

ZeroFox Intelligence Geopolitical Brief for July 2023

TLP: CLEAR

B-2023-06-30a



Executive Summary

Developments in Russia's war in Ukraine are likely to take on added significance in July 2023. If Ukraine's counteroffensive proves more successful than it has so far, there are downsides for the global economy. There could be a return to the commodity price spike of early 2022, when sanctions degraded Russia's output capability—and thus its ability to export commodities essential to global trade, including agricultural and energy products, causing prices to skyrocket. Russia's war in Ukraine remains one of the key contributors to global inflation, and if domestic events inside Russia or from Ukraine itself limit Russia's ability to produce, there could be a return to record high commodity prices. This will likely harm the poorest and most import-dependent economies, where the risk of social unrest is high. In Africa in particular, Nigeria, Angola, and Kenya are on high alert for social unrest in July 2023, as their governments attempt to pass on price increases to their citizens to offset increasing costs due to Russia's war in Ukraine.

Russian backed cyber attacks could also resurface during the key NATO summit in mid-July. Russian cyber threat actors have used the Ukrainian offensive to increase targeting of private and government institutions that back Ukraine with shows of support through weapons purchases or other defense agreements. NATO's summit in Vilnius will likely feature countless shows of such support, which makes businesses that operate in NATO member states vulnerable to criminal cyberattacks that expose customer data or shut down websites.

July 2023 could also see the start of a more forceful response from China to Western-backed efforts to "derisk" Western economies from trade with China. China appears settled on engaging with Western companies with operations in China or those with large markets in China while simultaneously disengaging with Western government officials. China is likely going to use Western companies—particularly European ones more reliant on it—to push back on or slow the effectiveness of U.S. policies that effectively limit China's access to advanced technology and lead companies to move their supply chains away from the country. Details on China's plan are deliberately vague but have reached the upper echelons of the Communist Party and are now enshrined in law, suggesting China is more settled on a response to years of U.S. sanctions. This is unlikely to stop the United States, which is expected to extend its restrictions on technology transfers and investment into China in July, or Europe, which revealed a key economic security document highlighting the need to derisk from China. However, it does ensure the issue will remain one of the key geopolitical areas of risk for the foreseeable future.

Elsewhere, the risk of social unrest is high. Latin America has a series of elections forthcoming amid a region-wide increase in crime, which has risen to the top of voter concerns even in traditionally safer countries like Chile and Ecuador. By some metrics, violence in the West Bank reached levels not seen in decades, which is likely to continue into July, while Thailand risks returning to widespread protests in mid-July if no government is formed.

Key Findings

- Several major African countries, including Kenya and Nigeria, are at major risk for widespread protests over the cost of living in July 2023.
- In France, expect continued acts of daytime protests followed by nighttime acts of vandalism over police violence in cities nationwide to continue, possibly peaking on the weekend of July 1-2.
- Indefinite protests are likely by mid-July in Thailand if the military blocks formation of a new government.
- Violence between Israelis and Palestinians is likely to continue in July after reaching heights not seen in years.
- Sudan's military is slowly losing ground to a rival militia force, which could worsen security across east Africa.
- Expect a series of disruptive transportation strikes in Europe to coincide with the busy summer travel season.
- Western companies operating in China will see continued efforts to steal trade secrets.
- Protesters with a history of overthrowing governments will descend on Lima, Peru, in mid-July.
- Argentina, Guatemala, and Ecuador have key elections in the coming weeks; crime and the economy are the primary issues.
- A pan-African payment system is increasingly being adopted by member states that could help increase trade and reduce U.S. dollar reliance.
- Spain holds consequential snap elections that could lead to weeks of coalition talks or further elections.
- The Women's World Cup in Australia and New Zealand runs from July to August.
- A more forceful response from China to lift Western trade sanctions will likely target the private sector.
- Russian-backed threat actors have stepped up their attacks against Ukraine's Western backers and will likely escalate during the NATO summit.

Key Threats and Developments



Russian cyber threat actors have stepped up their attacks since the Ukrainian counteroffensive.



Crime is a worsening concern across Latin America.



The Women's World Cup in Australia and New Zealand runs from July to August.



Sudan's military is losing ground to a rival militia, which will further destabilize the strategic country.



