

Strategic Estimate 2024



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Introduction

On the 7th of October 2023, Hamas and a number of other groups carried out their most daring operation. Within hours they captured hostages, reached deep into Southern Israel and undermined Israel's security image and seemingly invincible intelligence apparatus. The Hamas assault and subsequent Israeli ground assault thrust the Palestinian issue to the headlines. The geopolitical subject for this edition of *Strategic Estimate 2023* is the issue of Palestine and we assess the decades old struggle, its position in the Middle East, the different interests of the regional nations and the position of the international powers.

Russia's invasion of Ukraine in February 2022 kick started the latest war in Europe and dominated 2022. What was expected to be a short war on the edge of Europe has turned into a protracted conflict, with the outcome remaining uncertain. The war in Ukraine dominated 2023 with the US leading a coalition of liberal nations on one side and Russia on the other side looking to carve out a victory. For the US, Russia's invasion presented an opportunity to engulf the country in a quagmire but nearly two years on things haven't turned out exactly as the US planned. In *Strategic Estimate 2023* we assess how the Ukraine war is going for the US as it fast approaches its two-year anniversary in February 2024. 2024 is election year in the US with the incumbent, President Joe Biden one of the most unpopular presidents in recent US history. Biden took over after Donald Trump's term created tensions with US allies and much of the world. President Biden had his work cut out for him

and in *Strategic Estimate 2024* we assess Biden's performance and where the US currently stands in the world. The US has launched a wide-ranging battle with China from a trade war to military aggression. In *Strategic Estimate 2024* we assess how the tech war is going as the US attempts to stifle Chinese tech development. US debt continues to make headlines as it grows out of control and as Congress places more restrictions and conditions to increase the debt ceiling. With challenges against the dollar increasing, we assess what the debt situation is and if the US is at the risk of a debt default.

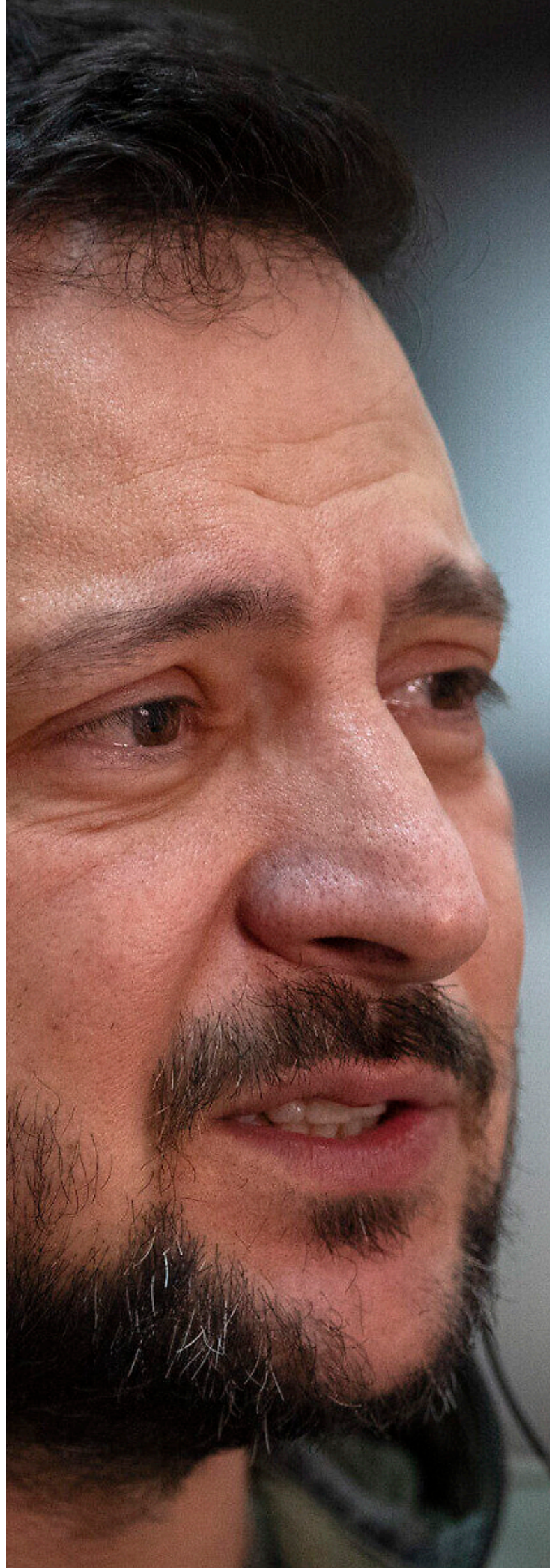
Russia is in the battle of its life as it tries to carve out a victory in Ukraine. The initial disaster when Russia invaded and fell into major problems has given way to Russia adapting and holding its lines. In August 2023 Russia refused to agree to the extension of the Grain deal that permitted Ukrainian grain to get to international markets. In *Strategic Estimate 2024* we assess how the war is progressing for Russia and why Russia abandoned the internationally agreed Grain deal. Wagner was a key pillar of Russia's attempt to project an image of a global power, but in June 2023 the Wagner leader Yevgeny Prigozhin carried out an attempted coup as tensions grew between him and Russia's military leaders. We assess what took place and its impact on Russia's war effort. A key aspect of Russia's war effort was to project an image of Russia not being isolated and having allies. It was in this context Russia held its Africa summit in August 2023 in order to show she has the support of the Global

south. In *Strategic Estimate 2024* we assess the influence Russia has over Africa and if the continent can provide the support Russia is looking for.

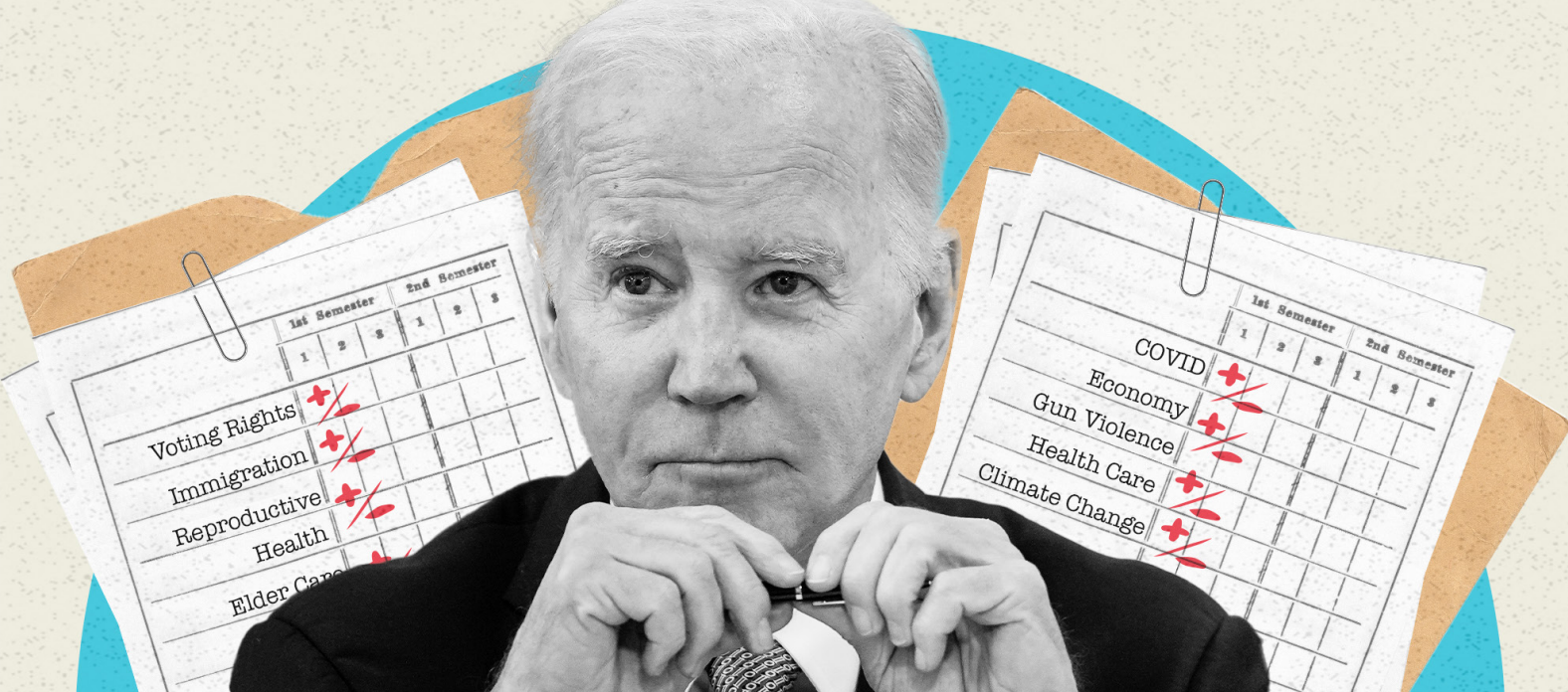
For China, it is increasingly on the receiving end of US aggression and sanctions. Whilst the US is utilising an array of strategies to contain China, what is China's strategy to push back? How is China dealing with America's containment strategy? We assess this in *Strategic Estimate 2024*. China for long utilised an economic model that brought high rate of growth, but the collapse of multiple property companies, including the latest in 2023 shows its economic model has run its course and the CCP is struggling to shift to a new economic model. We assess China's prospects and the challenges she faces in shifting to a new economic model.

Europe's dilemmas have carried into 2023 as the war in Ukraine turned into a protracted battle. Europe is now in the midst of its second winter of war and the impact of sanctions on Russia are now being felt. We assess the impact of the Ukraine war on Europe as the war fast approaches its second anniversary. With the US leading the response to Russia's invasion of Ukraine, questions are being asked about Europe's independence in the face of superior US power. In *Strategic Estimate 2024* we assess the question, is Europe fast becoming a vassal of the US?

The global economy has been dominated by multiple summits in 2023 which shows there is a East-West divide. The BRICS nations expanded their membership whilst the G20 announced the launch of a new economic corridor that will link India to the Middle East and Europe. In *Strategic Estimate 2024* we assess the viability of BRICS and why both the West and the East are trying to win the Global South. Since its release in late 2022, of artificial intelligence (AI) chatbot, ChatGPT has taken the world by storm with its ability to provide in-depth answers to a variety of questions and to hold meaningful conversations. The seeming leaps and bounds that ChatGPT represents in the field of AI has refuelled age-old fears about the impact of new technologies on the job market. In *Strategic Estimate 2024* we assess its impact on the global economy.







President Biden's Report Card

President Joe Biden will be attempting to win a second term for the White House in November 2024. He took office in January 2020 with nearly half the electorate believing the election was stolen and internationally President Trump had damaged America's global position. As President Biden's first term comes to an end we have the Biden administration continue with the Trump administration's policies in areas such as China, the Middle East and US military deployments. Whilst in other areas such as US alliances, climate change, COVID-19 and democracy promotion President Biden took his own course to repair America's global image.

President Biden's agenda was rooted in a repudiation of Trump's "America First" legacy and the restoration of America's global image. Biden immediately rejoined the US to the Paris Climate Accords and the World Health Organisation. Biden abandoned Trump's COVID-19 position of the pandemic being a conspiracy and released funds for vaccinations and treatment. On the foreign policy front, President Biden continued with the Trump administration's policies, despite his electoral campaign saying the opposite.

When it came to maintaining America's global dominance, the Trump administration's national security strategy was defined by great power competition with China and Russia and moving away from prioritising terrorism and non-state actors. The Biden administration continued with this, especially once Russia invaded Ukraine. The Biden administration delayed the release of its own national security strategy, with officials then rewriting it because of the Ukraine war which was eventually published at the end of 2022 and emphasised

competition among powerful nations.

The 'Greatest Competitor of the US'

President Biden from the beginning of his presidency said China was the greatest competitor of the US. His Secretary of State, Anthony Blinken also reiterated the same throughout the term of the democrats in office. Concerning China, President Biden continued with the Trump administration's policy. President Biden continued with the Trump-era tariffs on China, despite the fact that several top US officials, including Treasury Secretary Janet L. Yellen, questioned their purpose and impact. The State Department kept the Trump-era genocide designation on China for its repression of Uyghur Muslims. Biden officials continued to send US naval ships through the Taiwan Strait and transfer weapons to Taiwan. On China, the Biden administration took an aggressive position which included placing an embargo on advanced microchip technology to China.

Taming the Russian Bear

With Russia, despite Trump's love for autocrats, the Biden administration created a coalition of the willing when Russia invaded Ukraine. The Biden administration used the invasion to get the western world firmly behind it when Trump had damaged transatlantic relations. The US administration's wide ranging sanctions programme made Russia the most sanctioned nation in history and has seen a raft of western nations abandon economic and political relations with Russia, despite the economic pain. The Biden administration successfully used the Ukraine invasion to reverse and fix relations with Europe and other American allies which Trump

had abandoned.

U-Turns

During his election campaign Joe Biden wanted to make Muhammed bin Salman (MBS) an international pariah for the murder of a Washington Post writer Jamal Khashoggi. But after the long-awaited intelligence report in 2021 that publicly blamed MBS for the assassination of Jamal Khashoggi. President Biden chose not to sanction MBS and in 2022 he travelled to Jeddah to meet with the Crown Prince. Human Rights groups criticised President Biden for the u-turn, but throughout 2023 the Biden administration worked closely with the Saudis to bring MBS back into the international fold. In August 2023 the monarchy organised the Jeddah Summit to come up with a peace deal for Ukraine. Biden officials began talks with the Saudi monarchy about what they can give Riyadh, including nuclear technology and security, for closer ties with Israel. Despite President Biden's talk of making MBS a pariah, normal relations have resumed where Saudi Arabia remains a key ally of the US.

Ending the Forever Wars

It was the Obama administration that decided the war in Afghanistan could not be won and talks should begin with the Taliban back in 2010. These talks eventually led to the Trump administration to agree a formal agreement with the Taliban where the US would withdraw its troops in return for guarantees the Taliban would not allow Afghanistan to be used as a safe haven by terrorist groups. All that remained when Biden was sworn in as US president in January 2021 was to implement this. President Biden had the support of the American public who had grown weary of the war. As vice president, Biden had advocated bringing troops home, in line with President Obama's desire to wind down the "forever wars." But the US military was opposed to a complete withdrawal and insisted on some remaining presence in Afghanistan. The withdrawal took place in dramatic style in August 2021, which led to a fall in Biden's approval rating. Biden was accused of embarrassing the US with the withdrawal and not involving US allies. But as President Biden goes into election year in 2024, it was him who ended America's longest war in history.

Both Biden and Trump advocated smaller US military presence in conflict regions. But both did u-turns on this. President Biden sent more American troops to Europe since Russia's invasion of Ukraine and to Somalia, reversing a Trump-era withdrawal policy. Biden

has kept US troops in Iraq and Syria.

When it came to the Middle East and Iran, President Biden took a different course to the Trump administration and has been negotiating with Tehran and trying to resurrect the Obama era nuclear agreement that Trump terminated. The talks have been stop-start, but with the House of Representatives having a Republican majority the Biden administration has found this a major obstacle on all policies. Despite a prisoner swap deal in September 2023 and the unfreezing of Iranian funds, nothing has materialised that Biden can say is an achievement. President Biden stuck with the Trump era designation of the Islamic Revolutionary Guard Corps being a terrorist organisation and this will remain a major impediment to any agreement.

Despite President Biden's talk of making MBS a pariah, normal relations have resumed where Saudi Arabia remains a key ally of the US

President Biden has repaired relations with US allies, pushed Russia into a corner, restored relations with Europe and is working to contain China. Gone are the regular tweets, insults and conspiracies of the Trump era and now you have strategy, democracy promotion and policy. But despite these achievements Joe Biden is the second most unpopular president in modern US history. Biden's average job-approval rating is a paltry 39.1% at the end of 2023 and his average disapproval rating is 55.4%. That means his "net approval rating" is -16.3%, which is bad, historically speaking. In fact, the only president with weaker numbers than Biden was Jimmy Carter. President Biden has managed to bring US foreign policy more in line with where it was prior to the Trump era but on domestic policy Biden has been forced to compromise with many big ticket pieces of legislation.

Democrats spent recent years throwing political capital at ambitious, federal proposals that foundered, went nowhere, or had to be rescued after a torturous whittling process. Medicare for All, the American Jobs Plan, American Families Plan, Green New Deal and Build Back Better, look very different now to what was originally promised. US elections are usually fought on domestic issues, but on foreign policy President Biden has gone further with the Trump administration policies.

The Battle for the 2024 Presidency



The Republican establishment did its best to marginalise Donald Trump during the primaries in 2016. But they were unable to dent Trump's popularity amongst a large, marginalised segment of the US public. Trump would go on to defeat senior Republicans, a son and brother of former US presidents and many seasoned politicians. The Republicans had no choice but to support Trump during the presidential election and believed surrounding him with many establishment figures in the White House would be the best way to control him.

In this way the Republicans were able to change, alter and reverse many of Trump's foreign policy positions despite the fact that Trump would tweet his political decisions before discussing with his own staff. Things got so bad that Trump would fire his advisors and national security staff in quick succession. As Trump had no political party or experience in office, he was forced to work with many establishment figures.

When Joe Biden became the clear democratic candidate and eventual president the Republicans tried to distance itself from Trump and his actions during the Capitol Hill insurrection and were content with Democratic inspired litigation actions against Trump.

However, the Republican establishment quickly

realised that if they remain indifferent to Trump's plight, they will lose a substantial proportion of the Republican base that adores Trump and see him as a messiah. They have fielded candidates that are very similar to Trump on many conservative issues. At the same time, they have offered some public support to Trump by criticising the democratic litigation as a witch hunt. The Republican leadership are hoping the Democrats succeed in their lawsuits against Trump, so that he is severely damaged and loses the primaries.

There is nothing stopping Trump from running in the primaries as his indictments have not begun yet and will not be concluded by election day. If he were to win the presidential election this will stretch the US constitution to breaking point. But there are no legal issues stopping him being president, there are only practical issues, such as how he could run the White House from a prison cell.

The incumbent Joe Biden has been shown throughout his first term to have serious question marks over his mental state. The number of gaffes, misquotes and Biden losing his way have all been topics of discussion and the content of many videos. The Democratic Party is dominated by party old timers, such as Nancy Pelosi, Joe Biden and Chuck Schumer. The only alternative to Biden was Bernie Sanders, but the old timers stopped him from representing the party. No new blood has come through the democratic party as Pelosi, Biden and Schumer dominate the party leadership and have done no work on building the party cadres. As a result, only people like Bernie Sanders represent an alternative pole.

For around half of the American electorate, Donald Trump is their leader, the leader of their cult that will make America great again. To his supporters, the last election in 2019 was stolen from him. This is the challenge Trump poses to America's political establishment in the 2024 presidential election.



A photograph of Joe Biden and Volodymyr Zelenskyy. Biden, on the left, is an older man with white hair, wearing a dark blue suit, white shirt, and a red and blue striped tie. Zelenskyy, on the right, is a younger man with dark hair and a beard, wearing a grey polo shirt with a Ukrainian trident emblem on the sleeve. Biden has his hand on Zelenskyy's shoulder. In the background, parts of the US and Ukrainian flags are visible.

Ukraine War Fatigue

In February 2023 the war in Ukraine reached its first-year anniversary and in February 2024 it will be the two-year anniversary. In the weeks and months after Russian President Vladimir Putin ordered the invasion, the Biden administration was able to tap into the deeply ingrained outrage to get Ukraine the military assistance it needed to defend itself. Much like the US did in Syria, US actions in the Ukraine conflict have fallen well short of the resources and actions necessary for a Ukrainian battlefield victory. All of this has taken place as the politics of Washington gets more polarised.

The first part of American involvement in the war was supplying Ukraine with aid to ensure it didn't lose while also inflicting major costs on Russia. When Russia's blitzkrieg failed the US set in motion the second phase which was preparing Ukraine for a counteroffensive that claws back territory and eventually negotiate from a position of strength. But this part of America's war effort has had major setbacks. Ukraine has struggled to achieve the goals it set out in its 2023 counter offensive, which was to split the Russian front from Donbas down to Crimea by breaking through Russian defences all the way to the black sea. After 5 months of the offensive and as the winter set in Ukraine failed to break through Russia's defences.

US military support has followed a familiar pattern. The US promised infantry weapons to Ukraine and as this was the beginning of the war there was little

opposition. Ukraine then asked for artillery systems and a debate ensued about the US not wanting to expand the war and destabilise the European continent. Eventually, after much debate the US and other European nations provided artillery systems to Ukraine. Ukraine then said it needed tanks to make further gains against Russian forces and another debate ensued about who would provide them. Ukraine wanted Abrams tanks, but the US pressured its European allies to transfer tanks to Ukraine as they are on the European continent. After much debate and media circus the US agreed to supply tanks, but no timeline was provided or which stock Ukraine would be supplied from. Ukrainian officials then said they needed fighter planes in order to provide air cover to their troops. Once again a debate ensued as to who would provide the platforms and where they would come from. The US agreed for European stocks of F-16s to be transferred to Ukraine, training of Ukrainian pilots was set up in the UK and Europe for this endeavour. Ukraine then required air defence systems and once again after much fanfare the US has supplied one Patriot battery. The US has slowly provided Ukraine with weapons and then limited the quantity which means Ukraine delivering a severe or fatal blow to Russia was never going to happen.

The economic aspect of the war saw the US and the West make Russia the most sanctioned country in history. Europe virtually stopped importing energy from Russia and the West, led by the US, worked to isolate Russia in the world. Sanctions are only work-

Change in control during 2023

Russia ● Ukraine ●



New York Times

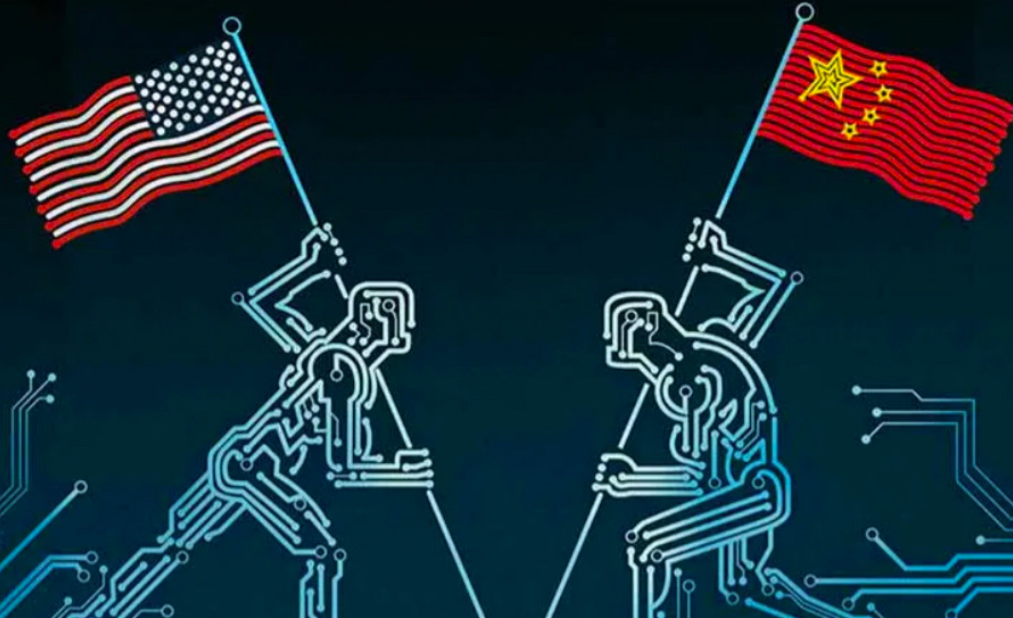
able to the point everyone implements them. Whilst Europe has reduced its energy imports, Russia has found India, China and Turkey more than willing to buy Russian energy and effectively replace the European market. For the moment Russia is not feeling the economic aspect of the sanctions as it was preparing for such an eventuality since 2014 in its fortress Russia strategy. The US Treasury and State Departments announcement in September 2023 of further penalties on 150 individuals and entities who Russia has used to circumvent sanctions is the US tightening the screws on Russia.

The US has slowly provided Ukraine with weapons and then limited the quantity which means Ukraine delivering a sever or fatal blow to Russia was never going to happen

As the war in Palestine began in October 2023, America's focus shifted to the war in the Middle East and the US began pushing Ukraine to begin peace talks with Russia. This is quite a major u-turn considering the US refused to negotiate with Russia

and forced Ukraine to never negotiate with Russia. During a joint press conference with European Commission President Ursula von der Leyen on the 4th of November 2023, President Volodymyr Zelenskyy admitted that there was growing fatigue in the West over his country's war against Russia and that it was *"...clear the war in the Middle East..."* had *"...taken over the focus of international attention."* This admission came the week after Ukraine's war General admitted the war was at a stalemate. Russia's main demand has always been Ukrainian neutrality. But as the war has progressed Russia has annexed Kherson, Zaporizhzhia, Donetsk, and Luhansk, and now says any peace deal must recognize those territories as Russian.

With 2024 being election year the Biden administration will be focussed on domestic issues. The only variable in 2024 is if Russia uses its mobilised troops to launch a counter-offensive of its own.



Can the US Win the Tech War with China?

In October 2022 the US Department of Commerce issued its revised policy on AI and semiconductor technology exports to China. The 139 pages of new export control regulations placed a de facto ban on exports to China of the advanced computer chips that power AI algorithms. The US was able to do this because more than 95% of such chips used in China are designed by US semiconductor companies and therefore subject to US export controls. The loss of access to US chips was believed to put China's entire future as an AI superpower in jeopardy. Despite Joe Biden's electoral campaign that he would do things differently to Trump, on China, President Biden didn't just continue with Trump's aggressive policy, he expanded it.

Secretary of State Antony Blinken made it clear what was at stake in a major speech a few days after the new export controls: *"We are at an inflection point. The post-Cold War world has come to an end, and there is an intense competition underway to shape what comes next. And at the heart of that competition is technology."*¹

China's view towards technology and its importance is rooted in its history. For millennia, China was a great and powerful civilisation that had technology, wealth and prosperity. But then the industrial revolution took place and China stagnated and fell behind the West. The Europeans with their superior technology and violence descended upon China, beginning with the opium war in 1839 and forced their way into

China. This was the beginning of China's humiliation which would last for 100 years. The century of humiliation ended with the defeat of the Japanese at the end of World War 2. The rejuvenation of the Chinese nation, the slogan adopted by successive leaders, is to be achieved by revitalising the economy by being at the forefront of new technologies and creating a strong military via civil-military cooperation. As far as the Chinese are concerned, they want to return to where they believe they always were. China's vision is by 2049, 100 years since the founding of the People's Republic of China, to take its position amongst the world's nations, having borne all burdens, overcome all obstacles, defeated all enemies, and built its power anew so China's place is at last restored. Technological development is a civilisational issue for China, not just economic.

For the US to win the tech war against China it will need to stop transferring technology to China which can be used to develop self-sufficient supply chains. The US will need to ensure its allies and other nations do not trade with China in any tech that China could reverse engineer and become self-sufficient. The US will need to sabotage the progress China has made in the tech sphere to ensure it cannot catch up or close the gap with the US. All of this is a tall order and in many ways the US has to get everything right, China just needs to succeed once.

The Trump administration began the trade war with China where a number of rounds of tariffs

were imposed on trade with China. The aim was to reduce the trade deficit the US had with China. When Trump left office the Phase One trade war had achieved little as there were unintended consequences with US industry suffering.

When the Biden administration came into office at the six month mark they were more demanding of China and believed China had not implemented any element of the trade deal and the US trade deficit got worse. President Joe Biden, then made decoupling a focus by restricting high-tech exports and curtailing professional and financial links with China. The aim here was to reduce imports of manufactured goods and bring home more jobs.

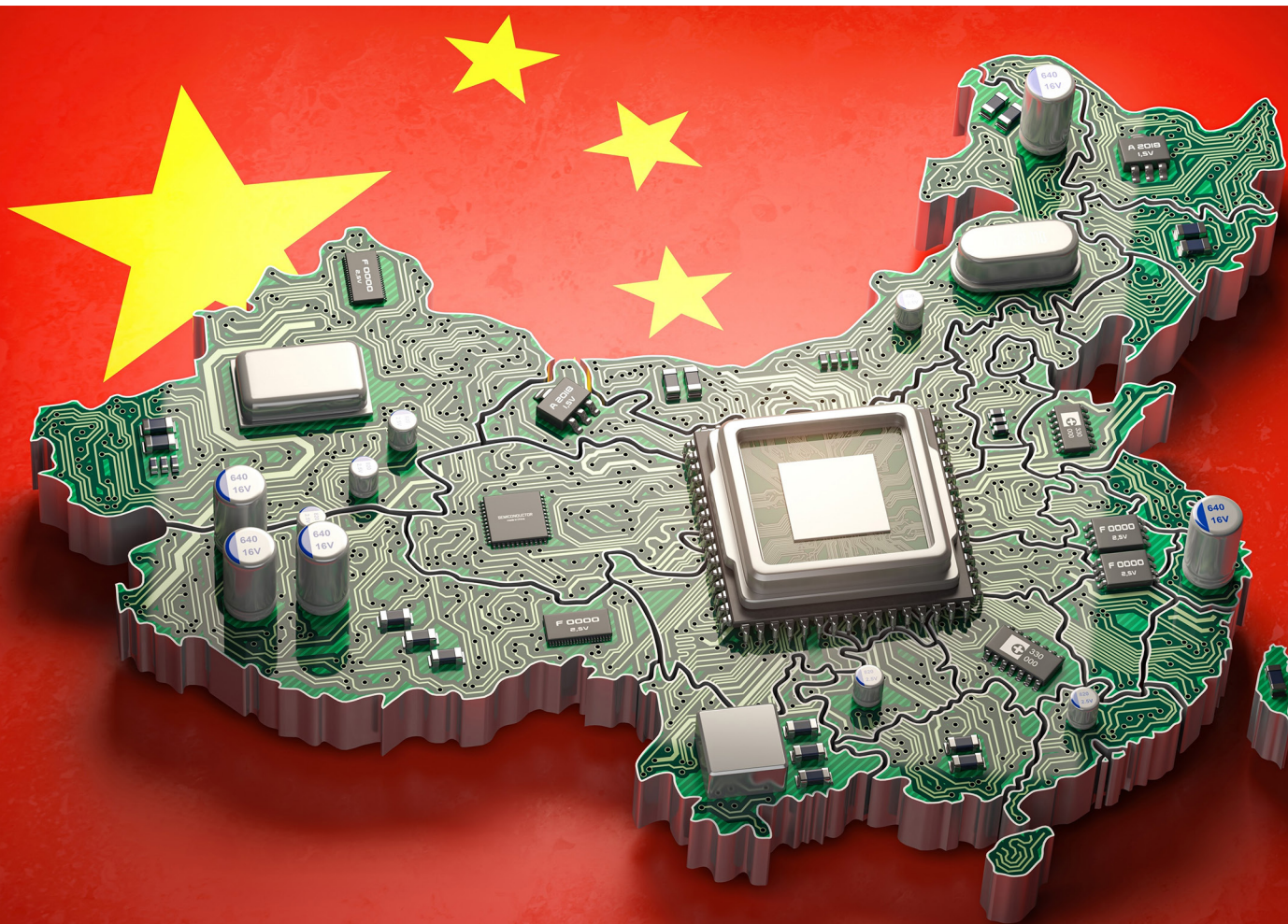
Can the US really win the tech war with China?

China has a broad ranging and robust strategy to acquire technology and it's been taking shape for two decades now. The US is not dealing with a new emerging nation but one that's been emerging for two decades. China has used acquisitions, espionage and cybertheft to leapfrog tech development. As a result, China has made major advances in AI, 5G and quantum computing. Chinas 'Made in China 2025' plan makes it clear it will use espionage to become

self-sufficient in the next generation of technologies.

Despite these strategies and tactics, much of the history of tech development is against the US. In the past when the West wanted to profit from the Chinese monopoly on silk, porcelain and tea the Chinese sold the final products to anyone that would trade with them but not the secrets of the production. But over time through theft, espionage and natural knowledge transfer the process of making such goods were learnt and produced in the West. The US similarly through the 19th century stole trade secrets from the British in the textiles, steel and assembly line tech. It took around 120 years for the US to set up similar technologies but in many ways it was inevitable if enough resources were thrown at the problem.

Ultimately, while the US has every incentive to protect their tech secrets, and many nations have tried to do so throughout history, the transfer of technology is inevitable. The only variable is will it just be a matter of centuries, decades or years. The US in its competition with China is likely in a losing tech battle, but the battle with China is more than technology, it also includes economics, politics and the military.



America's \$33 Trillion Debt Mountain



The US national debt topped \$33 trillion for the first time ever in September 2023, crossing a critical milestone at a time when government spending is already under scrutiny. The national debt, which measures what the US owes its lenders, hit \$33.04 trillion when the Treasury Department released its regular monthly data. By comparison, just four decades ago, the national debt hovered around \$907 billion. Debates around US solvency and the debt ceiling have become more partisan and in the last few years the US has suffered from multiple government shutdowns when raising the debt ceiling couldn't be agreed. The US government debt position is extraordinary, it exceeds the nation's GDP and raises serious questions on how the US can maintain its superpower status when it's operating on borrowed money that all needs to be repaid.

Making Sense of America's Debt

The national debt of any country is a measure of how much the government owes. In the case of the US the national debt refers to the level of federal debt held by the public. Since the US government always spends more than it takes in, the national debt continues to balloon.

As the size of the debt grows, so do interest payments on that debt. This interest has a more immediate impact on government finances than the actual size of the total debt. In reality, in the modern era many nations never repay their debts. They roll their debt over, meaning they defer repayment endlessly, paying only interest on the debt. As long as they keep doing this, they remain solvent. Even if the state does not borrow more, the debt level gets steadily larger as interest accrues on the debt – but when the national economy is growing, the income for the government is also increasing, which can be used to repay the debt.

