



Geopolitical Dynamisms in the 21st Century: Culture, Climate, and Talent

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Geopolitical Dynamisms in the 21st Century: Culture, Climate, and Talent¹

Zijian Khor²

Introduction

In the modern geopolitical landscape, nations leverage various strategies to enhance their influence and address critical challenges. It is important to understand the strategic, political, economic, and cultural factors that influence international relations and global stability. However, today's discourse on geopolitical conflicts largely centres around kinetic conflicts (e.g. Israel-Hamas, Ukraine), Artificial Intelligence hype, and American politics, leaving much to be desired in other areas. This article intends to shed light on some of these hidden, unseen areas of conflict like culture, climate change and talent.

Cultural Diplomacy: A Winning Geopolitical Tool in a Multi-Polar World

When we look at culture, most view it as factors that influence and reflect the way people live, interact, and understand the world around them. It also impacts how a community thinks and react, and subtly put, it is the Operating System (OS) of any community.

For example, most view the Lunar New Year as a simple festival and celebration of the welcoming of Spring, however, this festival is celebrated worldwide in regions and countries that house significant overseas Chinese populations, and is a subtle way that the Chinese use as a channel to reconnect back with China. In China, the festival is called “中国节” (or China's festival), but in contexts outside of China, referring to Lunar New Year as "Chinese New Year" and vice versa can come off as insensitive and offensive because it ignores other cultures, all of which have their own unique traditions, beliefs, and celebrations. This includes the Losar of Tibet, the Tét of Vietnam, the Korean New Year, and the Ryukyu New Year, to name a few.

Culture is made up of many things, some including:

- Beliefs and Values: such as religious beliefs, ethical values, and societal norms.
- Customs and Traditions: such as holidays, festivals, ceremonies, and daily routines.
- Language and Communication: such as spoken and written language, symbols, and gestures, to convey ideas and emotions.
- Art and Literature: such as visual arts, music, literature, and performance that reflect and shape cultural identity.
- Social Structure: such as family structures, social roles, and hierarchical systems that determine how individuals and groups interact.
- Food and Cuisine: such as culinary practices, ingredients, and cooking methods that are characteristic of a culture.

¹ This article is the sole responsibility of the author and neither ISEA nor any of its affiliates have any role in the drafting of this article.

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- **Clothing and Fashion:** The styles of dress and personal adornment that are specific to a culture, often reflecting social status, tradition, and climate.
- **Technology and Tools:** The innovations, inventions, and use of tools and technology that influence daily life and societal development.
- **Institutions and Governance:** such as systems of government, legal frameworks, educational institutions, and other organisational structures that shape societal functioning.
- **Knowledge and Education:** such as formal education systems, folklore, and informal learning.
- **Economic Practices:** including labour practices, trade, and financial systems.
- **Norms and Laws:** The rules and standards of behaviour that are accepted and enforced within a society to maintain order and cohesion.

Wielding influence over culture changes the community's identity and the way people think, act and react (changing their operating system). This interacts with geopolitics in numerous ways, such as reducing friction in peace time (e.g. favourable conditions for economic collaboration and trade), while increasing friction in times of conflict (e.g. nationalism, resulting in total war). This influence is shaped in the form of cultural exchange - the sharing of ideas, customs, and social behaviour of a particular people or society with someone else from a different background to promote mutual understanding and trust. This was preached in the US Government as well, where in a 2005 US advisory report³, cultural diplomacy was considered the linchpin of diplomacy, with key elements being:

- (i) Building trust through cultural exchange provides a foundation upon which political, economic, and military agreements can be built.
- (ii) Demonstrating shared values helps combat negative perceptions and stereotypes.
- (iii) By creating enduring cultural ties, nations can maintain relationships that transcend political fluctuations.
- (iv) Engaging with influential members of foreign societies reach audiences that traditional diplomatic channels might not.

The Special Exhibition: On Top of the Pyramid: The Civilization of Ancient Egypt

This type of culture building exercise/ cultural exchange is seen very clearly in a recent exhibition titled "On Top of the Pyramid: The Civilization of Ancient Egypt"⁴, held at the Shanghai Museum from July 2024 to August 2025. This grand exhibition aims to promote cultural understanding, enhance public diplomacy, and allow Chinese audiences to appreciate Egypt's rich archaeological heritage. Some key characteristics of the exhibition are that it:

- Features over 780 loaned artifacts from Egypt, the largest number of borrowed artifacts in the history of the museum;
- Is the largest special exhibition in the museum's history;
- Showcases significant pieces such as statues of pharaohs Tutankhamun, Amenemhat III, and Ramses II, as well as mummy coffins, gold jewellery, and animal mummies.