Widespread protests against tax increases are likely in Kenya in July.



Commodity prices will rise if Ukraine gains ground on Russia.



European tourism destinations will likely see travel disruptions in July and August.



France has imposed a large security response including curfews following violent protests.

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NATO Summit

- The 2023 North Atlantic Treaty Organization (NATO) Summit will be held in Vilnius, Lithuania, on July 11 - 12, 2023. This key annual meeting will bring together heads of state and government from the 31 member countries of the alliance. The summit is expected to mark a crucial juncture in NATO's ongoing evolution and expansion following Russia's invasion of Ukraine in February 2022.
- During a preliminary meeting in Bratislava on June 6, 2023, Secretary General Jens Stoltenberg outlined several main items that NATO members plan to discuss next month: stronger commitment to increased defense spending, Sweden's successful inclusion in the alliance, a multi-year assistance package for Kiev, and next steps in the NATO-Ukraine political relationship.[1]

Forward Look:

- Despite the growing threats to global peace, most NATO armed forces did not significantly improve their capabilities in the past year. In 2022, only seven countries within the alliance spent the target 2 percent of their GDP on defense.[2] More member states are expected to make a stronger commitment to increased future spending at this meeting.
- Finland and Sweden's recent efforts to join NATO led to significant tensions within the alliance, particularly due to objections from President Erdogan of Turkey. Finland's accession into the alliance was officially approved on April 4, 2023.[3] There is speculation that Sweden will also be welcomed into NATO during the upcoming summit, but this has not yet been confirmed.
- It is not likely that Ukraine will receive a formal invitation to join the alliance during the meeting in Vilnius, given the ongoing conflict with Russia. However, the Kiev government is expected to obtain further military aid, as well as a possible road map to future membership.

Spain Elections

- Snap general election on July 23, 2023

Forward Look:

- On May 29, 2023, Prime Minister Pedro Sanchez dissolved Spain's parliament after the governing Socialist Party (PSOE) suffered substantial losses in regional and municipal elections the previous day. The general election was originally scheduled for December 2023. According to the most recent polling data, the conservative People's Party (PP) holds a dwindling lead over the governing left-leaning ruling coalition and is now unlikely to win an outright majority in parliament, therefore potentially requiring the PP to build a coalition with the far-right Vox Party.[4] However, it is not guaranteed that re-run elections are possible. A similar scenario occurred last election cycle.

Russia-Ukraine Conflict

- The widely-expected Ukrainian counteroffensive began in early June. Ukrainian forces are currently engaged in offensive operations along much of the frontlines in Zaporizhia Oblast, Donetsk Oblast, and around Bakhmut. Ukrainian gains have been minimal so far; Ukrainian President Volodymyr Zelensky admitted the counteroffensive was progressing slower than planned.[5] Despite the slow movement, Ukrainian troops continue to advance along all active sectors of the front as of June 28. The next several weeks of the offensive will likely continue at this slow pace due to Russian defenses.
- Russia had months to prepare for the anticipated Ukrainian offensive. During this time, Russian forces constructed a series of complex defenses across much of the frontlines, with troops establishing the most advanced defenses in Crimea, Zaporizhia Oblast, and western Donetsk Oblast. These defenses include reinforced trenches, minefields, anti-tank minefields, and reinforced concrete bunkers for infantry troops.[6]
- This initial stage of the offensive is aimed at probing well-established Russian defenses to identify weak points. Combat of this nature is slow-moving and inherently brings casualties. It remains too early to assess whether the counteroffensive will successfully recapture a significant amount of territory.
- A successful Ukrainian push through Zaporizhia or western Donetsk to the Sea of Azov would sever the land bridge between Crimea and the rest of Russian-occupied territory, effectively cutting Russian-occupied territory in two. The promise of such a success is likely driving the current Ukrainian efforts in these regions.

