

The following 'wave tops' brief is designed to assist clients and their offices in decision making at a time when global events are moving at pace. The analysis is tailored to the client portfolio of interests. Contact Sparten direct via the website for further information.

Wave Tops

Comment:

Europe is contending with an intensifying mix of activist movements and security threats, creating far-reaching challenges for industries, public stability, and governance. Climate activists and radical ecologists continue cross-border campaigns against fossil fuel-linked sectors, with escalating action targeting high-emission industries. Defence firms are under growing scrutiny from groups such as Palestine Action, which has amplified its operations in France, Italy, and the Netherlands amid rising pro-Palestinian protests linked to the Israel-Hamas conflict. The risk to operations and reputations in these industries is acute, with protests potentially escalating if authorities employ heavy-handed crowd-control tactics in nations like France, Germany, and Italy.

Immigration-driven unrest compounds regional volatility. France, Germany, Sweden, and the UK are particularly exposed to instability stemming from irregular migration, with Ireland and the Netherlands also experiencing signs of strain. Organised crime—especially drug trafficking—remains a persistent security challenge in Belgium, France, and Sweden, undermining countermeasures aimed at preserving public safety.

Meanwhile, Islamist extremism is a growing concern. Austria, Belgium, France, Germany, and Sweden face elevated risks as the Middle East conflict spurs potential domestic radicalisation. Although international terrorism risks remain moderate, the probability of high-casualty attacks is increasing.

On the political front, Europe presents a mixed picture. Germany is showing tentative signs of stability, but France grapples with social unrest and economic pressure. Poland's upcoming presidential election will begin to shape domestic and regional policies, while corruption and human trafficking issues strain EU relations in the Balkans. Anti-mining activism is also gaining traction in Serbia and Bulgaria, reflecting broader environmental and social tensions.

Global crises further darken Europe's outlook. The Israel-Iran conflict and Sudan's Red Sea tensions introduce new complexities for European security and economic stability. Most recently, Ukraine targeted Russia's last active gas pipeline to Europe, using drones to attack a station in Kuban supplying the Turkish Stream pipeline. The incident highlights Kyiv's efforts to pressure Europe ahead of potential geopolitical shifts, including a return of a Trump administration in the US.

Increasingly volatile security and political landscapes demand coordinated action from governments and businesses to mitigate risks. Failing to address these interconnected challenges could exacerbate instability and hinder economic resilience. Societies move from feelings of endless crisis to '**crisis is the norm**' which promotes risk taking at all levels and shifts further to self interest and away from sentiments of altruism and 'greater good'. Tribalism and personal communities (echo chambers) are the trend, but this coming year will be marked by personal activism justified by the influence groups that may not be aligned with general society or law. Business should build resilience to insider threats, corruption, supply chain security and have robust crisis response plans each.

Quote:

"If we do not do this, in 4-5 years we will have to take Russian language courses or go to New Zealand"

NATO Secretary General Mark Rutte, speaking in the European Parliament in Brussels, warned that if EU countries do not start to allocate significantly more than 2% of GDP for defence, then in 4-5 years they will have to learn Russian.

Europe - Outlook

In 2024, conflict and extremism risks intensified across Europe and Eurasia. Russia endured two major attacks, including an IS-K assault in Moscow, its deadliest in two decades. Several European nations faced Islamist lone-wolf incidents, while Iranian intelligence increasingly targeted Israeli-linked sites, notably in Denmark and Sweden. Ethno-religious tensions also triggered riots in the UK and Netherlands.

In 2025, Russia's diminished security, strained by the Ukraine war, may create opportunities for terror groups. Iranian-linked and lone-wolf attacks will remain concerning in northwest Europe, alongside a moderate but persistent far-right threat, particularly in Germany. A potential Armenia-Azerbaijan peace treaty could stabilise the Caucasus, though occasional provocations are likely.

Regional polarisation persists. Pro-Russia and pro-West factions clashed during Georgia's and Moldova's elections, while Austria and Germany excluded hard-right parties from coalitions, fuelling "deep state" narratives. Bulgaria's fractured elections and Serbia's corruption issues added instability. Upcoming elections in Moldova and Poland are likely to deepen divides, with disinformation from far-right and far-left groups exacerbating tensions.

The Ukraine war continues to reshape security dynamics. NATO has strengthened its eastern flank, and the EU has progressed accession talks with Ukraine and others to counter Russia. Moscow remains committed to hybrid warfare and pursues new security arrangements.

Economic pressures endure. EU growth is constrained by budgetary issues, stagnant German exports, and deteriorating French public finances. Severe inflation and infrastructure damage plague Ukraine and Russia, while global trade tensions involving China, the US, and the EU are set to increase economic uncertainty in 2025.

UK - News

UN Security Council

The UK's UN Deputy Ambassador, James Kariuki, raised alarm over Sudan's worsening humanitarian crisis, attributing the situation to Sudanese authorities' obstruction of aid efforts. He announced a £140m increase in UK aid and emphasised the need for expanded humanitarian access, urging the international community to push for peace and end the conflict.

Sudan's humanitarian crisis continues to spiral, exacerbated by government actions that prevent vital aid from reaching those in need. The UK's decision to increase its financial aid commitment to £140m signals a strong diplomatic stance in addressing this crisis. However, the blockage of aid by Sudanese authorities complicates the situation, and the need for expanded access through neighbouring countries like South Sudan will be crucial to alleviate the suffering of the Sudanese population. The UK's call for a unified international approach underscores the severity of the situation and the importance of global coordination in humanitarian responses.

