

## Essay:

Topic:

Why Nations Fail

## Outline

a) Introduction

b) Causes of the Failure of Nations:

(1) Inefficient leadership and undemocratic structure of states.

a) Dictatorship — resists inclusivity and internationalism to maintain power.

b) Hybrid regimes

c) Inter-linked judiciary, executive, and legislature

d) Delayed decisions and maladministration

e) Under-representation and loss of nationalism.

f) Dissent and civil war  
- case study of Venezuela

(2) Counter-productive competition between the states

a) Prisoner's dilemma

b) Realistic tendencies and militarism

c) Protectionism — hindrance to free markets : US - China case study

d) Expenditure on defence at the cost of social welfare  
- case study of north Korea  
- case study of Iran's nuclear project

### (3) Cultural orthodoxy and lack of technological advancement

a) Clergy → dark ages of Europe and renaissance.

b) Fixed societal norms

c) Progress considered as a means of dissent

d) Ultrarationalism and extremism  
— case study of Germany in WWII

e) Outdated education system  
→ Indian subjugation to EIC

f) Over-reliance on foreign assistance

### 4) Historical hostilities

a) Past experiences

— case study of India - Pakistan

b) Ethnic tensions  
- case study of Nagorno-Karabagh

c) Historical alliances and apprehensions  
- NATO and Ukraine-Russia issue.

d) Communism and confinement

5) Neo-imperialism veiled as globalization

a) Debt trap

Case studies of Haiti, port, Peru's unsustainable debt and CPEC

b) Case study of German reliance on China

c) U.S. assistance programs as means of control

d) Case study of Detroit mill closure.

## 6) Interference by hegemon

a) Alliances → states become party in prosperity and adversity

b) Case studies of U.S war on terror, Vietnam war and Nixon shock, U.S in Middle East and Israel-Iran hostilities

c) Financial institutions as a means of coercion.

## 7) Conclusion

" Nations fail today because their extractive economic institutions do not create the incentives needed for people to save, invest, and innovate, "

— Darren Acemoglu, why nations fail. It is noted through the course of history that Athens and Sparta, two of the most powerful city states, developed a trust deficit and resolved for power maximization. This power struggle culminated into the famous Peloponnesian war, which damaged the basic foundations of both states and an eventual control of the third power — Macedonia — over them. Power maximization is not the only reason why nations fail today, as it can also serve as a means for deterrence. However, there are many other causes contributing to the failure of nations such as inefficient leaderships, realistic tendencies of

states, cultural orthodoxy, technological oblivion, a shared-hostile history, and foreign interventions in domestic politics to name a few.

To begin with, an efficient leader can transform the entire fate of a nation.

Similarly, an inefficient leader can bring an unending destruction. There are many examples where leaders chose inclusivity and internationalism to prevail peace in society. One such instance is the treaty of Westphalia, where arch rivals - protestants and catholics - after fighting for over thirty years condensed into a solution paving the way for nation-state and diplomacy. Only the visionary leaders can choose democracy and institutionalization as the dictators with authoritative mindset

will always find free will and speech as a direct threat to their primacy. Secondly, hybrid regimes also contribute in the failure of nations. It intervenes with the authority of the government and handicaps the people, de-jure, in governance. Hybrid regimes can be in any form. They serve as a parasite feeding over people in charge. Hybrid regimes can be composed of religious clergy, non-state actors such as international companies or transnational ethnic groups, or a state's military working beyond their ambit of defence. They all coerce and dictate official governments to benefit them. Such practices create administrative delays and domestic issues such as corruption, a delayed justice, sheer violations of human rights - an attempt of subjugation, and underrepresentation to name a few. Thirdly, nations where judiciary



is undermined, often ending in chaos. The role of judiciary is to check on government. However, nations who await failure try to subjugate judiciary and intermix it with executive and legislature. This neutralisation of judiciary might benefit at first but turns disastrous later on. Furthermore, such practices can result in wide-spread dissent and civil wars. One such example is Venezuela, where its leader did not diversify the state economy as a means to preserve his influence over the oppressed masses. Such today, its currency has depreciated to 165% as per the World Economic Forum report of 2023.

