civil war. Even if they did (they don't) they would be unable to wage one due to mass surveillance and control through digital mass media. China is a perfect tyranny, and the USA and China are on a clear collision course. However, China does trade and invest with many other countries than the USA whether in Europe, South America, or Africa, many of which will be happy to undercut and profit from a US embargo.

China has had more than one chance at "Tiananmen 2.0" and Xi Jinping wisely declined to give the USA a clear and easy cause for a coup in the form of mass murder of protesters, whether in Hong Kong prior to the pandemic or in Shanghai at the end of the pandemic. When the end of "zero covid" in China kills off the elderly retired Chinese Xi Jinping will have an "I told you so" moment, a moment which, like former New York governor Mario Cuomo's nursing home decision at the start of the pandemic just-so-happens to lighten the state's social welfare payouts. China will not collapse, global trade will not collapse, and there will not be pirates and famines or bears, oh my.

II. WHY IS ZEIHAN WRONG?

Peter Zeihan makes a number of bold inter-related claims, which mutually reinforce each other *if true*.

Unfortunately, several of his most basic assumptions are wrong, and consequently most of his edifice collapses like a house of cards.

The reasons for these errors follow.

1. Over-Estimating Decoupling/In-sourcing

Decoupling/in-sourcing of the US and Chinese economies will occur to at least some extent, but that is far from “the end of globalization” let alone famines and pirates and bears oh my. US-China trade and investment relations carry no necessary implications for EU-China trade and investment or implications for Chinese trade and investment with South America and Africa.

2. Geographic and Demographic Determinism

Why does Zeihan make these mistakes? Partly, he is overly-determinist about demography and geography. Geography and demography influence but do not determine global affairs. Britain and then Japan both became industrial powers despite a terribly poor resource base. They were forced into trade, and their defensible position enabled them to avoid wars. The North German plain, a flat land space stretching roughly from Paris all the way to Moscow lacks mountains but has forests and broad North South rivers and is for those reasons defensible, Russian propaganda to the contrary. However, even if this region were doomed to war after war it has not had a war since 1945, more than 75 years. Geography and demography do have a real influence on world affairs but so do ideology and political choice. Astrologers say “the stars incline but do not compel”. Geopolitical analysts would do well to likewise not “geography and demographics incline but do not compel”.

3. Marketing

I think there are other reasons for Zeihan’s errors. One might be: marketing! Peddling a pack of proverbs about pirates and privateers sure sounds exciting! Instead of figuring out how to prevent and win the next war we could simply imagine ourselves in a fantasy world like Mad Max and Thunderdome at Sea! Sounds much more exciting than putting a tourniquet on your friend’s arm or covering his sucking chest wound in plastic while you hope he will still breathe despite coughing up blood. That’s war and it is hell and Zeihan’s desire to feed and profit from others’ fantasies about war as a grand adventure is professionally rather disgusting, at least to me. Plenty of ways to make money without cheer-leading for the grim reaper even though literal pirates are asking for it.

4. Convenient Wishful Thinking

Aside from marketing the glitz and glamour of shiny metal and medals I think Zeihan’s errors are partly due to convenient wishful-thinking. If you imagine China will inevitably collapse then you need not learn Chinese, nor need you understand Mao Zedong, Deng Xiaoping, or Xi Jinping thought. You need not do a deep historic analysis of Chinese history or of Chinese foreign relations if they will collapse. Mighty convenient! The USA wins by default! Murrice, oh yeah! It’s also great for marketing!

But it's untrue: it short-circuits critical insightful thinking about China and how the US and China could and should relate. It encourages reactionary foolish tendencies, all to the detriment of competent foreign policy.

5. Disinformation

a. Russia

The last and best but least palatable explanation why Peter Zeihan errs so badly is: it's disinformation. For the best example, Zeihan picks up the Russian myth that "Russia lacks defensible borders" and runs with it. In fact, Russia is ice to the north and east, deserts to the south, and has vast forests, even larger marshes, as well as many very wide north-south rivers to the west. Russia enjoys six to eight months of severe winter every year, year after year, and is vast. Every invader of Russia learns, and usually quite quickly, that Russia is entirely defensible, the deceptive four weeks of European summer notwithstanding.