³ See 2005 - Cultural Diplomacy: The Linchpin of Public Diplomacy (state.gov)

⁴ See China Focus: Grand exhibition on ancient Egyptian civilization opens in Shanghai-Xinhua (news.cn)

However, of greater significance is that it is the largest display of Egyptian artefacts outside of Egypt, where both China and Egypt view it as a ‘dialogue across two ancient civilisations’⁵. This is unusual, given that the total resourcing (time, effort, money) sunk in to plan, put in motion and execute the exhibition must have been significant and logistically challenging. Where did the resourcing come from and why? Why is this a dialogue across civilisations that date back thousands of years, not just across governments and cultures, but civilisations. Might this be in reference to China’s Ecological Civilisation?

The Context of Growing Sino – Egypt Relations

In more ancient times, Egypt and China share a rich history of interactions dating back to ancient trade routes. In modern times, Egypt is the most important geographical connection, sitting between Africa, Asia and Europe. It is also a key partner of the Chinese Belt and Road Initiative (BRI), key defence partner of the US, and most importantly, it possesses the Suez Canal – currently the world’s most important waterway. It has great relations with Arab, Islamic and African realms and is a country of geopolitical significance.

Sino – Egypt relations have grown⁶, ever since Egypt became the first Arab and African country to establish diplomatic ties with the People's Republic of China in 1956. This long-standing relationship has been further strengthened by economic initiatives like the BRI, positioning Egypt as a crucial transit point connecting Asia, Africa, and Europe. Hence the significance of cultural exchange in this context cannot be overstated, as it not only solidifies bilateral ties but also enhances mutual understanding and cooperation.

This trust was rooted in increased bilateral trade across both countries, where in 2022, China had become Egypt’s largest trading partner for eight successive years, while Egypt drew in close to 28.5 billion dollars in Chinese investments across 2018 to 2019, becoming the largest recipient of Chinese investment in the Arab world. Recently, their cooperation expanded to the Chinese construction of an Iconic Tower in Egypt’s new Capital, and a joint mention of the BRI and Egypt’s ‘Vision 2030’ together, intertwining their economies and culture even more.

Furthering their economic bond, earlier this year, Egypt was the first country in Africa and the Middle East to issue panda bonds in Chinese yuan in the Chinese financial market⁷, amounting to 3.5 billion yuan (or 487 million dollars), one of the biggest issuances in the Chinese Market.

With greater trust, economic and cultural cooperation, Egypt was openly seeking for greater opportunities for collaboration, including the setting up of a Free Trade Agreement (FTA), a double taxation treaty and greater sustainable economic development.

The Flipside of Cooperation: Potential Risks and Challenges

While cultural diplomacy strengthens bilateral relations, it also has the potential to drive a wedge between the cooperating nations and other global powers. In the context of better Sino – Egypt relations, there is a risk that enhanced cultural and economic ties could strain Egypt's relations with the US. The competition for influence in Egypt and the broader Arab world can lead to geopolitical tensions, requiring Egypt to balance its interactions with other major powers carefully.

One potential pathway considers Egypt’s closer ties with China influencing other Middle Eastern countries to seek similar partnerships, potentially shifting the regional balance of power. This could lead to a realignment of regional alliances, with countries like Saudi Arabia and the UAE looking to strengthen their ties with China.

⁵ See Egyptian artifacts to be displayed in Shanghai - Global Times

⁶ See Egypt's Strategic Partnership with China: Opportunities and Implications (arabcenterdc.org)

⁷ See Egypt aims at bigger role in Sino-Arab ties - Chinadaily.com.cn

This is evident from China's role in brokering the Saudi-Iran deal⁸, which highlights its growing influence in the Middle East. It shows China's capacity to act as a mediator in regional conflicts, which could be perceived as encroaching on US diplomatic territory. As China continues to broker such deals, it might be seen as a more attractive partner for Middle Eastern countries, potentially diminishing U.S. influence in the region.

Although Egypt has so far managed to maintain good relations with both the US and China, the growing rivalry might make it increasingly difficult for Egypt to balance these relationships. This balancing act may be impacted if either side pressures Egypt to take sides in international forums or conflicts, Egypt could find itself in a precarious position, risking alienation from one of its key partners.

