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### Setting Course | Episode 8

Rob Dannenberg, Former Senior Official, CIA

**On this week's installment of Setting Course, we welcome Former Senior CIA Official Rob Dannenberg back into the SmarterMarkets™ studio. David Greely sits down with Rob to discuss the state of play in the geopolitical environment, the increasing role being played by disruptors, and what it means in a year of big elections around the world.**

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**Rob Dannenberg** (00s):

There is a greater appreciation now than when we spoke last of what a pivotal point in history we face right now. If we find ourselves in a situation that where, because of our lack of support, the Ukraine loses this war, Putin gets a victory. The consequences for NATO, the consequences for geopolitical stability around the world are immense, and I think there's a broad realization of that, a much broader realization of that than maybe we had a year ago.

**Announcer** (34s):

Welcome to SmarterMarkets, a weekly podcast featuring the icons and entrepreneurs of technology, commodities, and finance ranting on the inadequacies of our systems and riffing on ideas for how to solve them. Together we examine the questions: are we facing a crisis of information or a crisis of trust, and will building Smarter Markets be the antidote?

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**David Greely** (01m 14s):

Welcome back to Setting Course on SmarterMarkets. I'm Dave Greely, Chief Economist at Abaxx Technologies. Our guest today is Rob Dannenberg, Former Senior Official at the CIA. We'll be discussing the state of play in the geopolitical environment, the increasing role being played by disruptors and what it means in a year of big elections around the world. This episode was recorded on February 14<sup>th</sup> before Russian opposition activist and political prisoner Alexei Navalny, died in a Russian prison on February 16<sup>th</sup>. Hello, Rob. Welcome back to SmarterMarkets.

**Rob Dannenberg** (01m 51s):

Yeah, hello, David. Thank you. It's very nice to be back.

**David Greely** (01m 53s):

Well, it's great to have you here. You know, there's so much happening around the world as we've started 2024, and I really appreciate you making the time to join us to offer your experience and your perspectives. You know, there's been a lot of news coming out of Washington recently, many debates over providing further aid to Ukraine, to Israel, and to Taiwan, and I thought that might be a good way to kind of start and frame our conversation today, talking about what's happening in geopolitics around the world and in those regions specifically. Now, the last time you were on our podcast, it was just about a year after Russia invaded Ukraine. Now it's two years or so. The last time Iran was right after Russia's invasion had stalled. This time after Ukraine's, counteroffensive seems to have stalled and I was kind of hoping, like as we look back now, can you put where we are in context for us. How should we be thinking about where we are in this war and where it potentially goes from here?

**Rob Dannenberg** (02m 52s):

Yeah, sure, it's a pleasure to talk about that. I think as you correctly point out, David, there's a lot of stuff going on in the world now, and a lot has changed since the last time we had the opportunity to speak. The situation in Eastern Europe has changed dramatically. Situation in the Middle East has changed, I think, in important ways. There's much toing and froing about risk in East Asia. I mean, there's just a lot of stuff going on, but a good place to start, I think, is with the conflict in the Ukraine, as you correctly point out. The last time we spoke, the world was waking up with some surprise, I think, at the effectiveness of the Ukrainian defense against the Russian invasion and I suppose in equal measure, there was surprise at the massive incompetence that the Russian military displayed in the early months of the war.

**Rob Dannenberg** (03m 55s):

And there was I think a significant rallying of Western support, both political, financial, and military behind the Ukrainian effort. It's always easier to back a winner. And now, you know, here we are in day 600 something of the war, and the situation seems to be approaching what former Ukrainian chief of general staff's illusion, he called the situation of positional warfare. And that reflects the disappointment that many of us felt in the much hyped Ukrainian counteroffensive, which really ground to a halt in the late fall of 2023. I'd like to caveat that a little bit because I think myself and, and many other others who follow this conflict quite closely felt that there was significant over expectation of what the Ukrainians were likely to achieve in that counteroffensive and unhappily, those inflated expectations were not met. There's lots of reasons for that.

