



Western Europe

| Regional Assessment |

July 28, 2023

Introduction

Europe is home to some of the most historic companies in the world, as well as one of the key global markets. However, Russia's war in Ukraine and recent geopolitical disputes between Europe's main ally, the United States, and its main trading partner, China, have exposed key dependencies. A year ago, Europe's dominant economies were badly hit due to their overdependence on Russian energy. The region is attempting to avoid similar economic problems by diversifying its supply chains away from China—a costly endeavor that could also worsen ongoing geopolitical disputes. Europe is therefore belatedly trying to develop new industries while also protecting itself from economic and political retaliation. Europe has allocated billions to developing new technologies that are currently dominated by geopolitically-sensitive countries, like Taiwan for semiconductor production, as well as clean energy technology, of which the region produces little. To do this, Europe will not only need to develop industries it has neglected for decades but also to reach out and develop new trade partners. Europe is held back by its expensive operating environment, with companies preferring to operate elsewhere. Europe is likely to utilize its large economic market to force compliance within its new industries, which appears attainable but comes with short-term consequences many European states may be unwilling to accept after the economic and political crises of COVID-19 and Russia's war in Ukraine.

These crises have strained Europe's domestic political environment. Europe has seen constant worker strikes since COVID-19 restrictions were lifted, and violent bouts of social unrest are now common. The inflationary impacts of the war are a key concern, especially as they have brought about a surge in far-right political parties accompanied by acts and threats of violence. It is unclear if Europe has the political will to implement the costly supply chain reforms and new investments.

With Europe aiming to make up for lost time in developing new industries and pursuing new trade partners, there will be adversaries looking to exploit the gaps in security. Threat actors will attempt to take advantage, hoping to identify vulnerabilities in overstretched resources. This will likely include increased cyber espionage efforts by Chinese-backed threat actors hoping to secure access to trade secrets that are being withheld from them, as well as other cyberattacks by pro-Russian groups hoping to weaken Western resolve to back Ukraine. Financially-motivated threat actors will also look to take advantage of the billions in new investments to target industries like mining, clean energy, and technology.

Key Threats



Chinese-backed cyber groups will increase espionage campaigns.



Prohibitively high operating costs increase the risk of bankruptcies.



Far-right groups are becoming more violent.



Russian threat actors are aiming to weaken western European resolve to back Ukraine.



Worker and transportation protests are common.



Germany's economy risks dragging down western Europe for years.

Key Findings

- Europe has identified advanced and clean energy technologies as key industries it needs to develop.
- Billions in new investments are vulnerable to cyberattacks by financially-motivated threat actors.
- Acts of violence and threats from far-right groups have become the main physical security concern for a host of European countries.
- Europe's high energy and operating costs are increasing the number of bankruptcies and risk seeing business move elsewhere.
- Europe will likely leverage its large market to force importers to comply with its regulations.
- Europe has identified Chinese political, economy, and cyber retaliation as the key threats to its economic security.



Russia's War in Ukraine

Russia's war in Ukraine will continue to impact western European businesses. During the onset of the war, Russia identified the economic risk from food and energy price inflation as key to reducing western European backing for Ukraine. While European resolve to back Ukraine has remained, it has not come without costs. Several European nations have seen changes in government, with the high cost of living being a contributing factor. Italy, the United Kingdom (UK), Sweden, Finland, and Denmark have all seen snap elections that resulted in changes in government.[1] The new political leaders are more favorable to Russia, and their campaigns were largely centered on the incumbent government's inability to handle the war-induced elevated cost-of-living increases.

Despite spending the last year diversifying their economies away from Russian energy sources, European nations will continue to face elevated inflation, mainly because of higher commodity and energy prices due to their geographic proximity to Russia and dependence on Russian energy sources. Because of consistent inflation, European central banks will need to keep interest rates elevated, which will likely result in a high level of bankruptcies and insolvencies among European businesses.[2] This will make Europe's other economic goals, which include attracting greater tech and clean energy investment, more difficult, as they require massive investment that Europe has largely been using to curtail the high cost of living.

Russia's pathway to exerting economic leverage over Europe is diminishing, but there is evidence that Russia has reinvigorated its economic coercion tactics against Europe in particular.