In a multi-polar world, such dynamics can influence global power structures and economic partnerships, especially when dealing with such an important global trade route. The strategic realignments resulting from cultural diplomacy can lead to increased geopolitical tension, as nations vie for influence and alliances. This underscores the importance of carefully studying culture as a key spark of geopolitical conflicts.

Climate Change – A driver of Geopolitical Conflict

A second area of potential geopolitical conflict is climate change.

Climate change, economic factors, and rapid urbanization are key drivers of food and water insecurity. Extreme weather events, such as droughts, floods, and heatwaves disrupt agricultural production, leading to reduced crop yields and increased food prices. Economic instability further exacerbates this issue, as rising costs of production and distribution inflate food prices, making it difficult for urban populations to access affordable food. Additionally, the growing urban population intensifies the demand for food and water resources, putting further strain on already stressed supply chains.

In 2023, 771 million people don't have access to basic drinking water services⁹, and 77 million faced high levels of acute food security¹⁰. This will be made worse by shifting food production zones due to a changing climate. As it shifts, the diet of these communities will have to change, given the importance placed on food in societies' culture, if societies do not adapt, increased prices from importing culturally significant foods from further away will make livelihoods difficult.

Disruption of Indoor Farms and the Urban Food Supply Chains

Indoor farms have been hailed as a solution to urban food security, providing a stable and controlled environment for vegetable production. However, the indoor farming industry faces significant challenges, including high energy consumption and substantial capital costs. Notable failures, such as Infarm, AppHarvest, Aerofarms, and Kalera, highlight the vulnerability of this sector to economic fluctuations. The closures of these indoor farms have led to decreased production capacity, resulting in increased reliance on traditional farming methods, which may not meet the growing demand due to climate variability.

Infarm¹¹: Financial difficulties led to the closure of several operations, impacting urban areas like Berlin and London where Infarm had established multiple indoor farms, reducing the local supply of leafy greens and herbs.

⁸ See Geopolitical significance of China-brokered Saudi-Iran deal - Asia Times

⁹ See World Water Day: Two billion people still lack access to safely managed water (worldbank.org)

¹⁰ See Global Report on Food Crises: Acute hunger remains persistently high in 59 countries with 1 in 5 people assessed in need of critical urgent action (fao.org)

¹¹ See Infarm's Dutch branch declared bankrupt (verticalfarmdaily.com)

AppHarvest¹²: Located in Kentucky, AppHarvest's financial struggles and operational challenges led to its bankruptcy, affecting the supply of tomatoes and leafy greens to urban markets in the eastern United States, particularly New York City and Chicago.

AeroFarms¹³: Based in Newark, New Jersey, AeroFarms' financial instability resulted in its closure, disrupting the supply of leafy greens and microgreens to urban centers in the Northeastern United States, including New York City and Boston.

Kalera¹⁴: Operating in several urban areas in the United States, including Orlando and Atlanta, Kalera faced high operational costs and market challenges, leading to the closure of its farms and reduced local supply of lettuce and other greens in these urban markets.

GrowUp Urban Farms¹⁵ (UK): Based in London, financial difficulties and high operational costs led to the closure of GrowUp Urban Farms, impacting the supply of herbs and leafy greens in the city.

Sky Greens (Singapore): Known for its vertical farming technology, Sky Greens faced economic challenges, leading to a scaling down of operations and affecting the availability of vegetables like xiao bai cai and cai xin in Singapore's urban markets.

To give an example, Europe has a high dependency on imports for certain food categories, especially fruits and vegetables¹⁶. EU imports significant amounts of fruits and vegetables from Spain, Netherlands and Italy.

The United States has strong domestic production capacity but they are still in a trade deficit for agriculture. According to the USDA ERS¹⁷, U.S. agricultural exports in FY 2024 are projected at \$170.5 billion, while imports are forecasted to be \$202.5 billion.

A New Global Climate-Based Finance Architecture

Amidst the failing urban food supply chains, there is an accelerated shift globally within the financing space towards Environmental, Social and Governance (ESG) principles, coupled with sustainable development¹⁸. This is observed from the various pilot projects the Bank for International Settlements (BIS) has taken up under their Innovation Hub.