**Rob Dannenberg** (05m 12s):

One is built some delay in the provision of critical elements of support to the Ukrainian military. The second, I suppose, is an under appreciation, both by the Ukrainians and in the West of the efficacy of Russian fixed positional defenses, which they'd been working on quite energetically and for all the incompetence that the Russians displayed in offensive operations, they displayed equal competence in the preparation of defense in depth, which ground up the men in material that the Ukraine had committed to their counter offensive. Now, we're faced with a situation where, you know, as I reflected earlier, we're it doesn't look like we're backing a winning horse right now, and that it's more politically difficult to back the one side in a stalemate than it is to back a side that looks like it's marching onto victory. You referenced, I think, the some of the debate that's going on in Washington and other capitals around the world about the cost and the utility of providing continued military and financial support to the Ukraine.

**Rob Dannenberg** (06m 30s):

And those are, those are important debates. I also think there is a greater appreciation now than when we spoke last of what a pivotal point in history we face right now. If we find ourselves in a situation that where, because of our lack of support, the Ukraine loses this war, Putin gets a victory. The consequences for NATO, the consequences for geopolitical stability around the world are, are immense and I think there's a broad realization of that, a much broader realization of that than maybe we had a year ago. The last sort of quote I'll put on the you know, my response to your question is Putin seems to be prematurely in my opinion engaging in a victory lap celebration and you know, his interview with Tucker Carlson, his continued distortion of the historical context of this conflict that show a leader increasingly, in my opinion, detached from reality and still not fully appreciating the problems that his military has and will continue to have and whatever expectations Putin might have in his head or in these close circle advisors that when favorable weather conditions return in the spring, that the Ukrainians are gonna fold up 10 and go home, I think are quite unrealistic.

**Rob Dannenberg** (08m 02s):

And I wanted to ask you, Rob, about what is in Putin's mind right now and how he may be thinking about the situation, because as you said, his special military operation showed a lot of incompetence failed to achieve the quick victory that had been hoped for the West, largely unified behind Ukraine. He faced and survived a mutiny by the Wagner boss, Prigozhin but he's still in power and as you said, you know, as things kind of get more into what looks like a stalemate that SAPs some of the unification of the west and providing more aid and material. Given what you know of Putin, how do you think he's thinking about his situation and what do you think he's planning on doing next?

**Rob Dannenberg** (08m 46s):

Well, I think that's a great question. I see no evidence really in, if you, if you look hard at the last, at his public appearances, his statements, the actions of his government as they prepare for their election, I don't see any suggestion that Putin has any regret, remorse that he's under, he's engaging in any rethinking of his decision to invade the Ukraine. In fact, he seems to be reinforcing the narrative that Russia was provoked into this conflict. And at any rate, even if they had not been provoked, this invasion is justified by Putin's interpretation of history. Another point I would like to make, when you, you know, you ask the question, what's in Putin's mind? What's he thinking? Right, right now, I think you can still make the case that Putin, as many authoritarian leaders around the world, faces the problem where he doesn't get honest information.

**Rob Dannenberg** (09m 46s):

I mean, it's absolutely clear no competent expert would argue that whatever briefings Russian military intelligence, Russian foreign intelligence service, Russian internal security service had given Putin about the Ukrainian ability to resist a Russian invasion was clearly just horrible, horrible intelligence and I don't see anything to suggest as we look at how Russia's military tactics have evolved, their ability to provide logistical support to their forces in the Ukraine, the special military operation. I don't see any suggestion that the fundamental challenges Russia faces corruption in, in their military, lack of good intelligence, lack of effective command and control

for their, their forces has, I mean, we're two years into this war. They haven't fixed many of those problems. I mean, the reason that Russia's having the success that it's having isn't so much because of their, their improved mechanism for conducting war.

**Rob Dannenberg** (10m 51s):

It's a simple fact that the Ukrainians don't have enough men and material to throw at a conflict this scale for this long. I mean, the horrible mathematics of war are and I think I said this a year ago, we're on this program, they favor Russia. Russia has more men and 155 millimeter, Howitzer rounds that they can throw into the conflict than the Ukraine does. I mean, there's a lot of talk now about, well, F16s and what about the M1 Abrams tanks, what about this equipment that we've provided the Ukrainians and that the Ukrainians don't have enough artillery shells and ammunition. The real fact of the matter is they don't have enough men, they don't have enough combat forces that can stand up to the grind of a World War I style conflict to be able to survive and that has political consequences in the Ukraine.