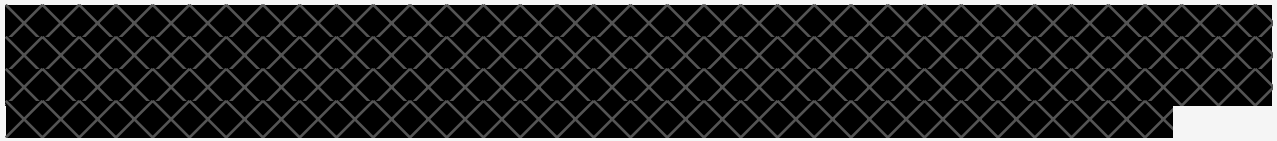
Analysis



Defence

UK Defence Secretary John Healey met with US Secretary of Defence Lloyd Austin ahead of a Ukraine conference. NATO's Exercise Steadfast Dart 25, scheduled for January-February 2025, will simulate rapid reinforcement of NATO's eastern flank, signalling NATO's readiness to defend its territory against Russian aggression.

Analysis



N.B

The UK's Defence Committee has called for a more agile "fail fast" approach to AI development within the Ministry of Defence. Current slow adoption could risk falling behind other nations in the defence AI arms race. The MoD's slow pace in AI integration hinders its military technological edge, especially when compared to nations like the US and China. Greater collaboration with the private sector is crucial for progress. The MoD lacks clear guidance for AI implementation, and AI contracts remain limited. If unaddressed, the UK could lag behind in defence AI capabilities, weakening its position in global defence alliances and strategic technological advancements

Foreign Affairs

Lord Collins visited Ghana for President Mahama's inauguration, while Baroness Chapman visited Chile. The UK condemned North Korea's recent missile launch, urging the country to cease provocations and resume denuclearisation talks. India's Lok Sabha Speaker Om Birla emphasised strong UK-India relations, while the Foreign Affairs Committee launched an inquiry into the UK's soft power influence.

The UK's focus on strengthening relations with both Africa and Latin America reflects a broader foreign policy strategy that emphasises global partnerships. Condemning North Korea's missile tests underscores the UK's commitment to regional security and stability, particularly in East Asia. The inquiry into the UK's soft power is part of a larger effort to evaluate and enhance the country's global influence through non-military means.

Analysis

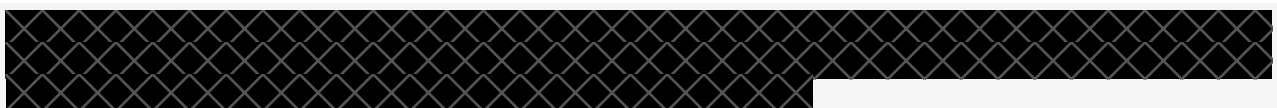


Sanctions & Crime

The UK imposed one new designation under its Counter-Terrorism sanctions regime and made two administrative amendments to the Russia sanctions regime, signalling a continued commitment to countering terrorism and enforcing sanctions on Russia in response to the war in Ukraine.

The UK's sanctions regimes are part of its broader strategy to maintain pressure on countries and organisations that threaten international peace and security. The recent amendments reflect an ongoing effort to refine and update sanctions based on evolving geopolitical dynamics, particularly in relation to Russia's actions in Ukraine.

Analysis

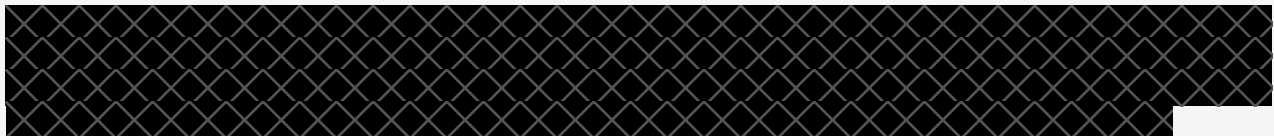


Trade

The UK-Ghana Diaspora Networking Mixer, hosted by the British High Commission in Accra, highlighted the growing trade potential between the UK and Ghana, which reached £1.4bn in 2024. The event showcased the vital role of the diaspora in fostering trade and economic ties.

The successful networking mixer demonstrates the UK's effort to tap into the economic potential of its diaspora communities, especially in key emerging markets like Ghana. As trade with Ghana grows, the UK can leverage the diaspora's expertise and networks to further expand its commercial influence in West Africa.

Analysis



Migration

Under Labour, enforced returns of individuals without the right to remain in the UK increased by 24%, with 2,580 foreign criminals deported in the past year, marking a 23% rise from the previous year. This effort is seen as improving public safety and upholding immigration control policies.

The increase in enforced returns and the deportation of foreign criminals align with the government's broader strategy to tighten immigration controls while addressing public safety concerns. By emphasising the deportation of foreign criminals, the UK government signals a commitment to protecting national security and public order.

Analysis



Tech

The British High Commission in Kuala Lumpur launched the UK-Malaysia STEM Education Showcase, promoting STEM education and training Malaysian Youth STEM Ambassadors to drive innovation and deepen educational ties.

By investing in STEM education in Malaysia, the UK is positioning itself as a partner in fostering technological development in Southeast Asia. The initiative aligns with broader goals to enhance UK-Malaysia relations and support the growth of the global STEM workforce.