Forward Look:

- Wagner Group Founder Yevgeny Prigozhin's armed rebellion on June 23 & 24 will likely have short- and long-term impacts on Russia's military and leadership structure.
- In the short-term, the rebellion has significantly damaged Putin's cultivated image as a strong leader of a stable country. The rebellion raised doubts about Putin's control of both military power and Russia's elite. During his rule, Putin has constructed the entire Russian political power structure around himself; however he appeared powerless to halt Prigozhin's advance. Additionally, images of tanks in Moscow for the first time since the 1990s have almost certainly signalled Russia is not as stable as previously assumed.
- The aftermath of the rebellion will likely lead to power struggles within the Russian elite. Already, the settlement reached by Prigozhin and Belarusian President Alexander Lukashenko indicates Lukashenko will attempt to use Wagner to his advantage. According to the public provisions of the deal that ended the rebellion, Prigozhin will enter exile in Belarus, and Wagner troops who do not sign contracts with the Russian MoD will be allowed to operate in Belarus. For years, Lukashenko has looked for leverage to delay Putin's absorption of Belarus into the Belarus-Russian union state; Lukashenko's control of both Prigozhin and Wagner forces may be the leverage he needs to halt or delay Putin's plans for Belarus.[7]
- Wagner was one of Russia's most effective fighting units and accounted for about 25,000 troops. While Wagner fighters will be allowed to sign contracts with the Russian MoD, a significant number are not expected to join the Russian military. Thus, Prigozhin's rebellion removed critical forces from Russia.
- Prigozhin's rapid successes (capturing Rostov-on-don and a military installation in Voronezh) also demonstrated severe Russian domestic security weaknesses that Ukraine or other adversaries could exploit.

FOOTNOTES

- [1] https://www.nato.int/cps/en/natohq/news_215423.htm
- [2] <https://www.reuters.com/world/seven-out-30-allies-met-nato-military-spending-target-2022-stoltenberg-2023-03-21/>
- [3] https://www.nato.int/cps/en/natohq/news_213448.htm
- [4] <https://www.reuters.com/world/europe/spains-conservative-pp-party-lead-narrows-one-month-ahead-national-election-poll-2023-06-26/>
- [5] <https://www.bbc.com/news/world-europe-65971790>
- [6] <https://www.understandingwar.org/backgrounder/ukraine-conflict-updates>
- [7] <https://meduza.io/paragraph/2023/06/27/my-poydem-na-moskvu-na-polputi-tebya-kak-klopa-razdavayt>



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Peru: Toma De Lima Protests

- Anti-government protesters from southern Peru are planning to flood the capital of Lima during their third "Toma de Lima" protest on July 19, 2023.[8]
- Previous iterations of the protest resulted in a state of emergency.
- Protest organizers say their goal is to overthrow the government of interim president Dina Boluarte.

Forward Look:

- The first two protests came in late 2022 and early 2023, when previous President Pedro Castillo was impeached and replaced by Boluarte. Protesters, mainly from southern Peru, staged indefinite roadblock protests, calling for early elections and for Castillo to be removed from office. The protests were largest in southern Peru, but they also reached the capital of Lima in northern Peru. The protesters frequently point out elitism and political disconnects between the poorer southern regions and the wealthier northern regions during their protests.
- Boluarte's position has stabilized since protests subsided in February 2023; she has recently reiterated that she will remain in office until 2026, despite previous promises for early elections when protests were at their largest. Therefore, the threat of large and disruptive protests should be taken seriously, but they are unlikely to reach the level where Boluarte is removed from office.

Argentina: General Elections in August and October 2023

- Argentina holds primary elections in August followed by general elections in October 2023[9]

Forward Look:

- Candidates were confirmed on June 24 ahead of the August 13 primaries. Campaigning will start on September 2 before the first-round elections on October 22; a possible second-round election is slated for November 19.
- The ruling Frente de Todos (FdT) party changed its name to "Unión por la Patria" and nominated Economy Minister Sergio Massa as its candidate. The party name will be used during the August primary elections and in the October general elections. The main opposition party remains the conservative Juntos por el Cambio party, while outsider Libertarian candidate Javier Milei is also performing well in the polls. Argentina is suffering through historic inflation and a foreign currency crisis under FdT, which may have partially been behind the name change. It likely also demonstrates unease between President Alberto Fernandez and his Vice President, Cristina Kirchner. FdT was created for the purposes of the last election; with Fernandez no longer a palatable candidate and having opted out of running, it has been left to the Kirchner family to rename the powerful leftist political grouping known as Peronismo. Kirchner is also not running, although both she and her deceased husband, Nestor, were previous presidents and maintain large grassroots support, which means they cannot be discounted electorally.
- Patricia Bullrich of the Juntos por El Cambio party remains the frontrunner, although Milei is performing well. Milei, who is not attached to a traditional party, would struggle to get reforms through Congress. Historically, the best-performing candidate in the August primaries goes on to become president. Expect an increase in protests ahead of the elections.