- (i) Project Gaia¹⁹ – An artificial intelligence (AI) application developed by the BIS and its project partners, the Bank of Spain, the Deutsche Bundesbank and the European Central Bank, enables analysis of climate-related risks in the financial system. The proof of concept used large language models (LLMs) to automatically extract climate-related indicators (e.g. indicators such as total

¹² See The Latest News on AppHarvest Filing for Bankruptcy, and What's Next for the CEA Market - Greenhouse Grower

¹³ See AeroFarms Provides Business Update on Restructuring Efforts (yahoo.com)

¹⁴ See Vertical farmer Kalera files for Chapter 11 bankruptcy | The Packer

¹⁵ See Vertical Farming is Failing... For Them, Not for Us! (agrotonomy.com)

¹⁶ See Monitoring EU Agri-Food Trade (europa.eu) and The fruit and vegetable sector in the EU - a statistical overview - Statistics Explained (europa.eu)

¹⁷ See USDA ERS - Outlook for U.S. Agricultural Trade

¹⁸ See Reform global financial architecture to achieve sustainable development: UN deputy chief | UN News

¹⁹ See Project Gaia: enabling climate risk analysis (bis.org)

emissions, green bond issuance and voluntary net-zero commitments) from publicly available corporate reports, significantly reducing manual effort in climate assessments.

- (ii) Project Symbiosis²⁰ – Aims to reduce the information gaps related to climate and nature risks by employing targeted and simplified AI methodologies in supply chains. It will also explore the use of advanced data techniques to better understand the emissions and impacts on nature of the supply chains of anchor buyers and financial institutions. The project aims to identify opportunities where new financing can make a positive impact by connecting suppliers, anchor buyers and financial institutions with SMEs to create more sustainable supply chains.
- (iii) Project Viridis²¹ – looks to integrate climate-related risk analysis into financial stability monitoring. It takes existing regulatory data and integrates with external climate data sources, coupled with advanced analytics to identify material climate risk drivers that could affect the safety and soundness of financial institutions and the stability of the financial system

Albeit likely to safeguard central banks and their global partners, these projects seem to point towards a world where project financing may get increasingly difficult due to the increased scrutiny of sustainability in corporate reports and emissions reporting.

Geopolitical Impacts

With the already uncertain urban food supply chains, there has also been large-scale farmer protests²² in France, Germany, Netherlands, and other EU countries. These highlight the tension between agricultural policies and climate initiatives. Farmers are resisting new environmental regulations and subsidies cuts²³, viewing them as threats to their livelihoods and food prices.

These protests have significant political implications, especially with the recent changes in political leaderships and governments in the EU²⁴, with the potential to dilute or abandon key environmental regulations under the EU's Green Deal and Farm to Fork strategy, which will further increase food prices that disproportionately affect urban populations.

Disruptions in local food production leads to increased dependency on imports, causing higher food prices and potential shortages in urban areas. This economic strain fuels political instability, with a rise in nationalist and populist movements leveraging farmer discontent to gain political traction. The strain on EU cohesion and policy-making processes is evident as member states struggle to balance agricultural interests with environmental commitments.

In the US, it likely faces increased migration from Latin America due to agricultural impacts and economic instability²⁵, putting pressure on social services, housing, and job markets in urban areas. This situation exacerbates political instability, with a rise in nationalist and anti-immigrant sentiments, and strains US-Mexico relations and immigration policies.

Increased spending on border security and migrant integration is necessary to manage the influx of migrants. However, the migrant workforce can benefit urban agriculture and other sectors, potentially offsetting some of the economic impacts. Despite this, the increased reliance on imports for vegetables leads to higher food

²⁰ See Project Symbiosis: AI and big data technologies for supply chain sustainability disclosure (bis.org)

²¹ See Project Viridis: a climate risk platform for financial authorities (bis.org)

²² See 2024 European farmers' protests: Europe's climate agenda appears dead on arrival - Vox and Farmers' protests have erupted across Europe. Here's why | CNN

²³ See Map: farmers protests lead to concessions almost everywhere – Euractiv

²⁴ See EU elections: Meet the winners and losers in Brussels and across Europe | Euronews

²⁵ See Study Finds Widespread Food Insecurity Among Migrants Traveling Through Mexico | Columbia University Mailman School of Public Health

prices and potential shortages in urban centres, as seen in California's water crisis and indoor farm closures affecting urban vegetable supply.

Notwithstanding, it remains to be seen how demand and supply for food from other major urban centres around the world will be maintained amidst a changing climate with tightening purse strings, and puts climate changes as a key geopolitical trend to monitor.

Tech Talent – The Hidden Enabler of Geopolitical Conflict

The third hidden area of geopolitical conflict is on Tech Talent and its distribution around the world.