Zeihan nonetheless buys into the myth that Russia is indefensible and thus must expand to naturally defensible borders. This myth is very convenient for Moscow since it justifies all kinds of foul actions and helps make it likelier to be fighting a war in Poland rather than in Chechnya, Dagestan, Yakutia, or in any of the other non-Russian nations subjugated by Moscow. Russia is a multinational state, with serious centripetal tendencies. Having a ready made excuse for a foreign war all the time any time is a great way to distract from domestic problems, build national unity, and keep the army on its toes.

Zeihan uncritically accepts the Russian myth then adds his own knife-twist: due to supposed demographic collapse, Russia has only one remaining chance, around 2020, to expand its borders to defensible limits. This is also a myth, Russia can and does expand its population anytime with immigrants from the Caucasus, Central Asia, and even China. However, if you believe the first myth and the second myth then you have no choice but to make your move on Estonia or Ukraine around 2020.

This is, moreover, an effective piece of disinformation. It lures Russia into an attack it is unprepared for and cannot win, leading in turn to the collapse of the Russian state – it is a myth, yet it can well be a self-fulfilling myth!

b. China

Zeihan also peddles the convenient myth, which is probably also disinformation, that the Chinese Communist Party and/or People's Republic of China will collapse. However, I do not expect Zeihan will succeed at provoking the collapse of the CCP whether through internal purges and counter-purges 1937 Stalin style nor through Tiananmen 2.0 whether in Beijing (late 2022) or Shanghai (early 2022) or Hong Kong (2019). Nor do I believe Zeihan will be able to provoke the PRC into a failed premature invasion of Taiwan. My reasons for thinking this disinformation will fail, aside from the fact it has failed so far are:

1. The Chinese people and government are hard-working, sober, realistic, intelligent; they are not crazy aggressive drunk incompetent kleptocrats.
2. Zeihan does not speak Chinese, has not studied Marxist ideology, so his ideas about China are less accurate and are less likely to be taken up by Chinese people. Not even Falun Gong exiles seem all that into Zeihan.

3. The CCP see what is happening in Ukraine and are thus reassessing their chances at a successful invasion of Taiwan.

4. Cross Straits relations are improving, even though “one country two systems” is now no possible model for mainland integration.

5. The Falkland Islands campaign shows both how difficult amphibious operations are and how they can have unintended consequences. In the Falklands war a dictator invaded a neighboring island claimed by the dictatorship. Result? The invader was defeated, the dictatorship lost, the dictator was ousted, and democracy was restored. Does Xi Jinping really want to go down *that* road?

Zeihan could be encouraging China to over-react by placing it under economic and demographic pressure in hopes of provoking an ouster of the CCP. Although such is occurring in Russia, China isn't Russia. The Chinese people have different cultural characteristics and relations between Taiwan and China are much better than those between Russia and Ukraine after 2014.

III. CONCLUSION

Although I do think Zeihan worth reading one must do so critically. Zeihan does provoke deep thinking about some of the factors which determine international relations and the resulting grand trends. His market-driven energy sector analyses are superb, since his corporate clients could never tolerate any inaccurate forecasts. When he strays outside of energy and agriculture markets, leaving the field of economics and entering into state-to-state relations the results are a fascinating mess, overly-determined by geography and demography with inadequate consideration of history and ideology. I reach this conclusion with no great joy. Who wouldn't wish to see the inevitable easy victory of America over tyranny through simple neo-isolationism and re-industrialization while the enemies of the republic collapse due to demography and geography? But “the world ain't that simple bub”. The USA is locked into competition with varieties of authoritarianism and cannot merely “walk away”. China will not inevitably collapse, nor will global trade vanish to be replaced by famines and pirates. And these outlandish statements of Zeihan's are why we can view him best as: very clever disinformation with some solid empirical foundations.

Too bad it won't work.

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