Guatemala Elections

- Second round run-off elections on August 20, 2023[10]
- High degree of voter apathy after several credible candidates disqualified
- Election related violence possible
- Possible support surge for Bernardo Arévalo, who is the closest to being a political outsider in the race

Forward Look:

- On June 25, 2023, Guatemala held general elections for the president, Congress, local positions, and 20 seats in Parliament. The presidential elections will need to go to a second round between former first lady Sandra Torres and Bernardo Arévalo, with neither getting the 50 percent needed to avoid a run-off on August 20, 2023. Torres was a predicted finalist, but Arévalo is a surprise given he did not factor into many predictions to make the run-off out of the 22 presidential candidates. Despite Arévalo's surprising performance, the list of candidates was closely controlled by incumbent and term-limited president Alejandro Giammattei, and countless candidates were disqualified during the campaign. Critics blame Giammattei for using legally dubious reasons to disqualify candidates who could have challenged the political status quo. As a result of many of the preferred candidates being disqualified, there is a high rate of voter apathy. Both advancing candidates are center-left politically. However, Torres is socially conservative and seen by voters as a member of the political status quo that is unlikely to challenge Guatemala's high rate of corruption. Crime and the economy are the other big campaign issues. There were incidents of violence directed at electoral officials that could resurface in the run-off campaign.

Chile State of Emergency

- On June 20, 2023, the Senate voted to approve an extension of the state of emergency for the southern Bio Bio and Araucania regions.[11]
- The two regions have been under a near-constant state of emergency, but the Senate refused to extend it to the neighboring Los Rios region.
- The emergency orders are in response indigenous Mapuche attacks.

Forward Look:

- Araucania and Bio Bio have been under a nearly two-year-long state of emergency, which has been extended every 15 days due to attacks by indigenous Mapuche groups over land rights. The attacks typically target multinational infrastructure like temporary housing, vehicles, and facilities. Conservative opposition lawmakers have been pushing to extend the order, which gives security forces greater presence and powers in Los Rios, but they have been rejected by the left-leaning government of President Gabriel Boric—despite a high-profile attack that torched 13 trucks in Los Rios.
- While those attacks are hundreds of miles from the economic center of the capital of Santiago, they do have supply chain implications, as the forestry and other impacted sectors often sell their products in the capital and threatened work stoppages impact the broader economy.
- The violence in Chile, normally one of the safer countries in the region, is part of a region-wide crime trend that has become a key political issue in some countries, replacing corruption.

FOOTNOTES

- [8] <https://www.infobae.com/peru/2023/06/22/tercera-toma-de-lima-durara-hasta-lograr-la-renuncia-de-dina-boluarte-anuncian-la-llegada-de-30-mil-ronderos/>
- [9] <https://www.ambito.com/politica/elecciones-2023-estos-son-los-candidatos-presidenciales-confirmados-n5664630>
- [10] <https://www.infobae.com/america/america-latina/2023/06/26/elecciones-en-guatemala-en-vivo-comenzaron-a-cerrar-los-centros-de-votacion-y-se-inicia-el-escrutinio/>
- [11] <https://www.camara.cl/cms/noticias/2023/05/17/camara-aprobo-nueva-prorroga-del-estado-de-excepcion-en-la-macrozona-sur/>



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| Sudan: Clashes Move Westward

- Despite frequent ceasefires, expect fighting to continue.
- Fierce fighting around the capital of Khartoum continues, but a larger battlefield has opened in the western Darfur region.

