## Success increasingly derives from economic wealth rather than from military might.

 The collapse of the former Soviet bloc resulted not just from its inability to compete with the West militarily, but also from the inability of the Soviet economic system to generate an acceptable standard of living for its people. The new powers among developing countries are generally those whose influence derives from striking economic success.

While military capacities and might will remain important factors in the international system of the future, international affairs will be rooted increasingly in economic and trade relations between countries and regions. As well, in the knowledge-based societies of the future, technological ingenuity will displace some other, more traditional, sources of influence.

## Poverty, inequality and lack of human rights still burden too many people and create new tensions.

• There has been an immense increase in the world's collective wealth. Some developing countries, formerly among the poorest, have emerged as dynamic economies and important trading partners for Canada. Other countries, however, and many people within better-off societies, have failed to share in these gains. In the last 30 years, per capita GDP in East Asia has increased nearly five-fold and that of South Asia has doubled. By contrast, that of sub-Saharan Africa has stagnated and, in some countries there, has declined. More than a billion of the world's people still live in abject poverty. Economic disparities within and among countries, if left unchecked, will continue to be a powerful source of political, security and humanitarian crises. Human rights abuses in some countries compound economic problems as does environmental degradation. Sustainable development remains an elusive objective.

## Ethnic and religious divisions have also emerged, and weapons are spreading.

• Ethnic and religious divisions reflect, in some cases, tensions only temporarily suppressed by totalitarian states and the pressures of the Cold War. In others, they represent the anxiety of those opposed to what they perceive as the intrusion of global trends. These factors are creating the potential for a "new violence" of a more complex and changing character than our international institutions were designed to manage. Conflict resolution, as a result, will become even more difficult than in the past. The conflict in the former Yugoslavia is just one example of this broad challenge.