



“In fact, the issue is always between two points”

Weekly
Political and Geopolitical
Developments

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Geopolitical and Global Developments:

THE ERA OF UNPREDICTABLE LEADERS

The Trump 2.0 era will go down in history as the period that marked the end of a "normal and predictable" United States. Over the next two years, leading up to the Congressional elections, the U.S. is expected to undergo significant political, economic, and diplomatic transformations.

Immediately after assuming the presidency on January 20, Donald Trump signed an executive order cutting all foreign aid payments from U.S. government agencies responsible for international development programs. In a political climate where conservative ideologies have resurged and the Republican Party is preparing to govern for the next 12 years, Trump has surrounded himself with the most innovative figures in the U.S. corporate world. Leading American tech giants—Alphabet, Amazon, Apple, Meta, and Microsoft—are actively working on artificial intelligence, while Elon Musk's influence over Trump is growing steadily.

At the same time, China has intensified its efforts in AI development, producing competitors to these U.S. technology firms, including Baidu, Alibaba, Tencent, and Xiaomi (BATX).

For the first time in American history, nationalism is on the rise, and a new front of techno-nationalists is emerging. Elon Musk, in particular, appears to be building a vast techno-nationalist network by supporting far-right political movements across Europe. This development is partly a reaction to the European Union's active enforcement of anti-trust regulations against major U.S. tech firms like Google, Microsoft, Apple, and Amazon, which have been fined under these policies. Under Musk's influence, several key developments are shaping global markets:

- **Tesla's European sales dropped by 13% in the first nine months of 2023, with a staggering 44% decline in Germany.**
- **Tesla has made substantial investments in China, while SpaceX is negotiating potential internet service agreements with European nations.**
- **The German far-right party Alternative für Deutschland (AfD) has promised lower corporate taxes, reduced bureaucratic barriers, and greater economic freedoms, attracting business support.**
- **AfD also advocates for cheap energy, nuclear power plant reopenings, and better relations with Russia to secure low-cost energy for Germany.**
- **The party is promoting the advancement of future technologies.**

Meanwhile, in the context of NATO, Trump has openly questioned the rationale behind U.S. military spending for European defense, declaring, "Every country must allocate 5% of its GDP to defense. You must pay for your own security." Currently, many NATO members struggle to meet the 2% GDP defense spending requirement, making the prospect of an independent EU military nearly impossible. Consequently, European nations will inevitably continue purchasing defense equipment from American arms manufacturers.

Trump's broader strategy includes shifting focus from Russia to China. He aims to contain China's geopolitical expansion by:

- Disrupting Chinese access to the Pacific and Arctic routes via Canada and Greenland.
- Blocking China's entry into Europe through the Middle Corridor.
- Controlling transoceanic trade routes between the Atlantic and the Pacific via the Panama Canal.

Reducing dependence on China for rare earth metals by striking the most advantageous deal possible with Ukraine. Additionally, breaking the Russia-China alliance could become a strategic goal in the unpredictable global landscape dominated by unconventional leaders.

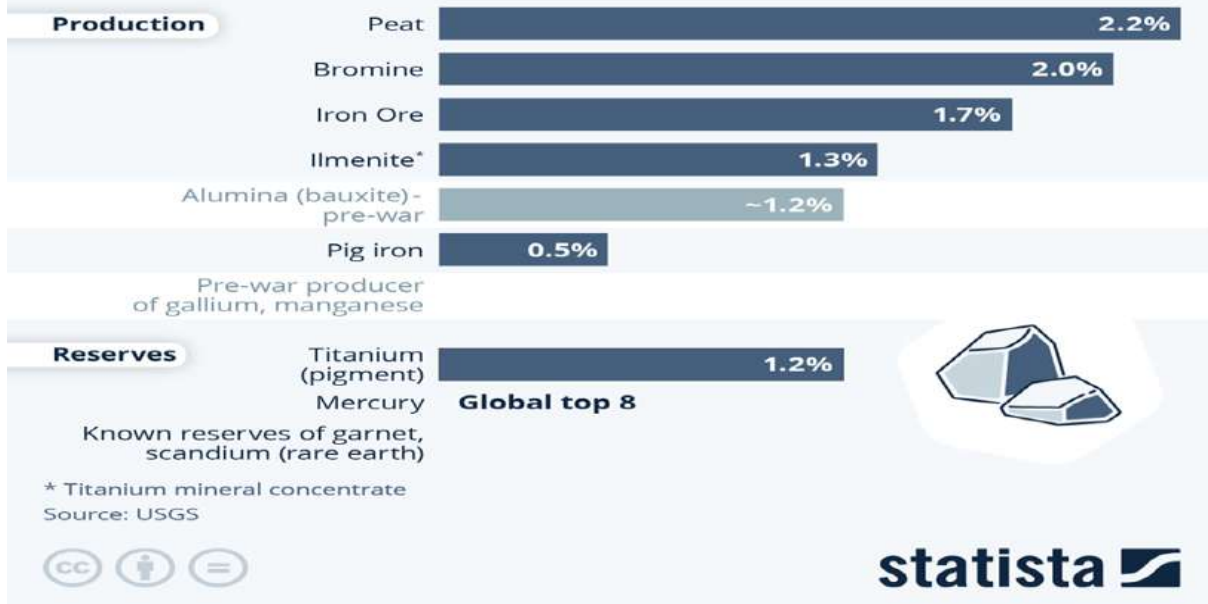
Amid these geopolitical shifts, India has positioned itself as a potential number one power. As the world's largest democracy and a key member of the British Commonwealth, India maintains strong ties with countries like Australia and is closely aligned with the emerging Asian NATO.

Further signaling its growing global role, Tesla CEO Elon Musk and Indian Prime Minister Narendra Modi met in Washington, D.C., on Thursday to discuss space, mobility, technology, and innovation. Modi later confirmed the meeting through an official statement.

In the coming years, we will witness the spectacle of these asymmetric leaders reshaping global power dynamics.

Ukraine's Mineral Wealth

Ukraine's share in selected global mineral/commodity production or reserves in 2024



Where Americans Stand on Military Aid to Ukraine

Share of U.S. adults who support the following stances on military aid to Ukraine, by political leaning (in %)

- Increasing military aid to Ukraine
- Maintaining the same amount of military aid to Ukraine
- Not sure
- Decreasing military aid