Economic retaliation could escalate in the coming months as one of the tactics Russia uses to distract from the gains Ukraine makes in its counteroffensive, which is expected to last until the fall of 2023. Russia likely views blunting the impact of the counteroffensive into 2024 as a key tactic to weaken Western resolve to back Ukraine, which presents a key risk to European business operations that will likely face supply chain disruptions and increased operating costs as a result.

Cyber Implications

Since Ukraine began its counteroffensive in June 2023, ZeroFox has observed an escalation in Russian-backed cyber campaigns. The European government and private-sector industries are the primary victims, and the campaigns generally coincide with shows of support for Ukraine. Expect this trend to continue throughout the counteroffensive into the fall of 2023.

On June 13, 2023, France announced it had disrupted a Russian disinformation campaign whereby websites impersonating prominent French news organizations—including *Le Parisien*, *Le Figaro*, *Le Monde*, and *20 Minutes*—were created with the purpose of spreading false news items aimed at undermining European support for Ukraine. France alleged "Russian state entities" had played a role in the operation.[3] Disinformation campaigns have been a key feature of Russia's war in Ukraine, and there was a precursor operation uncovered in 2022 similar to the media clone one. ZeroFox has observed other disinformation campaigns during the war centered around issues like possible NATO membership for Finland and Sweden and the impacts of food prices.[4]

The group's most notable attack was revealed in mid-June, when it launched distributed denial of service (DDoS) attacks on a number of Dutch port websites, including that of Europe's largest port, the port of Rotterdam. NoName057 (16) cited the Dutch government's plan to buy and send tanks from Switzerland to Ukraine as the reason behind its attack.[5] Further analysis of the group's modus operandi is warranted since the offensive also saw numerous Swiss government websites targeted. For example, on June 13, seven Swiss domains were DDoSed by NoName057 (16). A day earlier, ZeroFox observed the entity targeting over 30 European government and logistics websites in Italy, Sweden, Greece, Germany, and Bulgaria.[6] Port domains were the main sector targeted, indicating NoName057 (16) may be attempting to cause logistics and supply chain disruptions. Throughout the war, supply chain disruptions that have led to energy and food price increases have been among the most notable non-military maneuvers Russia has used to weaken Western support for Ukraine. Because Ukraine will be aiming to demonstrate a return on investment to the West and because it will need continued Western support in the years to come, Russia could use cyberattacks as one of the more effective countermeasures to dissuade Western states from continuing to back Ukraine.

ZeroFox has observed other dominant Russian-backed hacker groups since the counter-offensive was initiated, including the Cyber Army of Russia Reborn (ародна Cyberми). The group has almost exclusively targeted Ukrainian-based entities with DDoS attacks, include government websites and manufacturers. One of the most dominant pro-Ukraine-backed cyber groups since the counter-offensive began has been теки инормии, a data leak group that is targeting government and private industries inside Russia. The leaks are likely aimed at exposing the personal information of backers of the war.

Going forward, expect a steady stream of pro- and anti-Ukrainian cyber threats that are criminal in nature. Western-based industries are, therefore, at risk of being targeted by pro-Russian hacker groups intent on disrupting business operations. For example, Killnet, a Russian-backed group that has been targeting private firms in the West since the onset of the war, announced on June 16 it had started targeting European financial services and claimed to have disrupted the International Bank Account Number (IBAN) System, which allows for easy communication between global banks to facilitate transactions. Killnet cited U.S. aid for Ukraine as the reason behind the operation.

Assessment:

- Europe will struggle to contain inflation in the months to come, which will coincide with a wave of industry bankruptcies. Politically, it could result in incumbent governments losing power or being forced to hold snap elections.
- Expect Russia to escalate its economic coercion against European countries to weaken resolve to back Ukraine.
- This will likely include cyberattacks against EU-based government and private entities, especially those that operate in countries that make public shows of support for Ukraine.

