November 21st, 2023

Welcome to this week’s Future Trends - the must-read weekly briefing covering the changing face of global politics, economics, development, and conflict.

Here’s what you need to know this week:

- Argentine libertarian Milei pledges new political era after election win
- Yemen's Houthi rebels seize Israeli-linked cargo ship in Red Sea
- Foreign investment in China turns negative for first time in 25 years
- China is building carrier-size infrastructure at Cambodian base
- Elon Musk says X to file major lawsuit against media watchdog Media Matters
**POLITICS**

**Argentine libertarian Milei pledges new political era after election win.** Milei won with 56% of the vote, and campaigned on fixing an economy hit by triple-digit inflation, looming recession and rising poverty. His plans include shutting the central bank and ditching the peso, which could shake up Argentina’s landscape and economic roadmap.

**Liberia President George Weah concedes election defeat to Joseph Boakai.** With nearly all the votes counted, Boakai, 78, a former vice president, led with 50.9% of the vote over Weah’s 49.1%, the country’s elections commission said. The result reverses the 2017 election between the pair.

**Spain’s Pedro Sánchez wins new term as PM after amnesty deal.** Sánchez has secured a four-seat majority in the 350-seat chamber, after sealing an amnesty deal for Catalans involved in a failed bid to secede from Spain. The election followed 170,000 marching in protest against the amnesty, the biggest protest yet against the law.

**Guatemalan prosecutor moves to strip president-elect's immunity.** A Guatemalan prosecutor moved to deny President-elect Bernardo Arevalo his immunity from prosecution. It’s the latest escalation of a political crisis that
critics, and Arevalo, say is an undemocratic scheme aimed at overturning the election results.

**Migrants stopped at Finland-Russia border after Helsinki blocks crossings.** The Finnish government has accused Russia of funneling migrants to border crossings in retaliation for its decision to increase defence cooperation with the US, an assertion dismissed by the Kremlin.

**Maldives new president asks India to withdraw its military.** Maldives new President Mohamed Muizzu, who campaigned on altering the tiny Indian Ocean archipelago’s "India first" policy, has requested India withdraw its military from the country. India has a small presence of 75 personnel.
CONFLICT

Yemen's Houthi rebels seize Israeli-linked cargo ship in Red Sea. The Houthi rebels said they hijacked the ship over its connection to Israel and took the crew as hostages. The group warned it would continue to target ships in international waters linked to, or owned by Israelis, until Israel's campaign in Gaza ended.

Myanmar’s ethnic groups launch unprecedented armed resistance. Fighting in Myanmar between the military junta and an alliance of ethnic armed groups has intensified after an unprecedented offensive in the country’s north. More than 200,000 civilians have been displaced.

Chinese warship sonar pulses deliberately injure Australian divers. Australian navy divers sustained ear injuries after being subjected to sonar pulses from a Chinese warship. They were on a UN mission in international waters, within Japan’s exclusive economic zone in the East China Sea.

Russian drone attacks cause power outage in over 400 towns and villages. Russia pounded Ukraine for the second consecutive winter. Last year, hundreds of missiles and drones left millions without electricity, heating, and water during the coldest months.

Philippines' Marcos meets China’s Xi to find ways to reduce South China Sea tensions. The two met on the sidelines of the APEC Summit in San Francisco. Filipino fishermen said the Chinese Coast Guard and maritime militia ships are preventing some fishing within the Philippines’ 200-mile exclusive economic zone.

World Court rules Azerbaijan must let ethnic Armenians return to Nagorno-Karabakh. Judges at the World Court ordered Azerbaijan to let ethnic Armenians who fled Nagorno-Karabakh in September return, and to keep the Armenians remaining in the enclave safe, as part of emergency measures.

Sudan asks UN to cease its political mission, UNITAMS. The Sudanese government has highlighted UNITAMS’ failure to meet its objectives as justification for the UN to immediately cease all operations under UNITAMS.
FDI in China Turns Negative For First Time in 25 Years

Quarterly foreign direct investment inflows to China* (in billion U.S. dollars)

Q3 2023 = preliminary figure
* Based on balance of payment data
Source: State Administration of Foreign Exchange

ECONOMICS

FDI in China turns negative for first time in 25 years. This is the first time inward FDI flows have been negative since the data was first published in 1998. This decline suggests foreign investors are pulling out money from China at a faster rate than they are investing there.

Hungary starts golden visa program for real estate investors. Hungary will offer a residency permit for those who purchase expensive property, valued
over €250,000, six years after corruption allegations led authorities to shut a similar golden-visa program.

**US debt risks to become a 'fact of life' for investors.** Concerns over increased government bond supply and larger fiscal deficits contributed to a surge in government bond yields to 16-year highs, while pushing rating agencies Fitch and Moody's to turn negative on US government creditworthiness.