Analysis

This initiative is likely to foster stronger educational and technological ties between the UK and Malaysia, opening doors for future collaborations in sectors like AI, technology, and innovation. It could also enhance the UK's soft power in the region.

Economy & Aid

The UK High Commission in Port Vila donated £400,000 to UNICEF Pacific to aid children affected by the Vanuatu earthquake. Chancellor Rachel Reeves addressed the UK's return to the 0.7% overseas aid target, facing criticism for settling on a 0.5% target.

Analysis

Articles of Interest (AOI):

- [Queen not officially told for years about Palace spy, MI5 papers reveal](#)
- [Kim Philby owned up to spying for Russia – but said he would do it all again](#)

EU Union

The European Commission has adopted its 15th sanctions package against Russia in response to its ongoing illegal war against Ukraine. This package focuses on several key areas:

- 1. Anti-Circumvention Measures:** The EU is tightening its efforts to prevent Russia from evading sanctions, particularly the oil price cap. It targets 52 vessels from Russia's "shadow fleet" (non-EU ships), which have been involved in high-risk activities like transporting Russian oil, arms deliveries, or supporting Russia's energy sector. These ships are now banned from EU ports and services.
- 2. Additional Listings:** The package includes 84 new sanctions, affecting 54 individuals and 30 entities involved in undermining Ukraine's sovereignty. These include Russian military companies and officials involved in weapon manufacturing, energy sectors, and military activities. For the first time, sanctions have been imposed on Chinese entities and individuals supporting Russia's military industry.
- 3. Trade and Export Restrictions:** The EU adds 32 companies to its sanctions list, including those from Russia, China, Hong Kong, Serbia, Iran, India, and the UAE, who support Russia's military efforts. Stricter export controls on dual-use goods and sensitive technologies will apply to these entities.
- 4. Protecting EU Interests:** New measures prevent the recognition of Russian court rulings that grant exclusive jurisdiction to Russian courts in disputes involving EU companies. This is intended to protect EU firms from unfair legal rulings in Russia. It also extends existing derogations to help EU companies divest from Russia.
- 5. Financial Sector Measures:** The package introduces two important financial protections for EU Central Securities Depositories (CSDs) in light of asset seizures by Russia. These include a derogation allowing the release of frozen cash balances and a clarification that CSDs are not liable for additional compensation to Russia.

N.B

January 13 to February 26, 2025, nine NATO countries will conduct the Steadfast Dart-25 exercises in Bulgaria, Greece, and Romania, involving at least 10,000 military personnel. The aim is to test the alliance's rapid deployment capabilities in a simulated armed conflict scenario against an equal-strength opponent. Participating nations include Bulgaria, France, Greece, Italy, Romania, Spain, Slovenia, Turkey, and the England, with the England contributing the largest contingent of over 2,500 troops and 730 pieces of equipment

AOI:

- Six European Union countries on Monday called on the European Commission to lower the \$60 per barrel price cap put on Russian oil by G7 countries

Germany

- Military Aid to Ukraine: Germany preparing new military aid packages for Ukraine, including tanks, combat vehicles, and air defence systems.
- Three German citizens have been charged with espionage for allegedly gathering military technology information for China's Ministry of State Security (MSS). They are accused of collecting data on naval technologies, including boat engines, sonar, and drones, and illegally exporting specialised lasers to China
- The Bundeswehr will create a territorial defence division. It will consist of 6 regiments of 1,000 people each stationed mostly in the western sector. The core will be made up of reservists who will operate under the command of military personnel. "The territorial defence will be put under army command from April 1, 2025," an army spokesperson said.
- Security and Defence: Germany will deploy Patriot air defence systems in Poland to protect military aid logistics for Ukraine. A new homeland security division is set to be established to protect critical infrastructure.
- Unidentified drones have been spotted over the military facility in Manching, Germany, which houses the Air Force's technical centre and conducts flight tests. Law enforcement officials reported seeing up to ten drones, but despite extensive searches, including the deployment of a police helicopter, no suspects have been identified. Since mid-December 2024, drone flights have been observed multiple times in Manching and nearby Neuburg an der Donau, where Eurofighter Typhoon jets are stationed. Authorities suspect that these drones are conducting reconnaissance and photographing military sites, potentially linked to espionage activities amid rising tensions related to Russia's actions in Ukraine
- Germany races to contain foot-and-mouth outbreak amid export fears
- US intelligence agencies have noted an increase in reports of camouflaged explosive devices on planes from Europe to North America, with Western officials suspecting Russian involvement. Recent incidents included incendiary devices igniting at DHL hubs in Germany and the England, linked to a plot orchestrated by Russian military intelligence, the GRU. Poland has arrested four individuals connected to this alleged sabotage operation, which aimed to test delivery channels for explosives intended for US and Canadian targets

Analysis:



AOI:

- Germany investigating suspected Russian drones over air base

Norway

- Civil Defence Strategy: Norway plans to mandate bomb shelters in buildings over 1,000 square meters, reversing a 1998 decision. This move comes as part of a broader civil defence strategy due to increased geopolitical tensions after Russia's invasion of Ukraine.

Analysis:



Sweden**AOI:**

- [Sweden joins NATO push to boost Baltic Sea naval presence](#)

Denmark

Danish Foreign Minister Lars Lokke Rasmussen: "Denmark acknowledges that the US has security interests in the Arctic and is ready to discuss them with the new administration of President-elect Donald Trump."