¹ "NoName057 (16)" has been one of the most prominent threat actors since the counter-offensive began and has

[1] <https://www.politico.eu/article/far-right-giorgia-meloni-europe-swings-right-and-reshapes-the-eu/>

[2] https://ec.europa.eu/eurostat/web/products-eurostat-news/w/BDN-20220217-2_10230_20230301_en

[3] <https://timesofmalta.com/articles/view/france-uncovers-major-disinformation-campaign-russia1037432>

[4] <https://www.disinfo.eu/doppelganger/>

[5] <https://n1times.nl/2023/06/14/dutch-ports-websites-offline-hours-days-due-pro-russian-cyber-attacks>

[6] ZeroFox Internal Collections



Europe's China Policy

Europe has been the key laggard in the Biden administration's plan to get its Western allies to back its main foreign policy initiative of constraining China's growth. The plan centers on restricting sales of advanced technology like semiconductor chips to China while also encouraging nations to diversify their supply chains away from China. European nations have been extremely reluctant to do so because they have an even greater trade dependency on China than the United States does. China is Germany's largest customer for its manufactured goods and is essentially the sole supplier of rare-earth metals that go into key industries Europe is looking to develop, like clean energy systems and advanced technology. Were China to retaliate economically against Europe for adhering to U.S.-led trade protocols, it is unclear if Europe would have the political and economic wherewithal to stomach the additional inflationary costs associated with diversifying supply chains away from China, especially given the economic and political costs Europe is already experiencing because of the war in Ukraine.

Europe's reliance on Russia for the bulk of its energy supply has been exposed in the wake of Russia's war in Ukraine. To reduce dependencies, Europe has belatedly adopted trade restrictions with China that are similar to those of the United States. In mid-June 2023, the European Union (EU) published its Economic Security Initiative.^[7] The economic element of the document highlights the industries Europe would like to cultivate—mainly advanced technology and clean energy. The document then specified which industries the EU would need to trade and negotiate with in order to achieve those goals, highlighting agriculture, food, and rare-earth metals as the key needed trade deals to negotiate.

The security element of the document unambiguously signaled China is the key threat to these goals. The risk primarily stems from China's ability to limit Europe's access to rare-earth metals needed in the energy transition during the long period while Europe attempts to negotiate deals with alternative producers. China could also retaliate against other unrelated trade ties with European countries, like refusing French cosmetics or Dutch flowers. Lastly, Europe views the existing ties with China—which include Chinese influence in academia, government, and business—as a security vulnerability. China could use this influence to steal trade secrets, set standards, build products, and exert economic and political pressure.

Assessment:

- Europe has identified clean energy, advanced technology, and agriculture as key industries it will need to develop going forward.
- These industries will require greater cyber protections, as they aim to exclude trading with China while also diversifying supply chains away from China.
- China in turn is likely to increase cyber espionage campaigns.
- The initiative requires billions in new investments and new global trade deals.
- Mining companies, technology companies, and food producers will benefit from the policies.

Economic and Cyber Risks

Key to Europe's plan to "derisk" from China is expanding supply chains, particularly in areas where China dominates supply.^[8] This is led by rare-earth metals, which are increasingly needed in most forms of technology, including weapons systems, vehicles, electric batteries, smart phones, appliances, and electronics. China supplies nearly 100 percent of the metals used by European companies to make cars, phones, and solar panels.

In March 2023, Europe put forward the European Critical Raw Materials Act^[9], which seeks more partnerships with alternative suppliers of the minerals dominated by China, and allocated EUR 43 billion to the European Chips Act with the aim of increasing the production capacity of chips currently dominated by Taiwan, South Korea, and Japan.^[10] From an economic perspective, this will likely see billions in stimulus allocated to companies that seek to make clean energy and advanced technology products exclusively in the EU, and those will likely be the newest industries entering the EU. These industries will, however, be vulnerable to Chinese retaliation—mainly through cyber espionage efforts, with China looking to steal the trade secrets that are being withheld from them. ZeroFox has identified phishing campaigns by Chinese-backed cyber groups targeting EU embassy and government officials. China has also launched espionage campaigns against U.S. officials responsible for implementing the trade restrictions. On July 12, a Chinese-backed cyber campaign was identified targeting U.S. Commerce Secretary Gina Raimondo, who heads the administration most responsible for implementing the restrictions, particularly those threatening China's access to semiconductors.^[11] Similar espionage attempts against EU private sector and government officials are likely.