During the COVID-19 pandemic, due to the rising costs of living from shortage of goods and services, there were significant migration for talent from high-cost cities to more affordable areas. In the US, talent moved from San Francisco and New York to Austin and Miami, due to remote work opportunities. For example, New York saw a net outflow of 47,000 professionals over three years but experienced a net inflow during the last year. This shift redistributed tech talent across the US, influencing local economies and real estate markets in emerging tech hubs.

In other parts of the world, cities like Toronto, Berlin, and Austin have also become significant tech hubs. For example, Toronto created more tech jobs than the San Francisco Bay Area in recent years, with over 40% of its tech professionals being immigrants. These emerging hubs bring about competitive advantages such as lower operational costs and favourable business environments, attracting both companies and tech professionals.

In addition, the global demand for tech talent has increased, with countries like Canada and Australia stepping in to actively court tech workers through policies like favourable visa policies and permanent residency options. This has led to a more distributed global tech workforce, with talent moving to countries offering the best combination of opportunities, quality of life, and supportive policies.

Migration and Culture

Earlier in the article, it was laid out that culture is the Operating System of any community and society – by influencing culture, one can bring people together, or drive them apart. When talent moves, their culture and identity move with them, e.g. where enclaves and communities of Asians are located, it is more likely than not that some form of festivities like Spring Festival, or Dumpling Festival will be celebrated.

Although promoting diversity and inclusion, at times, this increases xenophobia with the local populace – which when unchecked, could become a form of cultural hijack or takeover. This is especially so if countries or governments do not have a robust naturalisation policy and process, which leads to erosion of local/ native culture and identity.

Even in Singapore, the notion of a country with a multi-racial society was not happenstance. It took many years, with significant time, effort and resources invested by the state to rollout domestic policies to naturalise our foreign talent into Singapore.

With the increasing movement of tech talent, moving forward, it is likely that globally, there will continue to be a dilution of national/ local culture especially for talent importing countries. Whether it culminates in a culture takeover will depend on how governments and the public react.

Furthermore, the redistribution of tech talent really is likely to shift global power balances. Talent is the basis of the community, state, country and regional brain power. Whichever countries that successfully attract this top talent and retains them will then gain the technological advances, capture the economic gains and national advantage, which could potentially spark the geopolitical conflicts.

Key Regions Attracting Tech Talent (Inflow)²⁶

United States

Traditional Hubs:

- San Francisco: Despite outmigration, it remains a top destination due to its established tech ecosystem and access to venture capital.
- Seattle: Recent graduates and tech workers are increasingly choosing Seattle for its strong job market and high quality of life.

Emerging Cities:

- Austin: Saw a 4.1% increase in tech talent migration, making it one of the fastest-growing tech hubs in the US.
- Nashville: Experienced a 2.6% increase in tech professionals due to its growing tech sector and quality of life.

Canada

- Cities: Toronto, Montreal, Vancouver. Toronto's tech sector grew significantly, with over 40% of tech professionals being immigrants. The city created more tech jobs than even the Bay Area from 2016 to 2020.

Australia and Japan

- Australian Cities: Sydney, Melbourne. Australia increased its professional visa cap to attract global tech talent, resulting in a significant influx of skilled workers.
- Japanese Cities: Tokyo and Fukuoka are developing strong startup ecosystems, attracting talent from neighboring countries like Vietnam and China.

Europe

- Cities: Berlin, London, Paris. Berlin and London have become major tech hubs due to their vibrant startup scenes and supportive policies.

Key Regions Experiencing Brain Drain (Outflow)²⁴

India and China: Significant numbers of tech professionals migrate to North America, Europe, and Asia-Pacific regions seeking better career prospects and quality of life.

Latin America: Tech professionals from countries like Brazil and Mexico are migrating to the US and Canada due to better job opportunities and higher wages.

²⁶ See Tech Migration Report: Global Hotspots and Visa Demand for Skilled Workers in Tech (deel.com); The SignalFire State of Talent Report: 2023 tech employee trends; Recent grads working in tech are migrating to Seattle more than any other U.S. city – GeekWire

Conclusion

Cultural diplomacy, climate challenges, and talent migration are interconnected and just part of the superset of factors that influence geopolitical dynamics. For example, cultural exchanges can build trust and cooperation that facilitate climate agreements and tech collaborations. Conversely, climate-induced food insecurity can drive migration, including tech talent, affecting global talent distribution.

Countries will leverage all three aspects to enhance their global influence, and integrated strategies that address these elements holistically are crucial for maintaining stability and growth in an interconnected world. Countries and governments must be able to navigate these complex issues with a deep understanding of their geopolitical implications, to mitigate the risks and challenges posed.