



# Political Instability

## Definition

Political instability will be defined in broad terms, encompassing the likelihood of sustained civil disobedience or protests resulting in a weakening of a government's legitimacy, the potential loss of trust in governance structures or processes, and the propensity for irregular regime change (e.g. assassinations or coups).

## Key Insights

- **By 2030, the countries currently facing political crises will mostly be the same as in the 2010-2015 period**

A significant increase in conflict, terrorism, and regime instability in the Middle East and North Africa, along with intensifying political violence and resource nationalism<sup>1</sup> in East Africa, are among the key factors driving a global rise in political risks. A 'vicious circle' reflects the self-reinforcing impact of poor governance, conflict, high levels of corruption, persistent regime instability and societal dissent and protests. Currently seven of the worst countries for political risk are Somalia, Afghanistan, Sudan, DR Congo, Central African Republic, South Sudan, and Iraq<sup>2</sup>. Countries that are likely to remain unstable in 2030 include: Chad, Niger, Mali, Central African Republic, DR Congo, Burundi, Eritrea, Sudan, South Sudan, Somalia, Palestine, Syria, Iraq, Afghanistan, and Yemen.

- **By 2030, the impact of demographic growth and climate change will compound political instability resulting in a concentration of fragility in areas where multiple vulnerabilities intersect.**

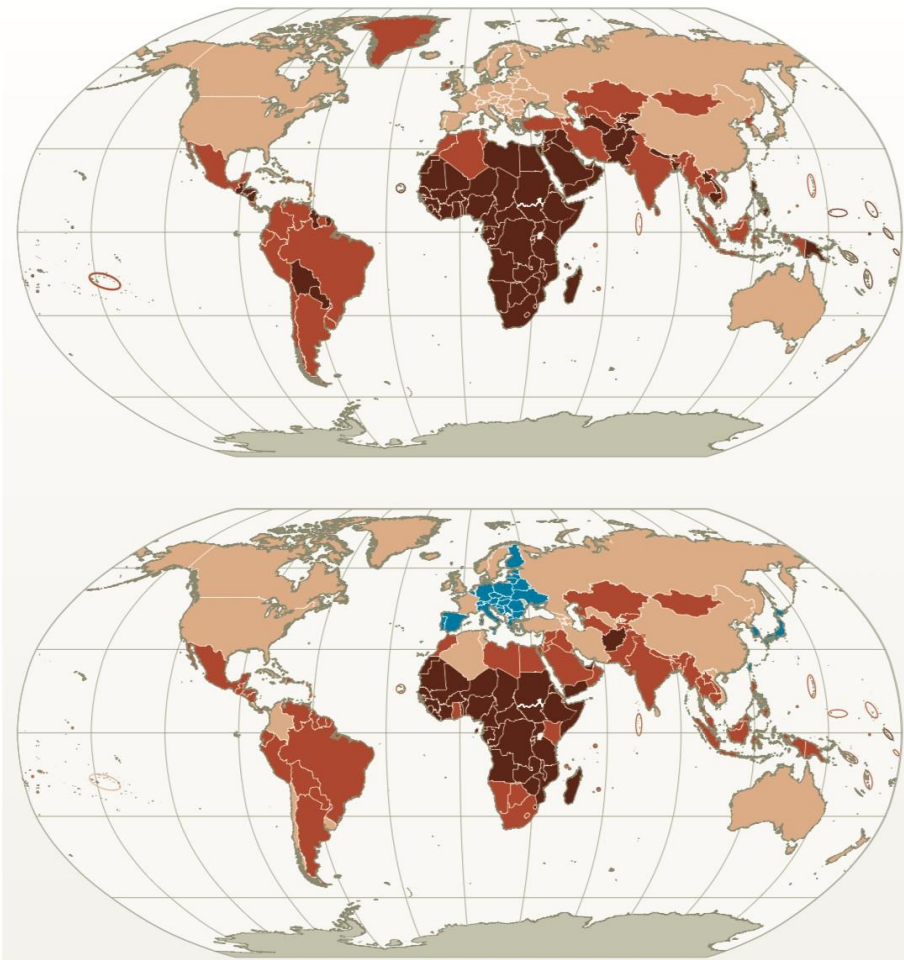
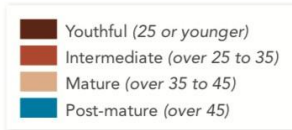
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<sup>1</sup> Resource Nationalism meaning - "a government's effort to gain greater benefit from its natural resources — sometimes to the detriment of private companies. This can range from outright expropriation — when a government takes away a company's assets — to more creeping forms of appropriation, such as higher taxation or more arduous regulation", Morris, Jessica (2014) [Why could resource nationalism be increasing?](#), CNBC 2 February 2014)