China will also likely utilize its trade leverage, especially against companies that maintain business within it. In July 2023, China announced it was limiting exports of two key minerals needed to make semiconductor chips, gallium and germanium, likely in response to the Economic Security Initiative. Prior, it prohibited Micron, the largest U.S. semiconductor producer, from selling in China, depriving the company of 20 percent of its revenues.^[12]

The key to avoiding this type of economic retaliation is trade. The EU has developed the Global Gateway Initiative with the expressed motive of developing new trade partners to reduce reliance on China by sourcing materials, technology, and energy from elsewhere. In July 2023, the EU announced EUR 45 billion in investments in Latin America, which, when implemented, will give the EU increased access to lithium and copper supplies from places like Chile, Peru, and Argentina.^[13] Expect more partnership announcements in the coming years, especially in mineral-producing regions of the world like Australia, Indonesia, and the Democratic Republic of the Congo (DRC). These deals are similarly vulnerable to Chinese influence, especially since China already has long-standing relationships with most of these countries. China is Chile and Australia's largest customer, and China dominates cobalt production in the DRC and most other infrastructure industries in Africa. China could use its existing mining contracts in Chile to sabotage similar deals or work to prevent them from moving forward. However, the pathway for Europe "derisking" from China is clearer than China's pathway to developing the technology that is being withheld from them. More so than its Western allies like the United States and Australia, western Europe will need to stomach the short-term inflation related to diversifying supply chains, as well as the cyber and economic retaliation that comes with it.

FOOTNOTES

[7] https://ec.europa.eu/commission/presscorner/detail/en/ip_23_3358
 [8] <https://www.euronews.com/next/2023/07/19/what-does-it-mean-to-de-risk-the-european-economy>
 [9] <https://www.consilium.europa.eu/en/infographic/critical-raw-materials/>
 [10] <https://www.bloomberglaw.com/news/articles/2023-04-18/eu-negotiators-strike-political-deal-on-43-billion-chips-act>

[11] <https://foreignpolicy.com/2023/07/13/microsoft-china-hack-us-gina-raimondo-emails-commerce-state-departments/>
 [12] <https://www.technologyreview.com/2023/07/10/1076025/china-export-control-semiconductor-material/>
 [13] https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/stronger-europe-world/global-gateway/global-gateway-latin-america-and-caribbean_en



Europe's Pursuit of New Tech Industries and Regulation

A key problem European industries have is prohibitively-high operating costs that will likely continue to outpace the rest of the world. This is problematic for Europe's plan to develop its technology industry. Europe does not have the equivalent of large U.S. tech companies like Amazon, Meta, and Google, and the industries it does have, like auto manufacturing and petrochemicals, have been reducing their operations in Europe in search of cheaper operating environments. In 2023, Europe is expected to use 3 percent less electricity than in 2022, primarily because industries are shutting down due to high energy costs from Russia's war in Ukraine. Prohibitively-high energy prices, while improving, are likely to remain a feature for years, with Europe likely requiring an additional EUR 700 billion annually to replace cheap Russian energy sources.[14] These upfront costs will exacerbate inflation.

European politicians are also under societal pressure to increase regulations on things like emissions and human rights violations along supply chains, which also adds to operating costs. Key to these plans to curb emissions is the European green new deal (Fit for 55), which forms the basis of any new policy or economic decision until 2050.[15] Fit for 55 is comprised of dozens of climate and environmental laws aimed at reaching the shared goal of climate neutrality by 2050. This includes the aforementioned EUR 43 billion European Chips Act and encompasses efforts to green the freight transport system by using emissions-free vehicles and new rail infrastructure and enforcing emissions restrictions—including forcing companies operating in Europe to disclose detailed climate information across their supply chains.[16]