> Forward Look:

- While fighting has continued in the capital Khartoum, with the Rapid Support Forces (RSF) militia gaining ground, there has also been a significant uptick in fighting in western Sudan, mainly in the Darfur region. An earlier iteration of the RSF, the Janjaweed, established themselves fighting in Darfur in the early 2000s and have an advantage over the army fighting there. Fighting began in mid-April but was largely consolidated around Khartoum.[12] By expanding the conflict away from the power center of Khartoum, there is a higher risk the conflict will become a full-on civil war and worsen the refugee crisis. Expect clashes to continue for weeks, with the RSF gaining some ground in Khartoum while the army's position in the east remains largely undisturbed. Travel and any operations inside Sudan short of using the eastern Port of Sudan are unsafe. Sudan is strategically located near the Red Sea, Egypt, and Ethiopia, and the conflict is spreading through a refugee crisis into those areas while also endangering the Red Sea supply chain—one of the bigger global concerns. A power sharing deal may not end the refugee crisis, but it could return the Port of Sudan to safety.

| African Political Developments

- **Zimbabwe** to hold general elections on August 23, 2023
- Pan-African payment system to reduce U.S. dollar usage[13]

> Forward Look:

- President Emmerson Mnangagwa announced that Zimbabwe will hold general elections on August 23. President Mnangagwa, who is running for a second term, will be challenged by Citizens Coalition for Change (CCC) Party leader Nelson Chamisa. Parliamentary and local elections are also expected to take place. Critics of Mnangagwa's administration have already accused him of voter suppression and silencing opposition, but the ruling Zimbabwe African National Union–Patriotic Front (ZANU–PF) Party denied the allegations. In the 2018 general election, Chamisa narrowly lost against Mnangagwa. The opposition leader alleged that the 2018 election was fraudulent; however, the Constitutional Court dismissed the accusations. Due to the controversiality of the legislation and the difficult economic conditions in Zimbabwe, demonstrations may occur in the lead-up or following the elections and have the potential to turn violent. [14]
- Fifteen to 20 African countries are expected to utilize the Pan-African Payment and Settlement System (PAPSS) by 2024, according to Afreximbank President Benedict Oramah. PAPSS allows African countries to trade among themselves using their own currencies without having to convert them into U.S. dollars. The majority of inter-African trade is done by converting to the U.S. dollar, which can be especially costly if the countries' own currencies are weak compared to the dollar or if they have spent most of their dollars on international imports of items like food and energy. PAPSS would allow Africa's 42 currencies to be convertible among themselves, which could preserve U.S. dollars to be spent elsewhere while also increasing inter-African trade.

| Chinese Demand for Trade Secrets

- China is increasingly asking for detailed product information before allowing companies to sell to the Chinese market.
- Chinese chip makers are stealing trade secrets from U.S. chip makers.

Forward Look:

- For now, the policy on trade secrets is mainly related to the ingredients used in cosmetics but also to details on the manufacturing processes, the sourcing of raw materials, and the precise composition of formulas. The information is collected and stored in a database managed by the Chinese authorities. For those operating in China, there could be pressure to divulge trade secrets to Chinese authorities that could allow them to produce the goods themselves, especially in the event that the company wants to exit the Chinese market.
- ZeroFox highlighted that Chinese-backed threat actors would likely launch espionage campaigns in response to U.S.-led trade restrictions that preclude China from accessing advanced semiconductor chips. In mid-June, Applied Material Inc., the largest U.S. supplier of chip-making equipment, accused Mattson, a U.S.-based company acquired by China-backed E-Town Dragon Semiconductor Industry Investment Center in 2016, of stealing and sharing sensitive information. There are other cases involving China-backed employees stealing chip-making technology from top manufacturers, suggesting they are trying to circumvent Western sanctions.[15]

Demonstrations in Africa

- Raila Odinga calls for disruptive actions in **Kenya** into July 2023
- Possible Protests in **Nigeria** over fuel price hike
- **Sierra Leone**: Possible post electoral violence

> Forward Look:

- On June 27, 2023, opposition leader Raila Odinga called for supporters to engage in a nationwide boycott and disruptive actions against the recent passing of finance legislation that is set to increase taxes on fuel, food, and other commodities. [16] Thus far, there are no official plans for protests, but demonstrations are likely to materialize in Kenya's major cities in July, particularly in Kisumu and Nairobi, against the tax increases. Violent demonstrations and strikes have occurred throughout Kenya in recent months against worsening economic conditions. [17] The use of live ammunition and tear gas is common in Kenya during actions against government policies.
- Nigeria may also see widespread protests over the increasing cost of living for the middle and lower classes. Starting June 30, Nigeria will eliminate fuel subsidies, significantly increasing the cost of oil. Prices already rose on the announcement, and Nigerian fuel consumption has dropped precipitously in response. Angola, Africa's second-largest oil producer, saw mass protests in June when it implemented a more minor increase to the cost of commercial oil.
- Sierra Leone could see further acts of violence over the disputed presidential elections at the end of June, which saw President Julio Bio reelected.