America's capital markets have continued to grow, and the US government has used them to issue more debt. Many worry that excessive government debt levels can impact economic stability with ramifications for the strength of the currency. Jacob Funk Kirkegaard, a senior fellow at the Peterson Institute for International

Economics, believes that the damage to US credibility in global markets would be irreversible if it ever defaulted. Kirkegaard said, *"If they miss a payment, that trust is gone: 250 years down the drain. And you don't get that back just by promising, 'Oh, I promise I won't do it again.' That's not good enough for investors around the world."* The long-term effects of a default could also disrupt US foreign-policy tools, with a world less trusting of the US dollar making US financial sanctions less effective.

As America's debt mountain grows this will have an impact on the US economy, budget, foreign policy and military. There will be real consequences as the debt burden grows.

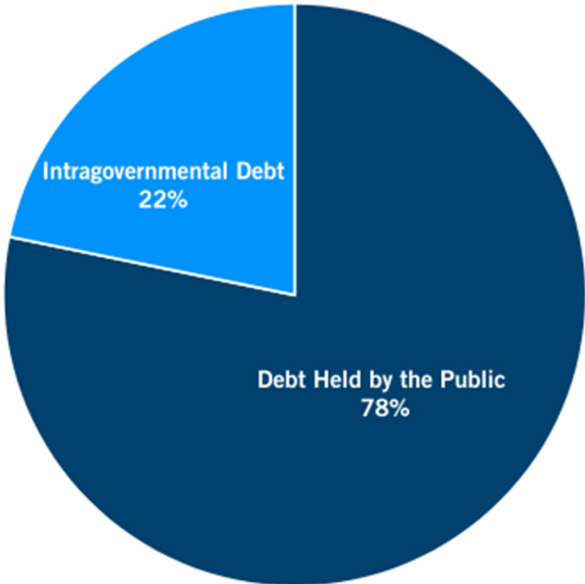
The Debt Mountain

America's \$33 trillion debt mountain falls into two categories: intragovernmental holdings and debt held by the public. Intragovernmental holdings is the debt the US government owes to other federal agencies. Some agencies, like the Social Security Trust Fund, take in more revenue from taxes than they need, and these agencies invest in US Treasury bonds. Currently this constitutes \$6.7 trillion, 22% of the total debt.

Public held debt is money that the US government owes other lenders which is a result of years of US governments spending more than they take in via tax revenues. Politicians prefer to raise public debt rather than raise taxes. It is also considered a 'safe' way for people in other countries to invest in another country's growth by buying government bonds i.e. debt sold on where the purchaser earns a fixed amount of interest every year for the duration of the bond.

Debt held by the public is also mainly held by US institutions such as US banks and investors, the Federal Reserve, state and local governments, mutual funds, pensions funds, insurance companies, and savings bonds. This is currently \$17.3 trillion, 45% of the total debt and the largest component of US debt. This means around \$24 trillion – 70% of the debt is owed to those in the US itself.

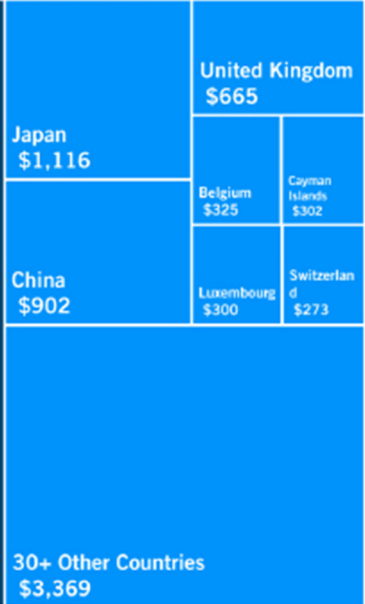
US National Debt Breakdown



Domestic Holders



Foreign Holders



Foreign Owned Debt

Foreign governments hold a portion of the public debt in the form of government bonds.

Currently foreign and international investors hold \$7.4 trillion of the \$33 trillion public debt, i.e. 22% of total debt.

Much has been made about China's portion of the US foreign-owned debt. As the second-largest non-US holder of treasuries after Japan, many have for long worried that China could "call" the US loan, placing the US in dire financial straits. However, this doomsday scenario does not hold up to scrutiny although it does pose challenges for the US.

China has been reducing its holdings of US debt and currently holds \$860 billion in US Treasury securities. Many claim that China could leverage this against the US. With tensions growing between China and Taiwan, political commentators from Beijing have openly stated that the US debt owned by China could be used as a financial weapon against America. China holds a small portion of total US debt, a mere 2.5%. To give some perspective the Federal reserve owns \$6.6 trillion, whilst US pension funds own \$1.1 trillion of US debt. China, despite all the media coverage, holds a small portion of US debt and has been reducing its holdings and this has had no effect on America's economic position. If China decided to dump all its debt holdings in one go the size of the holdings is really too small to impact America's overall position. As the US dollar is the global reserve currency, so long as the US never defaults on its debt, there is little China can do to leverage its position in this regard.

Financing America's Debt

America's national debt rises when the government spends more than it earns in tax revenues. For a long time many have considered that servicing the debt could divert investment from vital areas, such as infrastructure, education and healthcare. But the Biden administration has argued that these concerns are overblown as Washington still has decades to tackle the problem. They point out that the cost of financing the debt, in terms of interest payments as a proportion of GDP, has been relatively low over the past two decades, though it will increase over time.

In November 2023 US debt interest repayments exceeded \$1 trillion. Which means this will affect other

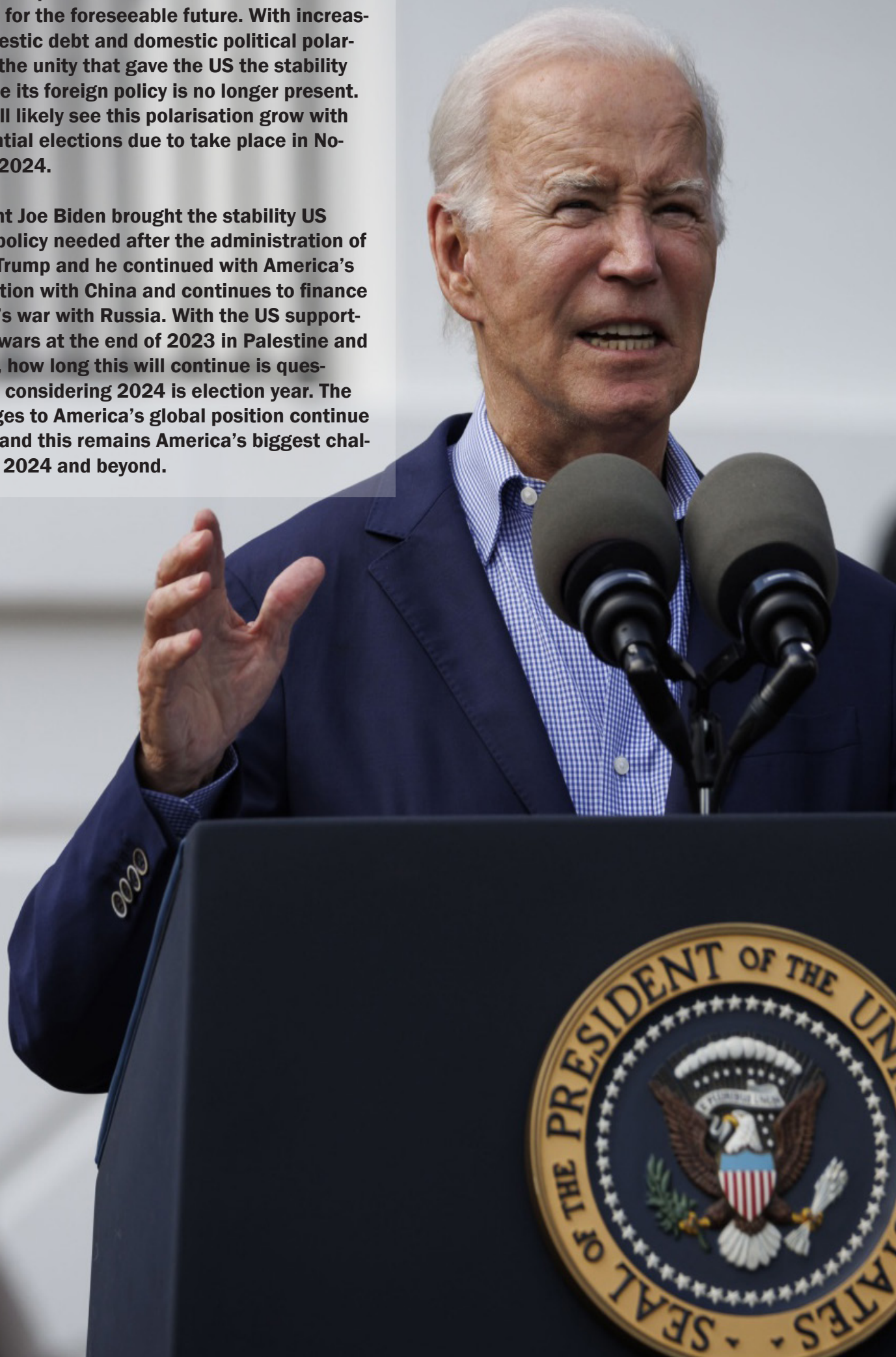
essential spending and will force the US administration to prioritise where budget spending should go. Whilst insolvency is not an immediate issue, there are other implications such as a US credit rating downgrade by credit agencies if the political parties in Washington prevent the US debt ceiling from being raised.

The US is in a unique position where it's living on borrowed money and borrowing in order to spend. China, who was for long the largest foreign owner of US dollar reserves, really holds an extremely small proportion of overall US debt. So long as the dollar remains the world's reserve currency the US can continue to live beyond its means. But this situation can only continue so long as the US has no rivals and no alternative financial systems emerge. US economic credibility is taking a hit with many considering how long can the US continue to live beyond its means. This poses a major threat in the long term but so long as no other nation calls out the US ability to repay its debt the US can continue to kick its debt addiction down the road. But everyone believes those that live beyond their means do have a day of reckoning at some point.



The US remains the global superpower but there are serious question marks if the US can maintain this for the foreseeable future. With increasing domestic debt and domestic political polarisation, the unity that gave the US the stability to pursue its foreign policy is no longer present. 2024 will likely see this polarisation grow with presidential elections due to take place in November 2024.

President Joe Biden brought the stability US foreign policy needed after the administration of Donald Trump and he continued with America's competition with China and continues to finance Ukraine's war with Russia. With the US supporting two wars at the end of 2023 in Palestine and Ukraine, how long this will continue is questionable considering 2024 is election year. The challenges to America's global position continue to grow and this remains America's biggest challenge in 2024 and beyond.







In Strategic Estimate 2023 the analysis of Russia's war effort was damning. Russia had performed so poorly on so many fronts we ended our analysis that unless Russia made serious adjustments its chances of success were looking bleak. A year later we are fast approaching the two-year anniversary of the war and Russia has made strategic changes which has helped her turn the tide on the battlefield.

When Russia invaded Ukraine back in February 2022, the Russian attack force was divided along three fronts, the Southern front from Crimea, the Eastern front from Donbas and the Northern front from Belarus that targeted the Ukrainian capital, Kyiv. As the initial invasion fell apart, for Kyiv, it became clear to the Kremlin that the front could not accomplish the objectives set for them. The blitzkrieg tactics that were meant to give Russia a rapid victory with the capitulation of Ukraine was a failure of epic proportions.

Russia's leaders ordered the withdrawal of over 40,000 Russian troops, effectively abandoning the whole of the Northern front. These troops were redeployed towards Russia's other effort, the Donbas region. As we approach the two-year anniversary of the war this decision saved the Russian war effort. Russia did not have anywhere near the number of troops necessary to control any city of more than 1 million people. Putin took the public relations hit at the time and by the summer of 2022 these troops contributed to the capture of Mariupol, Popasna, Severodonetsk, and Lysychansk. Russian forces managed to capture a front running from the Donbas in the East down to Crimea, a 500 mile front and around 100 miles into the interior of Ukraine. But as the war entered its 5th month in July 2022, the Russian army ran out of steam and stopped its drive into the interior of Ukraine.

Ukrainian's leadership was forced to sacrifice thousands of troops to halt this Russian advance, but they didn't just remain in a defensive posture and began to prepare for a major offensive. Ukraine launched its first offensive operation in late August 2022 from Kherson in the South of Ukraine. The Kherson offensive was widely publicised with Volodymyr Zelensky travelling to western capitals to drum up support, caring little of using the element of surprise. Being aware of this offensive the Russia's forces were well prepared and blunted the Ukrainian effort in Kherson. But while Russian troops focused on Kherson, Ukrainian commanders pulled off the biggest surprise of the war. Ukraine covertly assembled a large attack force and launched a second offensive in the north. Ukrainian forces drove the Russians out of the Kharkiv region so far back, so fast, that the Russians surrendered a staggering 4,000 square miles of territory, forcing them to rush massive reinforcements from elsewhere in Ukraine to stop the bleeding. The Kremlin eventually made the decision to surrender Kherson without a fight, withdrawing its entire force of another 40,000 troops to the south side of the Dni-pro River. In the process, they blew the four bridges spanning the Dni-pro in that area, effectively sealing off the entire southern front from any continued Ukrainian offensive. At the end of 2023 this decision saved the Russian defensive force, as it avoided a protracted urban fight. As a result, since then, Ukraine has not made any gains anywhere in Ukraine.

The Kremlin acknowledged it did not have the force necessary to win in Ukraine and ordered the mobilisation of more troops in September 2022 as well as the mobilisation of Russia's war industry. Putin ordered factories producing military gear, vehicles, and ammunition into near full production.

Learning From Failure

Russia did not just focus on preparing these new mobilised troops. What became clear throughout 2023 and especially as Ukraine conducted its counter-offensive in June 2023 was that the Russian military has spent most of its time building an elaborate defensive system across the eastern front. Russia has been building multiple belts of sophisticated defensive fortifications such as minefields, fortified machine gun nests and anti-tank ditches and barriers. These fortifications were absent in the battle for Kherson and Kharkiv in 2022 and shows Russia has learnt lessons from its previous failures. Gen Oleksandr Tarnavskiy who was in charge of Ukraine's counter-offensive that began in June 2023 confirmed Russian defences made it difficult for military equipment, including Western tanks and armoured vehicles, to move forward. He confirmed his *"...forces are struggling to overcome multi-layered minefields and fortified defensive lines."* He confirmed Russia's military has displayed *"...professional qualities..."* by preventing Ukrainian forces from *"...advancing quickly."*

Russia's military leaders forestalled an early attack by Ukraine by a series of low-level operations all along its 500-mile front. Russian military leaders used small unit raids and artillery attacks to keep Ukraine occupied, forestalling any large-scale offensive against incomplete Russian defences. The most prominent action was by the Wagner Group in Bakhmut. A major media campaign went into Wagner and its leader Yevgeny Prigozhin. The town of Bakhmut was a tactical objective, but by itself it was not strategically important. Russia made it important by showing that it's putting so much effort into taking it, with Prigozhin personally taunting Ukrainian President Volodymyr Zelensky. Ukrainian forces fought for every building for months in Bakhmut, giving Russia ample time to build fortifications.

At the end of 2023 Ukraine's second counter-offensive to take back occupied Ukraine stalled and only advanced just 11 miles. Russia hasn't used its 300,000 newly mobilised troops to carry out any major offensive. When Russia does this Ukraine will already be exhausted. As we fast approach the two-year anniversary of the war, despite Russia bungling the opening salvo in Ukraine, it has now learnt from its errors and adapted and now has the advantage on the battlefield.

Russia on Top

What will Russia do next? Soviet defensive doctrine, which Russia has been following very closely since the start of the war, is designed to blunt an enemy offensive, weaken it and then launch a counteroffensive. It's unclear if Russia was building an offensive potential on the Russian side at the same time it was building its defences, and if they have such a force, how effective it would be. But this puts Ukraine in the worst possible position. There are already discussions taking place in Ukraine that they should just settle with what they have and prepare for an expected Russian offensive. Ukraine is completely dependent upon western arms and support and has continued to request more fighter jets, long range missiles and air defence systems. Kyiv has stated that they need air superiority to win. It remains questionable if this could make a difference considering the current battlefield reality as there was a lot going against Ukraine, even before the current counter-offensive began.

As we approach the two-year anniversary of the Ukraine war, war fatigue is beginning to affect western support for the war. Like most of Russia's wars they start badly and then adapt and throw lots of troops at the problem. This is how the Russians defeated the Nazis and emerged victorious in Chechnya. The tide is on Russia's side now, who will try to gain more territory and then start negotiations from a position of strength. It remains to be seen when Russia throws its 300,000 mobilised troops at Ukraine.



Russia Still standing in the Economic War



The economic aspect of the war saw the US and Europe make Russia the most sanctioned country in history. Europe virtually stopped importing energy from Russia and Russia responded by refusing to sell gas to Europe. The West led by the US worked to isolate Russia in the world. Before the war began Russia's economy was structured to manufacture and mine and then export energy, grain, and commodities. 33% of Russia's trade was with Europe and another 33% was with the Asia Pacific with China the largest market. Whilst most of the Russia government budget and exports was from the export of commodities and energy, Russia relied on imports from Europe for technology and machinery.

With the sanctions that Europe and the US put on Russia, the Kremlin said it would no longer supply gas to Europe and Europe then in stages began to reduce oil imports from Russia. Russia managed to replace Europe by increasing energy exports to China, India and Turkey. In 2022 the surge in oil and gas prices, compensated for the drop in the volume of exports, a reduction of around 25% for gas.

As Russia's war in Ukraine entered its second year, the arms industry contributed to economic activity. The metallurgical industry saw a sharp increase in production. There are factories in the Urals that operate 24 hours a day and show certain branches of the military-industrial complex have succeeded in adapting.

Russia was cut off from the SWIFT system, the

secure messaging system that facilitates rapid cross-border payments. When it comes to gas, oil, finance, trade and technology, Russian companies have worked with intermediaries to circumvent the sanctions. Western goods are now imported through third countries such as Kyrgyzstan, Armenia and Georgia, border countries at the heart of a parallel trade circuit which supplies Russian industry.

In September 2023 Russian gas production slumped to levels not seen since the 1970s. The country's state energy giant Gazprom said in its report that gas production *"...has never had such a low production rate in its entire history..."* and that *"...the last time there was a similar figure was in the Soviet Union in 1978."* The Russian Ministry of Finance confirmed federal government oil revenues from January–March of 2023 were over 40% lower than a year prior. Before the war, oil revenues constituted 30–35 percent of the total Russian budget. In 2023, oil revenues fell to just 23 percent of the Russian budget. This decline in revenue has occurred despite Russia's exporting nearly 10% more crude oil in April 2023 compared to March 2022.

Russia's economy, for the moment, has found ways to circumvent western sanctions in the short term and this is due to three key strategies the Kremlin has pursued.

The first of these has been by **strengthening cooperation** with transit countries. Through intermediaries Russia has been covertly selling goods to its

traditional customers and accessing technology and high-tech equipment.

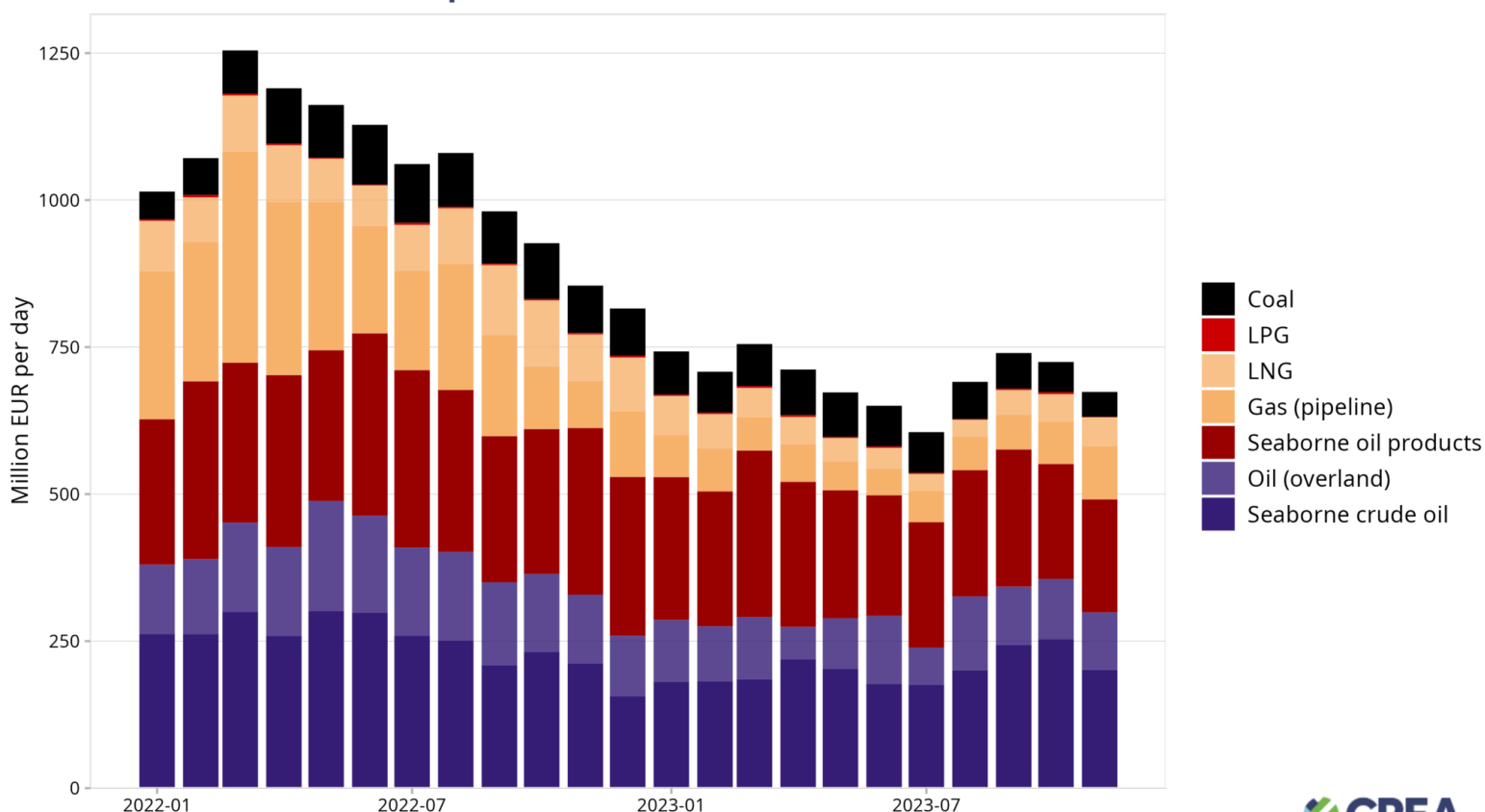
The second strategy has been to **increase market share** in countries who need energy. This has seen China, India and Turkey become key markets that Russia hopes will replace the reduction in energy that used to go to the EU. Moscow also launched new energy projects in Central Asia aimed at increasing sales to China, with whom Russia is also setting new export records.

The third part of Russia's strategy has been to **increase and expand ties** with new nations and regions. Here we have seen Russia search for economic opportunities in the Asia-Pacific, where Russian firms have been granted contracts to construct nuclear power plants, and in Latin America Russia sought new trade opportunities. Most Latin American coun-

tries have stayed relatively neutral by refusing to join the Western sanctions regime or condemn Russia at the UN and other international institutions, Venezuela, Cuba and Nicaragua even came out in support of Moscow.

As the Ukraine war nears its second anniversary the Russian economy is still standing, though it faces many challenges that will likely get worse. Sanctions are only workable to the point that everyone implements them. Whilst Europe has reduced its energy imports, Russia has found India, China and Turkey more than willing to buy Russian energy and effectively replace the European market. Russia has withstood, for the moment, being the most sanctioned nation in history but as the war drags on it remains to be seen if Russia's economy can continue to hold out.

Russia's fossil fuel export revenue



Source: CREA analysis based on Kpler, Marine Traffic, ENTSOG and customs data.

Grain Politics



After nearly a year from when the UN brokered a grain deal between Ukraine and Russia, Russia decided to leave the arrangement. The grain deal was established a few months into the war to make sure Russia and Ukraine, two of the world's most important grain producers, could safely bring their products to market and thus help keep global food prices down. The Black Sea is vital in this regard, accounting for around 30% of global wheat exports and 20% of global corn exports. The Ukraine war caused global food prices to increase and this led to instability in a number of African, Middle Eastern and Far East nations.

On the 22nd of July 2022, an agreement was brokered by the UN and Turkey to open a safe maritime humanitarian corridor in the Black Sea. The corridor, which was 310 nautical miles 357 miles in length and three nautical miles wide, ran to and from the Ukrainian ports of Odessa, Chornomorsk and Yuzhn-Pivdennyi. It allowed the Russian navy to check ships for weapons at the Bosphorus Strait at the entrance to the Black Sea. In the end almost 33 million tonnes of grain were shipped from Ukraine under the deal, and world food prices declined by roughly 20% as a result. The agreement was to last a year with new terms to be agreed for renewal in July 2023.

When the UN brokered the deal, it told Russia it would help to increase the country's exports of grain and fertilisers. Although Western countries did not impose specific sanctions on Russia's agricultural products, the broader restrictions which were in place deterred shipping firms, international banks and insurers from dealing with Russian producers.

In March 2023, 4 months before the deal was to be renewed Russia's UN ambassador named five "sys-

temic problems" that needed to be resolved to allow the continuation of the grain deal. These were the returning of the Russian Agricultural Bank (Ros-selkhozbank) to the SWIFT payment system, a resumption of supplies to Russia of agricultural machinery and spare parts, the lifting of restrictions on insurance and access to ports for Russian ships and cargo, the unblocking accounts and financial activities of Russian fertiliser companies, and finally the resumption of an ammonia pipeline from the Russian city of Togliatti to the Ukrainian city of Odessa. Russian officials explicitly left open the possibility of Russia returning to the deal but indicated that progress toward the satisfaction of the above demands would have to be met first.

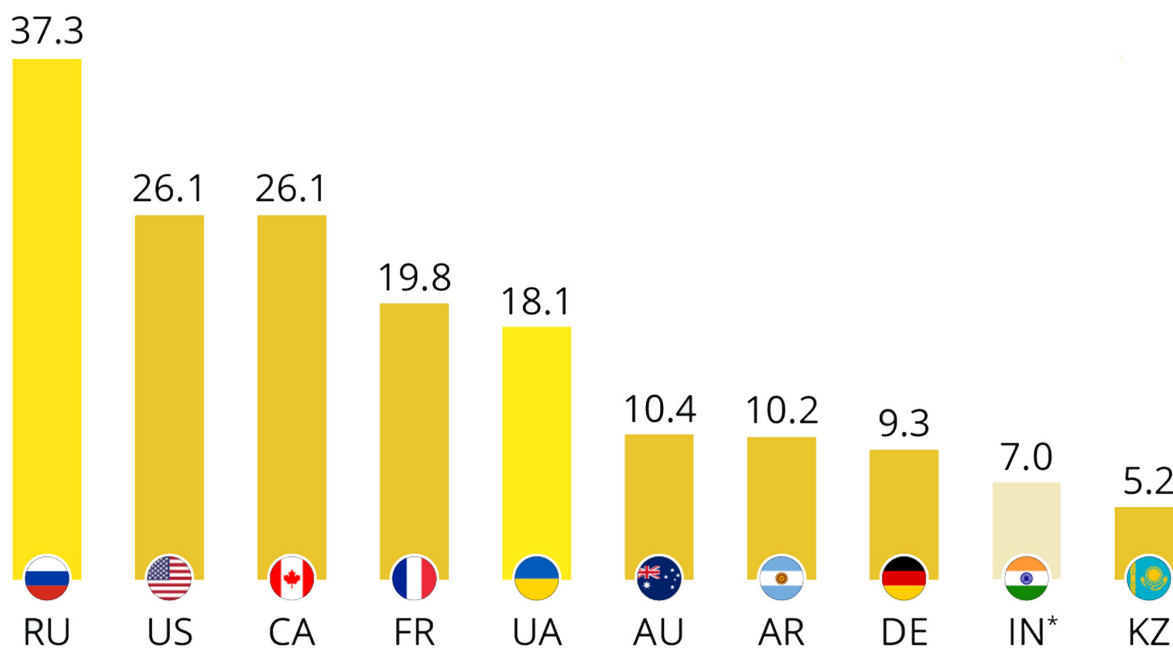
At the Russia-Africa summit at the end of July 2023 Putin made clear his frustration and why Russia abandoned the grain deal. "Russia agreed to participate in this so-called deal, including taking into account the obligations contained in it that illegitimate obstacles to the supply of our grain and fertilisers to world markets will be removed. And I want to tell you that this, and above all this, is about helping the poorest countries. In fact, nothing happened from what we discussed and from what we were promised."⁴ Whilst Putin exaggerated how much grain went to developed nations the biggest recipients were China, Spain, Turkey and Italy. Russia cited Ukraine's failure to export more grain to poorer countries as one of the reasons it pulled out of the deal.

When the grain deal ended Russia launched a series of air attacks on Ukraine's Black Sea ports, destroying thousands of tonnes of grain. Putin decided to make bilateral deals with Ukraine and African nations for the supply of grain. Putin said: *"Taking into account the mentioned facts, we refused to further extend*

this “deal”. I have already said that our country is able to replace Ukrainian grain both on a commercial [basis] and in the form of gratuitous assistance to the most needy African countries, especially since we again expect a record harvest this year.”⁵

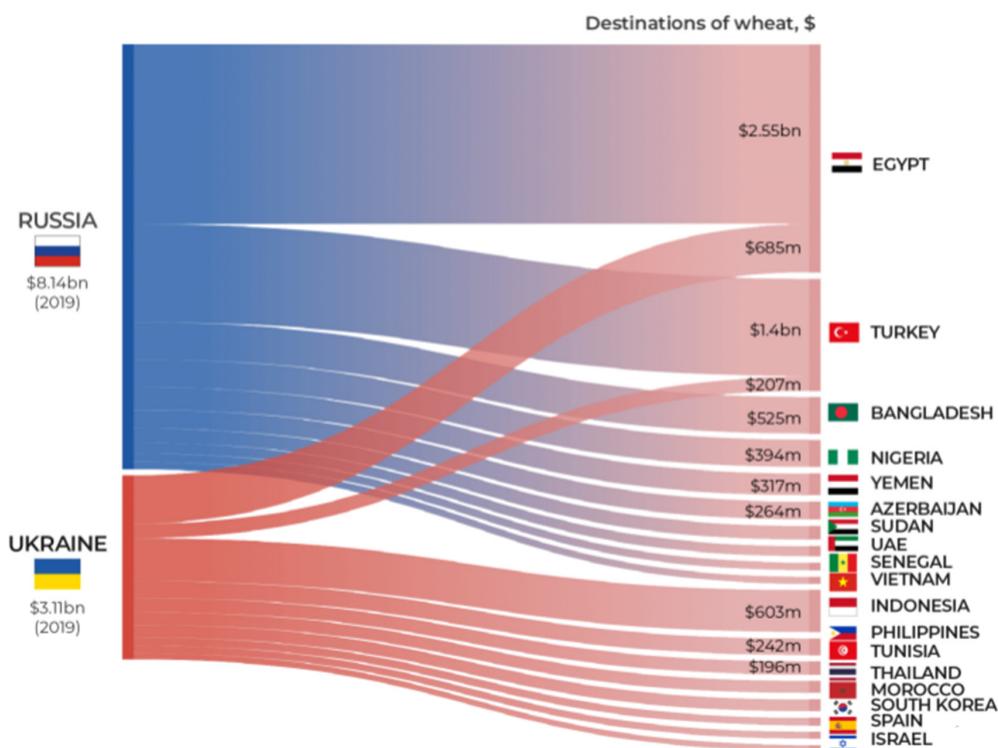
The Grain deal proved to be a loss for Russia. Putin believed he would get the concessions he wanted when the deal was agreed. A year later when it became clear the West was not going to deliver on any of the promises made for the grain deal, Putin woke up to the betrayal and abandoned the grain deal and replaced it with bilateral deals with the world.

The Worlds Largest Wheat Exporters



Who buys Russian and Ukrainian Wheat?

A quarter of the world's wheat exports came from Russia and Ukraine





Frenemies in Arms

Yevgeny Prigozhin and his Private Military Company (PMC) Wagner emerged within a few years and came to represent Russian power in numerous conflict zones. But in June 2023 Prigozhin wrote his own death certificate when he rebelled against the Kremlin and specifically singled out the defence minister and Army Chief. He was a dead man walking for going against Putin, but Prigozhin had risen to become Putin's key foreign policy tool and even more critical when Russia invaded Crimea and the Donbass back in 2015. Exactly two months after his rebellion, Prigozhin died in a plane crash along with other senior Wagner leaders, bringing to an inglorious end to his rags to riches story.

From Hot Dogs to Putin's inner circle

The fact that Prigozhin, Wagner and Putin all even came together is the stuff of Netflix dramas. Both Putin and Prigozhin were looking to survive and take advantage of post-Soviet Union Russia when the nation was in chaos. When the Soviet Union was collapsing Prigozhin had been released from prison due to theft and burglary. Prigozhin had spent his youth in petty crime but spent the lawless 1990s on his chain of hot dog stands. Eventually in 1995 he opened his first restaurant, whilst also investing in the casino business. Prigozhin then launched a luxurious restaurant boat, the "New Island" and Putin became his regular customer. When Putin became President of Russia in 2000, he turned Prigozhin into the Kremlin's chef, treating distinguished foreign guests and the regime's top brass. Prigozhin came to be known as "Putin's cook," and took on contracts for

school canteens and the Ministry of Defence. In this way Prigozhin came to have a special but marginal place within Putin's ruling elite.