Europe is hoping its large market, which roughly matches the United States in terms of consumption and is ahead of China, will force company compliance without seeing large industries leave Europe for cheaper markets with fewer regulations. For example, starting October 1, the EU will begin enforcing its Carbon Border Adjustment Mechanism (CBAM).[17] CBAM essentially charges an additional tariff on goods imported into the EU by EU competitors that were made with higher emissions. This ensures that EU industries that take on added costs from switching to renewables or using clean energy are not outcompeted by cheaper imports made without as much concern for pollution. At the beginning of 2023, a German supply chain due diligence law went into effect, forcing companies in the EU to prevent and root out human rights and environmental violations in their supply chains for key materials. However, this has global implications—not only because other governments are preparing or have passed similar laws but also because it forces other non-EU-based companies that have a market or operations there to adopt EU practices. EU regulations requiring imports be deforestation free is another example.[18]

Europe is betting its market is so large that it can force its environmental and human rights stipulations across the board. This is not merely hypothetical; in 2022, Europe instituted a common USB Type-C charging port across all smart phones and similar electronics across the EU.[19] However the deal is essentially global because it would be more expensive to create one set of chargers for iPhones in Europe and then another for the rest of the world. The EU will also likely lead the way in regulation of Artificial Intelligence (AI). While this will include inspections to ensure AI is not being misused, it will also include requirements that developers invest in cybersecurity.

Transition in German and Polish Economies

Germany's dependence on China extends to a number of areas of its economy where it is remarkably undiversified. Despite being the world's fourth-largest economy, Germany is built almost entirely on energy-intensive manufacturing—particularly fossil fuel-powered vehicles. The current and forthcoming clean energy and technological revolutions will likely not be kind to Germany and could impact the entire EU for years to come. Germany is the only G7 country in recession, largely because of a drop in demand for its products coupled with high prices for the energy needed to produce them.[20] Even if Germany is able to digitize and modernize its economy, which it has neglected to do for decades, it will likely be the weakest link in Europe for years while undergoing that process. This is problematic for the entire EU, which has relied on the German economy in the past to cover up economic weakness elsewhere.

Germany has an outsized dependence on cheap Russian gas that has exposed the country more than nearly every other competitor. Germany also lacks energy storage capabilities and is behind the curve when it comes to transitioning to alternative forms of energy, causing its once-dominant auto sector to fall behind those of Asian and American EV makers. Germany is also not blessed with strong wind or solar potential. Because Germany's post-World War II economy is based on well-paying manufacturing jobs, it is dependent on raw materials (most of which the country does not produce) and demand for its finished manufactured goods. Currently, Germany is faced with the issue of high raw material costs and low demand for gas-powered vehicles. Germany also lacks the vibrant financial services and technology sectors associated with more well-rounded economies.

Germany's problems are likely to extend across the EU. Since the EU created the free trade zone, Germany has taken advantage of it to sell its products across the bloc. Germany's exports account for almost 50 percent of its gross domestic product (GDP)—an enormous figure for an industrialized country because there is little ability to grow exports from there. The last available figures show exports dropping to 44 percent of GDP during the onset of COVID-19.[21] Most manufacturing-based economies that reach exports of 50 percent have little room for growth and must identify alternatives and shift to a services-based economy to avoid an economic downturn that could increase unemployment and social unrest.

Poland, on the other hand, is likely to benefit from weaknesses in Germany and Russia. Poland has a relatively advanced tech sector as well as cheap operating costs. The country is due to expand and perhaps overtake the UK economy by 2030. Furthermore, Poland has the motivation and U.S. backing to be a key counter to Russian aggression, which will likely coincide with increased financial and military investment from the United States. While there is a risk Poland could bear the brunt of Russian or Belarusian aggressions, it stands to benefit more as a reliable Western military partner.

► Assessment:

- Germany's economy will continue to struggle for years, while Poland's will grow.
- However, Germany will spend more on diversifying and digitizing its economy.

► Recommendations:

- Target industries receiving investments in Germany only; otherwise, prioritize Poland where the increasing number of multinationals will need cybersecurity services.

