



By: *Emre Alkin*

The world in 2050 - Why it is foolish to make assessments?



I was keeping my hopes up when the Russia-Ukraine crisis first erupted. After all, I thought to myself, attempting to invade a country is an act that only tyrants of the past would dare to do.

So I waited for a consensus to be reached between the two countries sooner or later. If peace had been achieved immediately, there would be only a slight slowdown in the world trade and the global GDP, which would not drop below 23 trillion dollars and 3.5% respectively.

Yet the occupation and the conflict continued. The Russian invasion of Ukraine slowly became a fait accompli and then a status quo, just as Israel did in the Middle East.

The world has started to see it as almost a daily matter. Inevitably, this invasion brought a considerable slowdown in the world economy and trade.

While the US government provided more military aid (about 50 billion dollars) to Ukraine than they did to Afghanistan, the aid sent by European governments in the last year amounted to tens of billions of euros.

However, Putin made a serious strategic mistake. He failed to see that Europeans would not want a tyrant to rule Russia, and they would do whatever it took to get rid of him, even at the cost of “getting cold”.

Putin is determined to keep Ukraine under occupation; not for Russia, but in order to stay in power as long as possible

But Putin seems to be quite determined to keep Ukraine under occupation; not for Russia, but in order to stay in power as long as possible.

Russia's invasion of Ukraine is expected to cause global GDP in 2023 to decrease by one per cent, falling to around 2.5%, while it will cost the global economy \$500 billion in lost output. But there is another scenario.

When this madness first began, most people did not expect Putin to invade all of Ukraine. Now I look at them and see they are not so certain anymore.

As more support from the EU and the United States poured in, the number of those expecting that Russia could launch a major offensive in the spring has increased considerably.

The experts that leaders tend to listen to in such situations are mostly those who deny science and truth

Last month, Topkapı University hosted a webinar joined by retired generals and diplomatic experts. Göran Therborn, professor of sociology at Cambridge University, was a keynote speaker at the webinar, where he argued, underlining an important historical fact:

“Unfortunately, the experts that leaders tend to listen to in such situations are mostly those who deny science and truth“, in response to others who said that, in theory, the Russians could launch a major offensive, but in practice, the result would be a great disappointment.

Indeed, people who specialise in social sciences have a bad reputation for siding with the “bad guy” in times of war and conflict. These people, who are known to have encouraged many past leaders to do bad things by saying things like, “If it is plausible on paper, it is also possible in practice”, are the ones who were at Hitler's and Mussolini's sides.

Now, just like they did in the past, they encourage the tyrants of today. Most likely, Putin has them around him too.

A second Cold war

It is certain that a second cold war will begin if Russia entirely occupies and rules Ukraine. No

matter how irrational it may seem, any such a scenario, which could reduce global GDP to 1% and the world trade to 21 trillion dollars, should not be ignored. Let us now proceed with another analysis:

Recently, I have been coming across presentations by international institutions, focusing on what the world will be like in 2050.

To be honest, I am laughing at these presentations, which are intended to make us believe that world leaders are already designing the position that their countries will take 25 years from now.

As an economist who follows politics and diplomacy very closely, I can see that today's leaders are putting all their efforts into winning the next election and fashioning the future of their country, and that leaders like Putin are intentionally creating crises so as to stay in power for as long as they can.

No leader is powerful enough to resist a rapidly and strongly developing trend

But possible developments in these presentations are of a nature that leaders cannot change or alter no matter what they do. New trends emerge in line with changes and advancements in logistics, technology, production, human resources, supply and finance, and no leader is powerful enough to resist a rapidly and strongly developing trend.

By 2050, people will live in overcrowded cities, filled with countless buildings stretching to eternity until they touch the border of neighbouring cities or countries.

Perhaps, as we walk from one building to another, we will be crossing the border into another country. Imagine a population of seven billion people living in urban areas and only 3.5 billion people living in rural areas.

The world's population is getting old. Despite the deaths during the pandemic, the number of people over 65 years old and children under

5 years old are now equal to each other.

The share of infants in total population is expected to drop below 8% in 2050, while the share of individuals older than 65 will increase to 18%.

The real estate projects of the future must include not only playgrounds and day-care centres, but also healthcare and senior care centres

Considering these projections, I believe the real estate projects of the future must include not only playgrounds and day-care centres, but also healthcare and senior care centres. But the important thing is that these projects need to be small, and affordable by all income groups.

Senior staff in U.S. companies, which account for 1% of total employees across the country, have earned more than 10 trillion dollars than the rest of lower level staff since the start of the financial crisis in 2008, according to independent studies.

In fact, 50% of the overall staff population, which are mostly field teams, have not earned even a fifth of the total money paid to the senior staff.

Therefore, these people, who evidently cannot meet all of their living needs, should be provided with affordable loans with reasonable terms to be able to buy houses at affordable prices.

Bankers and insurers also need to stop being so obstinate about "offering older people high-cost and short-term loans", since the average life expectancy and retirement age keep increasing.

Who advises the leaders

I don't think leaders like Putin are concerned about these problems. They might think they

can fix things by ordering everyone to have at least three children.

But the truth is that if both husband and wife do not have jobs, it is impossible to run a household. As people feel suffocated under the weight of high costs of living, having multiple children is not something anyone can agree to.

As Professor Therborn put it, quite politely in my opinion, “in times of madness, social scientists fail to urge leaders to act rationally”. If I were him, I would have said, “social scientists who advise leaders push them to do the most irrational things”.

Putin’s bullying behaviour, encouraged by the fact that Russia is a major player in global energy markets, will soon come to an end.

The most basic rule of economics says: “you can always find a substitute product when conditions get rough”.

When we look back on history, we can see that humanity has always found an alternative solution to any problem it had experienced. The same goes for the world’s grain needs.

I should also mention that Russia runs a trade deficit in agricultural products despite being an important grain supplier. In other words, Russia depends on agricultural imports. Ukraine, on the other hand, runs – or to be more exact, used to run – a considerable trade surplus.

Back to the global economy

Advanced economies are projected by the IMF to achieve a GDP growth varying between 1-1.5 per cent this year. As for the developing economies, they are expected to grow by 3.5-4%. The Chinese economy, which we are used to seeing grow around 7-8% every year, would now be happy to achieve even the half of that.

As a post-pandemic global economy and trade attempt to survive in the midst of the Russia-Ukraine conflict, President Biden released his

National Security Strategy on October 12. The Strategy outlines the United States’ determination and enduring role to fight autocracy.

The US briefly sets forward that they will “continually update their range of tools to advance democracy and counter authoritarianism and respond to the ever-evolving ways in which authoritarians seek to subvert the global order”. And for the first time in American history, “inflation” is defined as a national security threat in this document.

Today’s world politics have become a game where the rules are constantly changing while it is being played

There are reports that Turkey, which is trying to reduce tensions as a party to the Black Sea Grain Initiative, has been given the task of acting as a catalyst to create an opportunity for Putin to make an honourable exit from Ukraine.

It is further said that the United States gave the green light to this plan, but the Germans did not agree to it.

Some countries, who seek to take advantage of the Russia-Ukraine war for the expansion of NATO, do not want the conflict to be quietened by Turkey, which opposes the membership of Sweden and Finland of the alliance.

Unfortunately, today’s world politics have become a game where the rules are constantly changing while it is being played. It’s almost as if we are forced to choose between “slightly evil” and “very evil”.