AOI:

- [Danish Intelligence: Russia forged letter to spark Trump's Greenland purchase bid](#)

Italy and Sweden**AOIs:**

- [3 "extremely dangerous" Italian mafia members captured in Spain, police say](#)

Hungary

The attack on the "Turkish Stream" is equivalent to an infringement on the sovereignty of the countries that use it, the Hungarian FM, Péter Szijjártó stated in response to the Ukrainian Armed Forces' strike on the compressor station.

Croatia

A network of pro-Russian bots has been identified spreading anti-NATO narratives ahead of Croatia's presidential election. The campaign targets incumbent President Milanović, reinforcing his anti-Western stance while discrediting his opponent, Dragan Primorac. The bot-driven disinformation campaign reflects Russia's broader strategy to influence elections in NATO and EU member states. These efforts could weaken democratic institutions, polarising voters and undermining trust in political processes. Bots used pro-Russian imagery to support Milanović and spread anti-Western rhetoric. The use of disinformation tactics could shift Croatian political alignments, potentially encouraging further Russian interference in EU and NATO affairs, complicating Croatia's internal politics.

Russia

- Putin and Trump: Kremlin says Putin is ready to talk with Trump.
- Energy and Gas Transit: Termination of Russian gas transit through Ukraine harms Kiev more than Moscow; questions raised about Zelensky's motives.
- Military in Ukraine: Russian forces are advancing in various parts of Ukraine, with control of villages like Neskuchne and parts of Toretsk. Increased activity reported near Velyka Novosilka.
- Russian Foreign Policy: Israel reportedly in secret talks about dividing Syria into cantons, with an international summit proposed.
- Russia's surveillance system, SORM, has been adopted by Belarus, Kazakhstan, Cuba, and Nicaragua, enabling state actors to intercept vast communications and raise privacy concerns. Its spread amplifies global worries about digital repression and espionage. Russia's export of surveillance technology deepens its influence in authoritarian states, threatening digital privacy and security. It could lead to increased surveillance of foreign nationals and political opponents in these countries. SORM intercepts phone numbers, emails, and geolocation data. Countries adopting SORM face amplified international scrutiny and may see rising tensions with democracies seeking to safeguard privacy and counter Russian influence.

AOI:

- [Russian Forces Continue the Slow, Bloody Push into Ukraine](#)
- [FSB Officer Fatally Shot in Moscow Defense Ministry Building](#)
- [Russian-Linked Hackers Target Kazakhstan in Espionage Campaign with HATVIBE Malware](#)

Ukraine

- **Military Conflicts:** Russian forces are advancing in Donetsk and other parts of Ukraine. Reports include the capture of Shuchenko and continued operations across various frontlines, particularly in Donetsk.
- **Tensions with the US:** Tensions rise as Zelensky criticises U.S. plans to annex Greenland and Canada. There is an ongoing rift between European countries and the U.S. concerning military aid to Ukraine.

AOI:

- [Biden leaves \\$4 billion in potential Ukraine funding unspent](#)

The Americas - Forecast

In North America, the threat of Islamist extremism remains heightened due to the ongoing Israel-Hamas conflict, while politically motivated violence also rose, including multiple assassination attempts on President-elect Donald Trump. In Haiti, the collapse of the government fuelled gang violence, leading to an estimated 4,900 deaths. In Mexico, cartel violence intensified due to infighting within the Sinaloa Cartel. While political violence in the US is expected to decrease in the coming months, military support for Israel will sustain extremism risks in the US and Canada. In the absence of intervention, violence in Mexico and Haiti will likely persist into 2025. Upcoming elections in Ecuador and Venezuela are expected to trigger political unrest.

Political polarisation in the US deepened following the election, with partisan divides delaying key policies, including Ukraine aid. In Latin America, Argentina's political polarisation hindered President Milei's agenda, while Brazil's October municipal elections showed decreasing polarisation risks. Polarisation in the US will persist, likely escalating tensions between a Republican-controlled federal government and Democrat-run states. The erosion of trust and rising domestic unrest will likely continue as elections approach in Canada, Chile, and Argentina.

The US-China rivalry intensified, with the US tightening controls over Chinese access to key sectors. In 2025, proposed tariffs on China by President-elect Trump could disrupt global supply chains. In response, China may seek to expand its influence in Latin America, increasing regional tensions, particularly with the US over manufacturing in Mexico. Economic concerns, including inflation, will dominate political discourse, with trade disruptions from Trump's tariff policies expected to affect the global economy.

