

# Wars – are they worth the fight? It depends on who you ask...

## Insights

**... And that should NEVER be the answer.**

### **Are we headed toward an inevitable global conflict?**

Whilst predicting the future of global conflict is highly complex and uncertain, one thing we can all deduce is that whatever the reasons are, we question ourselves, is it really worth it? Whatever the ultimate outcome, human casualties on both sides are inevitable. What started off as cold tensions such as the Tech-war between the US and China to tit-for-tat tariffs on European exports, etc is now seeing the world go through a period of growing international tension and most certainly due to a certain naivety on the part of the Western bloc and the decline of democracy worldwide. Some may argue, is democracy truly the best and fairest way to run a country? Democracy is often considered a system that values individual freedoms or rights and popular participation in decision-making. A democracy provides a framework for accountability and checks on power, promoting fairness and representation. Its effectiveness really depends on the level of political engagement and astuteness as well as the quality of its institution. The downside to it is, for some - the accountability of the previous administration is often simply not accountable leaving room for more ineffectiveness leading to more unproductive changes that goes on and on and on. Which brings one to argue that other systems, such as an authoritarian or technocracy might be more efficient in certain circumstances. Ultimately, the choice of a political & economic system often depends on a society's values, historical development and preferences of its citizens. There simply is no universal "best" or "fairest" way but there is a middle-of-the-road way, combining the best of both to seek co-operation, co-habitation, co-belief values and ultimately, lasting peace.

**The world as we know it, cannot continue, or rather, must stop with this dysphoric mood between each bloc.** Yes blocs – as divisive as that sounds – Western bloc, Eastern bloc, Asian bloc, Middle East bloc etc.

A big IF, if all parties engage in talking to each other instead of weaponizing one-sided conversations through threats or violence we think all that is happening today could have been avoided.

**There are no one-size fits-all solutions, but generally there are some principals that can certainly add to conflict resolution.**

- Diplomacy and negotiation engaging in direct and constructive dialogue with joint international mediation facilitating 2-way communication and finding an amicable common ground.
- Engage the rest of the international community from various backgrounds and beliefs to support peace initiatives.
- Reaffirm and respect international conventions and laws and in particular, protection of civilians in war zones.
- Re-look and go back to the ROOT causes, identify, and address the underlying causes of the conflict relating to historical grievances and territorial disputes. In a modern & rich world today, we can all help end socio-economic disparities.
- Humanitarian aid and reconstruction proper.

- Promote trust if not at first, create trust building measures between conflicting parties – ceasefires and prisoner or detainee exchanges.
- Inclusivity across all parties and addressing the needs and concerns of all affected groups.
- Collectively create sustainable peace agreements for the long term.
- Reconciliation and indeed healing, such that processes can be put in place to enable all affected communities to heal and move forward TOGETHER.
- Our leaders appear to be silenced politically and divisively, and rather than pursue some if not all the above suggestions, have an inherent herd mentality and often apply incorrect measures such as sanctions, bans and tariffs to name a few. This month's Insight attempts to bring awareness to our readers about how open dialogue and constructive communication by ALL stakeholders can end these conflicts. So far, unfortunately, this remains but a hope with no end in sight.



Unsurprisingly, risk assets continue to limit upside momentum as a consequence.

***Inevitably, remaining cautious is prudent at a time when one should be otherwise seeking to add risk as global central banks start to end its relentless rate hikes amidst the start of disinflation in this disparate world.***

Remain in high grade short duration bonds for the near future.

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