Prigozhin proved himself in 2011 and 2012 when major demonstrations broke out in Moscow and other major Russian cities to contest the outcome of the 4th of December 2011 parliamentary elections and Putin's return to the presidency. Prigozhin created fake media dedicated to defending Putin's regime. He also established his own 'Troll farms,' companies responsible for disqualifying, parodying and negatively commenting on the media, social networks and online communication platforms of the Kremlin's opponents. Whilst Prigozhin was no strategic player and not part of Putin's strategic goals he had proven himself useful by aligning and supporting Putin in his aims.

Hybrid Warfare

The decade after the collapse of the Soviet Union led to economic and financial chaos leading to the deterioration of arms and equipment due to inadequate servicing. The Kremlin was forced to make use of hybrid warfare because it no longer boasted the overwhelming conventional force needed to stare down the West and reclaim the lands it lost during the crumbling of the Soviet Union, Russia had to turn to other means to maximise her advantages and minimise her weaknesses. This is where private military companies (PMC) came into the picture. Most Russian soldiers became unemployed when the Soviet Union collapsed and as a result, they informal-

ly banded together in the 1990s to sell their services throughout the world. By the 21st century these former soldiers operated through a handful of private security companies in Russia, one of them, the Slavonic Corps, consisted of former Russian special forces who eventually came to protect the oil fields near Deir el-Zour in Syria. Among the members of the Slavonic Corps was Dmitry Utkin, a former Special Forces commander in the GRU, Russia's military intelligence unit, who was referred to by his colleagues by his call sign, 'Wagner.' Although officially they were illegal, the Slavonic Corps were deployed to areas vital to Russian interests.

The reason why PMCs were illegal was because they could become an alternative power base and challenge the architecture Putin and the security class had painstakingly established throughout the 2000s. Whilst Putin presented an image of being Russia's strongman abroad, no one in Russia forgot the lawless 1990s and Putin and the security class realised after the huge demonstrations in 2012 that opposition was too large and the security class could be challenged. But with the Kremlin pushing back against the West in the 2010s Putin wasn't confident enough to be sending Russian troops abroad and needed a tool that was as good as the military, but also provide cover to Russia in places where Russia had strategic interests. Private military companies didn't have political baggage of total state affiliation, which gave Russia political leverage and manoeuvrability.

“Wagner is considered to have been created in 2014, but it remains unclear how and when Prigozhin became its leader, especially since he had no military experience.”

Wagner is considered to have been created in 2014, but it remains unclear how and when Prigozhin became its leader, especially since he had no military experience. It's very likely Wagner was created by the GRU (Russia's military intelligence service) and entrusted, to conceal the presence of the state, to Prigozhin. Wagner which consisted of GRU officers, retired and active military personnel and built a name for themselves during Russia's seizure and occupation of Ukraine's Crimea region. Wagner

was involved in Russia's invasion of eastern Ukraine through 2015, including carrying out assassinations of local rebel leaders. During this time and into 2016, Wagner became involved in supporting Russia's intervention in Syria. Soon after this Wagner established operations in several African countries, providing security services and, in some cases, engaging in mining and other private-sector activities. These countries include the Central African Republic, Libya, Mozambique, Mali, and Sudan.

Rebellion

When Russian military forces invaded Ukraine in February 2022 Wagner had established itself as a global brand. Many western commentators saw Wagner as an extension of the Kremlin and saw them as very effective forces when it came to projecting Russia's influence abroad. This was, in reality, never the case, but the Kremlin and Wagner did an effective job of propagating this.

The invasion of Ukraine in February 2022 was executed by the conventional armed forces of Russia and so Wagner played a supporting role to Russian forces in the invasion. But as Russia's blitzkrieg tactics began to unravel and as it became clear Russia didn't have sufficient forces in Ukraine to capture large parts of the country, Wagner emerged, once again to fulfil the Kremlin's needs. Prigozhin first emerged in the Ukraine war when he recruited large numbers of convicts from prisons across Russia to fight in Ukraine, with the promise of clemency. These troops were used in “human wave” attacks, in which units composed of convicts launched assaults against Ukrainian forces and suffered numerous casualties.

The battle for Bakhmut, a small town on the front lines of Russia's offensive, is where Prigozhin and the conventional military would have differences and this chasm is what eventually led to Prigozhin's rebellion. In the battle for Bakhmut Prigozhin exploited the Russian military's failures and sought to increase his profile by presenting Wagner as a more capable and efficient force able to achieve objectives the military could not. This led to public infighting between Prigozhin and the military. Over time Prigozhin would single out Defence minister Sergei Shoigu and General Gerasimov, the Chief of General staff. Prigozhin took to social media and regularly criticised the officials and complained Wagner was being starved of ammunition. Prigozhin even accused them of lying to Putin about the justification

for the invasion and the state of the war.

In response, the Russian military hierarchy took actions to undermine Prigozhin. Wagner lost the right to recruit from Russia's prisons, and the MoD announced all "volunteer units" had to sign contracts with the MoD by the 1st of July 2023. Such measures would effectively bring Wagner under the full command of the MoD, severely undermining Prigozhin's control and Wagner's independence.

Russian authorities subsequently released arrest warrants for those who had not signed and this led to Prigozhin and the Wagner Group launching a mutiny against Russian authorities, including seizing the headquarters of Russia's Southern Military District in the southern city of Rostov-on-Don and marching towards Moscow. Prigozhin claimed his mutiny was not against Putin but rather against the military leadership and other advisers who were misleading the president. The short-lived mutiny ended after a deal was announced providing an amnesty and the departure of Prigozhin and Wagner fighters for Belarus.

What was surprising was despite Prigozhin's act of mutiny he was documented at several events inside Russia including the Africa-Russia summit on July 27-28 in St Petersburg. On the 27th of August 2023 Prigozhin was killed along with nine other people when the jet they were travelling in crashed north of Moscow. Whether it was an accident or assassination we will likely never know. But the role of PMCs, that have proven to be extremely useful to Russia, have now shown the problem they can become. For the moment, Wagner has set up training camps in Belarus to train the Belarusian military, while most Wagner fighters have signed contracts with the MoD. Russian officials also have stated that Wagner's global operations (particularly in Africa) will continue. The Kremlin would likely find it difficult to replace Wagner's operations and connections in Africa and the Middle East. Now that the group has lost its autonomy as well as its leader it's now completely under the control of the Russian military.





Searching for Allies in Africa

Russia gathered African leaders in St Petersburg in July 2023 in order to deepen relations with the continent. In 2019 Russia held the first Africa summit but this summit took place in a different context. With Russia's war in Ukraine not quite going the direction Putin planned. Putin wanted to show the world, Russia has allies, despite the sanctions it is facing. The Russia-Africa 2023 summit took place in this context.

Moscow has been a long-term provider of low cost, low sophistication weapons to Africa for nearly 60 years. During the Cold War, Russia supported various rebel groups and regimes across Africa in an attempt to compete with Western influence. This strategy also included directly supporting proxy wars against US and European-supported forces. Today, Russia's direct involvement in Africa is nowhere near where it was during the Cold War era. But its political and economic relationships have survived largely due to the limited overturn of governance in many African countries. The leaders or future leaders that the Soviet Union educated and trained all still hold significant influence in many of these countries and some, such as Angolan President Joao Lourenco, even remain in powerful positions to this day.

The Kremlin invited all 54 African nations to the summit. Only 17 nations sent their leaders. In the last conference in 2019, 43 African leaders attended. Another 10 nations sent their Prime Ministers, whilst the remainder were all deputy prime ministers, ministers or ambassadors. Five nations rejected the opportunity to participate in the summit.

In 2019 the Forty-three African heads of state that attended hoped Russia would emerge as a new source of investment and trade for the continent. Russian President Vladimir Putin promised to double Russian trade with Africa in five years to \$40 billion.

Ever since Russian trade with the continent has fallen to \$14 billion. It is lopsided, with Russia exporting seven times as much as it imports from Africa. Additionally, 70% of this trade is concentrated in just four countries: Egypt, Algeria, Morocco, and South Africa.

Today, Russia has deployed troops to the continent and become the dominant external partner in a handful of countries. Russian disinformation campaigns in at least 16 African countries are shaping the information environment on the continent. This has largely been achieved through irregular means. These include propping up isolated, autocratic regimes through a combination of the deployment of Wagner paramilitary forces, electoral interference, disinformation, and arms-for-resources deals.

The main issue for the African nations was the impact of the Ukraine war on African economies, especially food inflation. A delegation of African leaders and officials from six countries visited Kyiv and St Petersburg in June 2023, lobbying for an extension of the Black Sea Grain Initiative and advocating a peace deal. Russia's invasion of Ukraine led to a blockade of the country's Black Sea ports, trapping 20 million tonnes of grain meant for export. This caused world food prices to soar and threatened to create shortages, particularly in African countries reliant on food imports from Ukraine.

When Russia pulled out of the grain deal on the 17th of July 2023, this dismayed many African leaders. Russia's withdrawal from the deal was a 'stab on the back' for drought-hit countries, Kenya's government said. Putin insisted that rising food prices were a consequence of Western policy mistakes that predated the war. At the summit, he announced Russia could replace Ukrainian grain exports commercially and that he would give 25,000–50,000 tonnes of free

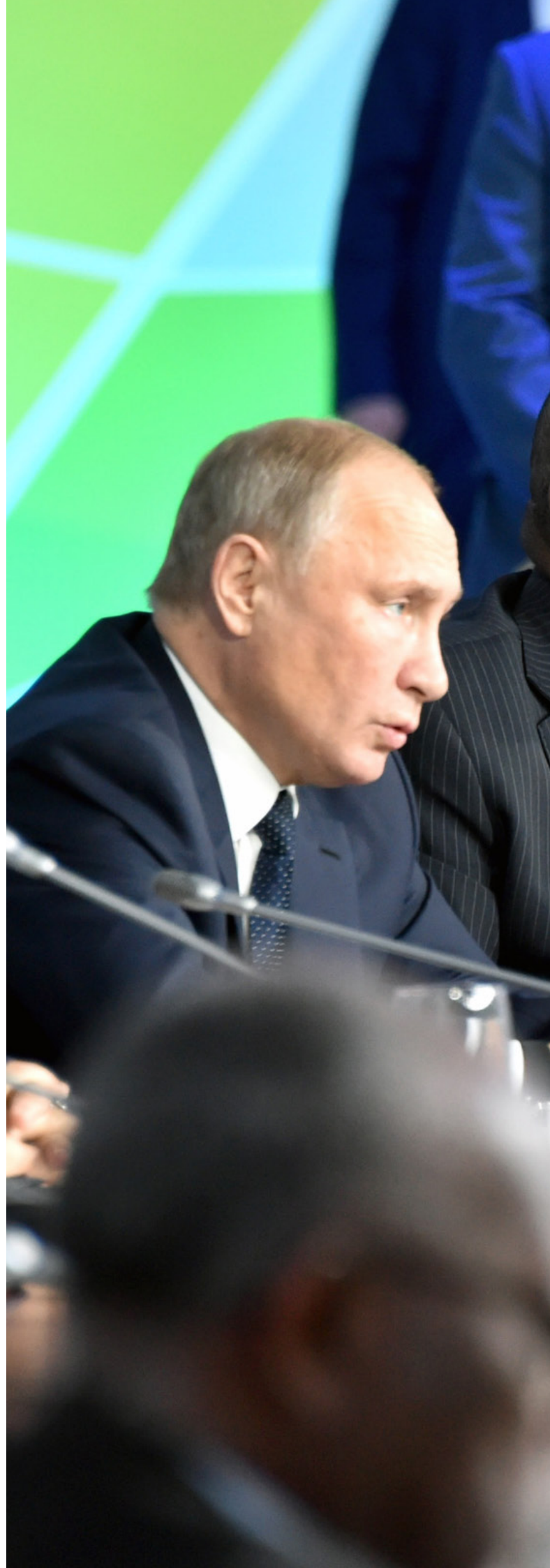
grain over the next several months to six African countries: Burkina Faso, Central African Republic, Eritrea, Mali, Zimbabwe and famine-hit Somalia, and announced he would also give away fertilisers stored in Baltic ports.

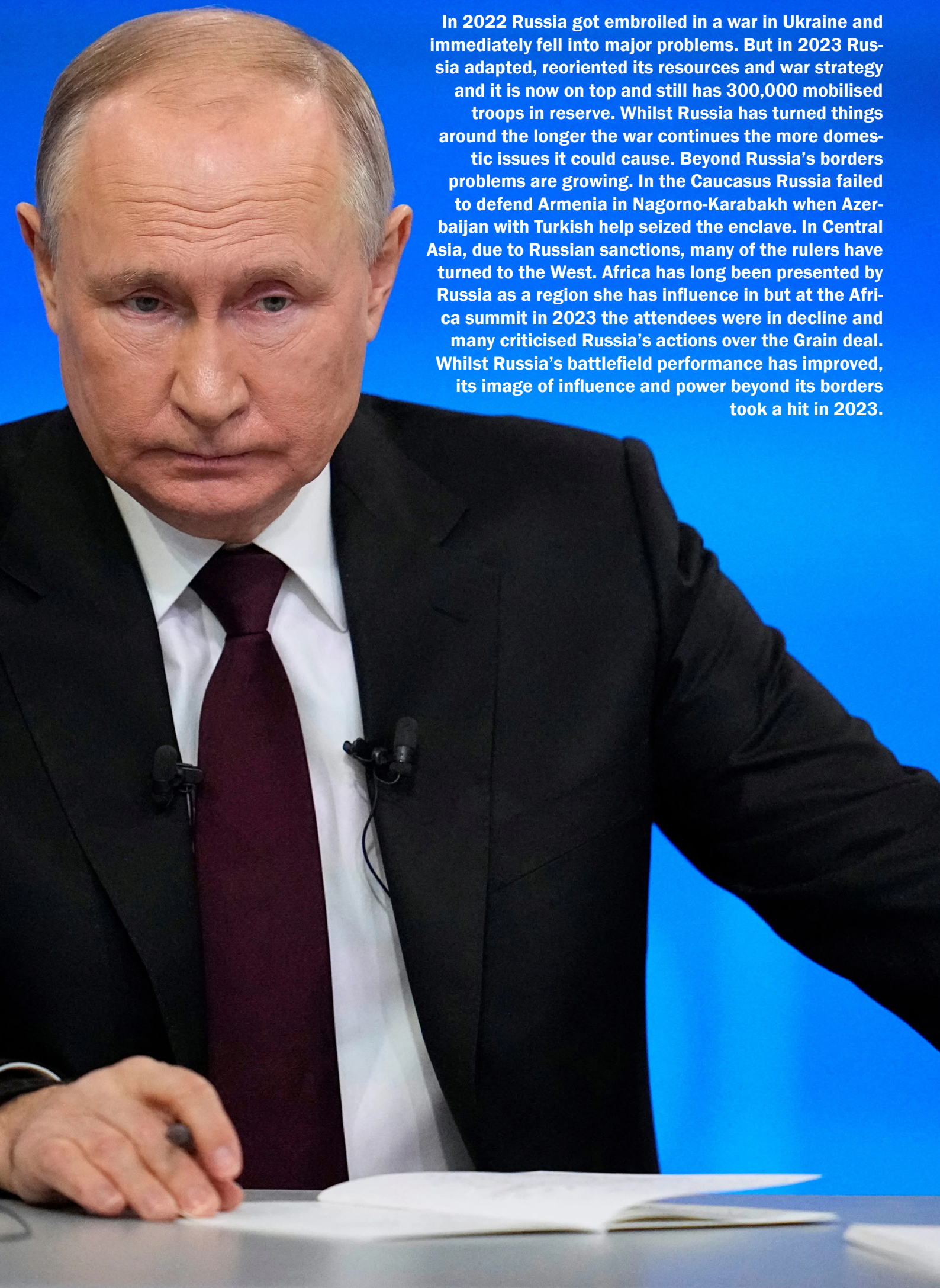
This was not what many African leaders were hoping to hear. The presidents of Egypt and South Africa were among the most outspoken on the need to resume the Black Sea grain deal. “The problem of grains and fertilisers concerns everyone...” said Comoros President Azali Assoumani, who heads the African Union (AU), while the AU Commission chairman, Moussa Faki Mahamat, remarked that “... the grain deal must be extended for the benefit of all the peoples of the world, Africans in particular.”

“Despite all the media coverage of Russian influence and Wagner’s manoeuvres the conference actually showed the major differences the continent has with Russia and that despite them being ambivalent to Russia invasion of Ukraine, the continent doesn’t see Russia as a major player on the continent.”

The President of Zimbabwe refused the handout during the summit. This was due to the fact that Vladimir Putin’s proposal would cost these countries tens of millions of dollars more than buying Ukrainian grain: the “gift” would not be enough to cover the entire food needs, and the rest will have to be purchased at a price that has increased in the absence of a grain deal. Harsher criticism of Russia for withdrawing from the grain deal was voiced by South African President Cyril Ramaphosa. He said: “We did not come here to ask for any gifts.” The South African leader called the resumption of Russia’s participation in the grain deal as a more important reason.

Whilst Russia wanted to present the conference as a gathering of Russia’s allies in Africa, it didn’t turn out that way. In fact, despite all the media coverage of Russian influence and Wagner’s manoeuvres the conference actually showed the major differences the continent has with Russia and that despite them being ambivalent to Russia invasion of Ukraine, the continent doesn’t see Russia as a major player on the continent.





In 2022 Russia got embroiled in a war in Ukraine and immediately fell into major problems. But in 2023 Russia adapted, reoriented its resources and war strategy and it is now on top and still has 300,000 mobilised troops in reserve. Whilst Russia has turned things around the longer the war continues the more domestic issues it could cause. Beyond Russia's borders problems are growing. In the Caucasus Russia failed to defend Armenia in Nagorno-Karabakh when Azerbaijan with Turkish help seized the enclave. In Central Asia, due to Russian sanctions, many of the rulers have turned to the West. Africa has long been presented by Russia as a region she has influence in but at the Africa summit in 2023 the attendees were in decline and many criticised Russia's actions over the Grain deal. Whilst Russia's battlefield performance has improved, its image of influence and power beyond its borders took a hit in 2023.



China's Economic Model Dilemma



The China Evergrande Group became a poster child of China's economic rise. Founded in 1996 it sold apartments to middle and upper-class people. By 2018 Evergrande became the most valuable real estate company in the world. Just three years later the company had collapsed as China's real estate sector was drowning in debt, imploded. Evergrande, China's real estate and debt are all linked to China's economic model which has caused structural problems for China and possesses a major stumbling block for the future.

When Mao Zedong passed away in 1976 China was a poor nation that had been driven to economic disaster. Two decades of communism led to the great leap forward and the cultural revolution which made things even worse in China. In 1979, 90% of China's population was in poverty and the state rationed bicycles and fans. Once Mao had passed away, the Chinese Communist Party (CCP) carried out an assessment of the country and came to accept Communism was a huge failure and that if the CCP didn't develop the economy then they would be overthrown leading to another period of social chaos, a regular theme in Chinese history. The CCP saw it had a large labour force, who were not particularly skilled and Chinese industry lacked technology let alone technological development. China needed to attract foreign skills and technology in order to acquire these skills and this would allow China to develop its own industry and create jobs. The open and reform era was born.

Throughout the 1980's China built Special Economic Zones (SEZ) roads, ports, power plants and telecommunication networks so manufacturers moved their production facilities to China. Western brands moved in their droves to China to take advantage of the unlimited supply of cheap labour and low cost of manufacturing. This first period of economic development saw the CCP focus on building the infra-

structure that would attract foreign investment and technology and expertise. It also saw China begin the next part of its economic model.

By the turn of the 21st century China joined the World Trade Organisation (WTO) and it had just surpassed \$1 trillion GDP. China's economic model turned towards becoming the world's factory, producing the goods that the world's largest consumers wanted. China achieved this by exporting goods cheaper than anyone else. China kept the costs of production extremely low because it had an unlimited supply of workers. China achieved a major milestone in 2009 when she became the world's largest exporter. This significant milestone marked China's emergence as a global economic powerhouse, surpassing Germany as the world's leading exporter of goods and services. Since then, China has maintained its position as the world's largest exporter, playing a pivotal role in international trade. China produced cheap goods in huge quantities and the West kept on consuming.

The global economic crisis that began in 2008 began to show the strains of this economic model. The economic downturn in Europe and the US, China's two main customers, led to a drop in consumption and exposed China's need for continued exports. China's SEZs allowed foreign investment and technology into the country and became a new source of wealth for China. But it made the country an export-oriented economy and dependent on foreign countries to continue importing from it. China came to rely on foreign nations to import from it. The world came to import from China at the cost of closing down their own factories. The economic crisis brought to an abrupt end, to the three decades long export boom that the Chinese government micromanaged through years of systematic wage repression and huge subsidies. As a result of the crisis, the portion of China's GDP tied to exports collapsed, from nearly 40% in

2008 to below 20% today. The global economic crisis in 2008 caused major problems for China. As western consumption collapsed followed by austerity the driving engine of China's economy, namely exports, had run out of fuel. What China did next is what created its current crisis.

Changing the structure of any economy can take many years and China didn't have years in 2008 to kick-start economic growth. The reliance on foreign consumers was no longer an option, so to avoid economic collapse Beijing kept the economy on life support through massive expansion of state-led investment into housing and infrastructure construction. The CCP encouraged state-controlled banks to pump huge amounts of lending into real estate and infrastructure. This strategy allowed China to maintain 6-7% growth and avoid politically risky recessions in the decade that followed the global economic crisis in 2008. The unintended consequence was that real estate-related activities grew from 10% of China's GDP in 2000 to nearly 30% by 2012, becoming by far the country's largest source of growth, investment, and jobs.

China literally went from an export-led economy to a real estate-led economy. This created a housing boom leading to huge zombie towns, where high rise apartments were created at a colossal scale, but they were sitting empty as ghost towns.⁸ What caused further problems was real estate wasn't just the principal engine of growth. It was also the main financial asset and store of wealth for Chinese citizens, who, rather than placing their money in China's rudimentary stock and bond markets, put their savings into over-priced investment properties with many also taking loans to fund them. Real estate now accounts for nearly two-thirds of China's household wealth and about 40% of the collateral held by banks.

China's economy is not going to collapse but the real estate crisis reveals China doesn't have a sustainable

economic model. Whilst China has a large manufacturing sector, which is geared around renewable energy, electric vehicles as well as a lead in advanced computing, AI and biotechnology. But outside these clusters China's economy is looking more and more like Japan in the 1990s, which suffered a "lost decade" of prolonged deflation, stagnation and high indebtedness on the back of a stock market and property crash.

The Chinese state intervened in the real estate and infrastructure sectors by bailing out debt-burdened developers and local government-related businesses when their projects failed to provide sufficient returns. This interventionist policy prevented many investors from incurring too many losses and kept the real estate sector running smoothly. The Chinese government also introduced the "three red lines" policy, which forced real estate developers to reduce the amount of borrowed money they use to make investments.

China's longer-term problem is since the open and reform era in 1979 domestic consumption has never been the economic model. Western economic growth is primarily based upon domestic consumption with exports making up less than 10%. China was not able to do this in the 1980's due to the high poverty in the country. In the years since China's economy grew and became the second largest economy in the world, China still produced for the world rather than for its own population as wealth distribution was very unequal and many still haven't benefited from the new wealth. This is why China's policy makers keep coming up with economic models short of domestic consumption. China's real estate crisis goes to a much deeper issue, that of China's economic model. Despite the image of China globally, such domestic issues are critical for China to overcome if it wants to be a global player.



China's Plan to Counter Containment



At the July 2023 NATO summit in Lithuania, members issued a final statement criticising China's coercive policies, which they said challenge the interests, security and values of the bloc. Beijing reacted strongly to the statement. It accused the alliance of "smearing and lying" about China and warned against NATO's outreach efforts in the Asia-Pacific. Foreign Ministry spokesperson Wang Wenbin said in blunt terms: *"NATO must abandon the outdated Cold War mentality and zero-sum mindset, renounce its blind faith in military might and misguided practice of seeking absolute security, halt the dangerous attempt to destabilise Europe and the Asia-Pacific and stop finding pretext for its continuous expansion."*

China has replaced ISIS, terrorism and Iran as enemy number one in the world. China faces numerous challenges that continue to grow from the West, from the growing networks of US-led alliances and security partnerships, such as the Quad and AUKUS, which aim to contain China to US and European policies of de-risking and diversifying their supply chains to reduce their reliance on China.

China hasn't sat idle as the US creates an alliance structure to contain China. China has tried to push back with its own strategy.

Economics

China's rise has seen Beijing develop economic relations with the world. Today, China is the main trade partner to over 130 nations in the world. China even has close economic ties with America's allies and partners. Whilst the US uses the IMF, its global liberal order and political coercion to keep the world's nations in check, China has been using investments,

infrastructure, aid and trade deals to weaken US relations with its allies and partners.

Wooing Europe

Europe has been a particular focus for China. Premier Li Qiang's first major international trip since he took office was to Germany and France, where he emphasised economic opportunities over geopolitical differences, partnership over rivalry. European leaders such as French President Emmanuel Macron, Spanish Prime Minister Pedro Sánchez and German Chancellor Olaf Scholz have also become regular figures in Beijing. These efforts allow China to deepen its economic ties with Europe. In doing so, Beijing is hoping to undermine US efforts to develop a transatlantic approach toward China, including policies of de-risking or de-coupling their economies from China.

Standing with Russia

Despite Russia's invasion of Ukraine, Beijing decided it was not the time to desert Russian President Vladimir Putin. From energy supplies to military technology cooperation, Russia remains a vital strategic partner for China. The last thing China wants is a decimated Russia, leaving it to face the US and its networks of alliances and security groups alone. China also would not want to deal with any potential threats from Russia, given their long-shared border. Beijing has tried to present itself as a neutral bystander in the conflict, interested in bringing it to an end. China is also taking advantage of Russia's precarious position by expanding and consolidating its influence in Central Asia, while remaining respectful of Russia's traditional ties to the region.

Global Leader

China has been projecting an image of global leadership by promoting models of global governance, security, development and finance. Some efforts are still in the development stages, such as its Global Security Initiative. Beijing has tried to show it's a global mediator after brokering a truce between Saudi Arabia and Iran in March 2023. Beijing is also continuing to promote its multilateral institutions, from the Shanghai Cooperation Organisation (SCO) to the BRICS group. Together with the Belt and Road Initiative (BRI), Beijing is trying to position herself as someone that can offer alternatives to the US-led organisations.

China has successfully created an image of countering the US, but this remains an image and doesn't confer China real influence. A case in point is Chinese criticism of the US dollar being the global reserve currency. The actions China needs to undertake to dislodge the dollar is not what China is doing, in fact China wants the credibility of challenging the dollar without actually physically challenging the dollar. China's currency, the Yuan is not freely available around the world and as a result this means China is not doing the actions to challenge the dollar. But global perceptions are that China is and this is a major achievement.



Ukraine is no Taiwan

The Sino-Russian axis has for long been seen as the only bloc that can challenge US global supremacy. Whilst China and Russia have had a difficult history, their relations have grown and deepened since the collapse of the Soviet Union. China's miraculous development since 1979 and Russia's resurgence since Putin became the leader in Moscow has seen both propose and push for alternatives to the US led global order. But all of this was thrown into doubt when China abstained from voting at the UN security council resolution condemning Russia for invading Ukraine. China even criticised Russia and told Moscow to stop attacking Ukraine and withdraw all troops.

The Sino-Russian relationship is really a partnership rather than an alliance. Both nations, despite their rhetoric, are not prepared to go to war for each other based on some shared beliefs. Their beliefs are also their biggest area of divergence. Whilst both agree the US is a problem and poses a threat to both nations' interests, Russia and China have very different

visions for the world they would like to see emerge. China sees Eurasia as a continent that is criss-crossed with economic corridors and trade routes from the Atlantic to the Pacific. China also wants to use the continent as its main export market that circumvents the global sea lane of communications (SLOC), which is dominated by the US.

Russia on the other hand has a vision for Eurasia which is at complete odds with China's vision. Russia sees the borderlands adjacent to her in Europe as its sphere of influence, with Russia having exclusive control and power in these territories. The ultimate goals in the Sino-Russian axis are divergent and clash, despite all the rhetoric. This is why China not only criticised Russia, but it also took a cautious stance, fearing what could happen if it backed Russia openly. China may criticise the West and what they stand for, but China depends on the same West as it's the main export market for its economy.





When Russia invaded Ukraine, China looked on and took notes on Russia's prosecution of the invasion and the US response. The US used various tools to push Russia into a corner and this has shown China what it will face in any invasion of Taiwan. Taiwan will possibly become China's Ukraine. For the Chinese leadership, Taiwan is a rebel province and a part of mainland China which needs to be reunified. China worked actively to isolate Taiwan on the international stage and for much of the post-WW2 period China built relations with the world on the basis that the CCP was the legitimate representative of all of China, including Taiwan. Taiwan is a perpetual scar on the Communist Party's narratives about her victory in the Chinese civil war. With US provocations increasing against China through US arms sales to Taiwan, military drills and US aircraft carriers' regularly visiting the Taiwan Straits. The US is forcing the question of Taiwan upon Beijing.

Over the past decade and since Xi Jinping came to power Beijing's stance toward Taiwan has become increasingly threatening, with cross-strait reunification on Beijing's terms. Xi Jinping has on many occasions stated that reunification with Taiwan can only take place under China's "one country, two systems" governing model, in which Beijing allows limited political autonomy like it does for regions like Hong Kong. Xi has directly associated cross-strait reunification with his "great rejuvenation" goal of restoring China's place as a leading global power, which involves showing the world the supremacy of the CCP over all of China.

The two parties that dominate Taiwan's politics are trying to deal with the complex demands of a largely politically independent populace that is disenchanted

with its limited choices for electoral representation. The Ruling Democratic Progressive Party (DPP) paints itself as the defender of Taiwan's sovereignty against China's political, military and economic coercive efforts. But this places the party at odds with Taiwan's economy, as China is the island's top trade partner. The opposition Kuomintang (KMT) has been traditionally friendlier to China and acts as the middleman for Taiwanese business interests, who want to maintain cross-strait relations insofar as they facilitate trade and investment. For China the KMT permits fertile ground for integration as the party recognises its economic dependency upon China, whilst with the DPP China has resorted to more coercive measures in the face of calls for sovereignty and independence.

China has an outsized influence on the economic relationship between both nations which has always limited what Taiwan could do. Nearly half of Taiwan's exports go to China, but only 25% of Taiwan's imports come from China. Taiwan's main export, integrated circuits, are dominated by the mainland with China consuming 60% of the Island exports of integrated circuits. There is a high trade interdependence between China and Taiwan in semiconductors. Due to this, China has focused its restrictive measures on smaller, less connected sectors. China's punitive actions have targeted agricultural goods and industrial inputs, of which China imports a large proportion of Taiwan's production. In 2021, China banned imports of Taiwanese pineapples, citing pest concerns, after pro-independence lawmakers proposed changes to Taiwan's constitution to downplay the prospect of eventual reunification with China.

China's biggest advantage and probably the riskiest

is its military relative to Taiwan. China's military has developed rapidly over the last two decades and will continue doing so over the next two decades. China has been working towards becoming the dominant military power in the Western Pacific by building a blue-water navy such that China can defend its claims to nearby territories like the South China Sea and Taiwan and protect key sea lanes of communication.

But despite all this progress, China's main weakness remains its lack of experience in modern warfare. China's last war was in 1979 when the PLA invaded Vietnam in response to its invasion of modern-day Cambodia. China faced immense problems in supplying its troops and despite the propaganda victory, Deng Xiaoping withdrew PLA troops before they could be tested. Ever since, the PLA has participated in international anti-piracy operations off the Gulf of Aden which provided some combat experience.

An invasion of Taiwan will be a complicated mission with China's air force, strategic support force and rocket force entirely untested. Even though China's

regular incursions into Taiwan's air defence identification zone provides some experience the PLA has little experience conducting amphibious invasion, like at-sea search and rescue operations, which would be necessary for a Taiwan Strait invasion.

From China's perspective the military solution offers the best hope of reunification, but it's also the riskiest. Economic integration in many ways would be reunification through stealth but China believes it needs global recognition of Taiwan's reunification and that's why the economic card doesn't provide China with the outcome it wants. Political unity through the political system provides China with little prospect of reunification with little support amongst the electorate for this. As a result, the political parties that dominate Taiwan's political system, provide little hope for China's ambitions.

Despite all the media coverage of Taiwan and US and Chinese provocations, China's military capabilities are not in place for making good the CCP's demands of reunification. Until then, China only has the economic card it can use to coerce Taiwan.





China received global headlines as the nation that will challenge US hegemony. But China's priorities and challenges are closer to home. Domestically, China faces major challenges with its economy and after more than a decade it has not been able to transition to a more sustainable economic model. China's main foreign policy challenge is dealing with US containment strategies and whilst the CCP is pushing back against America's trade war and economic sanctions, aside from talk about dropping the dollar China has little political capital to stand up against the US with.

The US has continued to use provocations against China with its aircraft carriers regularly traversing the Straits of Taiwan. The longer Taiwan remains independent the more difficult it will become for China to reunify with the island and its military will remain the only option. China has watched closely the tactics the US used against Russia in Ukraine and will be wary to undertake any offensive until it's firmly ready to deal with the repercussions. What is China's alternative to the USD order? Who are really part of the eastern bloc and are prepared to dedicate resources? Who will financially and economically as well as politically stand with China against Taiwan are many questions that still remained unanswered





War Fatigue in Europe

When Russia invaded Ukraine in February 2022 a divided European continent got its house in order. Europe was divided between those who saw Russia as the enemy and those that saw it as an energy supplier. There were those who believed you could do economics with Russia but not politics. When Russian troops moved into Ukraine the European continent got behind the US and decided it was now at war with Russia.