USA

- Wildfires in California: California wildfires are the costliest in U.S. history, with economic losses expected to reach up to \$150 billion. At least 11 fatalities and 153,000 residents under evacuation orders. Approximately 12,300 structures have been destroyed.
- The Biden administration has announced new export controls on advanced AI chips, imposing restrictions on key allies like Israel and Singapore. Meanwhile, Twenty trusted countries—Australia, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, the Republic of Korea, Poland, Spain, Sweden, Switzerland, Taiwan, and the United Kingdom—are exempt from these caps, allowing them unrestricted access to cutting-edge U.S. chip technology.
- FBI Director Christopher Wray has stated in an interview that China is the greatest long-term threat to the United States and emphasised that this country should be a priority, especially following the weakening of Iran and Russia. He noted that the FBI opens a new counterintelligence case against China every 10 hours and stressed the importance of focusing on the threats posed by China
- Macy's: Announces closure of 66 locations as part of a turnaround plan.
- JPMorgan chief Jamie Dimon says "Bitcoin has no intrinsic value. It's used heavily by sex traffickers, money launderers, ransomware."
- Military Theft in California: Unknown individuals stole three Humvee military vehicles and equipment from a U.S. Army warehouse.
- Trump's Comments: Trump commented on the hush money case, claiming that "Radical Democrats have lost another pathetic, unAmerican Witch Hunt," and criticised the Biden administration for pressuring Meta to censor content.
- Trump's VP, J.D. Vance, clarified the implications of Trump's threat to "unleash hell in the Middle East" if Gaza hostages are not freed before he takes office: 1. Allowing Israel to eliminate Hamas's remaining two brigades in central Gaza and its leadership. 2. Imposing severe sanctions on nations supporting terrorist organisations in the Middle East. Vance added that Trump's threat helps advance negotiations, potentially leading to an agreement within a day or two before he takes office.

N.B

Chinese state-sponsored hackers breached the US Treasury Department's systems, gaining access to files from CFIUS, which oversees national security risks in real estate near military bases. This intrusion underscores heightened espionage concerns regarding foreign surveillance operations on US military infrastructure. The breach signifies China's growing cyber capabilities and strategic focus on military-related intelligence, potentially using real estate as a proxy for intelligence gathering. Such operations heighten national security risks and challenge US cybersecurity defences. The Salt Typhoon campaign linked to China compromised telecoms, enabling surveillance. This cyber-attack could prompt a reassessment of US defence cybersecurity policies, increasing emphasis on securing both government and private sector collaborations against espionage threats.

AOI:

- [Hegseth opening statement pledges Pentagon "warrior ethos"](#)
- [A guide to Pete Hegseth's confirmation hearing](#)
- [Hegseth's FBI background check doesn't include interviews with key women from his past](#)
- [As Trump prepares to take power, MAGA can't stop the ugly infighting](#)
- [White House: Next Two Aircraft Carriers Named for Bill Clinton, George W. Bush](#)
- [Trump's CIA director will take a 'wrecking ball' to transgender lectures and pride events at Langley](#)
- [Insider-threat detectors fail too often. A new tool could help plug leaks](#)
- [Rep. Don Bacon on cyber deterrence: 'Speak softly and carry a big-ass stick'](#)
- [Trends in Terrorism: What's on the Horizon in 2025?](#)
- [New Orleans terrorist radicalized by ISIS online within weeks, FBI director says](#)
- [three Russians for operating illicit cryptocurrency mixing services Blender.io and Sinbad.io, laundering funds for cybercriminals](#)

United States and Russia

Ceasefire Negotiations

The potential dangers of a rapid ceasefire in Ukraine, particularly under the influence of President-elect Donald Trump's approach. Trump's boast of ending the war in 24 hours has raised expectations for a quick resolution. However, any ceasefire without solid Western security guarantees could leave Ukraine vulnerable and lead to conflict escalation.

Key points include:

- **Trust Issues with Russia:** Ukraine has previously agreed to ceasefires with Russia, but all have been violated. Historical agreements like the Budapest Memorandum and Minsk Accords have been broken by Russia, leading to widespread distrust in Moscow's intentions.
- **Political Suicide for Zelenskyy:** If Ukrainian President Volodymyr Zelenskyy were pressured into accepting a ceasefire without protection, it would risk significant political backlash. Ukrainians would view it as a betrayal, especially since they have already paid a heavy price in the war.
- **Russia's Strategic Goals:** A ceasefire might allow Russia to regroup its forces, reassert control, and set the stage for further political manipulation. Russia's strategy could involve undermining Ukraine's sovereignty through disinformation, similar to its actions in Georgia in 2008.
- **Economic Consequences:** Ukraine urgently needs investment for reconstruction, with an estimated cost of \$500 billion. A ceasefire along current frontlines would leave Russia controlling key industrial assets and critical resources, stalling Ukraine's economic recovery and potentially locking it into Russia's sphere of influence.
- **Security Guarantees:** For a ceasefire to be meaningful, Ukraine must receive credible security guarantees from the US and Europe before any negotiations with Putin. These guarantees would be critical in ensuring Ukraine's sovereignty and preventing a re-escalation of the conflict.
- **Global Impact:** A ceasefire could damage Ukraine's economy, particularly its agricultural output, and disrupt global food security, as Russian occupation already hampers Ukraine's production and export of vital commodities.

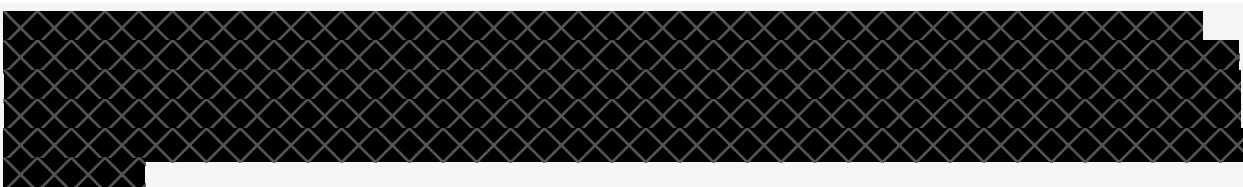
Analysis:



Greenland

Greenland Military Base: The U.S. is in negotiations to turn Greenland into a military base with Denmark ready to support this initiative. Greenland's Prime Minister, Múte Egede, expressed readiness to discuss the possibility of a deal with Trump, emphasising the need for investment and development to reduce reliance on Danish subsidies.

