The Renaissance ploy still being used today

During the early and middle Renaissance, Florence had the best collection of artists in the world. Most of Europe was envious. In the 1480s, this desire for Florentine art was repeatedly used by Florence's de facto ruler, Lorenzo the Magnificent, for his city's diplomatic advantage. Here are just two examples.

In 1478, there was an assassination attempt against the leading members of the Medici family. Giuliano was killed but Lorenzo survived. In his anger, Lorenzo directed the government of Florence to hang an archbishop for his part in the plot. The pope was outraged that such a high-ranking member of the church was killed. In his anger, the Pope excommunicated Lorenzo and went to war against Florence. Keep in mind, at the time, the pope did command armies because he was the leader of the Papal States, which included Rome and several other cities and surrounding areas.

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Eventually a peace deal was struck, but the peace agreement looked fragile. In order to cement the peace, Lorenzo sent the best painters in Florence to paint the walls of the Sistine Chapel in Rome. When most people think of the Sistine Chapel, they think of the ceiling painted by Michelangelo. However, the walls painted by Botticelli and others are masterpieces as well. Sending the artists to Rome worked, and the pope was so happy with the painted walls that the peace endured.

A few years later, in 1482, Lorenzo wanted to sign a peace treaty with Milan. To convince the ruler of Milan, Ludovice Sforza, to sign the deal, Lorenzo sent the famous artist, Leonardo Da Vinci, to live in Milan and work for the duke. This plan also worked.

In today's world, the U.S. does not have artists that the rest of the world envies that we can use as bargaining chips in diplomatic negotiations. But the U.S. does have something that the rest of the world longs to have – Nvidia's AI chips.

As reported recently by Robbie Whelan in the Wall Street Journal, the U.S. used Nvidia's AI chips to get its way in a foreign policy matter. Armenia and Azerbaijan had been warring, on and off, for decades. During this time over 40,000 people died in the conflict. Hostilities broke out recently because of a change in who controlled a region of Azerbaijan. For years, the Armenians living in Nagorno-Karabakh had political control over this region, even though it was within the accepted borders of Azerbaijan. Then about a year and a half ago, Azerbaijan regained control of the region, causing the resident Armenians to lose political control. This upset political leaders in Armenia enough to cause them to renew hostilities between the two countries.

The U.S. was able to broker a peace by promising Armenia enough Nvidia AI chips for it to build a data center with 300 megawatts of computing power. Armenia believes the data center will help it attract other businesses. Armenia's hope is that this increased economic activity will improve the standard of living of its citizens.

The Armenian government wanted the Nvidia chips so badly that it was willing to ignore the plight of the Armenians living in Azerbaijan and enter into a peaceful coexistence with its neighbor. Because of the deal, Azerbaijan was able to keep ruling its province without interference from Armenia. So Azerbaijan got unchallenged political control of the region, which it wanted. As a result, it had no reason to continue fighting with Armenia. The chips made this current deal possible, just as Florentine art made several of Lorenzo's deals possible in the 1480s.

This goes to show you that a country or city-state with an industry that is the envy of the world has political as well as economic advantages.

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