Following that, the states are also engaged in

prisoner's dilemma. Counter-productive competitions often results zero-sum or negative-sum games where no one is benefitted.

One such example is the nuclear-race between states.

Realistic tendencies and an insatiable desire of militarism between two rival states results detrimental for the world in general.

Moreover, states in order to acquire cutting edge technologies invest a sizeable amount of national exchequer at the cost of public good. One such

example is North-Korea. Despite it being a very poor state struggling with survival is in the list of nuclear-armed countries.

Another example is of Iran, who preferred isolation and containment over halting their nuclear program. Iran is also involved in a prisoner's dilemma

with its arch rival Israel.  
Therefore, both of the countries  
have unbreached the path  
of progress due to the  
strife and failure awaits  
them sooner or later. Lastly,  
states also involve in non-violent  
methods of competition such as  
trade wars and protectionism.

U.S.-China rivalry is one such  
example where the ban on  
cross-border trade in the  
shape of tariffs has put  
both the countries at a  
~~dis~~ disadvantage where U.S.  
lost access to cheaper  
products and China lost access  
to innovation.

Thirdly, all those  
notions which progressed in the  
dark ages shun clergy and  
orthodoxy. Renaissance was only  
possible when Europeans notion

broke the shackles of aged-long practices imposed by clergy. Martin-Luther King and Voltaire explicitly openly confronted the religious authorities over their wrong-doings such as asking bribe for decisions in favour of favourable decisions. Such protests shook the entire status-quo and torn the fabric of societal norms deeply indoctrinated in the minds of people. However, nations with outdated notions such as ultranationalism and state theocracy can only marginalize various fractions of people and radicalize them at some moment. Germany is one such example who capitalized on the outdated ideas of superior race and found itself losing all the prestige and glory in world war 2. Nations need to revolutionize with time and spend all on education or else it will create a

reliance on foreign state and loss of national pride. Furthermore, Indian subcontinent had an outdated education system and orthodox society fell easily at the hands of EIC with much fewer number of force but technologically advanced. Similarly, outdated practices push nations at the verge of periphery, highly dependent on core states to facilitate in industrial and administrative spheres such as African republics and China, respectively.

Moving forward, historical hostilities, such as India-Pakistan, can also cause a nation to fail. The fact of power maximization although under the pretat of 'balance of power', cannot undermine the fact that those efforts could have been

used elsewhere. Secondly, states showing geographical and ethnic tensions resort to violence instead of peaceful resolution. One such example is of Nagorno-Karabagh - an area in Azerbaijan with Armenian population. This matter could have been resolved with a peaceful referendum; however, both the states resorted to war and meted futile outcomes. Moreover, historical alliances such as NATO even exist today. They serve as a legitimate cause for shift in balance of power compelling a state, i.e., Russia to embark on the road of power enrichment. Lastly, historical communism has also checked nations to thrive and cause them to fail. This was the very reason why Russia and China ~~is~~ ~~re~~ relinquished their government system from communism to state-authoritarian systems with

free markets.

Subsequently, nations fail when they make hasty decisions with less diligence and consideration. Example of Sri Lanka getting bankrupted can be noted due to internal policies with less diligence and falling prey to the Chinese debt trap of Hambantota for 99 years. A similar example can be observed in IPPs (Independent power producing) contracts in Pakistan, where government accepted the clause of capacity charges without ~~despite~~ considering the real figures of power consumption just to secure fixed capital. Nevertheless, Germany — once a torch bearer of innovation — has found itself under Chinese influence as China

exports most of the medicines at a subsidized rates and a recent World trade report of 2024 published amply underscored the detrimental effects of China's ban of medicinal exports due to capacity production issues wrecking a havoc on German patients. U.S assistance programs to its indigenous companies to regain control over key industries also result futile outcomes as Detroit, once the most industrialized state is at the verge of closing its steel mills due to cheap import from China. Nations can fail if they keep on using globalization as a means of neo-imperialism rather than an inclusivity measure.