FOOTNOTES

[12] <https://www.naharnet.com/stories/en/298323-sudan-s-war-displaces-over-2-million-as-fighting-rages-in-darfur-region>

[13] <https://pappss.com/>

[14] <https://www.independent.co.uk/news/world/americas/us-politics/emmerson-mnangagwa-ap-zimbabwe-nelson-chamisa-robert-mugabe-b2348957.html>

[15] <https://www.bloomberg.com/news/articles/2023-06-28/china-enacts-foreign-relations-law-targeting-western-hegemony>

[16] <https://africa.businessinsider.com/local/markets/kenyas-president-signs-new-tax-bill-despite-threats-of-another-protest-and-possible/n8qv8vv>

[17] <https://www.citizen.digital/news/raila-asks-kenyans-to-walk-to-work-in-protest-against-fuel-tax-n322515>



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Asia-Pacific Updates

- **Cambodia:** Parliament voted to penalize anyone that abstains from voting in the presidential election on July 23, 2023.[18]
- **Thailand:** Protests are possible by mid-July 2023 if the leading candidate fails to form a government.
- **Japan:** On July 21, Japan's new international export policy will take affect, which restricts the sales of semiconductor manufacturing equipment based on an approved trade list. China is excluded from the list and expressed its disapproval; South Korea will be added to this list, improving relations between the two countries.
- **India:** Prime Minister Narendra Modi visited the United States from June 21-24, signing a series of bilateral agreements on visa policy, defense, and high tech supply chains.
- **South Korea:** The powerful Korean Confederation of Trade Unions (KCTU) called for a nationwide general strike from July 3-15, 2023.[19]

Forward Look:

- On June 23, 2023, Cambodia's Parliament voted to amend an election law to penalize anyone who boycotts the general election on July 23, 2023. The current Prime Minister, Hun Sen, who has held power in Cambodia for more than three decades, ordered the country's parliament to revise the law last week so that anyone who does not vote in the election will be banned from contesting any future elections. Also, the amendments impose fines and punish individuals who disrupt and obstruct the voter registration process and the election. The new revision is widely criticized and is seen as Hun Sen's efforts to stamp out opponents. Last month, Hun Sen's ruling Cambodian People's Party (CPP) barred its main opponent, the Candlelight Party (CP), from registering due to a failure to submit certain documents. The outcome of the election is likely certain, but there is a low probability of civil unrest linked to the likely-fraudulent elections.
- Thailand's newly-elected Parliament will meet in the first week of July, starting the process of approving a new government, followed by the vote to elect a prime minister. Pita Limjaroenrat and his leading Move Forward Party won the majority of seats in the May 14 general election but still need 63 more votes from either senators or members of Parliament (MPs), or a combination of both, to be elected as prime minister. Most political parties agreed to meet on July 4, 2023, to elect the house speaker, and a joint session of the two chambers must be held within 10 days to elect the prime minister. However, Pita faces investigations from the Election Committee over alleged ownership of media shares, and several senators have vowed not to vote for Pita as the next prime minister due to his opposition to the lese majeste law. The entire 250-person Senate is made up of supporters of the military and largely opposes Pita. Supporters of Move Forward and its coalition plan to rally ahead of the vote for the prime minister to increase pressure on senators; if the Move Forward-led coalition of 314 fails to win support from 63 senators or MPs from other parties, there may be violent protests by the middle of July. Many of Pita's supporters were part of the large 2019 and 2020 protest movements. Thailand's military and police have already put plans in place to increase their security presence ahead of the vote.