Europe went into fifth gear to stand up to Russia. Europe permitted Ukrainians to seek asylum across the continent. Many Ukrainians were fast tracked and are currently residing in a number of European nations. Europe stepped up military support from arms, ammunition, missiles, tanks and other supplies for the war effort. Europe's key position has been to cut supply relations with Russia and its energy dependency upon Russia. This was always going to be a herculean effort due to the dependency most European nations had on Russian energy.

When the War in Ukraine began Europe was importing 96% of its crude oil, spending €211 billion annually. Russia was the continent's largest supplier at 25%. Only 8% of this oil came via pipeline, the majority was through tankers and ports. Europe was only able to supply 17% of its natural gas from domestic sources. The rest was all imported and once again the lion's share, 47% came from Russia. Like oil, dependence on Russian natural gas differs in Europe. Germany relied on imports for 66% of its

natural gas, Italy 54%, Netherlands 42%, France 41% and Spain 28%. There was, in reality, no short-term fixes for Europe, but they managed by the summer of 2022 to have 90% gas reserves ready for winter, which in the end turned out to be a mild winter and therefore the apocalyptic stories of a freezing Europe didn't transpire.

In 2023 the European gas market was able to make up for the 70 billion cubic metre (bcm) drop in Russian pipeline gas imports by increasing LNG supplies, securing alternative pipeline supplies, and reducing overall gas consumption. Europe also managed to reach gas storage levels of 90% by August 2023, well ahead of the legal deadline of the 1st of November.

On the oil front, Russian crude into the bloc was volatile between February and April 2022. But from September 2022, they declined gradually, until they made up just 4% of total imports in early 2023. Now Europe's biggest suppliers of crude oil are the US, Norway and Kazakhstan. Europe has managed to adapt to the changing oil market landscape and virtually remove its dependence on Russian oil.

Slow military support

Speaking at a seminar in August 2023 the EU's chief diplomat Josep Borrell said the West's hesitation in supplying all necessary weapons systems to Ukraine, driven by fear of escalation, has been costly and a different approach could have changed the course of the

war. He added that in terms of the West's "hesitation," if decisions had been taken faster and with more anticipation regarding weapons systems that were ultimately sent, *"...then probably the war would have taken a different path, and in any case, we would have saved lives."*¹⁰

Every weapons system in Ukraine has turned into a bureaucratic debate from artillery to tanks to jets to armoured personnel carriers. The issue of sending Leopard 2 tanks to Ukraine roiled German and European politics for months in late 2022. The US and Europe had collectively committed to support Ukraine in its war with Russia. Ukraine said it needed Western tanks — and the German-made Leopards were the tank that best fit the bill. But the government in Berlin, worried about escalation with Russia, refused to move first. *"We always act together with our allies and friends,"* Germany's chancellor, Olaf Scholz, insisted. *"We never go alone."*¹¹ Eventually Germany did provide tanks, but the German hesitation is also one at the heart of Europe's problem.

Despite all the talk of helping Ukraine Europe has after much intransigence provided weapons, but these have been late and in small quantities

Just days after Russia's invasion of Ukraine the German chancellor, Olaf Scholz spoke about a *Zeitenwende* (historic turning point). Germany would abandon Russian energy and pour €100 billion into the German military in order to defend Ukraine. But as we approach the three -year anniversary of the Ukraine war there has been no historic turning point, Berlin's security policy is the same as it ever was. Matthew Karnitschnig of Politico commented that *"...it's become clear that the best way to describe Scholz's much-ballyhooed slogan is with a blunt Americanism: bullshit."*¹²

Little of the €100 billion has seen the light of day and the major turning point that Ukraine was meant to be in German security is yet to materialise. Germany has been so slow that the Defence Minister Christine Lambrecht was forced to resign in January 2023 due to the culmination of growing doubt about her and the extremely slow progress to revive Germany's armed forces.

The case of providing Leopard 2 tanks to Ukraine shows despite all the talk of *Zeitenwende*, the German leadership has no stomach for it. Ukraine said it needed Western tanks, and the German-made Leopards were the tank that best fit the bill. But the government in Berlin, worried and dragged its feet. Britain, Poland, Finland and others had publicly signalled they would provide tanks. The German chancellor was unwilling to send Leopard 2 tanks to Ukraine unless the US also sent its own main battle tank, the M1 Abrams. It was not enough that other partners would send tanks or that the US might send other weapons. It was as if Germany needed the US to hold its hand. In the interest of allied unity, the Biden administration eventually stepped in and agreed to provide Abrams tanks to Ukraine. No longer "alone," the German government approved the export and transfer of Leopard tanks to Ukraine.

Despite all the talk of helping Ukraine Europe has after much intransigence provided weapons, but these have been late and in small quantities. Europe is completely dependent on the US for a war on its continent. As far as military support to Ukraine is concerned, Europe has not been willing to supply a weapon system that has not already been agreed by the US. Whether Leopard 2 tanks, aeroplanes or cruise missiles. Europe waits first for the US to consent. Delays, prompted by fears of escalating the conflict, deprives Ukraine of weapons for months, only to agree in the end. Europe has managed to adapt to cutting Russia out of its energy supply chain, but has dragged its feet to arming Ukraine.





Is Europe becoming America's Vassal?

The drama that played out of the Europeans supplying Ukraine with tanks in early 2023 could have been a netflix series if it wasn't so serious. For decades a united Europe was meant to be a global powerhouse. European nations have fallen down the premier league of nations, but together they have the same GDP as the US and could still pack a punch. But the war on the European continent, rather than seeing the strength of Europe on display has really shown how little power Europe has.

It was just a few years ago the Trump administration was lambasting Europe for not standing on its own feet and meeting their NATO pledges. Trump was focusing on China and flirting with Russia and was threatening to abandon America's European allies. Many within Europe began talking about sovereignty and independence from the US. In 2019, the new president of the European Commission, Ursula von der Leyen, formed a new "Geopolitical Commission" and vowed to make the European Union an independent actor in global affairs.

When Russia invaded Ukraine in 2022, this was the first test of an autonomous and independent Europe. What it revealed was all the talk of independence and Sovereignty was empty and as was the case during the Cold War the US took the lead and supplied the lion's share of resources.

Four European nations make the top 10 list of largest economies. They produce annual reports on the world security challenges, but they continue to rely on the US, knowing this carries long term risks. Their response to the Ukraine war has proven they are more dependent than ever on US military support.

Since the 2008 global economic crisis the US has become more powerful relative to Europe. The transatlantic alliance is completely lopsided by US dominance and there is little Europe can do to turn the tide. European governments have failed to reach a consensus on what greater strategic sovereignty should even look like, how to organise themselves for it, who their decision-makers would be in a crisis, and how to distribute the costs. The nations of Europe do not agree on what to do and do not trust each other enough to reach compromises on these questions. American leadership therefore organises Europe, who remain incapable of leading themselves.

Declining Military Capabilities

Since the devastation of WW2 Europe has been cutting and reducing the size of its armies. During the Cold War US finances provided military equipment at discount and even transferred nuclear tech to the UK. When the Cold War ended France and Britain further shrank their militaries and even made doctrinal changes away from state-on-state warfare. From 2008 defence cuts were the order of the day. Between 2008 and 2021, US military expenditure increased from \$656 billion to \$801 billion. In the same period, the military expenditure of the EU 27 and the UK rose only from \$303 billion to \$325 billion.

Europe, for all its political ambitions, has remained incapable of formulating a common foreign and security policy that can make use of its latent power. Instead, the financial crisis divided north and south, the migration crisis and the war in Ukraine divided east and west, and Brexit divided the UK and practically everyone else.

American leadership was needed for more than resources. The US has proven necessary to organise and unify the Western response to the Russian invasion. Within the European Union, countries such as Poland, Sweden, and the Baltic states deeply distrust EU members such as France, Germany, and Italy on the question of Russia. It's questionable if Europe has an autonomous foreign policy without the US.

The New Cold War

The US has made clear its shoring up its attention and resources to the Far East. This is taking place as Europe has not had much incentive to develop its own security as it relied on the US for so long. The attachment to the US alliance is even more profound in most of the northern and eastern nations of the European Union. Poland, Sweden, and the Baltic states believe events have shown that their assessment of Russia was correct and that western European nations did not listen to them.

What its revealed was all the talk of independence and Sovereignty was empty and as was the case during the Cold War the US took the lead and supplies the lion's share of resources.

These nations feel vindicated in their view that only the US can ultimately guarantee their security. Always sceptical about the idea of strategic autonomy, they now think that this would amount to strategic suicide. They are accordingly taking measures to encourage greater US involvement and leadership in Europe, particularly through advocating greater and more permanent US troop presence in eastern Europe and promoting NATO membership for Ukraine.

The US and Europe have now returned to their Cold War alliance, but whilst the Communist bloc and China have many similarities, there are some major differences. During the Cold War, Europe was on the front line against the red army. US strategy hinged on rebuilding western Europe both economically and militarily so that it could stand up to the challenge from the east.

The 21st century struggle against China is not on the European continent but in the Far East. As a result, the US does not look at the European continent

needing to be armed with multiple bases, but this time, part of America's industrial strategy of reindustrialisation and technological dominance over China. The US sees Europe's role in the 21st century to support US strategic industrial policy and to help ensure American technological dominance over China. This is to be achieved by yielding to US industrial policy and by limiting their economic relations with China.

This will all have an adverse impact on Europe. It will impact economic growth and likely lead to deindustrialisation and deny Europe dominant positions in key industries of the future. The debate still rages in Europe about whether Europeans need to follow US policy on China or whether they can stand on their own. Europe will need to decide, will their security dependence on the US mean they will accept US economic and industry policy.

For the US, a Europe that is a vassal will forever lack the capacity to defend itself and will always rely on US protection and US military assets. For Europe, relying on an inward-looking US for the most essential element of sovereignty will condemn the nations of Europe to become politically irrelevant and a vassal of the US.



Erdogan Wins 7th Election



European media outlets were left licking their wounds after Recep Tayyip Erdogan secured the presidency for another term after a run-off in May 2023. Erdogan secured 52% of the vote despite obvious economic mismanagement and just three months since a devastating earthquake where the government was accused of negligence. The result came just two weeks after the AKP alliance won a majority in Turkey's parliament marking the seventh electoral success over a two-decade period. Nearly 40% of Turkey's population have known no ruler other than Erdogan. Whilst Erdogan is now a serial winner, in many ways, as his challenges grow, he can only lose now.

Erdogan has for long successfully divided the opposition and this ensured they were never able to unite to challenge the AKP in successive elections. But the electoral result likely makes uncomfortable reading for Erdogan and his party. After a number of landslide electoral victories, the AKP since 2018 has needed alliances to win parliamentary majorities. For the first time in Turkey's 100-year history the presidential run off went to a second round. Whilst Erdogan received 52% of the vote, his challenger Kemal Kılıçdaroğlu received 47% of the vote, with 85% of the electorate turning out to vote. Kemal Kılıçdaroğlu and his party the Republican People's Party (CHP) were able to form a six-party Nation Alliance with the backing of Turkey's second-biggest opposition party, the pro-Kurdish HDP. Whilst there is no doubt the AKP and Erdogan are popular with a segment of the Turkish public, the secular opposition have now learnt in coalitions they can pose a significant challenge to the AKP. The CHP has now been forced to

change with Kemal Kılıçdaroğlu during his election campaign admitting mistakes were made in the past with the imposition of secular values upon Turkey's conservative population. Only one thing has united Turkey's fractious opposition, hatred of the president. The longer Erdogan stays, the more united they are becoming.

For the first decade of Erdogan's rule, he could do no wrong with the economy. Turkey went from a \$230 billion economy in 2002 to nearly a \$1 trillion economy in 2013. Whilst this has now settled around \$850 billion, the expansion of Turkish exports, new infrastructure, defence development and increasing prosperity saw the AKP win successive elections. But things have been very different in the second decade of AKP rule. Whilst the AKP repaid all Turkey's IMF debt in 2013 the national debt has only increased ever since and is now over half of Turkey's GDP. As much of this is borrowed in dollars this causes a regular currency crisis in the country. This has also caused runaway inflation, currently running at 90%, which has ruined Turkish industry, farmers, and retailers across the country. More than two-thirds of people in Turkey are struggling to pay for food and cover their rent, according to a survey by Yöneylem Social Research Centre, fuelling a surge in mental illness and debt. According to one economic expert the strong GDP growth that Turkey experienced over the last decades was not "...even sustainable..." in the first place.

Many leaders across the world would give anything to win seven elections in a row, but as Erdogan will now be in power to at least 2028 opposition against

him has only grown and he has responded by becoming more authoritarian and draconian. The AKP is turning more into an Erdogan cult with all potential challengers being side-lined. Abdullah Gul who established the AKP with Erdogan and was Turkish president from 2005, left the AKP in 2014 and now criticises Erdogan. Ahmet Davutoglu, who was Erdogan's chief advisor and became foreign minister in 2009 and then Prime minister in 2014, was pushed out by Erdogan who believed he could challenge his rule. Ahmet Davutoglu joined the opposition alliance against the AKP. After two decades Erdogan has no transition strategy and appears not to even be building anyone that could take over after him. This is likely because Erdogan doesn't plan to bow out any time soon. With a reeling economy and opposition growing the longer Erdogan remains in power the more the opposition against him will grow as Turkey's problems also grow.

With a reeling economy and opposition growing the longer Erdogan remains in power the more the opposition against him will grow as Turkey's problems also grow

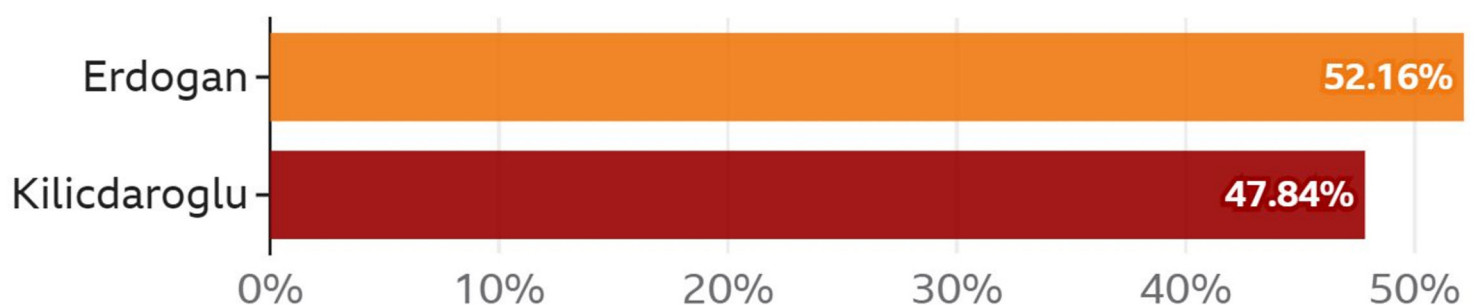
The European media sided firmly with the opposition in the election race. The economist endorsed Kemal Kilicdaroglu as the next president of Turkey, whilst the French Le Monde believed Washington, Paris and Berlin secretly hoped for Erdogan's defeat. European leaders have for long criticised Erdogan's growing clout and involvement in global issues. They no longer see Turkey as another Luxembourg or Portugal who would just melt into the European Union and settle for political issues decided by European

powers. This is why Turkey's EU accession has come to a stop and has been so for a decade. But we also find across the Atlantic opposition is slowly growing against Erdogan.

For a long time, Erdogan built his own and Turkey's global popularity on his relationship with the US. The US found Turkey in Iraq, Palestine, Syria and Libya as someone they could work with who was in step with Washington's global agenda. From the first time back in 2003 when Condoleezza Rice visited Turkey and spoke of a shared vision for the world, US officials praised the Turkish model and presented her as a growing regional power who should be at the table on key global issues. For Erdogan, Turkey's global ascent was a central rallying call of his leadership credentials. But as Erdogan's power grew some in the US worried about him and turned against him. This resulted in a freeze in Turkish involvement in the development of the F-35 and the refusal to export as well as transfer technology of a US air defence system. The Senate in 2020 managed to pass a sanctions package against Turkey due to its purchase of the S-400 missile system from Russia. President Trump had worked to delay passing sanctions against Turkey, but he lost the 2020 presidential election. Whilst Turkey and the US work together on a host of global issues, opposition is growing in the US against Erdogan.

In many ways, Erdogan managed to achieve the easier part of his two-decade rule of winning the elections. What will be more difficult is fixing the economy, keeping his detractors at bay and maintaining Turkey's foreign relations. With the gap in his electoral victories shrinking, in many ways, after two decades, Erdogan can really only lose now as his challenges all mount up.

Turkish presidential election run-off 2023



Europe may have once been the epicentre of the world but today it's in rapid decline. The US is leading the battle against Russia in Ukraine and despite many opportunities to take the lead in 2023, Europe, time and time again showed she couldn't lead and relied on the US. It's becoming questionable how much of a player Europe will remain in the world when there are very few global issues she leads on. Europe is divided and this gets in the way when it comes to EU expansion, on how to help Ukraine and even on whether China is a competitor or a partner. Throughout Europe there are large anti-EU movements and it is likely these will be on full display in the June European Parliament elections.





Global Economy



BRICS

Between Rhetoric & Expectations

In August 2023 the nations who consider themselves the future of the global economy gathered in Johannesburg, South Africa. The BRICS bloc announced they were adding more brics to their organisation. BRICS has grown from the acronym coined in 2001 to a grouping who are positioning themselves as an alternative to the western dominated order. Whilst the bloc is growing, the question is can it be effective.

Jim O'Neil from Goldman Sachs coined the acronym BRIC in 2001 which stood for Brazil, Russia India and China. These were nations he considered to be the growing markets of the future. Nothing much happened for nearly a decade until 2009. After the global economic crisis of 2008, Russia hosted the first BRIC summit and proclaimed the economic crisis was proof that the world's top emerging economies needed to collaborate to prevent the West from controlling the destiny of the world economy and their own development. Russia gathered the other BRIC nations in the same year she invaded Georgia and was in a position to restore power over the former Soviet republics. BRICs became an anti-western platform for Russia.

By the late 2000s China had emerged on the global economic stage and the economic crisis of 2008 caused its economy to slow as it depended on western markets for its exports. China saw it needed to reduce its dependency on western markets and came to see BRICs as a way to diversify. Both Russia and

China came to see Africa as a key continent they could diversify away from the West and so South Africa was invited to join in 2010, and an 'S' was added to BRIC.

In 2015 China supported the creation of the contingent reserve arrangement and the New Development Bank, which were meant to be alternatives to the IMF and the World Bank. These institutions were launched in the same year as China established its own yuan-based interbank messaging system, the Cross-Border Interbank Payment System (CIPS). This was presented as a future alternative to the SWIFT system.

China and Russia have for long been pushing for de-dollarisation, which only grew in importance when Russia invaded Ukraine in 2022 and a raft of sanctions cut Russia off from the global economy. Expansion and de-dollarisation were the two key agenda items at the BRICS summit. But whilst there was a major announcement on expansion there was nothing on de-dollarisation.

Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, and UAE all joined the bloc and on paper this is a formidable bloc. The bloc consists of 60% of global oil reserves, the majority of the world's critical minerals, 40% of global population with Indonesia also set to join. The bloc is three times the size of NATO and now the largest non-western grouping. However, ex-

pansion has proven to be the easy part with de-dollarisation proving to be more challenging.

De-dollarisation doesn't mean the abandonment and replacement of the dollar, although the rhetoric from Moscow and Beijing is usually on these lines. De-dollarisation means to reduce the use of the dollar rather than eliminating it. Russia has been using China's Yuan to get around the sanctions imposed on it after its invasion of Ukraine, but China has never seen its currency as a global currency. Its use, for the moment, is just too small to be a global currency. The Australian, Canadian and British currencies are used more than the Yuan in global transactions. But the biggest obstacle for China is it places major restrictions on its currency in order to maintain its economic model. The Yuan is not freely available around the world, which would be a major prerequisite if it's to replace the dollar. None of the other bloc members' currencies can become the dollar's replacement as they are not used much globally but they also lack credibility.

The introduction of a new currency would be the only remaining option, but this would require EU level integration between the BRICS members. This would include China and India who are currently at war. Russia has stated a unified currency is a long-term goal, but even this may be wishful thinking. This brings us to the crux of the challenge facing BRICS.

The BRICS nations only seem to share one thing in common, the distrust of the West and even on this they are not united. India and Brazil want to maintain their relations with the West, despite all the anti-Western rhetoric from Moscow and Beijing. The G7 and the global liberal order is based on some values which underpin them. Despite the differences amongst the G7 nations they agree on their global outlook. Even though France and Germany dragged their feet when Russia was mobilising troops on Ukraine's border, once the Russians invaded and the US mobilised the West, Germany and France got behind the US. When it came down to it, they wanted to be in their fellow ideological family rather than the alternative. The new members who have joined BRICS and those that will join in the future are more interested in getting access to the bloc's finance for their own economies and Chinese investment, they do not necessarily sign up to the anti-western rhetoric. This in time will dilute the group and likely make it ineffective or make it difficult for the bloc to agree on anything. Nations such as Saudi Arabia, Egypt and Pakistan and others are US satellite states and will give the US a front row seat in the bloc.

If we set the rhetoric aside that comes from Russian and China, BRICS has no headquarters, no rule book, no procedures, no membership criteria or application process. How effective the bloc can be remains questionable, even after two decades from when the bloc's name was coined.

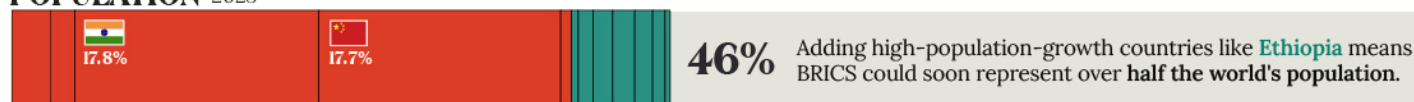
VISUALIZING THE 2023 BRICS EXPANSION

GDP 2023 EoY PROJECTION

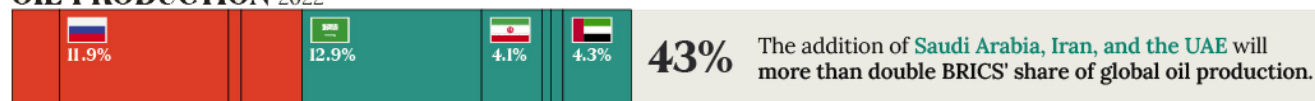
BRICS total with new members



POPULATION 2023



OIL PRODUCTION 2022



EXPORTS OF GOODS* 2022



*Merchandise trade only.

Is There Room for the Global South



The Global south is in vogue, everyone cannot get enough of them. China and Russia say they are the future and solicit their support and the West who for long neglected them now see them as essential to maintaining a liberal future. With the global balance of power in a flux the future structure of the global economy will according to many need to take account of the global South.

Traditional geopolitics has historically viewed the world from an East-West paradigm. The world's wealthiest nations, largest militaries and most prosperous nations are present there. This was usually based on their access to navigable rivers that allowed trade and communication. Nations that reside in the Global North saw their key relationships and competition to be in the north and this is why they had an east-west outlook.

The Global North therefore refers to the industrialised and wealthy nations whilst the south refers to developing nations who unlike the north have commodity-based economies rather than industrialised and service based economies. The global economy for the last

500 years favours the north and was constructed by them, whilst historically the Global south has been characterised by a high degree of economic disparity.

The Global south nations were what has long been considered the periphery of the geopolitical system. They react to events rather than drive them. When the bi-polar world emerged after WW2 the world became a battleground between the Soviet Union and the US who both wanted to expand their influence and incorporate the world into their blocs. Many nations of the world came to see this battle as a threat to their autonomy. Whilst they saw both powers as useful for finance and arms, they couldn't do anything outside the global order or even remain neutral.

In this context the non-aligned movement emerged and the G-77 emerged to address the economic challenges. Both didn't achieve much as they had little influence over global events. The stagnation, unemployment and liquidity crunch in the 1970s led many to accumulate debt by the 1970s and when the Cold War ended the

Global south remained marginalised in the post-cold war geopolitical system.

With the global liberal order undermined and the global economic system only serving the Global North a number of nations from the Global south with their commodity-based economies want to take a different path. Brazil and India have emerged as leaders in the field. India is key for Russia from an economic perspective and politically for the US. Brazil's commodity based economy has become important for China as well as Europe. Meanwhile, the Central Asian nations are being courted by Russia, Turkey, China, the US and Europe.

The emerging competition amongst the Global North is seeing competition between them for the favour of the global South. For most of the last 500 years the Global North dominated global politics and economics and set the rules for engagement with the Global south. Going forward the Global North faces demographic and economic challenges the north will rely more on the Global south. This geopolitical reality saw

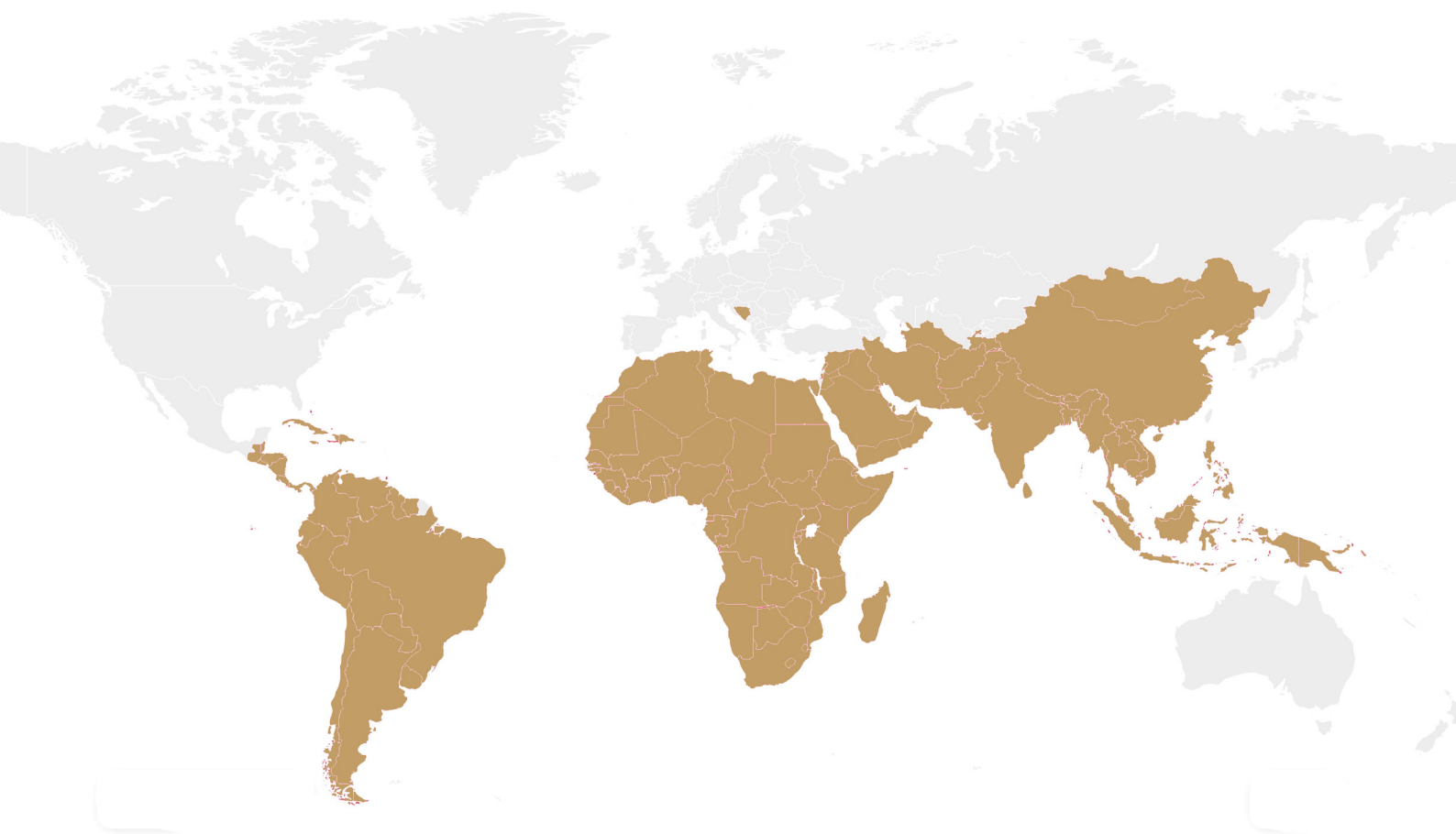
France give an overture to attend the BRICS summit in August 2023, but Xi Jinping turned the offer down.

Japan published a document in 2023 that highlighted the growing importance of the Global south to the international system. Its white paper on International Economy and Trade divided the global economy into three blocs: the West, led by the US, the East, led by China and Russia; and neutral

nations. It said that building and strengthening cooperation with the Global south was a priority, with particular emphasis on India. Can the Global south become a new pole in the world? The Global south does face a number of challenges in achieving this. The “Global South” has no legal or political reality, it’s a term of convenience. Most of the Global South’s interactions occur at the bilateral level. Many Global South nations suffer from chronic do-

mestic instability, which is a major obstacle in taking advantage of the trends that are emerging. If the Global South was to start acting on the world rather than living at the mercy of the North, this would mark a major change in the 21st century.

Global South



The Rise of Generative AI



Ever since its release at the end of 2022 of the artificial intelligence (AI) chatbot, ChatGPT has taken the world by storm. Throughout 2023 the bot's ability to provide in-depth answers to a wide spectrum of questions and its ability to hold conversations has received overwhelming praise by all. For a long time AI held lots of promise but the lack of processing power held its capabilities back, but with processing power making huge leaps the age old debate about the impact of new technologies to the job market are now surfacing. Microsoft, Facebook and China's Baidu are all developing their own chatbots to ensure they are not left behind. AI has the potential to have a major impact as a general-purpose technology much like the internet and electricity did in the past, which means its disruptive impact will have major economic implications.

This is just the beginning

Generative AI refers to models or algorithms that create brand-new output, such as text, photos, videos, code, data, or 3D renderings, from the vast amounts of data they are trained on. The models 'generate' new content by referring back to the data they have been trained on, making new predictions.

OpenAI trained ChatGPT to understand natural language by feeding large volumes of written data so its deep learning algorithm, called a Large Language Model (LLM) could make sense of the structure and relationships between words. OpenAI used 10,000 GPUs to develop ChatGPT, reducing the training time from centuries to days. Following ChatGPT's LLM training, it generated written responses to users' questions. Notably, a professor at the University of Pennsylvania's Wharton School of business asked ChatGPT to write responses to an exam taken by

students pursuing their master's degrees and said that its responses would be given a B- or a B if submitted by a student. ChatGPT can create outlines for papers, summarise text, write haikus and screenplays, and countless other things.

OpenAI released ChatGPT's LLM, GPT-3.5, in 2022 and trained it on text scraped from the internet that required more than 800 GB to store and some 175 billion parameters. In March 2023 GPT-4 was released and was trained on more than 170 trillion parameters. The upgrade increased the sophistication of the AI tools' responses to users' questions and accuracy of the information that it provides.

Disruption

What makes ChatGPT and other generative AI tech so disruptive is that they have the potential to perform a wide range of intellectual and non-routine tasks. In an informal task model developed by professors David Autor and Frank Levy of the Massachusetts Institute of Technology and Richard Murnane of Harvard University, they framed how automation and computerisation impacts jobs. In their model, tasks were classified as routine or non-routine and as cognitive or manual. Routine manual tasks have long been the easiest to automate through robotics and have had a major impact on manufacturing lines globally for the better part of at least three decades. AI and digital technologies have also been able to replicate many routine cognitive tasks, such as accounting and clerical tasks. Non-routine tasks, especially non-routine cognitive tasks (such as writing fiction or coding), have long been viewed as the most difficult tasks to automate.

But now ChatGPT as well as other generative AI's abilities to carry out non-routine tasks are demonstrating that AI can now perform cognitive tasks, which are usually undertaken by highly paid workers and were performed and reserved by humans. Compared with previous waves of automation, this development has the prospect of impacting highly educated and knowledge-focused jobs, as tasks previously performed by writers, editors, teachers, coders and many more professions may now be automated. This is now the beginning of chatbots being directly integrated into email inboxes or linked to a voice assistant that pulls information directly from the internet, as Microsoft's Bing has done with ChatGPT.

Challenges Ahead

Generative AI models take a vast amount of content from across the internet and then use the information they are trained on to make predictions and create an output. These predictions are based on the data the models are fed, but there are no guarantees the prediction will be correct, even if the responses sound plausible. The responses might also incorporate biases inherent in the content the model has ingested from the internet, but there is often no way of knowing whether that's the case. Both of these shortcomings have caused major concerns regarding the role of generative AI in the spread of misinformation.

In the US generative AI will likely impact the existing political polarisation by exacerbating issues such as wage inequality and wealth distribution

There are other political implications ChatGPT and generative AI will have. In the US generative AI will likely impact the existing political polarisation by exacerbating issues such as wage inequality and wealth distribution. In Europe, employment and wages have been a major issue leading many to turn to ring-wing political parties. As European companies embrace AI tech this will impact the employment landscape on the continent.

In Asia, a number of nations have quickly adopted AI technologies. China was believed to be as advanced as the US in AI, but its companies have been scrambling to close the gap with ChatGPT. However in

China and Japan, as well as other ageing countries demographically (such as Germany), generative AI and ChatGPT can help mask and offset some of the impacts of demographic decline. Prior to ChatGPT, automation for robotics had been viewed as a way to relieve some of the demands for healthcare workers and physical assistants by utilising technology to help patients, and now the emergence of ChatGPT and generative AI may be used for cognitive work with the elderly.