<sup>2</sup> Fund for Peace (2016) [Fragile States Index 2016](#)

The rate of population growth over and above the pace of developmental progress will impinge on the ability of states to make the investments necessary to take advantage of their demographic dividends. It will also hinder their ability to manage the impact of climate change and the corresponding environmental degradation and reduction in available natural resources.

THE MEDIAN AGE OF COUNTRY-LEVEL POPULATIONS, 2010-2030



Source: US Census Bureau's International Database, June 2011. The median ages of Arab Gulf states (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and UAE) reflect the age structure of resident citizens, omitting temporary labor migrants.

Source: National Intelligence Council, 2012, Global Trends 2030, Alternative World.



➤ **By 2030, western countries could face significant political tensions resulting in humanitarian crises**

The humanitarian sector should anticipate the possibility of a major action on the EU territory, following an internal crisis in a member state, a collapse of the EU, or a major terrorist act.

## **Changes by 2030: Main trends**

➤ **Social and demographic patterns will lead to political instability**

Social instability is one of the most prominent concerns in the next decade for **Latin America**, the **Caribbean**, the **Middle East**, and **North Africa**<sup>3</sup>, fueled by growing frustration with the political system and the economic situation. Corruption and bad governance will be increasingly contested as citizens are increasingly informed and interconnected through new technologies.

Challenges to the dominant political system will be most likely in countries where the median age is still under or around 25 and the strength of the middle class is increasing. Popular protests or even larger phenomena like the Arab Spring will likely alter the course of the outlook, particularly in the more youthful countries of **Sub-Saharan Africa** (Chad, Uganda, Nigeria) and **South-East Asia** (Laos, Cambodia). The number of young people is set to explode in developing countries and this cohort will require ever-increasing access to livelihood and economic opportunities in order for countries to benefit from their demographic dividend. This group are likely to demand better public services and increased political participation as well as much greater government accountability. Failing to meet these expectations could lead to a large, idle, disillusioned youth population increasing the risk of social unrest, which could in turn result in greater, sustained political instability.

The ability of authoritarian regimes to reform or at least manage the emergence of a civil society will be challenged. Resistance to change will weaken the state and reduce its capacity to sustain itself in the face of growing instability. The legitimacy of long-lived leaders (**Belarus**, **Tajikistan**, **Cameroon**, **Congo**) or emergent political elite will be increasingly questioned if

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<sup>3</sup> World Economic Forum (2016) [Global Risks 2016](#)



they do not represent rapidly-changing societies. Trust in global institutions, business, government, media and NGOs is declining<sup>4</sup>. Inequalities and political representation will continue to be at the center of citizens' action as globalization is challenged and democracy faces an existential crisis.

For several countries (**Algeria, Kazakhstan, Tajikistan**), succession issues following the death or departure of leaders lead to a critical transition phase, which offer an opportunity for authoritarian regimes to peacefully adapt their governance in order to reduce social frustration and avoid popular unrest. These power vacuums can also induce social instability, fights among political-economical elites, a weakening of state legitimacy, and the polarization of society.

➤ **Economic growth leads to new expectations on the political Field**

Due to structural economic problems, such as low diversification, limited redistribution of the energy income, and lack of public investment in infrastructure, major energy producers, such as **Russia, Venezuela, Saudi Arabia**, and **Nigeria** are likely to experience serious political instability. The tacit social contract between the regimes and their population (restriction of political freedom for relative prosperity and stability) will become more fragile.