Analysis:

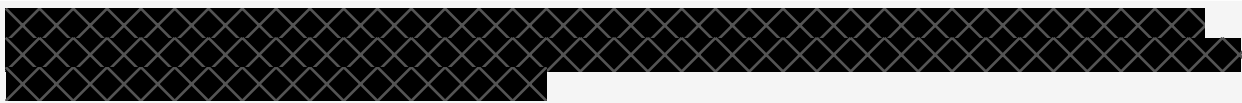


Venezuela**AOI:**

- Venezuela President Maduro said he would invade Puerto Rico and liberate the country from the US "Freedom for Puerto Rico is within reach, and we will achieve it," Maduro said and liberate the country from the US

Panama

Panama Canal: U.S. Rep. Dusty Johnson introduces a bill to purchase the Panama Canal.

Analysis:**Paraguay****AOI:**

- Paraguay's Endless Prison Crisis

Mexico**AOI:**

- Are Mexican Cartels Terrorists? Why Understanding Resilience and Resistance in Mexico Matters

Middle East and Africa - Forecast

The ongoing Israel-Hamas war and Iranian proxy activities have driven extremism across the Middle East, with the West Bank becoming a hotspot for militant threats. In Africa, instability persists, exemplified by a major jihadist attack in Mali's capital, Bamako, and the enduring conflicts in the Sahel.

In 2025, Israeli actions against Iranian proxies may extend to Iraq, while instability in Burkina Faso, Mali, and Niger could spill into coastal West Africa. Ethiopia's Tigray region remains tense, with peace dependent on Western Tigray's return to regional control. Elections in Tunisia, Mozambique, and other nations highlighted public distrust, with Tunisia's president suppressing opposition and Mozambique experiencing violent protests.

Hostilities between Israel and Iranian proxies will likely exacerbate displacement and tensions in Lebanon, while Israeli actions in Palestinian Territories may fuel anti-government sentiment in Jordan. Across Africa, unpopular fiscal policies risk unrest and create opportunities for Russian disinformation.

Geopolitical rivalries continue to influence Sudan's conflict, with Iran and the UAE supporting opposing sides, sustaining violence in the Red Sea region. In the Sahel, growing Russian influence has driven hostility towards Western businesses. Middle powers may exploit US isolationism, while alternative financing options diminish Western influence on ESG reforms.

Economic disruptions from the Middle East crisis, particularly Houthi attacks in the Red Sea, have strained global supply chains and impacted Egypt's Suez Canal revenues. Escalation between Iran and Israel in 2025 could further disrupt maritime trade, raise fuel prices, and worsen inflation, particularly in energy-insecure states like Nigeria.

Israel

- Military Alert Due to Iran: Israel's military is on high alert due to concerns that Iran may launch an attack soon.
- Israel plans to establish two zones of influence in Syria: The first, 15 km deep, with a permanent Israeli military presence, and the second, 60 km deep, reaching Damascus, under Israeli intelligence control.
- An Israeli helicopter shot down a Yemeni drone in southern Israel
- Syria: Discussions about dividing Syria into cantons, involving Israeli officials, to protect ethnic groups and counter Turkish influence.
- A California federal judge ruled NSO Group's Pegasus spyware violated hacking laws and WhatsApp's terms of service, though the decision may have limited practical effects on the spyware industry. This legal ruling marks progress in holding spyware companies accountable. However, NSO's ability to circumvent penalties by rebranding or declaring bankruptcy may limit its deterrent effect. WhatsApp sued NSO in 2019 for infecting 1,400 devices, including journalists and activists. Source: The Record. The ruling may encourage further lawsuits, but it highlights challenges in regulating international spyware firms, leaving the broader issue of digital surveillance largely unaddressed.
- Member of the Israeli Political and Security Cabinet, Minister of Finance Bezalel Smotrich: *"The deal that is taking shape is a catastrophe for the national security of the State of Israel."* We will not be part of a surrender deal that would include releasing mega-terrorist, stopping the war and destroying its achievements that were bought with much blood, and abandoning many hostages. *"This is the time to continue with all our might, to occupy and cleanse the entire Strip, to finally take control of humanitarian aid from Hamas, and to open the gates of hell on Gaza until Hamas surrenders completely and all the hostages are returned."* Hamas maintains its political wing in Qatar and/or Turkey, whereas its military wing is based in Gaza. While the political wing has consented, the military wing routinely rejects all proposals. Even though Sinwar might be dead, his brother is still alive and effectively in charge.