In the developing world the impact of generative AI will be felt differently. ChatGPT's ability to write and fix code is causing some to question the long-term impact on South Asia's software engineers and programmers. India and other South Asian countries are trying to move up the value chain through the development of an information technology industry as opposed to solely manufacturing, a strategy that contributed to the growth of China, South Korea and Taiwan decades before. However, the growth of robotics and automation has made this route less lucrative and the journey more difficult.

The seismic societal shift created by ChatGPT and generative AI will have major disruptive effects. Generative AI's capability of producing something new will impact life for knowledge workers. The Industrial Revolution transformed manual labour, whilst generative AI will impact all jobs that require knowledge.



Is the Era of Nuclear Fusion Upon us?

In January 2023 the US Department of Energy announced that it had achieved fusion ignition in an experiment at the National Ignition Facility (NIF) at the Lawrence Livermore National Laboratory in California. This is the first-time scientists achieved ignition — the point at which the energy released from a self-sustaining fusion reaction is more than the energy used to create the reaction. Over 100 years ago since astronomer Arthur Eddington postulated that a fusion reaction was the source of energy for the sun, scientists have been teased by fusion as an energy source. Nuclear fusion research and development has now potentially reached a watershed moment and could in the next few decades result in fusion being an abundant zero-carbon energy source. But the commercialisation of fusion reactors may still be decades away.

Fusion has taken over a century of research to reach where it is today because its proven to be a daunting task because of the scientific and engineering challenges. In its experiments, the NIF was designed to fire 192 high-energy lasers at a gold capsule called a hohlraum that holds deuterium and tritium — two heavy hydrogen isotopes. The lasers heat up the hohlraum to 3 million degrees Celsius, causing an implosion that heats and compresses the deuterium and tritium fuel until the hydrogen atoms fuse, creating helium nuclei and releasing high-energy neutrons and other forms of energy. This is similar to how the sun functions and creates energy.

Scientists described the ratio of the energy by what they got out compared to what was put in the generate the reaction. The NIF's experiment generated 3.15 megajoules (MJ) of energy and used 2.05 MJ of laser energy to achieve the reaction, giving it $Q > 1.5$. This is not currently sufficient to power a city. The energy required to power the lasers and then the energy that the lasers place into the module that generates the power would mean in order to power a city with the technology as it exists currently would need 200 times as much power get the process.

There are also a number of other challenges that would need to be tackled. Building a fusion reactor

and the facility that houses it doesn't exist. Even the blueprints do not exist currently and the best estimate from the theory is in order to power a city like New York you would need a power generator that's roughly the size of Albany - the capital city of New York State. It will have to be a huge facility in order to generate a meaningful amount of power.

The fuel for the fusion reactor will likely be using tritium which is a version of hydrogen that is not particularly stable and would have to be produced it at scale in the same facility in the fusion reactor. Currently there is no blueprint for this. After all of this you have the challenge of transmission. With a large facility, this will be on the outskirts of a city and it will likely supply a number of cities and so hundreds of miles of transmission lines will have to be laid which will need superconductors to maintain temperatures at a reasonable level.

It will likely take another decade to build a commercial grade facility. It will then take another 10-30 years to solve the tritium and transmission challenges. It will then take another 30 years to produce electricity at scale with this new process. So, at best the new tech will take the remainder of the century to mature and materialise.

In its 2022 Global Fusion Industry Report, which surveyed more than two dozen fusion companies reported that fusion companies had secured \$2.8 billion in private funding since its 2021 surveying, bringing the total declared amount of funding for the companies surveyed to date to \$4.7 billion. The survey also found that there were 33 fusion companies, an increase over 23 in 2021. Moreover, two of the companies — Commonwealth Fusion Systems and TAE Technologies — have each secured more than \$1 billion in funding. Many fusion companies are promising to build a fusion power plant by the end of the 2030s. Fusion start-up companies are also employing a wide range of approaches toward confinement, with most using the magnetic approach or more innovative approaches like combining aspects of both magnetic and inertial confinement. The expansion of fusion in the private sector can be

attributed to a combination of financial, political and technological factors.

Whilst there is still along way to go to achieve commercial and sustained fusion reactors, the early technological challenges have been overcome and

now research will focus on the infrastructure needed to build and maintain such a facility. In time this will have major economic implications as the level of fuel will increase and the zero impact on the environment makes it the ideal fuel of the future. It only the hurdles can be overcome.

BENEFITS OF FUSION ENERGY

As the world moves towards net-zero emissions, sustainable and affordable power sources are urgently needed. One of the most promising technologies, fusion, has attracted attention from both governments and private companies.



Ample Resources

Scientists use isotopes of hydrogen—deuterium and tritium—to power fusion plants. These atoms are abundant on Earth: Deuterium is found in seawater, while tritium can be produced from lithium.



Sustainable

Energy-rich generation like fusion minimizes land use needs and can replace aging infrastructure and electrify new sectors.



Clean

Fusion energy is a carbon-free energy source that can help replace fossil fuels to support the electrification of transportation.



Scalable

With limited expected regulatory burden or export controls, fusion scales effectively with a small land footprint that can be located close to cities.



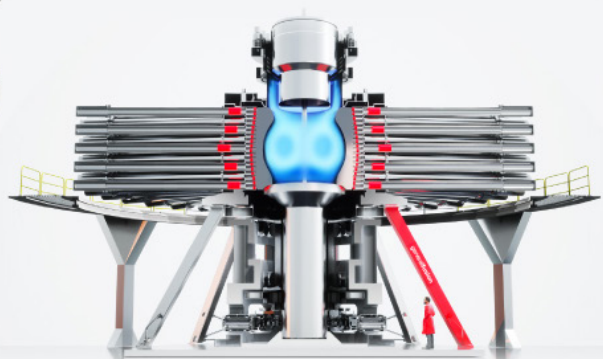
Reliable

Fusion energy is on-demand and independent from the weather, making it an excellent option in a dependable portfolio for power generation.



Safety Advantage

Unlike atomic fission, fusion does not create any long-lived radioactive nuclear waste. Its radiation profile is similar to widely used medical and industrial applications like cyclotrons for cancer treatment.



Fusion powers the sun and the stars, where the immense force of gravity compresses and heats hydrogen plasma, fusing it into helium and releasing enormous amounts of energy.

General Fusion is working to harness the sun's energy source here on Earth to address the growing global demand for affordable and clean energy.

A photograph showing three men in formal attire shaking hands. On the left is a man in a Saudi thobe and ghutra. In the center is a man in a dark suit and purple tie. On the right is a man in a dark suit and white shirt. Behind them are the flags of Saudi Arabia, China, and Iran. The title 'Placing Saudi-Iran Normalisation in Perspective' is overlaid in large white text.

Placing Saudi-Iran Normalisation in Perspective

The tripartite deal between Iran and Saudi Arabia brokered by China gained significant global media coverage. But when scrutinised the agreement is not as ground-breaking as it appears

In March 2023 China brokered an agreement between historical rivals Iran and Saudi Arabia to normalise relations. The tripartite deal gained significant media coverage as the two Middle East rivals, who for decades have had bitter relations, plan to reopen embassies and continue talks to deepen relations. Some called the deal a new order in the region whilst others described it as the moment China eclipsed the US by creating a new geopolitical order. Many have focussed on what the agreement meant, but its impact on the world raises more questions than answers.

The discussions between Saudi Arabia and Iran had been taking place for some time to normalise relations. Relations between both Iran and Saudi broke off in 2016 when Iranian protesters stormed the Saudi embassy in Iran after a prominent Shi'ah imam was hanged by Saudi Arabia. Then in 2019 relations got worse after Saudi Arabia blamed Iran for drone attacks on Saudi oil facilities. In return, Iran offered diplomatic talks to resume ties with Saudi Arabia, but Riyadh rejected this, noting deep security disagreements. That led Admiral Ali Shamkhani, the Secretary of Iran's Supreme National Security Council (SNSC), to nominate Amir Saeed Iravani, then Shamkhani's deputy, as chief negotiator. The Saudis chose Khalid bin Ali al-Humaidan, director general of the kingdom's General Intelligence Directorate. The two sides agreed that Iraq, under the leadership of then Prime Minister Mustafa al-Kadhimi, could serve as a facilitator.

Talks then slowed and nearly broke off as Kadhimi was replaced by a new Prime Minister in July 2022 who showed little interest in continuing Iraq's role. Then in September 2022 protests erupted in Iran and this became Tehran's focus. It was here Saudi Arabia asked China to assume a mediator role when President Xi Jinping visited Riyadh in December 2022. Xi conveyed Riyadh's message to Tehran, which accepted the Chinese offer. US officials have now revealed the Saudis informed the White House that the Chinese government during President Xi Jinping's visit expressed confidence that it could get a deal that would constrain Iran's actions in the region.

In February 2023 Iranian President Ebrahim Raisi visited China and met Xi and it was confirmed Iran found Saudi Arabia's proposal for a resumption of ties acceptable. Saudi Arabia demanded assurances that Iran will not interfere in the country's internal matters and Iran demanded that Saudi Arabia stop funding a Persian language news channel and withdraw from Yemen. SNSC Secretary Shamkhani visited Beijing on the 5th of March 2023 to finalise the terms of the agreement in trilateral meetings with Chinese State Councillor and former Foreign Minister Wang Yi and Saudi National Security Advisor Musaed bin Mohammed al-Aiban. The agreement was then announced in a media briefing in Beijing on the 10th of March 2023.

All the major powers in the world as well as the nations in the region reacted positively to the deal between Saudi and Iran. The only exception was Israel. The US gave its seal of approval to the agreement, which surprised many. In a press conference during his visit to Ethiopia, Secretary of State Anthony Blinken remarked: *"With regard to the agreement*

reached between Saudi Arabia and Iran with China's involvement, from our perspective, anything that can help reduce tensions, avoid conflict, and curb in any way dangerous or destabilising actions by Iran is a good thing."¹³ The National Security Advisor, Jake Sullivan in a White House Press briefing on the 13th March gave an interesting insight: *"We were in close touch with Saudi Arabia as they were approaching and engaging in those talks. And they were keeping us apprised of their progress along the way. So, from our perspective, even as we put a lot of muscle into — diplomatic muscle into trying to help promote de-escalation, as with the Yemen truce, having other countries like China promote de-escalation is not fundamentally averse to U.S. interests. Frankly, it's, in a way, rowing in the same direction."*¹⁴ US officials were involved in the talks and were kept abreast of progress from the Saudi's. Whilst many viewed the agreement as leaving the US behind in the region, the reality is the US indirectly was part of the talks and therefore the end product was something the US didn't just agree with but it contributed to it. All of this means the US agreed with China's role in mediating the talks. Whilst there was a lot of media coverage of China's role and many commented that China is growing its influence in the Middle East, the US officials' statements make clear that what China did is in line with US interests and that China, and the US are in agreement for this normalisation to take place amongst Saudi Arabia and Iran. The US didn't see China as a threat in mediating this agreement and viewed the agreement within its goals and interests in the region.

Israel's Growing Problems

Israeli officials have spoke against the deal and remained the only nation that was critical of the deal. For decades Iran has been Israel's enemy and both have been engaged in a shadow war. With Saudi Arabia, Israel has been building back channel relations. Normalising relations with Saudi and designating Iran as the enemy has for long been Israel's position in the region. Any normalisation of relations between Saudi and Iran undermines this position and strengthens Iran against Israel. Immediately after the announcement in Beijing, Prime Minister Benjamin Netanyahu and opposition leader Yair Lapid were hurling accusations, blaming each other for this failure.

Netanyahu made the threat posed by Tehran a public diplomacy priority and personal crusade. Netanya-

hu's greatest foreign policy triumph remains was the Abraham Accords under the Trump Administration in 2020 with Bahrain, the UAE, Morocco and Sudan. All of them normalised relations with Israel. Netanyahu saw the deal as isolating Iran and talks were on-going with Saudi to join the accords. Netanyahu portrayed himself as the only politician capable of protecting Israel from Tehran.

Ever since Netanyahu won the November 2023 elections and made a coalition government with Israel's right-wing parties' relations with the Biden administration were deteriorating. The Biden administration wanted to see a coalition government between Netanyahu and Naftali Bennett and Yair Lapid, but Netanyahu sided with Israel's right wing. This resulted in an escalation in settlement activity and Netanyahu's attempt to make changes to the power of the judiciary over the government. This saw a huge reaction from Israelis and Israeli institutions. Scenes never seen before in Israel took place with companies leaving the country and the military refusing to take orders from Netanyahu.

Whilst many viewed the agreement as leaving the US behind in the region, the reality is the US indirectly was part of the talks and therefore the end product was something the US didn't just agree with but it contributed to it.

The agreement between Iran and Saudi mainly saw them agree to continue talks in the future on various issues between them. They agreed to reopen embassies. There are no strategic changes from this agreement, aside from continuing talks. There is no military or technological cooperation in the deal either between China and Iran and Saudi and therefore this agreement and China's role does not change the balance of power in the region. China has, by bringing both Saudi and Iran together, brought a degree of stability to the region, which is what the US also wants in the region. The problem for China is the US has made it clear it views China as its main competitor and the US openly engages nations around China to contain her. China, rather than complicating America's plans, has on this occasion in the Middle East aided her. For the moment this normalisation agreement is not a game changer, but a tactical act that serves various nations in dealing with immediate challenges. It is not the long term strategic game changer that many are describing it as.

India's successful moon landing showcases the nation's ability to achieve feats previously accomplished by only a select few nations.

Indian lunar lander Chandrayaan-3 successfully touched down on the lunar surface in August 2023, making India the fourth nation to successfully land on the Moon and the first to land on the south pole region. The Indian Space Research Organization (ISRO) is cementing India's rise as a space power which is now attracting worldwide attention. For a long time, NASA, ROSCOSMOS, China's CNSA, and the European Space Agency (ESA) dominated discourse on space, but now India has got a reputation as a cost-efficient and operationally successful space agency.

India's space aspirations can be traced back to its founding fathers who envisioned a technologically advanced and self-reliant nation who strongly believed space technology was pivotal for the socio-economic development of the country. ISRO was created in 1969 from a spin-off from India's atomic energy program. The launch of its first satellite, Rohini, in the 1980s marked a major achievement. In 1993 ISRO's successful launch of the Polar Satellite Launch Vehicle (PSLV) was also a major milestone. In 2013, a Mars orbiter mission known as 'Mangalyaan' solidified India's position globally, distinguishing it as the only country to succeed in its initial attempt to reach the orbit of Mars. With all this success India further aims to send Indian astronauts (Gagannauts) into space, further solidifying India's position as a space-faring nation.

The recent successes of ISRO's commercial arm, Antrix Corporation, in securing contracts for satellite launches from various international clients, highlights India's increasing role in the global commercial space market. The country now has one of the world's largest space programmes. It designs, builds, launches, operates and tracks the full spectrum of satellites, rockets and lunar and interplanetary probes.

Socio-Economic Development

The stated objective of India's space program is to harness space technology for the socio-economic advancement of the nation, focussed on developing capabilities in satellite communication, earth observation, navigation, with space exploration being the latest frontier which includes Mars Orbiter Mission (Mangalyaan) and the Chandrayaan missions.

India Joins the Space Race



India's space program is also seen as a pathway for attracting young Indians into high-technology fields and for ushering in a more technically advanced society. The Modi government has sought to grow an indigenous commercial space ecosystem and attract private investment into Indian space startups, enabled by policy reforms in 2020 that allowed privatisation in the space sector.

India's rapid strides in space technology have not only earned it a coveted position in the global space community but have also significantly bolstered its geopolitical standing which now actively collaborates with other space agencies and contributes to international efforts in areas like disaster management, climate change monitoring, and space exploration.

India's cost-effective approach to space missions has garnered attention and admiration worldwide. Its ability to provide affordable and reliable launch services has made it an attractive partner for developing nations seeking to launch their satellites into space at a comparably lower cost to Western options

Furthermore, India's cost-effective approach to space missions has garnered attention and admiration worldwide. Its ability to provide affordable and reliable launch services has made it an attractive partner for developing nations seeking to launch their satellites into space at a comparably lower cost to Western options.

Geopolitical implications

Achieving a moon landing is a testament to India's technological capabilities. This boosts India's global image as a technologically advanced nation, enhancing its strategic autonomy and reduces its dependence on other nations for advanced space technology. This opens up economic opportunities, particularly in the commercial space sector. Launch services, satellite technology, and space-related applications offer avenues for economic growth and foreign investment.

It also positions India as a regional leader in space exploration and technology, potentially influencing neighbouring countries to collaborate or seek assistance in their own space endeavours. It paves the way for joint missions, knowledge sharing, and diplomatic ties with other space-faring nations, especially US

and Europe. This can foster scientific cooperation and strengthen India's diplomatic standing and its strategic leverage.

India's lunar success can be used diplomatically to assert its influence and negotiate from a position of strength, providing India with an additional tool in diplomatic negotiations with Pakistan or other neighbouring countries, potentially influencing their stance on various geopolitical issues.

The successful moon landing boosts national pride and prestige. It showcases India's ability to achieve feats previously accomplished by only a select few nations, further solidifying its status as a rising global power.

India's space capabilities, exemplified by the Chandrayaan-3 mission, can serve as a form of strategic signalling. It sends a message to neighbouring countries, including Pakistan, about India's capacity to undertake advanced technological endeavours, which could indirectly influence regional dynamics.

India's moon landing through the Chandrayaan-3 mission holds substantial geopolitical significance. It amplifies India's influence in the global space community, and reinforces its technological prowess which Prime Minister Modi remarked, *"...are the foundation of a bright future for our nation."*

Priorities

While India's space program certainly has the potential to positively impact its vast population and contribute to overall economic success, the benefits may not be immediate or uniform across all segments of society. Critics of India's space projects often raise several points, highlighting the allocation of resources towards space exploration in a country with significant socio-economic challenges.

Resource Allocation: India faces critical challenges like widespread poverty, malnutrition, lack of access to clean water, and inadequate healthcare. Critics contend that these issues should take precedence over ambitious space exploration projects.

Income Inequality: India has a stark wealth gap, with a small affluent population coexisting with a vast number of poor citizens. Critics suggest that re-directing resources towards poverty reduction efforts could contribute to a more equitable society.

Social Cohesion and Communal Harmony: India has a diverse population with various ethnic, religious, and linguistic groups with numerous ongoing and unsolved conflicts threatening social cohesion. Space projects may divert attention from addressing the rise of right-wing extremism and other social issues that threaten the country's stability and social fabric.

Long-term Benefits vs. Short-term Needs: Critics often question the long-term benefits of space exploration in comparison to the immediate needs of the population. They argue that investments should be directed towards programs that yield more immediate positive impacts.

It's important to note that the debate surrounding India's space projects is multifaceted. While some argue for a reallocation of resources, proponents of the space program contend that technological advancement and scientific research can eventually lead to innovations that address some of the country's most pressing challenges. Striking a balance between space exploration and addressing domestic priorities remains a complex issue for policymakers. India is also unique in that it maintains collaboration with both the US and Russia. With space emerging as the next frontier of great power competition India has shown how a developing nation can utilise its indigenous capabilities in an arena dominated by other major powers.





Assad Comes in From the Cold

On the 19th of May 2023, Syria's embattled leader, Bashar al-Assad visited Saudi Arabia for the Arab league summit. This was a major diplomatic breakthrough for al-Assad who has faced a decade long uprising that saw his regime isolated in the region. His visit to Saudi Arabia is part of an overall normalisation process that has seen the Arab league recognise Syria back into its fold. After criticising the Syrian Ba'athist regime for so long, after the murder, slaughter and displacement of millions of Syrians, al-Assad is being welcomed with open arms.

Syria is not particularly endowed with mineral resources; it doesn't have many oil and gas fields like the other nations in the region but what makes the country strategic in the region is its location. Syria is at the heart of the region and shares borders with many key nations. In the north is Turkey and to its east is Iraq. To its south is Jordan and to its west are both Lebanon and Israel. Syria also has a coast on the Mediterranean. As a result, Syria has played a leading role in the region, projecting power into other nations. Its border with Israel makes it critical to Israel's security.

It was such geopolitical imperatives that attracted the US. In 1949 the US orchestrated its first coup in the region when Husni al-Za'im overthrew the government.¹⁵ Al-Za'im's military government would last for only 5 months when it was also overthrown in what was considered a British orchestrated coup. Husni Za'im was promptly executed. The US would in time develop relations with the Ba'athists who

would emerge the most powerful faction in the 1960's with Hafiz al-Assad coming to power in 1970. The US, much like it did with the clerical regime in Iran, maintained a policy of engagement with the regime, whilst publicly isolating it in the region. This allowed the US to use Syria for its strategic interests in the region by using a carrot and stick approach of engagement and isolation.

When the Arab spring came to Syria in 2011, US-Syrian relations were going through an engagement phase. The US was secretly orchestrating talks between Syria and Israel to settle the matter of Golan Heights. Syria was playing an active role in infiltrating the factions fighting the US military in Iraq and passing on valuable intelligence to the US. Bashar al-Assad, his regime and his wife were being presented as reformers in the region and were being wined and dined in the UK at 10 Downing street, whilst Senator John Kerry was making regular visits to Damascus. Hilary Clinton made the American position very clear when protests first broke out in Syria back in 2011: *"There are deep concerns about what is going on inside Syria, and we are pushing hard for the government of Syria to live up to its own stated commitment to reforms. What I do know is that they still have an opportunity to bring about a reform agenda. Nobody believed Qaddafi would do that. People do believe there is a possible path forward with Syria. So we're going to continue joining with all of our allies to keep pressing very hard on that."*¹⁶

When the Arab spring arrived in Syria this posed a major challenge to the US. The US initially believed Bashar al-Assad could withstand the uprising and gave him plenty of cover through the Arab league and UN observer missions to quell the uprising. For the US the uprising was by the people of Syria against the regime. Its success was not in US interests and in fact it was a threat to the architecture the US created in the region after WW2. The US would engage many of the region's nations who would in different parts of Syria support a variety of rebel groups. No one nation was present in multiple regions of Syria. The US kicked off conferences and summits that ranged from Vienna, Geneva to Riyadh. At the heart of all the summits and negotiations was the opposition negotiating with the al-Assad regime and the formation of a possible transitional government. The invitations that were sent out for such conferences were always limited and targeted to a select few opposition groups who supported this agenda. The inclusion of ex-regime members and the exclusion of influential groups demanding a change of the regime demonstrated the talks were to preserve the al-Assad regime and those opposed this agenda were labelled as terrorists. This was highlighted by al Jazeera at the time: *"At the start of the conflict, the US publicly stood against (Syrian President) Bashar al-Assad. But at the same time they kept making false promises to the opposition. And now their true position is out in the open. The US is not standing against Assad. They are accepting him on the negotiating table and consider him the leader."*¹⁷

This raises the question, why did the US not just overthrow the deeply unpopular al-Assad regime and replace it with a more acceptable regime by both the US and the people? America's influence in Syria was for long due to its relations with the Ba'athist regime. In places such as Pakistan and Egypt the US has broadened its relations with other political parties, institutions, civil society groups and personalities. In contrast to this, in the case of Syria the US for long maintained relations through the regime. As a result, the US had no one to replace the regime. This is why key US policy makers kept saying during the uprising that the regime needs to remain, even if Bashar al-Assad was to leave. Whilst there's no doubt there were many who would have been willing to work with the US in Syria, the US didn't see anyone it could replace the regime with. As a result, the US ensured the regime was maintained and not overthrown, despite its public statements to the contrary.

There were two occasions when the regime was close to falling. The first of these was in 2013 when in the early years of the uprising the regime became overstretched after nearly two years of attempting to deal with uprisings across the length and breadth of the country. The regime gave up regaining the north of Syria as it no longer had the forces, due to the number of defections within the national army. It was here a group of prisoners, who were in a US prison facility in Iraq in the 2000s grouped together and took over Mosul in circumstances that are still considered suspect. They formed into what became ISIS and moved into the north of Syria. This aided the regime in Damascus as it forced the rebel groups in Syria who were planning to capture Damascus to turn back to defend territory which was under their control.

The second occasion was in 2015 when the regime in Damascus was exhausted and running out of both men and material. Things were so bad, Bashar al Assad in June 2015 gave a speech in Damascus where he admitted he had lost half of the country and couldn't regain it back. This was when Russia intervened, building up its forces in the country. The US verbally criticised Russia's entry, but did little to stop it, despite its military presence in the region. The US then cooperated with Russia by agreeing on an air protocol and sharing intelligence. Both occasions saw the US whether directly or indirectly ensuring the regime in Damascus remained in power.

The UAE, Saudi Arabia, Turkey, Jordan and Qatar armed different rebel groups and forced them all to join the peace talks with the regime. The rebel groups that refused to do so were left to defend themselves against the regime, ISIS and Russian air strikes

The UAE, Saudi Arabia, Turkey, Jordan and Qatar armed different rebel groups and forced them all to join the peace talks with the regime. The rebel groups that refused to do so were left to defend themselves against the regime, ISIS and Russian air strikes. By 2020 with the country devastated by nearly a decade of war and with only a pocket of resistance around Idlib, the regime had survived with the help of both regional nations and the global powers.

The UAE, Saudi and Jordan have since 2021 been publicly calling for Syria's return to regional organi-

sations. But this was after the US had reached out to Syria in late 2020. The White House acknowledged a meeting in October 2020, between two US officials in Damascus with regime officials. Kash Patel, President Donald Trump's top White House counterterrorism official attended the meeting as a senior White House aide. Patel admitted how an unidentified US ally in the region offered assistance with cancer treatment for the wife of President Bashar Assad. It was also revealed by a senior diplomatic official in the Arab League that the US had been in direct talks with Syria for years, the most recent talks "...took place in the Omani capital Muscat, 'the city of secret negotiations' between Washington and several nations in West Asia." He also pointed out that the "...meetings

*included security figures from both countries and representatives of foreign Ministries."*¹⁸

The US was once again publicly criticising the regime in Damascus, whilst secretly she has been engaging in direct talks with the regime. For the Arab rulers the al-Assad regime has achieved something that they may face at any time. In the Middle East Lebanon has collapsed, Egypt's economy is teetering, Iran's economy is in dire straits and in Algeria and Sudan the former regimes continue to be challenged by the people. By bringing Bashar al-Assad in from the cold they are rubber stamping his actions to remain in power.





The WEF and the Great Reset

As the unipolar world order fragments, the WEF and the Great Reset have simply become the latest vehicle for the elites shape the future

Thousands of the world's elite gathered in Davos in January 2023 for an annual event where the agenda was surprisingly, very open: The Great Reset. The meeting of the World Economic Forum attracted heads of state from all over the world, the CEOs of Amazon, BlackRock, JPMorgan Chase, Pfizer and Moderna, the President of the European Commission, the IMF's Managing Director, the secretary general of Nato, the chiefs of the FBI and MI6, the publisher of The New York Times, and the event's infamous host, founder and chairman of the WEF, Klaus Schwab.

How did a conference that is also being streamed online turn into cannon fodder for conspiracy theorists? Initially coined by the World Economic Forum (WEF) itself – the Great Reset was presented as an economic recovery plan following the COVID-19 pandemic in June 2020, with a video featuring the then Prince of Wales Charles released to mark its launch.

A number of issues were tabled for the 2023 gathering. Firstly, it was set to address investment in green infrastructure and the transition to a low-carbon economy, along with supporting the digital economy accounting for the challenges and opportunities they both provide. Then, it was poised to promote economic policies that support sustainable and inclusive growth whilst reducing income and wealth inequality through progressive tax policies and social programs.

Last but not least, the overall global challenges of poverty and disease were set to be addressed.

In 2021, Klaus Schwab published a book titled COVID-19: The Great Reset. In his book, he defined the Great Reset as a means of addressing the “... *weaknesses of capitalism...*” that were purportedly exposed by the COVID pandemic.

Specifically, the term “Great Reset” came into general circulation over a decade ago, with the publication of a 2010 book, *The Great Reset*, by American urban studies scholar Richard Florida. Written in the aftermath of the 2008 financial crisis, Florida's book argued that the 2008 economic crash was the latest in a series of Great Resets – including the Long Depression of the 1870s and the Great Depression of the 1930s – which he defined as periods of paradigm-shifting systemic innovation.

Four years after Florida's book was published, at the 2014 annual meeting of the WEF, Schwab declared: “*What we want to do in Davos this year...is to push the reset button*” and subsequently the image of a reset button would appear on the WEF's website.

Public-Private Cooperation

One of the stated aims of the WEF is that it will be “...*committed to improving the state of the world through public-private cooperation*”. In this new arrangement, decision making will not be left to governments and nation-states alone, rather, it will have the input of a variety of non-government “stakeholders”; civil society bodies, academic experts, media

personalities and, most important, multinational corporations. While this has arguably always been a key feature of liberal capitalism, it has rarely been given a platform that presents itself in this manner.

Although environmental activist Greta Thunberg has become the poster-child of the WEF, there is little doubt as to which interests Schwab is actually promoting and empowering; the WEF is itself mostly funded by around 1,000 member companies — typically global enterprises with multi-billion dollar turnovers, which include some of the world's biggest corporations in oil (Saudi Aramco, Shell, Chevron, BP), food (Unilever, The Coca-Cola Company, Nestlé), technology (Facebook, Google, Amazon, Microsoft, Apple) and pharmaceuticals (AstraZeneca, Pfizer, Moderna). The Great Reset is a doubling down of Western corporate policy around the world rather than a new direction.

Two key events first changed the way the Great Reset is now perceived.

Clade X and Event 201

“The pandemic represents a rare but narrow window of opportunity to reflect, reimagine, and reset our world” – Professor Klaus Schwab.

In May 2018, the WEF collaborated with the Johns Hopkins Center for Health Security to conduct “CLADE X,” a simulation of a national pandemic response. The exercise simulated the outbreak of a novel strain of a human parainfluenza virus, with genetic elements of the Nipah virus, called CLADE X. The simulation ended with a news report stating that in the face of CLADE X, without effective vaccines, “... experts tell us that we could eventually see 30 to 40 million deaths in the US and more than 900 million around the world – 12 percent of the global population.” Clearly, preparation for a global pandemic was in order.

In October 2019, the WEF collaborated with Johns Hopkins and the Bill and Melinda Gates Foundation on another pandemic exercise, “Event 201” which simulated an international response to the outbreak of a novel coronavirus. This was two months before the COVID outbreak in China became news and five months before the World Health Organization declared it a pandemic, and it closely resembled the future COVID scenario, including incorporating the idea of asymptomatic spread.

Every eventuality of the impending COVID crisis was anticipated, from the government response, to actions from the health services, the media, tech companies and even the public. These responses included worldwide lockdowns, collapse of business and industry, unemployment, widespread riots and the adoption of biometric surveillance technology and the censorship and “fact checking” that has become so prevalent from social media platforms. It is safe to say that when the COVID pandemic broke out, the WEF was well-positioned to take a central role in the pandemic response.

It is little wonder that any talk of crisis management and change from a globalist organisation is met with scepticism and even suspicion. This hasn't stopped the WEF from pushing ahead with its programme for what is to come ahead.

Crisis Management

While change and innovation has always been a by-product of challenging times, there is now a wide perception that periods of crisis are being exploited, at best, and at worst, manufactured to induce “paradigm-shifting systematic innovation”.

The WEF is now promoting the same top-down corporate-driven approach in a wide range of other domains, from energy to food and from climate to global surveillance policies, with equally dramatic consequences. Even in the face of growing widespread opposition, governments are pursuing WEF's strategy as it is no secret that the international organisation has managed to infiltrate them through its Young Global Leaders initiative. Launched in 1992, its attendees and participants make up a list of some of the most influential individuals who eventually came to power: Tony Blair, Gordon Brown, Angela Merkel, Victor Orbán, Nicholas Sarkozy, Guy Verhofstadt and José Maria Aznar.



In 2017, Schwab admitted to having used the Young Global Leaders to “...penetrate the cabinets” of several governments, adding that as of 2017, “...more than half...” of Canadian Prime Minister Justin Trudeau’s cabinet had been members of the programme.

But it isn’t limited to this. Rather, the Great Reset presents itself as a revolution that must be adopted with open arms by all to face the imminent challenges of tomorrow. It presents itself as the harbinger of a new Industrial Revolution.

The Fourth Industrial Revolution

The Industrial Revolution was a process of change from an agrarian and handicraft economy to one dominated by industry and machinery. It can be split into three distinct phases. First, the use of steam and water power in mechanisation. Second, the harnessing of electric power for mass production. Finally, automation, robotics and IT systems.

According to the WEF, we are now entering an exciting phase of the fourth industrial revolution where the Smart factory, Internet of Things, Artificial Intelligence and Big Data reshape our society.

Shwaub states that it is “...the fusion of these technologies and their interaction across the physical, digital and biological domains that make the fourth industrial revolution fundamentally different from previous revolutions”. WEF member and author Yuval Noah Harari adds “...when people talk about merging with computers to create cyborgs, it’s not some prophecy about the year 2200. It’s happening right now.”²⁹ It is a future where people who are being visually stimulated through digital “metaverses” as part of their daily routine are considered normal,

and where “transhumanism” is seen as the next step towards progress. It is a future where animal agriculture is considered a crime and eating insects is actively promoted to tackle poverty.²⁰ A future where, in a video for the WEF’s “8 predictions for the World in 2030” it was stated, “You’ll own nothing. And you will be happy” before it was removed amid huge controversy.

As with the COVID crisis, the WEF and its Great Reset Agenda has placed itself at the forefront of dealing with a host of disasters that mankind is set to face – and the advice from Davos is that we must adopt technology that will change the way we live and interact forever quickly to survive challenging times. It comes as no surprise then that when WEF “Agenda Contributor”, Bill Gates, was named as the biggest private owner of farmland in the US, many voiced their concerns.

But why is all this happening now?