A political crisis in **China before 2030 is also possible**. China's rapid growth has allowed millions of people to escape the most extreme forms of poverty, but the balance between preserving the desired level of state control while instituting much needed economic and political reforms is increasingly difficult<sup>5</sup>. Despite a slowdown in the GDP growth rate, GDP per capita in China is forecasted to continue to grow and projected to reach almost \$18,000/year PPP by 2020.<sup>6</sup> \$18,000 per capita purchasing power is well above the threshold for democratization of \$15,000<sup>7</sup> and the loyalty of China's middle class to the one party system could be severely challenged by the lack of representation in the face of potentially painful economic reforms. Such a crisis in China could have deep regional and global implications.

➤ **Growing complexity and regionalization of crises in a multipolar world**

Most of the current crises in North Africa and the Middle East will have consequences lasting the duration of the outlook. Syria will likely be the focal point of crises in the Middle East, with potential spillover effect causing political instability in neighboring countries such as

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<sup>4</sup> Edelman (2017) [Trust Barometer 2017](#) pg 4

<sup>5</sup> The Economist (2016) [A Crisis of Faith](#), 16 January 2016

<sup>6</sup> Trading Economics (2019) [China GDP per capita PPP Forecast 2016-2020](#), 13 March 2019 source data from the World Bank

<sup>7</sup> National Intelligence Council (2012) [Global Trends 2030, Alternative World](#) pg vii



**Lebanon, Jordan and Turkey.** A destabilization of Turkey would not only have a significant impact on the whole region, but also on the Balkans and Europe.

The trend of the international system to be divided regionally, organized around predominant powers (China, Russia, US) instead of the single-hegemonic dominance since the end of the Cold War will likely weaken the legitimacy and the influence of international institutions such as the United Nations. New forms of diplomacy will arise and the effectiveness and existence of security frameworks such as NATO will be questioned.

#### ➤ **Conflicts over natural resources, intensified by climate change**

The rise of the middle class, urbanization, and industrialization will accentuate competition over resources and heighten the risk of political instability, intrastate and interstate conflicts.

As the competition for resources increases as result of demographic pressure and economic growth, climate change will severely impact water supply and crop yields, intensifying existing weather patterns, as dry areas will be dryer and wet areas will be wetter<sup>8</sup>. In the case of a 1.5°C temperature increase by 2030, 40% of maize cropping would be lost in Sub-Saharan Africa without adaptation measures. Though some areas will benefit from climate change through an extension of arable lands<sup>9</sup> the negative effects will impact the poorest countries which already face food scarcity (**West and North Africa, Central Asia**). The challenge of climate change and the ability of states to adapt to it will be a further driver of political instability in already vulnerable countries.

Water access may become a significant source of conflict in the next 15 years<sup>10</sup>. Existing ethnic or confessional divisions over water basins could fuel political tensions, as in the **Nile Basin, Israel/Palestine, Turkey, India, Pakistan and Central Asia**. In 2017, water management has already been a source of tension between downstream Uzbekistan and upstream Tajikistan and Kyrgyzstan. Conflicts have been mostly avoided so far through negotiations and agreements but growing water scarcity in some regions could stifle any chance of compromise.

#### ➤ **The Western world as an area of crisis**

The Ukrainian crisis and the European Migrant Crisis have shown that the West is not unaffected by humanitarian crises. The latter is already triggering protests, increasingly

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<sup>8</sup> National Intelligence Council (2012) [Global Trends 2030, Alternative World](#)

<sup>9</sup> World Economic Forum (2016) [Global Risks 2016](#)

<sup>10</sup> World Economic Forum (2016) [Global Risks 2016](#)



political tensions, a rise of the political right, xenophobia, and a general polarization of society in EU member states (as well as in European neighbors). Enduring economic stagnation and increasing mistrust of politics is fueling populism, nationalism, cultural, and religious clashes. In that context, it cannot be ruled out that in 2030, one of the European countries (**France, Hungary, Western Balkans**) would have gone through massive riots, violence against minorities, or even internal conflict. Parallel movements can be observed in North America.

Another major crisis could be triggered by the failure to overcome divisions between member states, leading to a collapse of the EU. In that case, it would cause serious disruption at the political, economic, and social level.

Finally, a major terrorist attack targeting energy or food/water supply infrastructures in a Western country (**France, UK, Germany**) could lead to a significant humanitarian crisis.