Israel/Palestinian Territories Updates

- Recent weeks have seen a dramatic escalation in the violence across the West Bank. For the first time since 2002, the Israeli military used an attack helicopter during an operation to capture a number of fugitives. Three Palestinian militants were also killed in an Israeli drone strike, the first since 2006. Both of these incidents took place in and around Jenin; the city is a flashpoint for violence and is where a militant group linked to Hamas has unsuccessfully launched at least two rockets toward Israel since May—the first such attempted attacks from the West Bank in 18 years.[20]
- The West Bank has also witnessed a serious uptick in communal violence. In response to a shooting attack in which two Palestinian gunmen killed four Israelis outside of Eli on June 20, 2023, hundreds of settlers rampaged through nearby Palestinian villages in the following days, most notably Turmus Ayya, burning buildings and cars and killing one resident.

Forward Look:

- While security officials have urged restraint, far-right-wing members of the government, including Finance Minister Bezalel Smotrich and National Security Minister Itamar Ben-Gvir, are calling for more aggressive Israeli military action in the enclave. Should Prime Minister Benjamin Netanyahu cave to this pressure in the wake of further militant attacks or widespread unrest, violence in the West Bank could reach levels not seen since the Second Intifada (2000-2005).
- As part of recently-resumed efforts to pass Prime Minister Netanyahu's controversial judicial reforms, the Knesset will meet on July 3, 2023, for a reading of the "reasonableness bill," legislation that seeks to limit the power of the country's Supreme Court to invalidate decisions made by the Prime Minister, Parliament, and Cabinet officials. In response, anti-government groups have warned that they will increase protests and disruptive actions, including a "blockade" of Ben Gurion Airport (TLV) on the same day as the reading.[21]

Women's World Cup

- The Women's World Cup will begin on July 20 and run through August 20. The tournament, composed of 32 teams, is being dual-hosted by Australia and New Zealand.[22]
- Fans from across the world will be visiting either or both host nations, which is likely to result in traffic and disruptive behavior due to alcohol consumption

Forward Look:

- During the month it runs, the Women's World Cup will attract a great deal of fan attention, particularly in the United States (where the women's team is more popular than the men's) and Europe (where women's soccer has seen an explosive growth in popularity). This presents an opportunity for protesters to disseminate messages effectively—Australia has seen recent large-scale disruptions by climate activists, for example.
- No geopolitical tensions are expected to surface at the event, as most countries attending have at least cordial relationships. If tensions do occur, they are most likely to circle around the Chinese national team, as Australia and China have an interlinked history that has recently included a mutually confrontational attitude (though this has diminished significantly since the start of 2023).

FOOTNOTES

[18] <https://www.theonlinecitizen.com/2023/05/25/cambodian-opposition-party-loses-bid-to-overturn-election-ban/>

[19] <https://pulsenews.co.kr/view.php?year=2023&no=484761>

[20] <https://www.israelhayom.com/2023/06/26/idf-confirms-rocket-launched-from-jenin-area-no-reported-injuries/>

[21] https://www.timesofisrael.com/liveblog_entry/anti-overhaul-protesters-to-step-up-fight-will-blockade-airport-on-sunday/

[22] <https://www.fifa.com/fifaplus/en/tournaments/womens/womensworldcup/australia-new-zealand2023>



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EU Economic Security Strategy

- On June 20, 2023, the European Union (EU) unveiled its Economic and Security Strategy, which details how it plans to grow and protect its economy.[23]

Forward Look:

- The EU identified a need to trade and invest in emerging technologies like clean energy, electric vehicle batteries (EV), and artificial intelligence while also protecting itself from geopolitical adversaries who could exploit these needs. The plan calls for greater control of technological exports to places like China while ramping up investments in areas where the EU is weak, like raw materials, semiconductor chips, and EVs. The plan is difficult to implement, as it requires developing technologies that are currently dominated by geopolitical adversaries like China or limiting trade with key trade partners. Maintaining its profitable trade relations with China while also restricting other forms of trade and cooperation could be difficult for the EU to manage. It will be especially difficult since the strategy requires implementation from all 27 EU states, which could abandon the strategy when it becomes inconvenient. Europe argues it is diversifying its supply chains to expand beyond China so as not to be ensnared in similar economic and geopolitical issues that arose after Russia's war in Ukraine began, when Europe had few alternative energy supplies.
- The document includes an anti-coercion clause, which allows the EU to target countries that use economic coercion to address political issues. China is the key target, because it has curtailed trade with certain EU states for recognizing Taiwan, for example. This will be difficult to enforce, especially if an unaffected EU country with major business in China is asked to curtail that trade because China targeted another EU country. There will also be outbound and inbound investment screenings, which could halt planned investments in China by strategically important sectors like semiconductors or by Chinese investors in things like infrastructure projects in Europe. Lastly, the document plans to leverage the huge EU economy to strike large trade deals, particularly for minerals the EU does not possess, like lithium from Chile and other critical minerals from Australia. This also includes the Gateway Initiative, which plans investments in emerging economies in Latin America, Asia, and Africa to rival China's Belt and Road Initiative.