Protecting Liberalism

In his book, “The Great Awakening vs The Great Reset”, Russian philosopher Alexander Dugin wrote that the world is fighting back against liberalism and globalism. Russia, China and the Islamic world’s continued resistance to Liberal reforms, Populism across Europe and the rise of Trumpism (with its, cosmetically at least, protectionist, anti-NATO and nationalistic style of politics) are some of the main examples of resistance that he goes at some length to cite.

To deal with this, he says, the global elite have decided to maintain the crumbling liberal world order by controlling and managing societies using a variety of emergency measures such as global pandemics and NATO aggression towards Russia. He believes the emergence of next generation technology to deal with, what he believes are manufactured problems, will be used to keep critics of the international order at bay.

For some the strategy resembles the Chinese model of governance, in that a zero tolerance approach is being taken to dissent against liberalism, and this is to be managed through tech similar to China’s social credit scoring system that freezes people out of the economy for what the state deems “bad behaviour”.

The complete eradication of cash will make the ability to freeze the finances of dissidents at the press

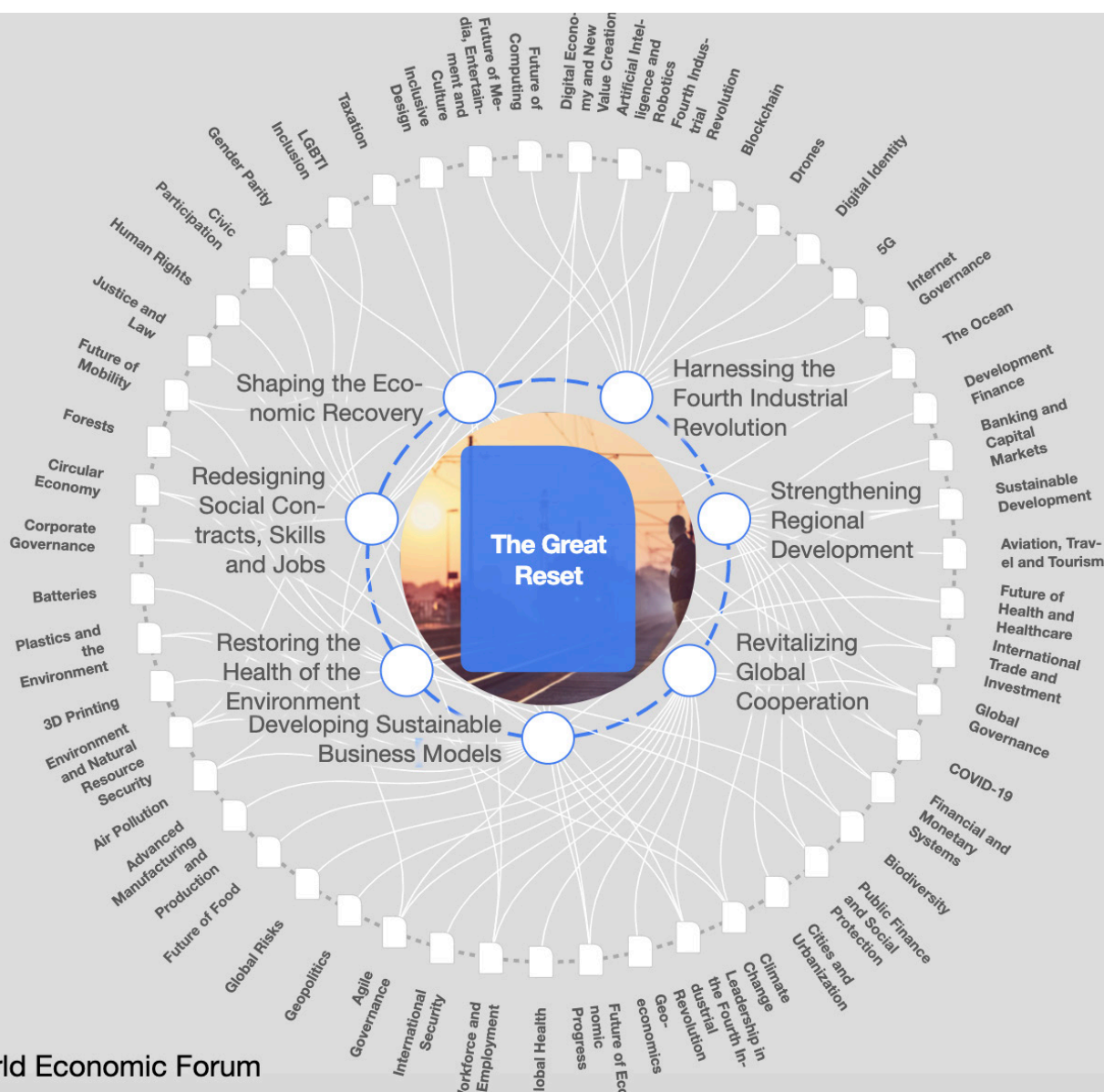


of a button a simple process – total financial surveillance is becoming a growing reality. The exponential growth of Artificial Intelligence has allowed software to process mind-boggling information and have wider uses for those who control data with predictive qualities. Will this all be used to monitor human behaviour?

COVID-19 also saw the biggest transfer of wealth in human history where the richest 1 percent grabbed nearly two-thirds of all new wealth worth \$42 trillion created since 2020, almost twice as much money as the bottom 99 percent of the world's population.²¹ Unsurprisingly, some of the biggest beneficiaries were tech companies.

Ultimately, the WEF, the Great Reset and the Fourth Industrial Revolution are being viewed by many as an aggressive fightback against dissent by globalists. Their incredible influence over governments is being used to silence dissent, to maintain a sick liberal world order domestically and internationally. On an individual scale, tech is being used to cancel and ruin outspoken individuals who question mainstream

narratives. At a state level, entire nations have been given a financial shakedown by freezing their assets and attacking them by directly arming their enemies. Whether globalists use legitimate or manufactured fear of future catastrophes to achieve their aims, they are extending capitalism and taking it to its logical conclusion. As the unipolar world order fragments, the WEF and the Great Reset have simply become the latest vehicle for them to do what they can to hold it together.





Peace Talks on Ukraine

As the Ukraine war reaches its two-year anniversary in February 2024 substantive talks to end the Ukraine war remain elusive, but as 2023 came to an end, war fatigue is leading to the consideration of peace talks.

On the 5th and 6th of August 2023 Saudi Arabia organised a peace conference on Ukraine that was attended by everyone aside from Russia. This was not the first summit to tackle the thorny subject of what peace will look like in Ukraine. The first peace plan was Zelensky's 10 point peace plan back in December 2022. He called for a global summit when he presented it at the G7 summit. The peace plan called for a number of things on security, energy security and supply chain security. But two of its points were on Ukraine's sovereignty and Russia returning occupied territories. Summits for this peace plan have taken place in Denmark, Saudi Arabia and Malta. The Saudi summit focussed on getting the Global south on board and in the end didn't discuss any of the substantive points that could act as a peace proposal. In October 2023 the third round of talks took place on Zelenskyy's 10-point peace plan. Russia was again not invited. The initial round of talks in Denmark saw just 15 participants, rising to 43 for the second round in Saudi Arabia in August. In Malta 56 nations participated.

There was a Chinese peace plan proposal in February 2022 which called for a freezing of the conflict and for dialogue, security guarantees for Russia and protection of civilians. Although Zelensky said he would meet Xi Jinping to discuss the proposal, he never did as the West rejected the proposal.

But the summit in Malta took place amidst a number of revelations. In a wide-ranging interview with the economist, Ukraine's chief military officer, Valerii Zaluzhnyi admitted the war was at a stalemate with Russia.²² Making comparisons with WW1 the general said Russia can see everything Ukraine does and Ukraine can see everything Russia is doing and like WW1, nothing has been able to break the deadlock. This was quite an admission. At the same time the Washington Post reported the West had begun secret talks with the Ukrainian government about what peace negotiations with Russia might entail.

As both Russia and Ukraine entered the winter season at the end of 2023 and fighting decreased talks of cease-fires have continued but no direct talks have taken place. Whilst Ukraine may be reaching its point of exhaustion, Russia is not. At the same time the naval war in the Black Sea has become more intense as both sides attempt to increase economic costs on the other, with Russia continuing to strike Ukrainian port infrastructure and Ukraine also striking Russian naval vessels. Ukraine stepped up its efforts to bring the war deeper inside Russia, continuing strikes on Russian airfields as well as industrial targets far from the Ukrainian border to raise the political and economic costs on Russia for continuing the war. The expansion of the conflict deeper into both countries and the Black Sea will increase economic costs on both sides, and apply pressure to global commodity prices. But until the economic costs and military supplies reach unbearable levels, it is unlikely any direct talks will take place. But it looks like it may well be reaching this point



10 Elections in 2024

In 2024 there will be 76 elections worldwide including some of the world's most powerful nations as well as a number of strategic countries. The context these elections take place in means the outcomes will have repercussions beyond their national borders. These elections will cover 4.2 billion people - half the world's population and a combined GDP of nearly \$50 trillion. The results of these elections have the possibility of shaping global relations into the 2030s.



India – April-May 2024

The world's largest democracy is set to go to the polls in April and May 2024. The Indian election is a mammoth affair that will mobilise an electorate of over 600 million voters over several weeks. The BJP and its charismatic leader Narendra Modi are looking for their third 4-year term.

Modi has attempted to promote India as a manufacturing hub and secure foreign investment. Modi also presented a programme to broaden the country's digital infrastructure across the length and breadth of the country. The BJP also launched tax and regulatory reforms that eventually ran into significant trouble.

Beyond economics, Modi and the BJP have promoted a Hindu Rashtra which has caused significant trouble as India is an ethnically and religiously diverse nation. It has led to significant tension with minorities especially with the country's large minority Muslim population. The BJP has already doubled down on its Hindu nationalism to mobilise voters and caste-based identity politics.

The opposition has coalesced to form a bloc against the BJP, a 28-party bloc called the Indian National Developmental Inclusive Alliance (INDIA), led by the Congress Party. The bloc is attempting to build a viable opposition. But their prospects look slim and it's likely through the use of Hindu nationalism Modi and the BJP will secure a third term.



Russia – March 2024

The electoral result in Russia is usually irrelevant as the system is heavily controlled and skewed in favour of the security class. Elections are used by Vladimir Putin to legitimise the political regime. With control over who can stand as well as control of the media and a ban on businesses supporting candidates, the security class is able to use state resources to dominate Russia's political system. The system was further entrenched in the 2020 Constitutional amendments that reset the count of presidential terms served prior to the introduction of the new constitution. The change now means Putin can stand for re-election for another two six-year terms.

Elections are used by the security class to legitimise their position and this election will be taking place when

Russia's invasion of Ukraine will reach its two-year anniversary on the 24th of February 2024. The voter turnout will be a litmus test of the sentiment of the Russian population. With the war having already lasted longer than the Kremlin expected and with the Russian economy shifting to a war economy the impact is beginning to be felt by the people. The election turnout will tell us more than the result itself, which Putin will win as it's not a real election.



USA – November 2024

The US presidential and Congress elections will take place at a time of extraordinary political polarisation and with confidence in democratic institutions, the lowest in US history. At least half the US electorate believes the last election in 2019 was stolen and Donald Trump, who is leading in the polls, faces numerous court cases and indictments. Trump also leads the Republican nominee race by a considerable margin.

Whilst the international situation poses a number of challenges to US foreign policy on the strategic issues both the Democrats and Republicans are on the same page and for once on international issues both parties largely have similar views and so any change in the White House will not pose any disruptions. It's on domestic issues and confidence in democracy and the government where the US faces major issues, and the electoral outcome will have a major impact on this. The competition with China will continue whoever is in the White House and support for the war in Ukraine will continue, although some of the contenders in the Republican primaries are arguing that the US should reduce its support for Ukraine, but these divisions are only around how much funding is going to Kyiv.

Donald Trump's narrative has been an anti-establishment one and this is likely to continue and if he fails to win the election in 2024 his supporters throughout US institutions and the electorate may decide to take things into their hands, much like they did with the Capital Hill riot in 2021.



UK – January 2025

The current parliamentary term in the UK ends on the 17th of December 2024. If an early election is not called then parliament would be dissolved on this date with an election 25 days later. It's extremely unlikely the sitting Conservative party will call an early election as they are deeply unpopular and trail in the polls, often by over 20%. This election will take place with the UK's global position in decline and significant economic challenges domestically.

Despite being the 6th richest nation in the world the economic situation for most is one of declining economic standards. Over a decade of austerity, the UK now has more food banks than McDonald's branches. Wealth distribution is skewed towards the 1%. The national election, when it does take place, is for the Labour party, led by Keir Starmer to lose. They have significant support, especially from those who want the Tory party out. But this labour party is the same as Tony Blair's labour party that moved more towards the centre ground and became another Tory party.

Labour is currently set to win the general election by a landslide. But Labour's position on the Palestine war has revealed some divisions and it remains to be seen if this is enough to upset their electoral prospects. This is proving one of the biggest challenges for the party and its leadership, as Starmer tries to show support for Israel without alienating Labour's largely pro-Palestine voter base. Labour's position on the crisis will continue to come under further pressure as the war rages on.

The UK finds itself in a global context where a number of nations are playing important roles in local and regional issues, and this dilutes Britain's influence. With nations such as India and Türkiye emerging as regional powers the elections in Britain take place at a time when Britain's global position is looking precarious.

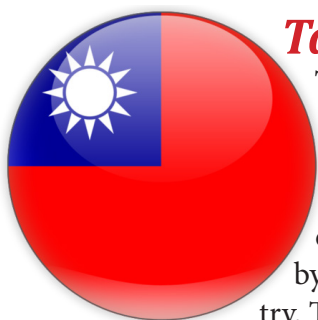


Indonesia – February 2024

The world's largest Muslim country, Indonesia, will hold general elections in February 2024. The long-term Indonesian President, Joko Widodo, will be ineligible for re-election after a decade in office. Indonesian Defence Minister Prabowo Subianto and Surakarta city Mayor Gibran Rakabuming Raka (who is also the eldest son of Indonesian President Joko Widodo) formally registered their ticket as presidential and vice presidential candidates.

Gibran's run as vice president was only made possible by the 16th of October 2023 ruling by Indonesia's top court allowing candidates under 40 years old (Gibran is 36 years old) to run for president or vice president if they already have governing experience (which Gibran does as mayor of Surakarta, elected in 2022). This decision, which came only nine days before the 25th of October deadline to formally register candidacy, has stirred controversy and suggests Jokowi is using his influence to build a political dynasty and stay highly involved with the presidency after he departs.

But due to Widodo's popularity it's likely his successors will do well in the elections. The last decade has seen Indonesia become a hub for commodities processing and a significant coal exporter. Indonesia is looking to move up the value chain and become a world leader in EV and batteries, but this is leading to competition with China in the region as well as in Africa. Whatever the outcome of the election, it will have consequences for Indonesia's economic future.



Taiwan – January 2024

Taiwan will hold presidential elections in January 2024 and the result will have major implications as the country is becoming central to the battle between China and the US. The party in power is the pro-independence Democratic Progressive Party (DPP) who campaigns on a nationalist basis and wants Taiwan to remain independent with close ties to the US. The pro-unification KMT promises to relieve tensions by reopening dialogue with China on the basis that the both can belong to one country. The months leading to the election have already seen an increase in Chinese military pressure on Taiwan in the shape of military drills close to the island. If the DPP remains in power these military drills will only increase.

Since the 1990s, support among Taiwanese for unification with China has all but disappeared, and most Taiwanese want to preserve Taiwan's de facto independence. China's ability to influence Taiwan politically is growing ever distant as the dominant party in power is pro-independence and this means the military option is fast becoming the only remaining option for China to reunify with the island. Military intervention comes with a whole host of complications, but if the DPP wins another term it will remain the only option for China, in turn this will force the US to make good on its commitment to protecting Taiwan against foreign aggression.



Egypt – December 2023 - January 2024

Much like the elections in Russia, there are no real elections in Egypt. Incumbent Abdel Fattah el-Sisi apparently received 97% of the vote in the 2018 election. Sisi has now been in power for a decade, ever since he overthrew the Muslim Brotherhood government in 2013. Since then, he has destroyed the Muslim Brotherhood and ruled with an iron fist.

As Egypt's population continues to grow, el-Sisi, like his predecessors, has struggled to develop an economy that can fulfil the needs of the nation's growing demography. Inflation has continued to skyrocket and eventually forced Sisi to turn to the IMF, which has only made the economy worse. Sisi has no long-term plan to deal with infrastructure, education, transport and economic development of the country. This is the context the elections will take place in.

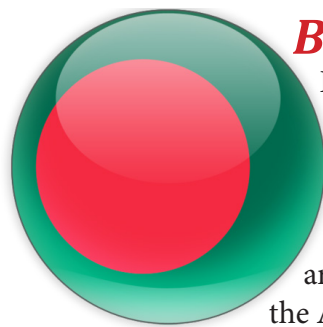
As the military controls the state it will only permit a token opposition. In the end the 2023 presidential election that took place from the 10th December - 12th December 2023 saw el-Sisi secure a third term with 89.6% of the vote, with a turnout of 66.8% according to the National Elections Authority. Even though Sisi has won, after this he is really in a losing battle.



Pakistan – February 2024

Pakistan goes to the polls in February 2024 with the possibility of elections being delayed once again. The context in Pakistan currently is the previous Imran Khan government falling out of favour with the military top brass, which saw the army turn to the Sharif family. The attempt by Imran Khan to push back in May 2023 saw a broad crackdown and the dismembering and dissolution of Khan's party the Pakistan Tehreek-I-Insaf (PTI). Most of Imran Khan's cabinet have joined the other parties and the return of Nawaz Sharif in October 2023 means the next political set-up is in place.

The Sharifs will now likely have their fourth stint in power, but they will inherit an economy that's in a mess. Decades of mismanagement and foreign loans has led to more and more power going to its lenders over the economy, taxation and spending. With inflation skyrocketing, this is literally killing the earnings of many people and with debt repayments consuming nearly half Pakistan's budget the Sharifs may find winning the election the easy part, surviving a full term with the cards they have been dealt will prove much more difficult. Nawaz Sharif has been in power on three occasions and has never completed his term in office.



Bangladesh – January 2024

Bangladesh's election commission announced in November 2023 that national elections will be held on the 7th of January 2024. Sheikh Hasina and her Awami League are seeking a fifth term overall and a fourth consecutive term in office. Hasina is currently the world's longest-serving female head of government who has been in power since 2008 and has become more and more authoritarian with arbitrary arrests and harassment of opposition groups. In the last election in 2018, the Awami League's landslide victory included violence and vote-rigging allegations.

Social unrest and political tensions have remained high as a cost of living crisis coexists with political repression and economic grievances by garment factory workers due to rising inflation and low wages.

Sheikh Hasina still maintains an iron grip over the country. International pressure by the US for free and fair elections hasn't seen the Awami League communicate with its political rivals. It remains to be seen if the elections will be free or fair and if the opposition will take part considering the rigging that took place in the 2018 election.

European parliament – June 2024

The European Parliament election is due to take place in June 2024. In the election voters are to elect representatives for a supranational legislature but more often than not use the election to reward or punish their national governments and vote on the basis of domestic issues. The EU election will take place simultaneously in 27 countries and will likely result in a fragmented European Parliament where a coalition of two or more parties will be needed to pass legislation and approve the members of the next European Commission. The elections will take place against the backdrop of high inflation and low economic growth. It's likely the far-right parties will perform well while centrist and green parties will lose ground. The rise of the far-right will likely force conservative parties across the continent to move to the right to remain competitive, resulting in an overall shift to more right-wing positions across the European Union. The main impact of this will be on policy, as a more climate-sceptic European Parliament would push to slow the bloc's energy transition while also promoting protectionist measures to defend European manufacturing and agricultural producers.



Hamas & the Palestinian Liberation Struggle

The assault by a coalition of groups on Southern Israel on 7th October thrust Hamas to global prominence. As Israel continues pounding the Gaza Strip the information war is in full swing. Hamas is being attributed with all types of labels, but it doesn't fit neatly into the many labels some try to fit it into. But after three decades of resistance Hamas's influence and credibility was already in decline prior to the events of 7th October. The Palestinian liberation struggle will continue, with or without Hamas and whatever the outcome of the current crisis.

For many people, Hamas is a group that is usually seen launching rockets from Gaza into Israel and in armed struggle with the more powerful Israeli state and military. Hamas was a product of the circumstances in the 1980's and the context at the time is important to understand the emergence and evolution of Hamas.

During the 1980's the struggle for the liberation of historic Palestine was over three decades old. The surrounding Arab nations had been at war with Israel on four occasions and never won, but saw Israel increase its territorial seizure of land. In 1979 Egyptian president Anwar Sadat signed a peace deal with Israeli Prime Minister Menachem Begin on the grounds of the White House, whereby Egypt recognised Israel as a nation and its right to the territories seized. Egypt would treat Israel like any other nation and have peaceful relations with it. This effectively killed the liberation struggle by the Palestinians who needed the support of the surrounding nations to

take on the more powerful Israel. Egypt's normalisation led to a waning of support for the Palestinian struggle by the other surrounding Arab rulers and this loss of support left the people of Palestine on their own to struggle against the Zionist nation.

The movement for national liberation came to be dominated by the Palestinian Liberation Organisation (PLO), which was a coalition of secular groups dominated by Fatah. Established at the Arab league summit in 1964 it came to be officially seen as the sole representative of the Palestinian cause, a fact eventually accepted by the west and Israel. The PLO engaged in a number of armed assaults and raids against Israel, but this achieved little and as the years went by the PLO realised without the direct support of any of the surrounding Arab rulers armed struggle was not sustainable. As a result, it gave up armed struggle and pursued the path of political dialogue, initially with the surrounding Arab rulers and then eventually with Israel itself.

In 1988, the PLO accepted UN resolution 242, which was adopted in the aftermath of the 1967 Six-Day War and required Israel to withdraw to the pre-1967 borders. These borders were to be considered Israel's national borders and by accepting this the PLO gave up reclaiming all of historic Palestine and accepted Israel's legitimacy over the seized lands. This culminated in direct negotiations in both the Madrid conference in 1991 and the Oslo Accords in 1993 between the PLO and Israel. The PLO had accepted Israel's occupation of 78% of historic Palestine. In

1993 Yasser Arafat wrote a letter to the Israeli Prime Minister, in which he not only accepted Israel's right of existence but also stated he wanted peaceful relations.

This was the context in which Hamas emerged. The Arab rulers had abandoned their liberation struggle and many had lost hope in the secular and corrupt Fatah-led PLO, which began direct negotiations with Israel and gave up reclaiming the lands lost from 1948. The Palestinian people came to see the Arab rulers and the PLO as traitors who had abandoned them to the much powerful occupier. Palestinians resorted to the first Intifada in 1988 – an uprising which was characterised with civil disobedience, mass protests, stone-throwing, strikes, boycotts and acts of resistance against the Israeli military presence in the West Bank, Gaza Strip, and East Jerusalem.

In 1987 Hamas was formally created in light of the first intifada. HAMAS, an acronym for Harakat al-Muqawama al-Islamiya (Islamic Resistance Movement), was founded by Sheikh Ahmed Yassin, a Palestinian cleric who became an activist in local branches of the Muslim Brotherhood after dedicating his early life to Islamic scholarship in Egypt. Beginning in the late 1960s, Yassin preached and performed charitable work in the West Bank and Gaza Strip, both of which were occupied by Israeli forces following the 1967 Six Day War. Yassin established Hamas as the Brotherhood's local political arm in December 1987, following the outbreak of the first intifada.

Hamas quickly gained legitimacy and credibility among Palestinians for its use of force against Israel during the first and second intifadas. Hamas

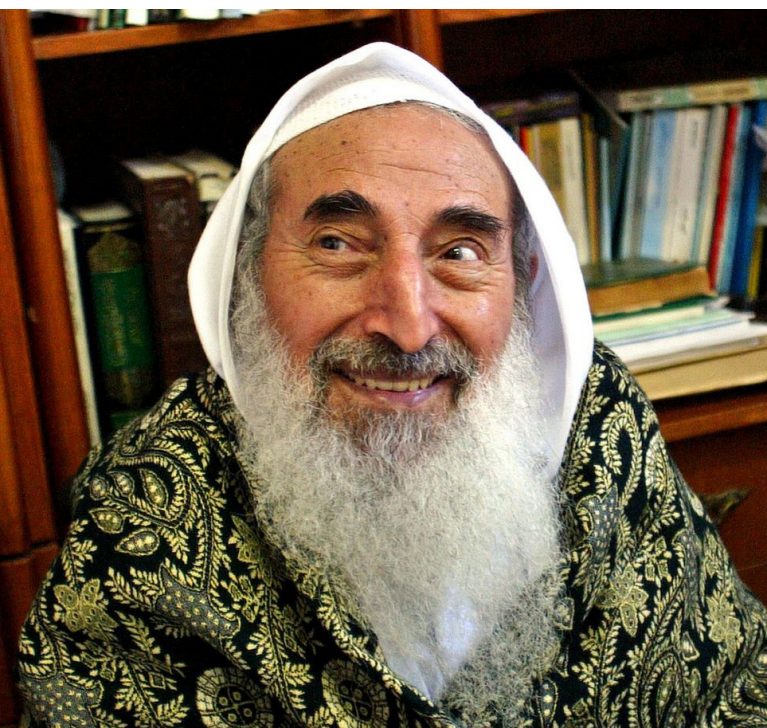
also provided much-needed social services and its incorporation of Islam in its struggle which, unlike the secular PLO, resonated with the people. This led Hamas to win the Legislative elections in 2006 for the Palestinian territories, striking a blow to the PLO. The transition of power was not peaceful as Hamas ruled Gaza and the PLO ruled the West Bank. This split remains in place today.

The transition from resistance to governance was not easy for Hamas. Many of the reasons are beyond Hamas's control. The development of Hamas was tacitly encouraged by Israel, which viewed the formation of another Palestinian faction as a net positive because it would weaken the overall Palestinian position. For the likes of Netanyahu, the existence of Hamas was used to forestall negotiations on autonomy for the West Bank and the Gaza Strip. Israel eventually imposed a full blockade on Gaza from the air, land, and sea. Gaza is today completely controlled by the Israeli military. Food, potable water, electricity, medicine, building materials, etc. have been severely restricted by Israel. Whilst Hamas was elected into office by the Palestinians, the office it was elected for in reality never existed as the Gaza strip was under occupation.

The US supported the 2006 elections in the West Bank and Gaza and believed the PLO would win but as soon as Hamas won the US began to destabilise Hamas. The New York Times reported in February 2006 that “...the United States and Israel are discussing ways to destabilize the Palestinian government so that newly elected Hamas officials will fail and elections will be called again. The intention is to starve the Palestinian Authority of money and international connections to the point where, some months from now, its president, Mahmoud Abbas, is compelled to call for new elections.”[1]

From Destructive to Constructive Relations

Much has been made about Hamas's political ideals and its goal of the destruction of Israel, but the reality is, much like the PLO, Hamas's position has evolved with the circumstances. In its original charter in 1988, Hamas's declared objectives were to wage an armed struggle against Israel, liberate Palestine from Israeli occupation and transform historic Palestine into an Islamic state. Hamas's original leadership viewed militancy as a means to a political end. Sheikh Ahmed Yassin argued that Hamas was a political movement, and it would fight for the rights of Palestinians, with the objective of eliminating Israel.



The violent means Hamas has used made it highly controversial as a political player, but these methods were a means to a political end. Hamas held political ambitions from its inception.

Whilst Hamas claimed to hold political office, the reality has always been there is no office as the Gaza Strip is not an independent and autonomous territory

Hamas has since its inception tried to demonstrate that it is a political movement that has political aims of establishing an entity in Palestine, but its use of violence against a much larger and resourceful Israel has led its leaders and senior members to compromise with Israel for political recognition. The numerous compromises saw Hamas abandon its original charter goal of eliminating Israel. In 2006, Hamas signed the Palestinian Prisoners' Document, which recognised the 1967 borders. This document also recognised the authority of the President of the Palestinian National Authority to negotiate with Israel. In an interview in 2011 Hamas's Deputy Foreign Minister Ghazi Hamad told NPR's Robert Siegel that the Islamic political party has accepted a two-state solution that respects the 1967 borders. When asked: *"If Israel were to accept a two-state solution in which Palestine would be in Gaza and the West Bank and have its capital in Jerusalem, is that an acceptable aim that Hamas is striving for or is that in and of itself insufficient because there would still be a state of Israel?"* The deputy foreign minister replied: *"Look, we said, frankly, we accept the state and '67 borders. This was mentioned many times and we repeated many times."*[2] Khaled Mashal, who has been Hamas's leader since the assassination of Sheikh Khaled Yassin in 2004 on numerous occasions has stated he accepts the 1967 borders and two states.[3]

In 2017 Hamas overhauled its 1988 charter and

published a Document of General Principles and Policies that accepted establishing a Palestinian state on the borders of 1967. The revised document indirectly renounced violence and claimed to adhere to international laws. It also distanced Hamas from the Muslim Brotherhood, referring to itself as a national liberation political movement. The new charter removed the emphasis on religious conflict and employed the ideals of both nationalism and Western liberalism. The new document used the language of natural right, declaring that the Palestinian desire for nationhood as an "inalienable right" possessed by the Palestinian people. The Charter also made clear the Israeli-Palestinian conflict is political, not religious.

By 2017 Hamas had ruled Gaza for a decade and failed to improve the living standards of its people, though not for lack of trying. Anyone who rules over Gaza would find it impossible as the territory is overcrowded, lacks resources and is surrounded by an occupation force that controls what goes in and out. The Gaza Strip is effectively a concentration camp. The wars with Israel in 2008-2009, 2012 and 2014 only made things worse.

Hamas has faced the same challenge all stateless groups face – how to defeat a resourceful state. Israel with considerable international support and aid and with its own industries and military capabilities was always going to be difficult to challenge without considerable capability on Hamas's part. When Hamas used to call for the destruction of Israel it had no capabilities whatsoever to ever deliver on it. Its new charter in 2017 brought the groups ideals more in line with its capabilities, but it still remains the case Hamas cannot effectively rule over the Gaza Strip as it's not an independent territory.

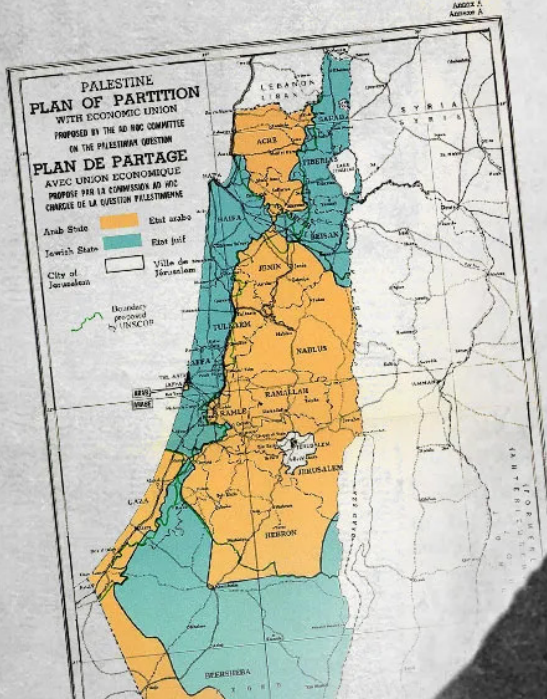
Hamas's core struggle has always been how to proceed along its political path while presiding over a stateless entity, especially when its reputation has been primarily built on armed resistance, not on political credentials. Whilst Hamas claimed to hold political office, the reality has always been there is no office as the Gaza Strip is not an independent and autonomous territory.

After three months of Israel's ground invasion of Gaza, Hamas and the other groups have continued to resist Israel and look to raise the cost for her. Whether Hamas survives Israel's onslaught remains to be seen but the battle for the Palestinian people for liberation will continue and will outlast Hamas.



Palestine

Palestine was thrust back into international headlines in 2023 after Hamas's assault on Southern Israel and the subsequent Israeli response. Israel's information war went into fifth gear immediately and since the events of 7th October a plethora of opinions about the Palestinian issue have made the rounds on the global media and social media platforms.



What were the origins of the Zionist movement?