FOOTNOTES

[14] <https://www.consilium.europa.eu/en/policies/green-deal/fit-for-55-the-eu-plan-for-a-green-transition/>
 [15] <https://www.bloomberg.com/news/articles/2023-07-11/eu-unveils-measures-to-make-freight-transport-more-sustainable>
 [16] <https://www.consilium.europa.eu/en/policies/green-deal/fit-for-55-the-eu-plan-for-a-green-transition/>
 [17] https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism_en
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[18] <https://www.mayerbrown.com/en/perspectives-events/publications/2023/06/european-union-publishes-deforestation-regulation>
 [19] <https://www.euronews.com/my-europe/2022/10/04/eu-wide-common-charger-for-mobile-devices-to-become-a-reality-i>
 [20] <https://www.economist.com/international/2023/05/15/europe-cant-decide-how-to-unplug-from-china>
 [21] <https://tradingeconomics.com/germany/gdp-from-manufacturing>



Rise of the Far-Right

Since the early 2000s, globalization, rising immigration, and economic instability have led to a resurgence of support for far-right groups throughout Europe. Political parties that were once marginal have parlayed this increased popularity into growing electoral success; their growth poses both political issues for European operations and a security threat.

Italy: In September 2022, far-right leader Giorgia Meloni, leader of the Brothers of Italy Party (FdiI), won the general election.[22] Given that Italy is a founding member of the EU and has the third-largest economy within the Eurozone, this victory by a party with neo-fascist roots caused considerable concern across the continent. In addition, Prime Minister Meloni's governing coalition includes the far-right League Party, led by Matteo Salvini, who in the past frequently expressed profoundly Eurosceptic, pro-Kremlin views. Despite initial fears of a radical shift in Italian policy, Meloni's government has thus far maintained consistent support for Italy's continued membership in the EU and backed significant ongoing military and financial assistance to Ukraine.

France: During the presidential election of 2022, Marine Le Pen, leader of the National Rally (RN), won over 40 percent of the vote in the second round.[23] Although she ultimately conceded to Emmanuel Macron, this represents the best electoral result for a far-right nationalist party in France since the Second World War. In addition, Le Pen's party won an unprecedented 89 seats in the National Assembly, giving it the power to form its own parliamentary group and independently call for no-confidence votes against the government.[24] Many political analysts believe that the RN and other nativist, anti-immigrant political groups will continue to increase their share of the vote in future elections, especially due to the current government's deeply unpopular pension reform and ongoing social tensions within France.[25] Since the recent bouts of unrest in France in 2023 linked to pension reform and race relations, French securities services have been among the most outspoken when identifying the increase in violence and threats coming from far-right groups. France places the threat of far-right terrorism above that coming from jihadists and far-left groups, after disrupting 10 attacks since 2017.[26]

Germany: Over the course of the past year, the far-right Alternative for Germany (AfD) has jumped in popularity from 10 to 20 percent, becoming one of the main political parties in the country. It has been especially successful in garnering support in depopulated, economically-depressed areas of former East Germany. The party has begun to translate increased approval ratings into electoral success. In July 2023, an AfD candidate won a mayoral race in the township of Raguhn-Jessnitz, the first such victory for a far-right group in Germany since 1945.[27] As in France, German security services have warned of the increased threat of violence from these groups.

Greece: During the most recent general election in June 2023, three hard-right parties unexpectedly cleared the 3 percent threshold needed to enter parliament. This includes the religious-conservative NIKI party and the ultra-nationalist, pro-Kremlin Greek Solution. The biggest winners, however, were the Spartans, who gained 4.7 percent of the vote. This party was formed just three weeks prior to the election and is backed by a jailed former spokesman of the banned neo-Nazi Golden Dawn movement. Altogether, the hard-right block now controls 34 out of 300 seats within the Greek parliament, giving it the potential to disrupt or delay important legislation.[28]

Finland and Sweden: Two Scandinavian countries with a long history of social democracy recently experienced a rightward shift. In Finland, the staunchly anti-immigrant Finns Party (PS) entered a governing alliance following general elections in April 2023. The ruling conservative coalition represents "probably the most right-wing government" to take power in the country during the past 80 years.[29] In neighboring Sweden, the Sweden Democrats (SD)—once considered a fringe, extremist political group—gained 20 percent of the vote during parliamentary elections in September 2022, becoming the second-most popular party in the country. They now constitute a crucial voting block within the legislature and have threatened to prevent Swedish approval of important EU policy initiatives such as the Fit for 55 climate package or the Migration Pact.[30]