ABOUT ZEROFOX

ZeroFox (Nasdaq: ZFOX), an enterprise software-as-a-service leader in external cybersecurity, has redefined security outside the corporate perimeter on the internet, where businesses operate and threat actors thrive. The ZeroFox platform combines advanced AI analytics, digital risk and privacy protection, full-spectrum threat intelligence, and a robust portfolio of breach, incident, and takedown response capabilities to expose and disrupt phishing and fraud campaigns, botnet exposures, credential theft, impersonations, data breaches, and physical threats that target your brands, domains, people, and assets. Join thousands of customers—including some of the largest public-sector organizations as well as finance, media, technology, and retail companies—to stay ahead of adversaries and address the entire lifecycle of external cyber risks.

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European Protest and Strikes in July 2023

- A wave of violent protests over police brutality in France moved from Paris on June 27 nationwide by June 28. Expect continued acts of daytime protests followed by nighttime vandalism.[24] France has deployed 40,000 additional officers while imposing curfews and closing public transportation before nighttime in the worst affected cities. Violence is expected to peak on the weekend of July 1-2.
- On July 7, 2023, public transportation workers will strike across Italy. Expect major transportation disruptions, even during the minimum service period from 8:30 AM to 5:00 PM and 8:00 PM to midnight. Air traffic controllers are also planning a nationwide strike on July 15.
- In Sweden, security staff at Bromma airport in the capital of Stockholm will go on strike on July 3, 5, and 7.
- After wage discussions fell through on June 21, 2023, rail strikes are likely to continue in Germany, as the union has indicated that the wage offers are too low. Negotiations have been ongoing and have seen strike activity that impacted rail service significantly over the last several months.
- Rail strikes in Portugal are now expected to run through August 2023 and impact World Youth Day. Various actions are planned throughout July 2023.[25]
- Ongoing negotiations with pilots in Malta have led to strikes and the threat of additional ones.

APPENDIX: Traffic Light Protocol for Information Dissemination

TLP: RED

HOW IT IS USED

Sources may use TLP: RED when information cannot be effectively acted upon by additional parties and could lead to impacts on a party's privacy, reputation, or operations if misused.

HOW IT IS SHARED

Recipients may NOT share TLP: RED with any parties outside of the specific exchange, meeting, or conversation in which it is originally disclosed.

TLP: AMBER

HOW IT IS USED

Sources may use TLP: AMBER when information requires support to be effectively acted upon but carries risks to privacy, reputation, or operations if shared outside of the organizations involved.

HOW IT IS SHARED

Recipients may ONLY share TLP: AMBER information with members of their own organization and its clients, but only on a need-to-know basis to protect their organization and its clients and prevent further harm.

Note that TLP: AMBER+STRICT restricts sharing to the organization only.

TLP: GREEN

HOW IT IS USED

Sources may use TLP: GREEN when information is useful for the awareness of all participating organizations, as well as with peers within the broader community or sector.

HOW IT IS SHARED

Recipients may share TLP: GREEN information with peers and partner organizations within their sector or community but not via publicly accessible channels.

TLP: CLEAR

HOW IT IS USED

Sources may use TLP: CLEAR when information carries minimal or no risk of misuse in accordance with applicable rules and procedures for public release.

HOW IT IS SHARED

Recipients may share TLP: CLEAR information without restriction, subject to copyright controls.

FOOTNOTES

[23] <https://www.rfi.fr/en/international/20230621-eu-unveils-plans-to-avoid-economic-risks-when-dealing-with-russia-china>

[24] <https://twitter.com/AlertesInfos/status/1674259761318047746>

[25] <https://www.theportugalnews.com/news/2023-06-27/train-strikes-extended-to-august/78938>