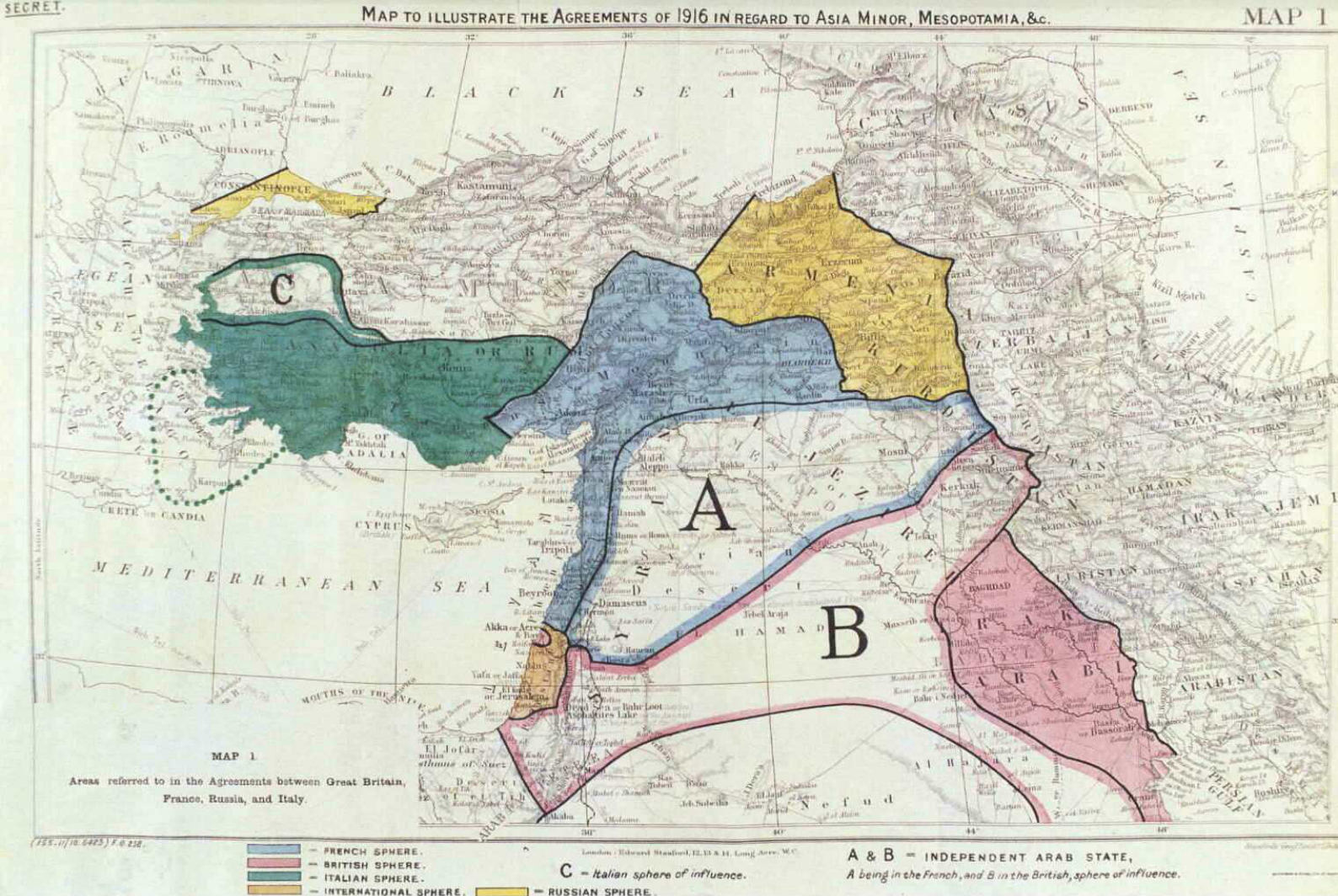
The Jews had been in Europe for nearly two millennia by the turn of the 19th century. The Romans had destroyed Jerusalem and the Temple in 132 CE due to Jewish revolts and this led to the dispersion of Jewish communities. Throughout the millennia until the 19th century Jews faced persecution, legal restrictions and widespread pogroms including the inquisition in Spain in the 16th century. The Zionist movement emerged in Europe due to the deep anti-semitism that existed amongst the Europeans.

Zionists, also witnessing the birth of many nationalist movements, wished to emulate them. Those Jews who sought to transform Judaism from a religion into a nation were not unique among the many ethnic and religious groups within the two crumbling empires—the Austro-Hungarian and the Ottomans — who wished to redefine themselves as nations. Theodor Herzl is credited with founding political Zionism, a movement which sought to establish a Jewish nation, by elevating the Jewish question onto the international scene. In 1896, Herzl published *Der Judenstaat* (The Jewish State), offering his vision of a future state and the following year he presided over the first World Zionist Congress.

But the early Zionists faced an uphill task; the most prominent rabbis and leading figures rejected the nationalist approach. Religious leaders dismissed Zionism as a form of secularisation and modernisation,

while secular Jews feared that the new ideas would raise questions about the Jews' loyalty to their own nation-states and would thus increase anti-Semitism. There were many groups amongst the Jews of Europe who had different ideas about how to cope with the modern-day persecution of the Jews in Europe. Some believed that the further entrenchment of Jewish religion and tradition was the answer, while others advocated for further assimilation into non-Jewish life. Both reformist and liberal Jews at that time rejected the claim that Zionism provided the only solution for anti-Semitism in Europe.

The Zionist movement struggled to get Jewish support for its national project. Herzl made an offer to Ottoman Sultan Abdul-Hameed II in 1896 where he offered to pay £20 million, which is around \$2.2 billion in today's currency, to the Ottoman Sultan to issue a charter for Jews to colonise Palestine. The Ottoman state was creaking under an accumulated debt burden which by the late 19th century stood at a present-day value of \$11.6 billion. Sultan Abdul Hamid II refused the offer outright.



What was the political context in the early 20th century Middle East?

The political context at the end of the 19th century and early 20th century was the decline of the Ottoman Empire. In Arabia there were numerous tribes that fought each other over water sources, resources and wealth. The British Empire wanted to ensure the Ottoman's territories which were the Balkans, North Africa and Arabia didn't fall into other hands. The Russian Empire posed the biggest challenge as Britain was already in the Great Game with her.

With the start of WW1 Britain agreed with France to carve up the Middle East and the Ottoman territories. It also agreed a deal with Italy and Russia which saw Britain make promises to Russia over the Caucasus and Italy receiving territory in Anatolia.

The Middle East was important for Britain because it was the route British ships took to get to India. Since the 17th century Britain made deals with tribal leaders along the Euphrates, Tigris, Red Sea and Persian Gulf in order to establish ports for its ships. This led Britain to interfere in Middle East politics

by supporting various tribes against the Ottomans and against other tribes. The Sharif of Mecca, Sharif Hussain Ali, came to be Britain's biggest scalp who was armed to lead the Arab revolt against the Ottomans. His sons were rewarded with the creation of Trans-Jordan and Iraq after WW1. In Persia, it was British businessman William Knox D'Arcy who got a 60-year concession on Persian Oil. In 1914 Britain would invade Persia and occupy it to ensure a reliable supply of oil for WW1. After WW1 the British appointed the head of the Cossack Brigade of the Iranian army, a certain Reza Khan, as ruler of the country. All the tribes from the Saudis, al-Sabah's, al-Khalifa's, Al-Nahyan's and al-Thani's had signed security treaties with the British and were in effect protectorates. Britain also, before the beginning of the 20th century occupied Egypt and created a monarchy.

Britain was the power in the Middle East and after WW1 carved up the region and created numerous monarchies. Britain would rule Palestine directly from 1917 through a military occupation.



How did the Zionists win support for a Nation State in the Middle East?

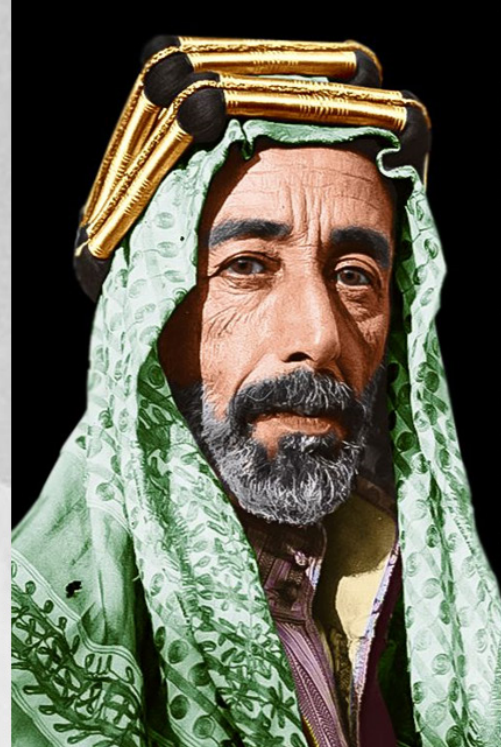
When the Ottoman Sultan, Abdul Hamid II, rejected the Zionist offer for Palestine, the Zionist movement was small and fringe amongst the Jews. Herzl then turned his attention to the other powers. Herzl contacted the German Emperor Wilhelm II, whose country was in an alliance with the Ottomans, hoping he would be able to convince him to support the Zionist project. The German Emperor did even agree to meet Herzl. The Zionist movement then turned to the other powers of the day who had animosity towards the Ottomans. The Zionists offered to support the global powers in their battle against the Ottomans if in return the Zionists would be allowed to establish their nation in Palestine.

The British Empire was the global superpower and getting British support would give the Zionist movement a great boost. It was Lord Lionel Walter Rothschild and Chaim Weizmann who led this effort. They approached and won over British politicians such as Lloyd George, a later Prime Minister, Arthur Balfour, a later Foreign Secretary, Herbert Samuel, a later High Commissioner of Palestine, and Mark Sykes, and managed to win them to the idea of a Jewish state in Palestine that would act as a supporter of the British plans for the region. Weizmann told the British politicians: *"England ... would have in the Jews the best possible friends, who would be the best national interpreters of ideas in the eastern countries and would serve as a bridge between the two civilizations. That again is not a material argument, but certainly it ought to carry great weight with any politician who likes to look 50 years ahead."* In addition, the Zionists promised the British that in return for their support for the Zionist cause, the Zionists would ensure America entered the war against Germany on the side of Britain.

This lobbying effort was successful and got the government of Britain to formally support the plan to establish in Palestine a Jewish state. In 1917 Lord Arthur Balfour, who was at the time the British For-

eign Secretary, sent Lord Rothschild a letter which came to be known as the Balfour declaration: *"Dear Lord Rothschild, I have much pleasure in conveying to you, on behalf of His Majesty's Government, the following declaration of sympathy with Jewish Zionist aspirations which has been submitted to, and approved by, the Cabinet. 'His Majesty's Government view with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country.' I should be grateful if you would bring this declaration to the knowledge of the Zionist Federation. Yours sincerely, Arthur James Balfour."*

The British empire supported the Zionist aim of a Jewish state in Palestine for reasons very different to the Zionists. Whilst the Zionists wanted a national home due to the antisemitism, discrimination and pogroms in Europe. For Britain a foreign body in the heart of Muslim world which would be a forward base for Britain to achieve its colonial interests in the region. There was also another reason why Britain supported Zionism. In the early 20th century, Jewish numbers in Britain increased massively due to the exodus from Russian pogroms and discrimination. A popular and media backlash began immediately in the UK against Jewish immigration. The British parliament passed the Aliens Act in 1905 to restrict Jewish immigration. Restrictions were increased in the Aliens Restriction Act 1914 and the immigration laws of 1919. Arthur Balfour who presided over these racist laws, himself of Jewish heritage supported Zionism as it provided a solution to him, and many other white supremacists, that the Jews should go to their own land, as they were not the same as them in white Europe. In many ways British support for Zionism was for anti-Semitic reasons.



How were the Zionists able to defeat the combined fighting strength of 40 million Arabs in 1948?

The war of 1948 that led to the establishment of Israel, on the surface it, is difficult to understand how 40 million Arabs could not match the fighting strength of just 600,000 Zionists. There were a number of reasons for this from the regional rulers not leveraging their numerical strength to the British three-decade occupation that facilitated Zionist migration.

The primary representatives of the Palestinian cause were King Abdullah of Transjordan, King Farouk of Egypt and the Mufti of Palestine. Their unity was weak, and they were subject to constant manipulation by the British. All three owed their positions to the British Empire. In particular, King Abdullah's portrayal of himself as a defender of the Palestinian cause was a façade. It was no secret that his father Sheriff Hussein collaborated with the British against the Ottomans in the Arab revolt. His brother Faisal (who became Iraq's first ruler) had sought relations with leading Zionists such as Chaim Weizmann and in 1919 and signed the Faisal-Weizmann Agreement, where he conditionally accepted the Balfour Declaration based on the fulfilment of British wartime promises of independence to the Arabs. King Abdullah of the then British created Transjordan studied with David Ben Gurion (Israel's first prime minister) in Istanbul in the 1930's. Abdullah had offered to accept the establishment of Israel in return for Jordanian control of the Arab populated parts of Palestine. In 1946 Abdullah expressed interest in ruling over the Arab parts of Palestine and had no intention to resist

or impede the partition of Palestine and creation of a Jewish nation.

King Abdullah had the Arab Legion at his disposal, a highly trained unit of 4,500 men, with General John Glubb (Glubb Pasha) an Englishman as its commanding officer. Glubb in his memoirs recounted that he was under strict orders from Britain, not to enter areas under Jewish control.[4] Egypt further weakened the attack against Israel when Nukrashi Pasha, the Prime Minister initially did not use existing military units but sent an army of volunteers that had only been organised a few months before the war began. Jordan also delayed the passage of Iraqi troops across its territory thus thwarting any attack against Israel.

Although the combined Muslim forces were 40,000 only 10,000 were trained soldiers. The Zionists had 30,000 armed personnel, 10,000 men for local defence and another 25,000 for home guard. Furthermore, there were nearly 3,000 specially trained Irgun and Stern Gang terrorists. They were armed with the latest weapons smuggled from Czechoslovakia and funded heavily through Zionist agencies in America and Britain. Despite the preparedness of the Zionists, the Muslim rulers were more interested in their own thrones and only contributing a token force and this played a critical role in securing a foothold for the Zionists in Palestine.



Why have the Arab rulers failed to liberate Palestine?

The Arab rulers have failed to liberate Palestine because they have never undertaken the necessary actions or gone to war with Israel with the express aim of liberating Palestine. The four wars that have taken place were for reasons and purposes short of liberating Palestine.

The Suez Canal war in 1957 was due to Britain viewing the nationalisation of the Suez Canal by Egypt as a threat to British trade interests. Britain responded by luring France and Israel into its struggle. The historian Corelli Barnett, who wrote about the Suez in his book, 'The Collapse of British Power' outlines: "*France was hostile to Nasser because Egypt was helping the Algerian rebels, and attached to the canal for historical reasons. After all, a Frenchman built it. Israel was longing to have a go at Nasser anyway because of Palestinian fedayeen attacks and the Egyptian blockade of the Straits of Tiran. So Sir Anthony Eden (British Prime Minister) concocted a secret tripartite plot with France and Israel.*" He further explains "...that Israel would invade Egypt across the Sinai Peninsula. Britain and France would then give an ultimatum to the parties to stop fighting or they would intervene to 'protect' the canal." This was not a war of liberation by the Arab rulers but a colonial plot to maintain control of the Suez Canal.

The 1967 six-day war was Britain trying to weaken Nasser once again. Britain sought to lure Israel into dragging Egypt into a war whereby Israel would seize territory and use it as a bargaining tool in any future peace settlement, a means through which to achieve the security which the Israelis so desperately sought. Tensions were already high between Nasser and Israel as Nasser had seized the moral leadership of the Arab world which Israel viewed as a threat. On the 5th of June 1967 Israel launched a pre-emptive strike destroying much of Egypt's grounded air force and Syrian and Jordanian combat aircraft. The Israelis seized the strategically important Golan Heights on the 6th day of the war. The Syrian troops occupying the Golan Heights heard news of Israel's capture of the heights through their own State radio despite the Syrian troops clearly occupying them. Israel also dealt Nasser a blow by capturing Sharm al-Sheikh and securing the waterway of the Straits of Tiran. The 1967 war was a pre-emptive attack by Israel supported by Britain. This was not a liberation battle by any of the Arab rulers. The difficulties experienced by Egypt during the Suez crisis and the six days war contributed to a waning of support for the Palestinian cause. Nasser opened a channel of communication with the Israelis through the respective delegates of Egypt and Israel to the United Nations to explore the possibility of a permanent peace settlement.

The 1973 Yom Kippur war was launched against Israel in October 1973 by Egypt and Syria and had limited aims, which never included the liberation of Palestine. The aims never even included the liberation of the Golan Heights. The aims were to solidify the positions of Anwar Sadat and Hafez al-Assad who were relatively new leaders in countries prone to military coups. Anwar Sadat sought peace with Israel whilst commanding a winning position in the war. Despite Egypt smashing through Israel's much heralded Bar-Lev fortifications east of the Suez Canal, in the midst of this Sadat sent a message to US Secretary of State Henry Kissinger in which he said he was prepared for a peace conference if Israel withdrew from all occupied territories, despite having an immense strategic advantage Sadat pursued peace. Sadat's refusal to press home his initial advantage and his delay in launching the second Sinai offensive allowed Israel to mobilise with aid from the US and she began to seize back lost territory.

The Yom Kippur war had limited war goals, which was more about cementing the positions of the new

Syrian and Egyptian leaders and focused on regaining the territories lost in the 1967 war, rather than launching attacks on Israel proper and liberating Palestine. All four wars saw the regional Arab rulers focused almost entirely on maintaining their own regimes and thrones, it saw them not utilise their advantages and strengths. Even before the 1973 war the Arab rulers' support for Palestine had already waned. In 1979 Egyptian president Anwar Sadat signed a peace treaty with Israeli Prime Minister Menachem Begin on the grounds of the White House, whereby Egypt recognised Israel as a nation and its right to the territories seized. Egypt would treat Israel like any other nation and have peaceful relations with it. This effectively killed the liberation struggle by the Palestinians who needed the support of the surrounding nations to take on the more powerful Israel. Egypt's normalisation led to a waning of support for the Palestinian struggle by the other surrounding Arab rulers and this loss of support left the people of Palestine on their own to struggle against the Zionist nation.





Why does the US ally with Israel?

The US relationship with Israel has evolved over the decades from apprehension to Cold War ally to an aircraft carrier in the Middle East to serve American foreign policy in the region. Following the end of WW1, the US sent observers to the conferences that were organised by Britain and France to organise the post World War order. There was little the US could do as France and Britain created the league of nations and got the institute to give themselves mandates to run the very nations they had carved out in the Middle East. America's ability to influence geopolitical decisions was limited at the time.

After WW2 the US emerged the new global super-power, but the architecture of the Middle East was what the British had established after WW1. Oil had emerged as a key strategic issue by this time and the US looked to have good relations with the Arab rulers who controlled most of the Middle East's oil. Both Britain and France were also trying to influence events on the ground in order to serve their interests. Britain was looking to partition Palestine and create a Zionist state alongside a Palestinian state, with both nations' rulers remaining loyal to her. France was trying to unite the Zionist militia groups so she could use them to weaken the British plan. In the US there were two views on Palestine that were dominating US policy. One opinion was the US should not be too close to Israel, since this would anger the Arabs and

could make them turn to the Soviet Union. Because of the oil of the Middle East, this was a major concern. The other opinion was the US should be especially close to Israel, since a successful Israel would effectively promote western values in the Middle East. President Truman was in favour of supporting Israel, just not to the detriment of the Arabs. The Middle East policy put in place by America at that time was therefore one under which both Israel and the Arab countries received American support. America thought that this way it could prevent the spread of communism in the region and take over the influence of Britain and France.

However, when in 1948 Israel declared independence, the American president realised that the British plans had succeeded. Much to the dislike of the American Department of State, Truman changed the American plan and recognised Israel. The American representatives at the United Nations, who had until then always worked on the basis of the American plan calling for "stability and neutrality," were so shocked that they resigned en masse.

As the Cold War was beginning US policy came to support any country threatened by communism. Israel came to be seen by the US as an important "forward base," from which the American military and intelligence services could work against com-

munism in the Middle East. In return for providing this platform for anti-communist operations, America promised Israel that she would help her develop a military capability where she could defend herself against any enemy in the region and from here US-Israel relations blossomed. But despite this the US stood against Israel in the 1957 Suez Canal War and threatened her and the French and British if they did not withdraw from the Canal.

In the 1967 war the US supported Israel in its unilateral invasion of both Egypt and Syria and the West Bank. It did this as it saw it as an opportunity to defeat both Egypt and Syria's military's that had been armed and trained by the Soviet Union. If Israel defeated the Soviet sponsored armies, then this would undermine the communist cause in the region and prove that any nation that was supported by the western capitalist bloc could overcome any enemy. The Israeli victory in the war however, created a major problem for the US. Israeli politicians after the 1967 war had expanded their borders and controlled the Sinai, West Bank and the Golan heights. Israeli politicians began to say they no longer needed the US as they were now a regional power. US support for Israel was not to share the region but for Israel to implement the US agenda in the Middle East. Israel had gone too far.

This was why the US stayed on the sidelines when

Egypt and Syria invaded Israel in 1973. The US wanted to teach Israel a lesson in that it was nothing without US support. Very quickly Israel was staring into the abyss and believed its worst nightmare was about to become true, with a two frontal attack Israel believed it was on the verge of being annihilated. This is where Israel turned to the US and begged for intervention. The US waited until very late to intervene to remind Israel she will always need US security. The US forced Israel to return the Sinai and West Bank and in return promised her to get the regional rulers to normalise relations with her. Israel hated this idea but had no choice. It was here the US made the two state solution, an Israeli state alongside a Palestinian state the framework for the region.

The US subsequently got busy with its global position and Israel came to be just one of its policy priorities amongst many. Publicly the US provided cover and support for Israel, despite the creation and expansion of settlements. Robert F Kennedy probably summed up the US view of Israel the best in 2023, he said: *"Israel.....is a fortress for us in the Middle East, and it is almost like having an aircraft carrier in the Middle East. Israel is our ambassador, and its presence gives us ears and eyes in the Middle East. It gives us intelligence and the ability to influence affairs in the Middle East. If Israel disappears, Russia and China will control the Middle East and control 90% of the oil in the world."*





What led to the emergence of the PLO?

The Palestinian Liberation Organization (PLO) emerged once the Arab rulers had abandoned the Palestinian cause. Under this air of frustration, the movement for the national liberation of Palestine was formed. It used the acronym HATE, which was rearranged to FATH meaning victory. Amongst the founders of FATH was Yasser Arafat, a graduate of the Cairo University working in Kuwait as an engineer. FATH carried out numerous raids against Israel directly, but soon realised that these raids were ineffective in achieving anything without the support of the armies from at least one of the major Arab countries. This led FATH to pursue a path of political dialogue with the other Arab countries.

During the Cairo conference of 1964, the Arab League instructed its Palestinian representative Ahmed Shukeiri to form a Palestinian political body. Shukeiri then organised a meeting of the first Palestinian National Council, attended by 350 delegates who met in East Jerusalem. At this meeting, the delegates formed the Palestinian Liberation Organisation, which was composed of various groups including FATH. Ahmed Shukeiri became the chairman of the PLO but stepped down in favour of Yasser Arafat in 1969.

The establishment of the PLO detached the Arab states from being directly involved in the Palestinian issue, placing further emphasis on the Palestinian nature of the issue. The PLO very quickly became

the sole representatives of the Palestinians, even though it was in effect a non-state actor. It initially entered into armed struggle but unable to face-off with Israel's large military (relatively) very quickly turned to negotiations. Unable to impose any type of settlement on the Palestinian issue, the PLO compromised and gave up more and more land in the hope of getting a Palestinian state. In 1993 in a Letter from Arafat to Yitzhak Rabin, the Prime Minister of Israel, Arafat said: *"The PLO recognises the right of the State of Israel to exist in peace and security. The PLO commits itself to the Middle East peace process, and to a peaceful resolution of the conflict through negotiations. The PLO considers that the signing of the Declaration of Principles constitutes a historic event, inaugurating a new epoch of peaceful coexistence, free from violence and all other acts which endanger peace and stability."*

By the time Arafat died in 2004 the PLO in the form of the Palestinian Authority conceded Palestine of 1948 and only demanded the borders of 1967. Then it demanded the majority rather than all of Palestine of 1967. In 2003 the PA signed the Geneva document and gave up the right of return for all those who lost their homes when Israel was created. In the end the PLO sold out the Palestinian liberation struggle.



The two-state solution where Palestine is partitioned into a Zionist entity and Palestinian state emerged from the 1973 war, but it was not a new idea. When Britain militarily occupied Palestine in 1917 it planned to facilitate Zionist migration, but was unsure how to exactly achieve this, considering most Palestinians would lose their land. The Peel commission of 1937 recommended partitioning Palestine as the British mandate was struggling to maintain security. The United Nations took up the issue in 1947 and came up with a plan known as the United Nations Partition Plan for Palestine. The plan advocated the creation of two states in historic Palestine. One state for Jews known as Israel and one state for the Arabs called Palestine. The indigenous people of the region were expected to give up their homeland for the newly arriving Zionists. Whilst the Zionists in the end occupied well in excess of what the UN had partitioned to them in 1947 the US took up the two-state solution partition of Palestine from 1973.

The Zionists always wanted to take all of Palestine in order to have security and safety. This is something the founders of Israel mentioned on many occasions. Despite the many agreements on achieving two states, Israel has continued to build and expand settlements in the areas that are meant to be an independent Palestinian state and this has been a major obstacle to the two state solution.

The two state solution in its various guises requires the indigenous people to give up over half of Pales-

tine to the Zionists. It requires the Palestinians to recognise they have lost this conflict and accept the realities that have been established on the ground. The two-state solution requires the Muslims of Palestine, who were expelled from their homes acquiescing to Zionist annexation of large parts of the West Bank and Jordan Valley. Palestinians must forgo refugee returns to their homes. The two-state solution normalises the Zionist presence and makes it institutional, whilst the Palestinians will have to accept what remains of the West Bank as a token state. It is a state where Israel has made clear it cannot have its own independent military and who's security must be integrated into Israel's. In effect, a Palestinian state would have no sovereignty or control over its most basic functions.

Despite numerous attempts at the two-state solution the US has been forced to balance between utilising the Zionist entity in the region, containing the entity in the region, its domestic political cycle and more pressing issues elsewhere in the world. The Zionist entity has taken advantage of US preoccupation elsewhere to unilaterally expand settlements in order to influence where the final borders potentially would be, if they ever materialise. All incarnations of the two-state solution have at its heart the 1967 borders, not the 1948 borders. The Muslims of Palestine are expected to give up their demands of return and to accept the status quo as it is today.

The Jews have the right to a homeland and a biblical claim to Jerusalem as their eternal home

The right to a homeland for groups of people evolved from Europe and developed into what we have of nation states today. This was exported around the world by European imperialists who supported national determination for different peoples, sometimes for the people and many times for their own colonial aims. There are, however, many people today without their own homelands. The Tamils of India, the Scottish people, the Kurds and many ethnic groups within Europe. Whilst all people should be able to live in peace and security, having your homeland is a political issue rather than a moral one.

Many Christians have long believed that the return of the Messiah at the end of times is when the Jews will return to Palestine. For most of Jewish history, Jews did not live in Palestine and even when the Zionist movement emerged in the 19th century, most Jews opposed it as they didn't see themselves as a nationality and wanted to integrate into the countries they resided. The main support for the Jews to be in Palestine comes from evangelical Christians in the US who are not even Jews.

Having a biblical right to anything is highly questionable. But even if it was the case the indigenous people of Palestine have never opposed Jewish migration to the region. The problem emerges when having a right to be in Palestine means the indigenous peoples' land is seized and they are expelled from their homes. Many people can claim they have a right to Palestine because they have resided there for much longer than the Jews. The Canaanites and Egyptians have been present in Palestine for over 3000 years, the Christians for around 400 years and the Muslims for over a millennia. The Jews in total, in history have only resided in Palestine for approximately 200 years. Many people can claim they have more of a right to Palestine than the Zionist claim.

There could be peace in Palestine if the terror groups stop their attacks

The Zionist narrative is that Israel is the peaceful player and it's the terror groups from Hamas to Hezbollah and the broader Palestinian people that don't want peace. The comparison between Israel and the armed groups in Palestine is not an accurate picture. Israel is a nation, with its own defence industry that supplies its armed forces with high-tech weapons. Israel is also a modern military that received high-tech exports from the US. The armed groups in Palestine can only dream about such capabilities.

The Palestinian groups have no military industry, they have no army, they have rockets with no accuracy, they do not even come close to the capabilities Israel has. The Gaza strip is a concentration camp where Israel controls who and what enters and leaves. Israel possesses Gaza's cell towers, so they monitor all phone calls, SMSs and internet traffic. In the West Bank, Israel has deployed most of its army and its settlements cut off Palestinians' villages and towns. Alongside this Israel controls the roads and lives of Palestinians by forcing them to wait in queues just to move around.

Israel is a settler colony that oppresses the indigenous people and imposes an apartheid system of discrimination and abuse upon the indigenous people. The political system imposed upon the people is a system of colonialism and the slow-motion expulsion of the people. The Palestinians and the armed groups do not come remotely close to being the obstacle to peace.



Israel has right to defend itself

There is no right of any occupier to claim self defence when they commit the original sin of occupying a people. The self-defence narrative is something Israel has promoted from day-one. We have seen this perspective go into overdrive with the war in Gaza. The self-defence narrative frames Israel's bombing of the Gaza Strip as a response. The objective of this narrative means if Israel's actions are a response, they can be justified based on what Israel is responding to.

The main problem here is this narrative asks you to look at Israel's actions in the context of the Hamas attack of the 7th of October, it does not allow you to ask whether perhaps there was a context for the 7th of October. Was Hamas perhaps also responding to something?

A fair assessment of the event would investigate if there was a context to the attack by Hamas. According to Human Rights Watch, *'Israel' has turned Gaza into an "...open air prison...", which "...forms part of Israeli authorities' crimes against humanity of apartheid and persecution against millions of Palestinians"*. This broader context immediately changes the perspective. If the Hamas attack on the 7th of October was a response to strangulation, apartheid and persecution, then Israel's war loses its self-defence justification.

When Israel claims self-defence it attempts to erase context and history. It does not allow this conversation because once the conversation goes down this path, it will eventually reach 1948 and the Nakba. The United Nations Secretary-General Antonio Guterres was attacked harshly by Zionist officials when he said there was a context to 7th October. *"It is important to also recognise the attacks by Hamas did not happen in a vacuum..."* and *"The Palestinian people have been subjected to 56 years of suffocating occupation."*

Muslims don't accept Israel's right to exist due to anti-semitism

Muslims have a long and illustrious history with Jews, where they lived side-by-side. Some Jews go as far to argue if it wasn't for Islam, Judaism was on the verge being wiped off the earth. The Roman Empire had expelled the Jews from Palestine as a result Jews spread across the world in order to practise their faith. When Islam came along, Islam recognised the Jews had received previous revelation. This was why Muslims always recognised the rights of Jews and this led them to flourish under Islamic rule in many different areas of Islamic territories. When the Spanish Inquisition took place in the 15th century, the Jews migrated to Turkey and their descendants are still there today.

Muslims have never had a problem with Jews throughout history. It's the Europeans that have always had a problem with the Jews. It's Europe where massacres of the Jews have taken place, not elsewhere. If the occupiers of Palestine were Hindus, Africans or even aliens the response of the indigenous people would be the same. This is because the issue in Palestine is one of occupation and liberating the land, the ethnic makeup of the occupier is irrelevant.





10 Lessons we have learnt from the war in Gaza

The events of the 7th October and the subsequent Israeli response have shocked the world. The world continues to watch in horror as Israel bombs hospitals, residential areas and promotes its right to self-defence. The regional rulers have been forced on the defensive as their people take to the streets demanding action. The global powers have all come out in support of Israel's right to defend itself, whilst in private they have pressured Israel's right-wing government with deadlines and restraint. In times of crisis, we learn the real intentions and positions of people. What follows are ten of these that have now become crystal clear.

Genocidal intentions

The UN defines genocide as the intentional destruction of a people in whole or part. Throughout much of Israel's existence, Zionist officials have made clear they want the whole of Palestine and have made numerous genocidal statements of how they planned to deal with the indigenous people to achieve this. After the 7th of October Israeli officials have been openly stating what they would like to see happen to the Palestinian people.

It began with Israel's Defence Minister, Yoav Gallant making clear *"We are fighting human animals,"* and described the Zionist entity's military response just days after the 7th October attack as: *"We will eliminate everything - they will regret it."* Israel's Prime Minister Benjamin Netanyahu, evoked a biblical analogy referring to the Israelites' enemy, largely interpreted as a genocidal call to wipe out Gaza. *"You must remember what Amalek has done to you, says our Holy Bible - we do remember,"* he said during an official video statement. Ghassan Aljan, who heads the Israeli army's Coordination of Government Activities in the Palestinian Territories (COGAT), declared: *"There will be no electricity and no water (in Gaza), there will only be destruction. You wanted hell, you will get hell."*

Moshe Feiglin, the founder of Israel's right-wing Zehut Party and former Likud representative in Israel's parliament, called for the complete destruction of Gaza. *"There is one and only (one) solution, which is to completely destroy Gaza before invading it. I mean destruction like what happened in Dresden and Hiroshima, without nuclear weapons."* In another statement, Feiglin said Israel's end goal should not be to eliminate Hamas, but rather, *"Gaza should be razed and Israel's rule should be restored to the place. This is our country."* Not to be outdone, Amit Halevi, a Likud member of parliament, said, *"There should be two goals for this victory: One, there is no more Muslim land in the land of Israel ... After we make it the land of Israel, Gaza should be left as a monument, like Sodom."*

Ariel Kallner, a member of Israel's parliament, said, *"Nakba to the enemy now! This day is our Pearl Harbour. We will still learn the lessons. Right now, one goal: Nakba! A Nakba that will overshadow the Nakba of 48. A Nakba in Gaza and a Nakba for anyone who dares to join!"* Israeli Heritage Minister Amichai Eliyahu went further in a radio interview, auguring that dropping a nuclear bomb on Gaza was a possible tactic Israel could employ.

Genocidal rhetoric has been a constant feature throughout the Zionist occupation of Palestine. Today there are countless Zionist statements promoting expulsion and genocide, with little condemnation from Western nations against such speech. Dehumanisation has been a major tactic before prior genocides, it's used to inflame tensions and provoke violence. Once the language of genocide is normalised and becomes mainstream the physical act of genocide is a certainty.

Israel has always wanted to seize all of Palestine

Israel has always seen its future security through seizing all of historic Palestine and expelling the indigenous people. The challenge for Israel on its birth was it lacked the capabilities to achieve this. For this reason, she joined America in its Cold War strategy and became the lynchpin in the Middle East against Communist expansion.

Israel was forced to accept the two-state solution after the 1973 war, despite US assurances that it would get regional nations to normalise relations with her. Israel accepted the two-state solution at the time as she believed her worst nightmare was about to come true in the 1973 war. Israel needed US intervention. But ever since, Israel has done everything to scupper and undermine the two state solution by building and expanding settlements. The West Bank is now a labyrinth of settlements that cuts off Palestinian towns to each other and requires permits for Palestinians to move about.