Analysis:

AOI:

- Israeli officials: Deal will see 33 hostages freed in 1st stage, most of them alive
- CIA chief says Iran's weakness could revive nuclear talks

Syria

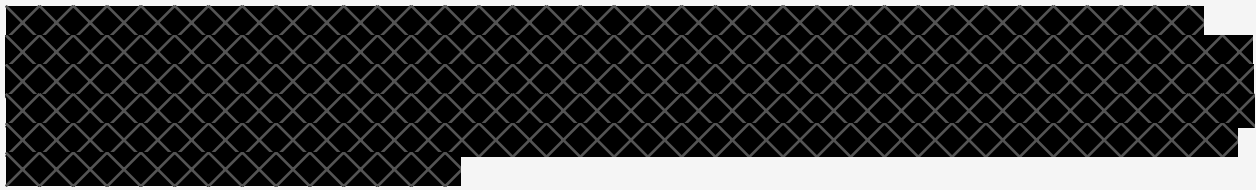
- Mayor's Execution: A video from Syria shows the execution of the mayor of Damr by a terrorist faction, HTS, before his body was mutilated.
- Military Strategy: Syria continues to face political fragmentation, with foreign powers like Turkey and Russia playing significant roles in its future.

Analysis:

Turkey

Turkey has positioned itself as a key player in Syria, balancing between Iranian support for Hezbollah and potential cooperation with Russia. While Turkey is exploring a strategic alliance with Russia, its regional ambitions are in direct opposition to the interests of the US and its allies, particularly regarding Kurdish groups in Syria.

Analysis:



Asia Pacific - Forecast

In 2024, ethno-religious tensions in the Asia-Pacific escalated due to the Middle East crisis, with Israel warning of terror threats in Sri Lanka and Thailand. Australia raised its terror threat level amid youth radicalisation, while Myanmar's armed resistance gained ground against the junta. Violence surged in Bangladesh following the government's overthrow, and China saw a rise in unconnected attacks on civilians. In 2025, extremism and nationalism will likely persist, particularly in the South China Sea, where China and the Philippines are expected to intensify maritime claims. Pakistan will remain volatile, with Baloch separatist and Taliban attacks targeting Chinese interests and the northwest.

Political polarisation deepened in 2024, with Pakistan's election marred by vote-rigging allegations and Bangladesh's Sheikh Hasina resigning after months of unrest. Elections in Japan, South Korea, and Taiwan saw weakening support for governing parties. In 2025, political instability will persist, with Bangladesh's interim government navigating reforms and Pakistan facing governance challenges. North-east Asian governments may struggle with policy stagnation and socio-economic issues.

China-US relations remained stable in 2024, but further tariffs strained ties, and India-China competition continued despite easing border tensions. In 2025, China is expected to maintain pressure on Taiwan and South China Sea states while avoiding wider conflict. Trump's second term will likely test China-US relations, while India monitors Bangladesh's new government.

Economically, China faces challenges from slowing growth and elevated youth unemployment. Fiscal concerns will persist in Bangladesh, Maldives, Pakistan, and Sri Lanka, which remain reliant on external support. China's fiscal measures to boost consumption will face scrutiny, while Japan and others struggle with fiscal consolidation.

China

China's trade surplus was a new RECORD high of \$992bn equivalent in 2024, rising by 10.7%

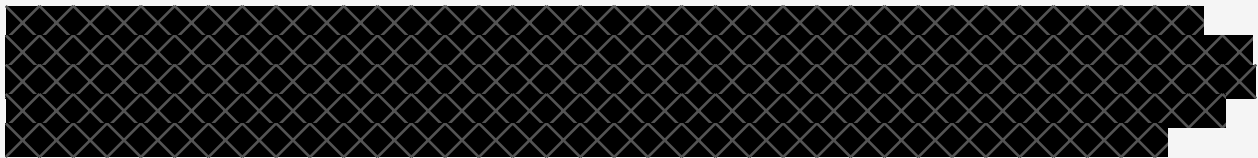
A wave of hospitalisations due to human metapneumovirus (HMPV) is reportedly sweeping across China, with images of overcrowded hospitals raising concerns about a potential second global pandemic. Users on the Chinese social media platform Weibo have noted a significant increase in respiratory illness cases over the past month.

China's 12,000-ton coast guard ship, dubbed the "Monster," has returned to the Philippines' exclusive economic zone in the South China Sea, triggering a maritime standoff with the Philippine Coast Guard. China's increasing maritime assertiveness in disputed waters tests regional sovereignty claims. The Philippines' confrontational response highlights its growing resistance and strengthened alliances, notably with the US. The Philippines' Coast Guard blocked the Chinese vessel, prompting a radio challenge. The ongoing maritime disputes could escalate tensions in the South China Sea, influencing regional military dynamics and international naval operations, with potential impacts on trade and security in the area.

A collapse at a Shenzhen construction site has left 13 workers missing, highlighting concerns over China's rapid infrastructure development and safety standards. The incident follows other deadly accidents, raising questions about the country's building practices and worker protections.

This event underscores systemic issues within China's infrastructure sector, where speed sometimes comes at the cost of safety. Improved oversight and regulatory measures are needed to prevent future tragedies.

- Rescue efforts continue at the Shenzhen-Jiangmen Railway site.
- Similar accidents in recent years have raised safety concerns.

Analysis:**AOI:**

- [China mulls sale of TikTok in US to Musk](#)

North Korea

North Korea's nuclear strategy remains a core element of its regime's survival, with an estimated 50 warheads. South Korea's "Audacious Initiative" aims to use a combination of military readiness, sanctions, and diplomatic efforts to achieve denuclearisation, though challenges persist.

Successful implementation of this strategy hinges on multilateral support, with potential long-term impacts on regional security and North Korea's future engagement.

Ukrainian forces captured two North Korean soldiers fighting for Russia in the Kursk region, highlighting North Korea's support for Russian military efforts. The soldiers were captured in December 2024 and transported to Kyiv for interrogation.