As well continue, alliances also result in failure of nations.



Weak nations often contracted with stronger nations and became a direct party in wars as per the Sri Lankan proverb - in the fight between elephants, the grass is damaged most. One can observe the example of Pakistan in U.S war on terror, where it lost sovereignty, infrastructure of billions, and manpower. Due to this, Pakistan became a harbinger of terrorists and it costed Pakistan a crime and leg to be at U.S side. Similarly, U.S downfall started when it lost against Vietnam. Dollar lost its prestige and new powers emerged as a result such as China. Finally, financial institutions should be a means of creating equality in multi-lateral world. However, they are often used

by hegemon to coerce and persuade nations as to sign with their policies.

In the last phase, failure of nations is caused by multiple reasons such as ineffective leadership, undesirable competition, outdated tactics, historical issues, neo-imperialist and hegemonic tendencies of the powerful states. However, with careful ~~and~~ consideration and sincere leadership, such failures can be avoided.

10:10 - 1:10

Rw

Algeria and Spain

1) prisoners dilemma

Why nations fail: to succeed

3) No technological advancement.

- over-reliance on unnecessary expenditure on luxuries
- outdated education systems
- over-reliance of foreign
- actual subjugation of state

- 3) Orthodoxy in culture
  - ↳ clergy
  - ↳ societal norms fixed
- ↳ apprehensive of progress as a source of dissent.
- ↳ class structure
- ↳ rifts
- ↳ ultranationalism and extremism
  - ↳ Germany in WWI
  - ↳ Italy in WWII

4) Fixed hostilities

- ↳ Historical experiences → China as sovereign due to WW II
- ↳ geographical tensions in past
  - ↳ Karabair issue - Nagorno Karabagh,
  - ↳ Russia - Ukraine (distribution of ethnicities)
- ↳ Cold-war treaties like NATO - hindrance to prosperity.

5) Domestic maladministration.

- ↳ corrupter - root of all evils.
- ↳ loss of ~~transparency~~
- ↳ over-reliance on foreign goods
- ↳ actual subjugation of state
- ↳ Dissent and civil war → John Locke → nation + state contract

Rw

\* resorts to maintain power

2) Inefficient leadership

- ↳ hybrid regimes
- ↳ inter-linked judiciary, executive and legislature
- ↳ dictatorship → case studies of N. Korea, (Iraq and Venezuela)
  - ↳ inability to diversify the economy
- ↳ delays in decision → P2A failure
- ↳ loss of nationalism die to lack of representation.

7) Interference by Hegemon:

- ↳ Alignment → state becomes party
- ↳ War on terror → loss to Pak
- ↳ Unwanted Wars with no relevance - U.S in Vietnam → End of Bretton Woods system case-study
- ↳ Globalization as a means

8) Globalization

- ↳ Hamblerota port and debt trap.
  - ↳ Hamblerota port
  - ↳ port constructed by China
  - ↳ CPEC's unsustainability
- ↳ case study → Germany's medieval reliance on China
- ↳ case study → Detroit steel mills closure

R.W

→ 1648 - 1648 → west phalon peace.  
↳ Nation - state system.

↳ Intro ✓

↳ Causes of the failure of nation ✓

↳ 1) Unhealthy competition between states.  
a) b) c) d) ✓

↳ 2) Inefficient leadership and un-democratic structure of the state. ✓

↳ 3) Maladministration in domestic affairs ✓

↳ 4) Cultural orthodoxy and lack of technological advancement ✓

↳ 5) Fixed historical hostilities ✓

↳ 6) ~~Global~~ Neo-imperialism veiled as globalization

↳ 7) ~~Power~~ Global power politics and interests of hegemon.

↳

↳