Spain: The anti-immigration, anti-abortion Vox Party grew in popularity at the end of 2018, winning 12 seats in the Andalusian regional parliament. This marked the first time a far-right party successfully entered a legislative body in Spain since the Franco era. The local success was followed by a surge of support during national elections in November 2019. Vox gained 52 seats in the Congress of Deputies, becoming the third-largest party in the lower chamber of parliament.[31] However, the snap general elections in July 2023 may indicate a decline in Vox's popularity, with the party electing only 33 parliamentarians. Currently, neither left-wing nor right-wing parties in Spain have enough seats to assemble a majority and install a new government, enabling Vox to potentially play an important role in future coalition negotiations within the Congress of Deputies.[32]

FOOTNOTES

[22] <https://www.bbc.com/news/world-europe-63029999>
 [23] <https://www.nytimes.com/live/2022/04/24/world/french-election-runoff-results>
 [24] <https://www.politico.eu/article/marine-le-pen-national-rally-win-seat-airtime-money-france-legislative-election/>
 [25] <https://www.reuters.com/world/europe/amid-france-pension-reform-anger-far-right-appeal-silently-grows-2023-03-08/>
 [26] <https://www.rti.fr/en/france/20230710-france-s-internal-security-chief-warns-against-rise-in-far-right-violence>
 [27] <https://www.economist.com/europe/2023/07/13/support-for-the-hard-right-afd-is-surging-in-germany>

[28] <https://www.euronews.com/2023/07/04/in-the-most-recent-election-greek-far-right-made-a-sinister-comeback>
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 [31] <https://www.theguardian.com/world/2023/jun/11/from-crank-to-contenders-how-spains-far-right-vox-party-is-rising-toward-power>
 [32] <https://www.economist.com/europe/2023/07/23/spains-election-ends-in-deadlock>



Transportation and Labor Strikes

Western Europe has been plagued during the summer of 2023 with persistent strikes throughout many industries. Transportation has been particularly hard hit, with rail and bus strikes in Germany, pilot strikes in Portugal, and cabin crew strikes throughout Europe causing significant delays and cancellations.[33][34][35] The strikes have frequently taken place during rush hour or the heavy holiday season in order to have maximum impact.

Many of the strikes have been over wage negotiations; for instance, pilots have been on strike frequently over wage decreases that they took during the COVID-19 pandemic, which were then never re-increased once the pandemic had ended. In addition to calls for increased wages, industries such as education and healthcare have been on strike over working conditions and staffing shortages.

Negotiations thus far in many industries have typically yielded few definitive results. Of the over 110 strikes and protests identified by ZeroFox researchers over the past quarter, many have been warning strikes or part of a longer series in order to pressure organizations and governments to take action.

Assessment:

- Until demands are met and negotiations are finalized, the transportation strikes are highly likely to continue throughout the fall. However, as the summer tourist season dies down and winter approaches, workers on strike will have less leverage.
- Strikes in the transportation industry are likely to influence strikes in other industries as well. Over the past two quarters, workers in the healthcare, law, and education sectors, among others, have had regular strike activity as well.

Recommendations:

- Key personnel and other travelers transiting through Europe should have contingency plans in place for strike activity impacting their travel.

APPENDIX A: ZeroFox Intelligence Probability Scale

All ZeroFox Intelligence products leverage probabilistic assessment language in analytic judgments. Qualitative statements used in these judgments refer to associated probability ranges, which state the likelihood of the occurrence of an event or development. Ranges are used to avoid a false impression of accuracy. This scale is a standard that aligns how readers should interpret such terms.

Almost No Chance	Very Unlikely	Unlikely	Roughly Even Chance	Likely	Very Likely	Almost Certain
1-5%	5-20%	20-45%	45-55%	55-80%	80-95%	95-99%

APPENDIX B: 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.

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.

See ZeroFox in action

zerofox.com/demo | zerofox.com

Get in touch with us today

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FOOTNOTES

- [33] <https://www.theportalnews.com/news/2023-06-27/train-strikes-extended-to-august/78938>
 [34] <https://www.euronews.com/travel/2023/06/19/where-are-airport-and-transport-strikes-happening-between-now-and-easter>
 [35] <https://www.reuters.com/world/europe/rail-strike-looms-germany-after-wage-talks-collapse-2023-06-21/>