For strategic reasons Israel cannot allow the West Bank to become a separate state as the West Bank is a large territory and higher land that overlooks the core of Israel which is the area from Haifa in the north along the coast down to the Gaza strip. For security reasons Israel needs to control the West Bank, as an independent state will have the advantage of possessing the higher tertiary and it would be beyond Israel's capabilities to defend herself.

This is why despite all the talk of two states, Israel has been expanding its territory and uses every opportunity, flare up and tactic to kill the two-state solution and seize more of historic Palestine. We have a situation today where the Palestinian Authority, Hamas and the regional Arab rulers all accept the two-state solution and Israel is the only one that doesn't support it for its own security and strategic reasons.

International Law can be abandoned at the drop of a hat

When Russia invaded Ukraine in 2022 international law was used against the Kremlin. In a December 2021 joint statement by Presidents Biden and Macron, they stated: *"The Presidents strongly condemn Russia's illegal war of aggression against Ukraine and stress that intentionally targeting civilians and civilian infrastructure constitutes war crimes whose perpetrators must be held accountable."*

Western leaders have fallen over themselves in condemning Hamas and condoning Israel's right to self-defence. The West is happy to use the most strong and robust language to describe the crimes against humanity of the Russian President, but not when it comes to describing Israel's treatment of the Palestinians.

In January 2023 Amnesty International published a report highlighting the West's double standards on global human rights. In the report Amnesty said: *"States cannot criticize human rights violations one minute and in the next condone similar abuses in other countries just because their interests are at stake. It's unconscionable and undermines the entire fabric of universal human rights."*

International law as we have it today has its origins in the aftermath of WW2 and the establishment of the United Nations by the victors of the war. As the permanent members make the rules, they also decide when to enforce them and even when they will abide by them. Russia has felt the full force of international law since its invasion of Ukraine, whilst Israel can't seem to ever break international law. What this shows is international law can be dropped and picked up whenever it's in Western interests.

Israel's information war requires the complete abandonment of all context and history

The Israeli propaganda war went into overdrive soon after the events of the 7th October. We are being told by Israel and its supporters in western governments and in the media that Israel is acting in self-defence in Gaza. Its objective is to free hostages held by Hamas, and to re-establish order and security by destroying Hamas' military capabilities. It is doing all this in the most careful and humane manner possible.

But many can see a large discrepancy between what is heard on the one hand, and what is seen happening on

the ground to ordinary Gazans. What everyone is seeing is the complete destruction of Gaza. From the 7th of October to the 1st of November, Israel struck over 12,000 targets in the area, dropping over 25,000 tonnes of explosives. In comparison, the Little Boy nuclear bomb dropped by the United States on Hiroshima during World War II was the equivalent of 15,000 tonnes of explosives.

The self-defence narrative and the 'do you condemn Hamas' narrative tries to erase context and history in the conversation on Israel's war on Gaza. It does not allow conversations about context and history, because once the conversations go down this path, they will eventually reach 1948 and the Nakba. This explains why even the United Nations Secretary-General Antonio Guterres was attacked harshly by Zionist officials when he said, *"It is important to also recognise the attacks by Hamas did not happen in a vacuum"* and *"The Palestinian people have been subjected to 56 years of suffocating occupation"*. Zionist officials described his remarks as a justification of terrorism and murder and called for him to resign.

What do we know and what do we not know about the 7th of October?

Israel's key position in its information war is the condemnation of Hamas for its attack. On social media and mainstream media all supporters of Palestine are forced to condemn Hamas and declare their condemnation. On Piers Morgan's nightly uncensored show the former Labour leader, Jeremy Corbyn was asked multiple times if he condemned the actions of Hamas, to which he attempted to explain the broader context of the occupation.

After months have gone by we still do not know the details of the attack and most of the details we do know are the views of Israeli officials, who as a participant in the conflict and have an interest in projecting a particular narrative of the day. Israel's war is based entirely on that Hamas attack and any questioning or subsequent alternative interpretation would blow apart the whole justification of the Israeli response.

The Israeli narrative is Hamas committed untold horrors. More than 1,200 civilians were killed (this figure was subsequently reduced) and 248 taken as hostages. Hamas was accused of raping, beheading babies, ripping out babies from pregnant women and carrying out a massacre.

As the weeks have gone by, a clearer picture of what happened on that day has emerged. In an investigation by the Hebrew newspaper Haaretz, they concluded almost half the people killed were in fact combatants - soldiers or police. The investigation recognised its account was incomplete as it had not gained all the figures and data. It found that with the data it did have, which was over half the deaths, there was no recorded deaths of children under the age of three, which throws into question the Zionist narrative that babies were targeted by Palestinian resistance fighters. The investigation also found the breakout was not limited to Hamas forces alone; numerous armed fighters belonging to other factions also took part as well as some Palestinians unaffiliated with any organisation.

The rape claims went viral almost immediately with even US President Joe Biden alleging, during a speech a few days after the attack, that Israeli women were *"...raped, assaulted, paraded as trophies..."* by Hamas fighters. The White House later confirmed this was incorrect. An article by The Forward's on the 11th of October reported that the Israeli military acknowledged they had no evidence of such allegations at that point. Reuters reported regarding the allegations of decapitations, foot amputations and rape, that the *"...the military personnel overseeing the identification process didn't present any forensic evidence in the form of pictures or medical records."*

Israel's narrative of a bloody massacre at Kibbutz Be'eri has also been undermined by numerous outlets. ABC News photographed artillery pieces resembling Israeli munitions outside bombed-out homes. Videos of the scene showed homes that appear to have been struck by munitions that Hamas fighters did not possess. We now know that the IDF shelled houses with all their occupants inside in order to eliminate 'terrorists' along with the hostages. A grayzone investigative report that contained first hand testimony confirmed this. Testimony by inexperienced Israeli tank operators have revealed they were ordered to open fire upon Israeli communities by "panicked" superiors whether they contained civilians or not.

What we know about the attack is that we know very little of the facts of what took place. Israel's narrative continues to be undermined and it's likely, as we are in the fog of war, many details will be revealed after the war. Condemning anyone for the attack, when we do not know the details of what took place or have credible evidence, would be condoning the Israeli response.

Muslim Rulers: All Bark and no Bite

The Muslim rulers have for long spoken for the Palestinian people. Iran and Syria provided arms and supported militia groups. Saudi Arabia provided aid and organised conferences for two states. Turkey's Erdogan has for long criticised Israel for its treatment of the Palestinians. Palestine was one thing the Muslim rulers had some semblance of unity upon.

However, as they were making these statements, we know behind the scenes many of these rulers had cordial relations with Israel. Many had a commercial relationship, whilst others have been trying to normalise relations with her. This is why it should not be surprising when it comes to delivering on their statements the rulers have fallen short.

The Muslim rulers never planned to make good on their statements as they were just that, statements. When it came to making good on their statements they never planned to. This is why Erdogan of Turkey told a rally regarding Israel's slaughter in Gaza, *"...we will proclaim you as a war criminal to the world"*. These words were enough for Israel to recall its ambassador. But there were no diplomatic repercussions and Turkey has ignored the plight of Gazans and pressed ahead with its multifaceted relationship with Israel. Saudi Arabia wants to focus on "de-escalation" and resumption of normalisation efforts with Israel once the war is over. Both Jordan and Egypt are more concerned about the refugee spillover than actually physically helping the Palestinians in their time of need. Iran and Hezbollah who for long supported Hamas has seen Hassan Nasrullah in a speech confirm he would only intervene if events moved beyond Gaza. During an impromptu meeting with the leadership of Hamas in Tehran, Iran's supreme leader admonished Hamas, remonstrating the lack of warning justifying their lack of support.

For 2 billion muslims the national borders are irrelevant

The Muslim world has shown their borders do not matter when it comes to Palestine. Since the beginning of the Israeli onslaught protests have taken place across the Muslim world. From the Muslims in the region in support of the Palestinians to those as far as Indonesia. Even across the Western world protests and demonstrations in support of the Palestinians take place regularly.

For the ummah, Palestine is blessed and the people there are her ummah. This outpouring of support and unity has put the Muslim rulers in a bind. They need to be seen to support the sentiments of their people, but at the same time they do not want to help the people of Palestine for their own narrow interests, which is mainly to maintain their own thrones. Due to this, the rulers across the Muslim world have resorted to cracking down upon their own people who support the ummah in Palestine.

Many of these rulers initially supported the protests for Palestine as this showed the rulers were in line with the people's sentiments. But as the months went by other grievances began to emerge and intertwine with the protests demands. These range from the state of the domestic economy, authoritarianism, and the lack of development. This has been the case in Egypt where the regime initially supported the protests, but in order to prevent protests from becoming anti-government demonstrations, Egyptian authorities began cracking down on dissenting protestors. Sissi's regime fears the Palestinian issue, one that many ordinary people living in the Middle East deeply sympathise with, could threaten the political status quo.

The national borders and the rulers having the top spot is of the utmost importance for them. Their regime's survival is paramount. For the ummah, it's not.

Subverting support for Palestine

Despite all the talk of freedom of speech, when it comes to support for Palestine in the West the media, officials and the corporate world have used draconian measures from accusations of antisemitism, suspensions in the workplace and the law against support for Palestine. In the UK the former Home Secretary Suella Braverman labelled the regular weekend demonstrations in London for Palestine as ‘hate marches.’ The authorities in Austria, Hungary and Switzerland have prohibited pro-Palestinian protest. In France, a court overturned a blanket ban on pro-Palestinian demonstrations, but they can still be banned case by case. In Germany, numerous pro-Palestinian protests have been blocked, where they have gone ahead authorities restricted the number of Palestinian flags that could be waved.

In the US, the advocacy organisation Palestine Legal reports that they’ve responded to over 260 cases of people’s “livelihoods or careers” being targeted. In many cases people have been fired due to social media posts criticising Israel or highlighting the Palestinian plight. Artforum’s top editor David Velasco was fired by his publisher, Penske Media, after posting an open letter on the site calling for a cease-fire and suggesting Israel is responsible for the beginning of a genocide. Michael Eisen was removed as editor-in-chief of the science journal eLife after retweeting a satirical article critical of Israel. Maha Dakhil, a top executive at the Hollywood talent firm Creative Artists Agency, stepped back from leadership roles after reposting an Instagram story that implied Israel was committing genocide.

When Russia invaded Ukraine the corporate world, the education sector, celebrities and organisations that had nothing to do with politics all took positions in support of Ukraine. The Ukrainian flag became the symbol of resistance. When Israel commits a genocide, freedom of speech clearly doesn’t extend to the Palestinians.

Israel v US

As Israel’s massacre in Gaza has continued, talk of what the solution will be when the bombs end have begun and differences are emerging. Netanyahu made clear when asked who should “govern” Gaza after fighting ends, Netanyahu told ABC News in an interview *“Those who don’t want to continue the way of Hamas.”* He continued *“Israel will for an indefinite period ... have the overall security responsibility [in Gaza] because we’ve seen what happens when we don’t have that security responsibility.”*

Netanyahu’s foreign minister and the US hit back that Israel would play no role and that either an Arab force or a UN force will have security responsibility. The US has since the Hamas attack dispatched regularly the Secretary of State Anthony Blinkin, the defence secretary Lloyed Austin and the CIA chief William J. Burns to Israel and the region to manage things in line with US interests. In fact Blinkin and Austin have been sitting in Israeli cabinet meetings and directing Israeli actions. Israel was looking at a full-scale invasion of Gaza, but they were forced to carry out incursions only. The Jerusalem Post confirmed in mid-December that the US has given Israel a month to bring its war to an end as the US will begin international summits on the post war situation.

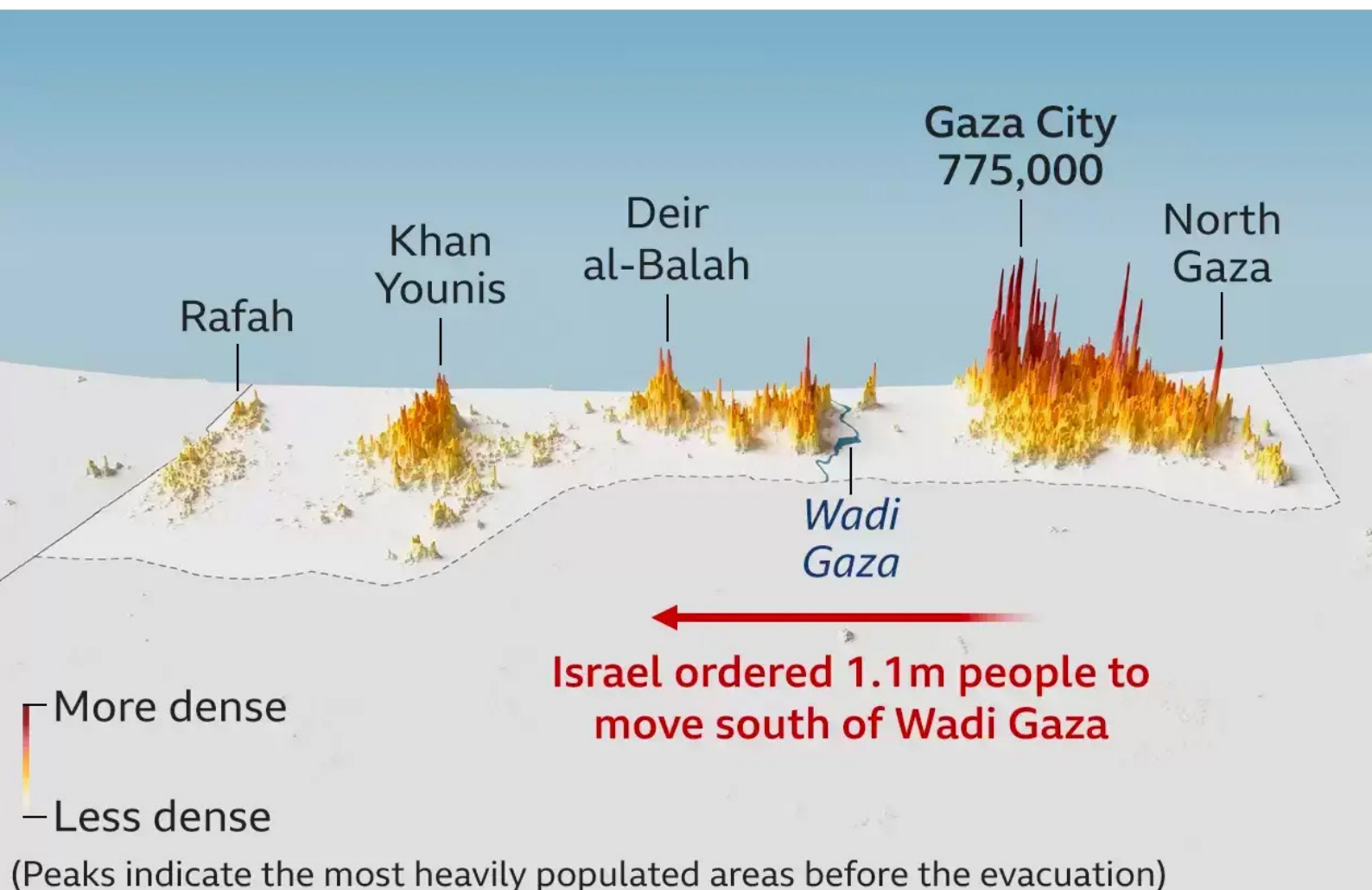
What this shows is the US is publicly supporting Israel in its war, but privately she is restricting and altering the Israeli right wing government genocidal agenda. This is because the expulsion of the Gazans from the Gaza strip would not be in US interests for the region.

Israel is losing the war

The war narrative on Gaza has been controlled by the Israel Defense Forces (IDF) and the country's ministry of defence. Israel's international reputation may have plummeted with the wanton destruction but the IDF sold a plausible narrative that Hamas was weakening and victory was close. But this aura is now breaking. The lack of evidence to support the IDF's claim of a Hamas headquarters under al-Shifa hospital, then the IDF could not identify the location of the Israeli hostages, despite having some of the world's most advanced intelligence. On 12 December, there was a skilful triple ambush staged by Hamas paramilitaries in a part of Gaza supposedly controlled by Israeli forces. Ten IDF soldiers were reported killed including a colonel and three majors from the elite Golani Brigade.

Then the killing of three Israeli hostages who succeeded in getting away from their captors, only to be killed by IDF soldiers, even though they were shirtless and carrying a white flag hat made matters worse.

The IDF is still following the well-rehearsed Dahiya doctrine of massive force in responding to irregular war, causing extensive social and economic damage, undermining the will of the insurgents to fight while deterring future threats to Israel's security. But it is going badly wrong.



Conclusions

At the end of 2022 the US remained the global superpower and had engulfed Russia in a war along its borderlands. At the end of 2023 the war is still ongoing, but Russia has been able to adapt and throughout the year its been bleeding the Ukrainian military. The US never planned to go to war with Russia herself but used Ukraine as a proxy to bleed Russia. Near the end of 2023 Israel went to war with the Gaza Strip and the US not only provided the Zionist government with cover but it also ensured Israel was not able to pursue its genocidal goals. Whilst the US is involved in two wars, the wars do not involve massed US ground forces and tanks. The fact that the US is playing major roles in both conflicts shows she maintains her global power despite emerging threats against this. In the case of Russia, the US will likely use the sanctions against Moscow to engage her in the years ahead in order to shape Russian behaviour.

The main challenge to the current global balance is the relationship between the US and China. The US began a trade, economic and technology war with China and the Biden administration has continued with this and expanded it. China is attempting to build an alternative bloc and alternative institutions but for the moment these are unable to compete with the US dominated order. China has continued to pose challenges to the US in South-East Asia, and this is the region China poses a major challenge to the US global power.

The key area of competition between the US and China is in the arena of technology. It's the area the US long dominated but China has made large strides and developed in areas and even leapfrogged the US. Throughout history the global power has usually been at the forefront of new tech and the US faces a major challenge from China on this front. The outcome of this battle will likely determine who will be the global superpower.

President Biden transitioned the US from the unorthodox and daily controversial rule of Donald Trump. This has brought a degree of stability to US foreign policy and US domestic policy. But the differences between the US populace on issues such as identity, role of the government and national priorities will continue to grow and will in time impact America's global position.



2024



Is the World Losing Interest in Ukraine?

To negotiate or not to negotiate - As the Ukraine war is edging to its second year anniversary the situation is markedly different in 2024 than it was back in beginning of 2023. All the evidence is showing Ukraine's counter-offensive has stopped well short of its stated minimum goal, and that the war has reached a stalemate. The US who led the battle against Russia can no longer be depended upon to lead this fight. The new speaker of the House of Representatives, Mike Johnson, began his term by blocking President Joe Biden's attempt to get authorization for a fresh package of \$61 billion in military support for Ukraine. President Joe Biden will likely find the politics of fighting the Republicans over Ukraine too difficult as the election in November nears. Whilst the G7 nations agreed to produce bilateral security guarantees for Ukraine, none has yet done so. Whilst Europe increased its support to Ukraine in 2023, it did this by running down its own reserves of tanks, ammunition and missiles. Without further big investments in defence procurement, Europe will not be able to maintain support. Although contractors can ramp up production at existing facilities, that will not be enough. To get them to invest in new facilities, they will need big, multi-year commitments from governments.

Global Disorder

In 2024 the West's share of global GDP will fall below 50% for the first time since the 19th century. A number of nations such as Russia, China and India have long believed the global institutions created after 1945 do not reflect their concerns. China and Russia want to go further and subvert this system. Though America's economy is still the world's largest, its unipolar moment has ended. Europe has been in relative decline for some time and even within the US there is declining support among the middle class for America's global role, and an isolationist tilt exists amongst many and even amongst some in the Republican Party. Already populism, interventionist economics and transactional globalisation are challenging freedom, market economics and rules-based globalisation. The global rules based order seems to be shrinking as neither the global powers, nor their institutions can do much in the African Sahel region. Azerbaijan has just fought a war against Armenia involving ethnic cleansing, without much blowback. Iran's proxies thrive in failing states across the Middle East. In 2024 this zone of impunity could expand further across Africa and Russia's flanks. The US faces a long slog to stabilise and then renew a system of international trade and security that it led for so long.

Year of Elections

In 2024 there will be 76 elections worldwide including some of the world's most powerful nations as well as a number of strategic countries. The context these elections take place in means the outcomes will have repercussions beyond their national borders. These elections will cover 4.2 billion people - half the world's people and a combined GDP of nearly \$50 trillion. The results of these elections have the possibility of shaping global relations into the 2030s. Ballots will be cast from Britain to Bangladesh, from India to Indonesia. Yet what sounds like it should be a triumphant year for democracy will be the opposite. Eight of the most populous countries in the world—Bangladesh, Brazil, India, Indonesia, Mexico, Pakistan, Russia and the US will hold elections in 2024. In half of these, elections are neither free nor fair. From the likely rematch in the US election to India and from Taiwan to Bangladesh, they take place with confidence in democracy at rock bottom and with the credibility of democracy to deliver for the average person a major stumbling block.

Unprecedented Territory for American Democracy

In 2024 the US will be entering unprecedented and uncharted territory. These terms are probably no longer applicable to Donald Trump and the 2024 election will need new terms. Barring any unforeseen circumstances (which is a major 'if'), the 2024 presidential election is looking like a rematch between Joe Biden and Donald Trump. This will be confirmed by the party primaries, by the end of March 2024. The US and the world will then be subjected to a full eight months of a general election campaign between two unpopular candidates. The question for the US electorate is do they want to re-elect a man who governed as Mr Trump did, who was impeached twice by the House of Representatives, and who tried to overturn the result of the

last election? Or do they want to vote for Joe Biden who will be in his 80's if he finishes his term. Trump's federal trial for attempting to overturn the 2020 election starts on March 4th, the day before "Super Tuesday", when 13 states will vote in the Republican primary. The federal cases against Mr Trump are unlikely to be litigated by November 5th, the day of the election. It's very likely the US will have a presidential candidate on the ballot who stands accused of federal and state crimes.

American Dysfunction

The US has been the global superpower since WW2 and the undisputed unipolar power since 1991. US industry and the broader economy acted as a supply chain to America's global military machine and this relationship worked smoothly in the 20th century. But in the 21st century the biggest obstacle to sustaining America's role in the world is political dysfunction at home. "America first" Republicans have hampered normal budgeting and have grown especially hostile to funding the war in Ukraine. If they succeed in cutting aid to Ukraine in 2024, allies everywhere will need to rethink their positions.

Is American Power Over-stretched?

The Iraq war and the Afghan war debacle has seen US intervention wane in popularity. Americans want to see an end to the "forever wars" in the greater Middle East in order to concentrate on the economy at home. But with Russia's invasion of Ukraine and the flare up in Palestine can the US protect Taiwan if there is any flare up in the Far East? Strategists worry about a "window of vulnerability" in the Indo-Pacific this decade, as China's forces grow stronger and America's investments in new military equipment will not bear fruits until the 2030s. Concerns about this gap will deepen with the approach of 2027, the year when Xi Jinping wants the People's Liberation Army to be able to invade Taiwan.

The Original sin in Palestine

The 7th of October flare up in Palestine has broken both Israeli and Zionist dominance of the narrative on Palestine. After decades of instability Israel and its supporters have failed to dim the prospects of liberation from the indigenous Palestinians. The light of the Palestinians people has now captured global public opinion that includes the original sin from 1948. Palestine affects the whole region and will continue to destabilise the whole region unless the original underlying issues are addressed. But as things stand, Israel has no political plan beyond destroying Hamas. Israel refused to address the original sin and during its brutal assault of the Gaza Strip many officials have made genocidal statements of their intent. The plight of the Palestinians people beginning in 1948 is now on the global agenda which will put Israel in a difficult position.

Middle East Rulers Stuck Between the People and a Hard Place

The Middle East leaders for long verbally supported the Palestinian cause. When the populations conducted welfare work and support Palestine most leaders permitted this. But with Israel's onslaught the arab street is calling for action from their rulers who are now running for cover as they never planned to ever act on their verbal support. There are regular demonstrations every week in the Middle East in support for intervention and the region's leaders are being pushed into a corner. For the region's leaders their primary interest is their thrones and serving their western masters to maintain this. They have behind the scenes always been talking to Israel with many nations even normalising relations. But the public in the region are already reeling from economic problems, political corruption and the iron grip of the political leaders. The events of Palestine have exposed them as being on the diametric opposite side to the sentiments of the people. It remains to be seen if 2024 will be the same as we saw in 2011.

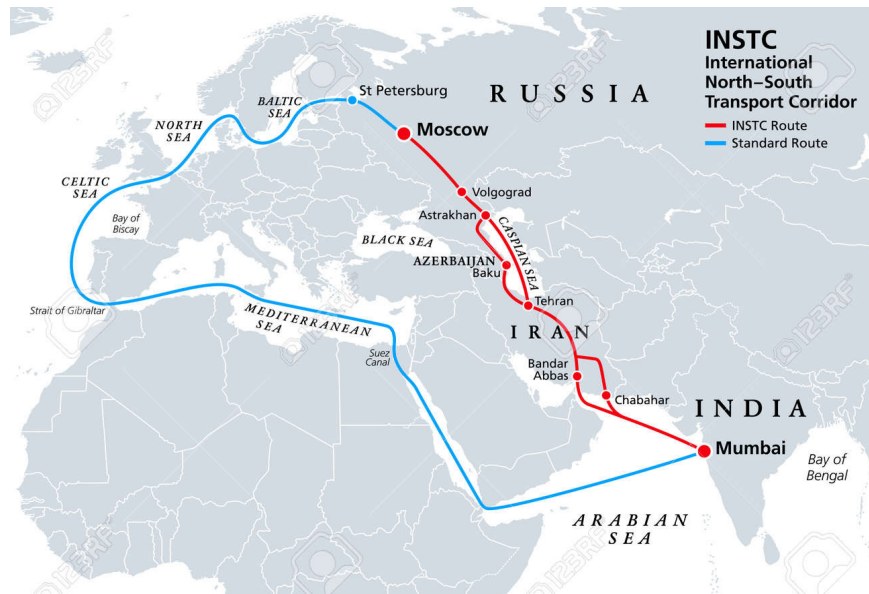
The Two State Solution

The flare up in Palestine he spit the issue of the two state solution back on the table. Israel has been very clear, through numerous genocidal statements, that it doesn't plan to give up settlements in the West Bank and it would like to see the people of Gaza go into the desert. On the 6th of October, a day before Hamas's attack the Saudis and Israelis were negotiating a normalisation agreement and Netanyahu was arguing the Middle East had never been so stable. The Palestinian people and their struggle had been pushed to the margins and

was not even part of the discussion. Successive Israeli leaders have been pushing against two states, whilst the PLO and Hamas compromised their goals in the hope of receiving some land. Now it's clear it's not the Palestinian people or the groups that are against the two state solution, it's actually Israel. What remains to be seen in 2024 and beyond is whether the US will impose this on Israel or not.

Russia Led Transit Corridor Facing Hurdles

When the International North–South Transport Corridor (INSTC) was announced in 2022, Russia used the project to project an image of independence after the raft of sanctions that were placed upon her after invading Ukraine. The corridor was meant to link Russia, the Caucasus, Iran with India and would be one of only a few north-south corridors in the world. But ever since the announcement project has been experiencing a number of complications. According to the development director of logistics operator TransAsia Logistics Group, obstacles include problems with settling payments in Iran, a lack of infrastructure and declining water levels at Caspian Sea ports, and the lack of a single operator for the route. The low cost of diesel fuel in Iran is also discouraging development of railway projects. This poses a major challenge to Russia who needs to diversify away from dependency in European trade and find alternative markets to replace the markets that are now no longer available to the Ukraine war sanctions.



Russia down and out in the caucuses?

Azerbaijan and Armenia have been at war for a long time over the Nagorno-Karabakh enclave. In 2023 after a long cycle of violence Azerbaijan got control of the enclave, something it wanted since the Soviet collapse. Nagorno-Karabakh played a key role both in the composition of the Soviet Union and in its decomposition. Now it marks what could be the last spasm of the system which has kept the Caucasus, one way or another, connected to Moscow. There was little Russia could do in the face of Azerbaijan's onslaught with significant help from Turkey. Azerbaijan and Turkey hold all the cards and neither wants to make unnecessary concessions to Moscow, particularly when its influence is declining. The Caucasus is one of the regions Russia has seen invasions in its history and in 2024 Russia is losing the region to other powers.

Iran's Political System Struggling for Survival

The clerical system in Iran will be 45 years old in 2024. In the last decade it faced its biggest challenges as the clerics have run the country into the ground. The clerical system rests on the Grand Ayatollah presiding over a complex labyrinth of government, state, political party and dominating society. With 70% of the population born after 1979 they see a system that serves the establishment over the masses and the death of Masha Amini in 2023 confirmed this. Ayatollah Ali Khamenei is now 84 years old and questions are abound about his heir as well as the long-term survival of the clerical system. Khamenei's answer to this is his 54 year old second son, Mojtaba. As the senior chaplain to the Islamic Revolutionary Guard Corps, he already sits at the apex of the republic's two principal pillars, its military and clerical establishment. As Mojtaba will get closer to taking the helm it's likely the clerical system will face even more opposition from the people and 2024 may very well be the beginning of such a process.

New Expanded BRICS

In October 2023 BRICS confirmed the expansion of the bloc. In 2024 Argentina, Egypt, Ethiopia, Iran, Saudi Arabia and the UAE will reflect how geopolitics is changing; the world is becoming more multipolar and middle powers more assertive in challenging the Western-led order. But it remains to be seen what a heterogeneous Global South can achieve. On paper the bloc does look formidable. It accounts for 46% of world population and 29% of global GDP. It will include two of the three largest oil producers, and the most powerful countries in the Gulf, Latin America and, arguably, Africa. A bigger BRICS will have a louder voice to critique the Western-led order. But its members also have different political systems and contradictory strategic aims. Therefore it remains to be seen if the bloc can coalesce into a unified block and pose a challenge to the western led global order.

New Arms Race

Nuclear arms control has been eroding since the US withdrew from the Anti-Ballistic Missile Treaty in 2002. But nuclear dangers have become more acute with Russia's invasion of Ukraine and its threats to use nuclear weapons. America and Russia have stopped exchanging information under the New Start Treaty, which limits each side's long-range "strategic" nuclear weapons. Russia is deploying tactical nuclear weapons to Belarus, and in late 2023 it set out to reverse its ratification of the CTBT. According to the Pentagon, China's stockpile of nuclear weapons will grow from 500 warheads to more than 1,000 by 2030. None of the big three powers has detonated a nuclear device since 1996. Yet Both Russia and China are increasing and modernising their nuclear stockpiles and computer simulations can do a lot using data from previous tests, but they do not provide certainty. China has the greatest appetite for fresh data, having conducted just 45 tests, compared with 1,030 by America and 715 by Russia. Russia has the greatest political incentive to test a weapon. President Vladimir Putin has said the warheads for new weapons need testing. 2024 may very well be the beginning of a new arms race.

Will Renewables Energy Overtake Coal in 2024?

Renewable supplies of energy, such as solar and wind power, are forecasted to overtake coal-fired power stations to become the world's largest single source of electricity, according to the International Energy Agency (IEA). The IEA thinks it could happen in 2024, "...as a result of the accelerated pace of renewable capacity additions" and "...the plateauing of electricity generation from coal". Coal became the main source of electricity in the early 20th century and despite calls for a greener future it's been difficult to close down coal fired power plants due to the energy they give compared to renewables. With Europe getting around 40% of its electricity for renewables and much of the world further behind, the global energy landscape may very well be shifting.

Will the Number of Coups Continue to Rise?

On average there are 9 attempted coups a year in the world with 49% succeeding. In the last three years coups are back in fashion especially in sub-Saharan Africa. As a number of experts have pointed out, you can walk from the Red Sea to the Atlantic entirely within countries that have had coups in the past three years. Of 18 attempted coups since 2021, nine have succeeded. In these cases there has been the collapse of security as seen in Niger and Mali, where generals claimed to be restoring order and also when an unpopular leader remains in power well beyond the people could take. Instability in the Sahel shows no sign of abating, so further coups are possible. South Sudan is at most risk, followed by the Central African Republic, much of which is no longer under government control. The Democratic Republic of Congo, Equatorial Guinea, which is ruled by Africa's longest-standing leader, Teodoro Obiang Nguema Mbasogo, now 81 years old, are also likely candidates.

Military Junta in Retreat in Myanmar?

To the surprise of many, the junta's armed forces (or Tatmadaw) suffered a series of major defeats recently with at least four military bases, up to 300 smaller outposts and several major towns falling to the insurgents. In late October 2023, an alliance of three ethnic armed organizations (EAO) launched a major offensive against Myanmar's military regime in the north of the country. Soon afterwards, other EAOs and militia groups, including members of the opposition People's Defense Forces (PDFs), took advantage of the regime's troubles by opening new fronts in western, eastern and southern Myanmar. Important trade and communications links to China and India were cut. Large quantities of arms and ammunition, including some heavy weapons, were captured. The Council on Foreign Relations called on the US government to prepare for the end of the Myanmar Army, which one analyst predicted would "collapse in waves across the country." The EAOs, assisted by PDFs and other militias, have enjoyed a remarkable degree of success. There are still political differences between them, but they seem to have achieved an unprecedented measure of cooperation at the military level. This has permitted them to conduct joint and coordinated operations over two-thirds of Myanmar, with dramatic results. This level of cooperation between Myanmar's insurgent forces is one of the junta's worst nightmares. The Tatmadaw simply do not have the manpower to maintain a strong presence everywhere, or to conduct major operations in several places at once. Moving its mobile strike forces to key trouble spots leaves other vulnerable areas exposed. For all its problems, the Tatmadaw is a strong, well-armed and well-trained force that still poses a major obstacle to the opposition movement's stated goal of a federal union. Many of the so-called "bases" that were recently overrun, for example, were small, under-manned and outgunned by the insurgents. Not all Tatmadaw units would be defeated as easily. But this is the Junta's biggest defeat.

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