The presence of North Korean soldiers may intensify calls for international sanctions on both Russia and North Korea, while emboldening Ukraine's push for more military aid.

Analysis:

AOI:

- North Korea conducts missile tests days before Trump takes office

South Korea

Protests have erupted across South Korea following President Yoon Suk Yeol's martial law declaration, which many view as a threat to democracy. University faculty, religious leaders, and political figures have joined the calls for Yoon's resignation, pushing for a resolution of the political crisis. The political upheaval challenges South Korea's democratic principles and highlights the volatile domestic environment. Yoon's decision has strained political relations amid North Korea's activities and external geopolitical pressures.

- National Assembly annulled martial law with 190 votes.
- External pressures include North Korea's activities and U.S.-China tensions.

Analysis:**Taiwan**

China-backed RedDelta cyber-espionage group used PlugX malware to target government institutions in Taiwan, including its Ministry of Defence, as part of a broader espionage campaign across Southeast Asia. This cyber-attack emphasises the growing importance of digital espionage as a tool for geopolitical influence, particularly in regions crucial to China's strategic objectives, like Taiwan. RedDelta used Microsoft Azure and Cloudflare to disguise malicious activity. The campaign's success could embolden further Chinese cyber-espionage operations, complicating international diplomatic relations and requiring stronger cyber defence measures across affected nations.

Taiwanese President Lai met with U.S. leaders while visiting Guam, strengthening ties amid rising tensions with China. The talks emphasised continued U.S. support for Taiwan's security, despite Beijing's opposition to official interactions.

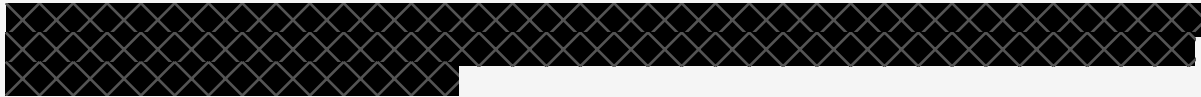
The growing U.S.-Taiwan relationship counters China's regional ambitions but risks further antagonising Beijing. Taiwan's strategic importance in the Indo-Pacific makes its security a focal point of U.S. foreign policy.

Analysis:**Philippines**

Japan is providing the Philippines with a ¥1.6 billion (\$10.7 million) grant to strengthen its maritime security infrastructure, including surveillance radars and boats. The grant enhances defence capabilities amid rising territorial disputes with China in the South China Sea.

The aid underscores Japan-Philippines cooperation in countering Chinese aggression in the region, enhancing both nations' security and stability. The deal reflects broader concerns over regional maritime rights and defence preparedness.

Analysis:



India

The Indigenous Tribal Leaders' Forum (ITLF) calls for a separate administration for Kuki-Zo communities in Manipur, citing ongoing ethnic violence and discrimination. The demand grows amid heightened clashes with the Meitei community, leading to displacement and loss of life. Ethnic violence and governance challenges in Manipur highlight the region's complex political landscape. Addressing these demands is crucial to ensuring peace and equitable representation for marginalised communities.

- Recent violence has displaced thousands and resulted in fatalities.
- The state government has yet to respond to the appeal.

Analysis:



AOI:

- [Indian PM opens strategic tunnel to China border zones](#)

Interest: Space and Geopolitics

Space has evolved from a distant frontier to a critical strategic and economic domain, reshaping global geopolitics. The space economy's rapid growth underscores its importance for civilian and military applications, with advances in satellite technology influencing navigation, weather forecasts, and military communication.

Geopolitical rivalries, particularly between the US and China, now dominate space strategies. For the US and its allies, maintaining satellite control is vital, as their loss would severely impact national security. Meanwhile, China is leveraging space to advance its geopolitical agenda, exemplified by its BeiDou navigation system, which rivals the US GPS and is expanding globally.

As nations expand their space ambitions, middle powers like Taiwan and Thailand face challenges navigating between US technological leadership and China's increasing influence, underscoring space's pivotal role in global power dynamics.

- The US space economy is valued at \$132 billion, representing about 0.5% of GDP, and the UK's space sector is expected to reach £52bn by 2026.
- Space technologies, like satellite systems, are crucial for both civilian infrastructure and military capabilities.
- The rise of satellite-based systems like BeiDou, developed by China, is reshaping the global space map, offering a viable alternative to US-run GPS.
- 77 national space agencies exist, and 16 countries have launch capabilities, demonstrating the broad global interest in space.
- Countries like Thailand are grappling with the complexities of integrating technologies from both US and Chinese sources, with diplomatic implications and restrictions from both sides.
- The paper co-published by the author examines how middle powers navigate the geopolitics of space, focusing on Taiwan and Thailand, and how their space programs are shaped by great power rivalry.

Analysis:

- As space becomes more integral to national security, the competition for control over space infrastructure will intensify, with countries facing pressure to align with either the US or China.
- Middle powers, caught in the crossfire, will need to manage their relationships with both superpowers carefully to avoid technological dependency that could compromise their sovereignty.
- The growing geopolitical tensions in space could lead to further fragmentation of global supply chains, particularly in high-tech sectors, including space exploration and satellite systems.
- Space diplomacy, especially regarding technology sharing and satellite access, will become a critical area of global strategy in the coming decades.

END.

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