**Colombia court strikes down ban on deducting royalties from tax income.** Colombia’s Constitutional Court has struck down part of a law that prohibited extractive companies from deducting royalties paid to the government from their taxable income, benefiting business and dealing a blow to government finances.

**Banks now price in interest rate cuts in early 2024.** Better-than-expected reports across advanced economies like the US and UK indicate that higher interest rates are starting to slow down economies after an almost-two-year-long battle against inflation.
DEVELOPMENT

China is building carrier-size infrastructure at Cambodian base. New satellite photos show that a newly-built finger pier at Ream is large enough to host an aircraft carrier. And a drydock - the most costly and recognizable element of any major naval base - also appears to be under construction.

APEC's summit signs declaration on sustainability, inclusiveness. The APEC members adopted new trade and investment principles that seek to boost environmental sustainability and social well-being after China dropped its objections to the US proposal.

G20-led summit for Africa highlights renewed interest in fast-growing continent. Underscoring renewed interest in Africa, EC President von der Leyen, French President Macron and Dutch Prime Minister Rutte will be among those at the summit in Berlin, hosted by German Chancellor Scholz.

Rich countries may have met $100 billion climate goal last year - OECD. Developed nations may have achieved their overdue promise of $100 billion to help poorer countries cope with climate change in 2022, the OECD said, which may muster political goodwill on the eve of the COP28 climate summit.

Heat-related deaths for older adults could increase by 370% through mid-century. A new report says annual heat-related deaths worldwide for people over 65 are projected to increase by 370% if global temperatures rise by 2 degrees Celsius. The hottest global temperatures in over 100,000 years were recorded in 2023.
SOCIAL

Elon Musk says X to file major lawsuit against media watchdog Media Matters. Major corporations suspended their advertisements on X after Media Matters accused the social media platform of placing ads alongside Jewish hate speech posts. X says Media Matters misrepresented the experience on the platform.

South Korea to ban eating dogs. South Korea aims to ban eating dog meat and put an end to the controversy over the ancient custom amid growing awareness of animal rights. The proposed ban will include a three-year grace period and financial support for businesses to transition out of the trade.

China launches world's first 1.2 Tbps speed internet connection. The service can transfer 150 HD movies in just one second. Not only do these installations oupace the US in sheer numbers, but they are also helping China transform its industrial sector to engage in high-tech manufacturing.

Life expectancy gap wide between men and women widens to 6 years in the US. Research finds the difference between how long American men and women live increased to 5.8 years in 2021, the largest it's been since 1996. The gap was attributed largely to deaths from suicide, drug and alcohol use.
Zimbabwe: banking sector faces 75% job decrease Since 2000. The Zimbabwe Banks and Allied Workers Union (ZIBAWU) reports that 75% of jobs in the sector have been lost since the beginning of the millennium. This decline is attributed to a combination of accelerated digitization and socio-political challenges facing the nation over the past two decades.

PEACEBUILDING

The Michigan legislature has passed a package of bills that would transition the state to 100 percent clean electricity by 2040 while also including robust provisions for workers. The bills create a state office to help workers displaced by the energy transition move into new clean energy jobs and requires that these jobs match local prevailing wages and working conditions. The legislation would also tighten energy efficiency requirements for electric utilities, allow more residents to enroll in a rooftop solar energy program and streamline permits for new wind and solar power.

Descendants of enslaved Africans who arrived in the US on the Clotilda and descendants of the slave owner who bankrolled their passage have begun to explore the possibility of reconciliation -- after a new generation of the slaveowner’s descendants took control of the family business, according to 60 Minutes. Two great-great-granddaughters of the slave owner have acknowledged their family has benefited from slave labor, removed property markers and sold land to the City of Mobile, Alabama to be used for community development organizations and a food bank. They are considering financial support for education and the transfer of some land in Africatown to the descendants of slaves who settled there after Emancipation.

SaferWorld and Yemeni civil society have launched the Civil Society Solidarity Fund to explore a new, transformative funding model based on transparency, flexibility, solidarity and local ownership. The Fund, which provides grants of up to $45,000, has thus far supported 18 organizations, selected through a peer review process. SaferWorld used the same process in the Agents of Change project in Sudan, providing small grants to more than 200 citizen-led projects.

After a 2021 tornado and subsequent electrical fire damaged the African American Museum in Bowling Green, Kentucky, a Rotary club in the city
used a $10,000 disaster relief grant to help restore the museum. In addition, some Rotarians attended workshops on archiving and are assisting the museum in digitizing documents, including some from Shake Rag, a once-vibrant district settled by former slaves and soldiers who fought for the Union in the Civil War. The museum recently reopened, and Rotarians continue to assist with cleaning damaged artifacts, pictures, and equipment.