**Rob Dannenberg** (11m 45s):

You can fire as illusion or not fire as illusion. That's not going to get you more soldiers. What's the, what's the average age of a Ukrainian frontline combat soldier 38 years old. I mean, that's staggering. What's the average age of a US enlisted man deployed or around the world 21. I mean, at age 38, you're your prime earning years. You should have established your, I mean, all these things that you need to need to do to continue a society Ukraine can't afford to do. And yeah, I know Russia's suffering horrible casualties and you can look at the combat around Avdiivka. I mean, we're watching World War I play out in front of us, but the simple fact of the matter is Russia's got a lot more young men that they can throw at the fight than Ukraine is. Whether those young men want to be thrown into the fight is a different matter but in the system that Putin has created your options for peaceful resistance and draft avoidance are few and far between. So Putin thinks that he can continue the grind longer than the Ukraine can, and that by continuing the grind, he will see what he expected all along the erosion of the solidarity of the West and the United States behind the Ukraine.

**David Greely** (13m 07s):

And that really begs the question if it's a question of the number of men that you can put into the fight, it seems like western countries have been willing to appoint, to supply material, to supply money. It's very difficult to supply men without widening the war and creating all sorts of consequences. So that seems to, to create a really difficult situation. Is there any way around that?

**Rob Dannenberg** (13m 33s):

Well, I mean, first of all, your, I mean, your fundamental point about how can Ukraine get more men from abroad without widening the conflict well, they can't. If you started to see, for example, and there was some talk of this early in the war Polish volunteer brigades or troops from the Baltic states, I mean, these are NATO countries, if they start showing up in at scale in the Ukraine, the, the Russians will be justified saying, we're fighting war against NATO and then you get a strike against Warsaw, you get a, a move against Vilnius or any of the, any of the territory of the Baltic states, or, you know, you go further south and go to Moldova, not a NATO member, but closely affiliated Romania comes into play, then you've got a World War on your hands and so I think the West is justifiably cautious in providing the one commodities terrible word for it, but the one need that the Ukrainians have, and that's more young men to throw into the conflict. It's easy to throw in, you know, we're gonna give you ammunition, we're give you artillery rounds, F16s. We're gonna give you material even though there's shortages of that, that's easier than, than the body's part.

**David Greely** (14m 51s):

Yeah and so if you're thinking about leaders in the West now and what might be on their minds, what do you think that they don't understand and need to understand about the consequences of what's happening and the consequences of if Russia wins this confrontation?

**Rob Dannenberg** (15m 08s):

Yeah, that's, I think there's, there's a much broader appreciation of the consequences of the Ukraine losing than there was the last time we had this broadcast. There's been no shortage of leaders of NATO countries who have called this out say, guys, we got to come together. I mean, even the internal NATO dialogue has changed significantly since where we were two years ago. And part of that is driven by the Trump phenomenon, which is lurking in the background. And the Europeans themselves are saying, my God, we could find ourselves in a situation a year from this date where the United States has cut off military aid for the Ukraine is cutting off support for NATO and what are we Europe gonna do against this guy from the east who, who seems to think that war is the solution. So, you know, the, the political dynamic behind the scenes is much different than the last time that we had this conversation.

**Rob Dannenberg** (16m 11s):

Now, whether that internal NATO dialogue, whether we can break the stalemate on Capitol Hill leads to a renewed solidarity in the provision of financial and military support for the Ukraine. Whether that's enough or not is for me the interesting question. But I'd like to now, we're, we're all almost two years into this war, and I think you can step back and take some observations about what we've looked at for the last couple of years that we weren't able to do the last time we had this conversation. And, and my instincts tell me that this might be a little bit interesting for people who might be listening to this podcast with a view towards markets in, in a way, and the analogy is imperfect. We're watching 21<sup>st</sup> century replay of the Spanish Civil War, which as you might recall, was an opportunity for the Germans to test new forms of military equipment, which they, they then employed quite effectively in the beginning of the second World War.

**Rob Dannenberg** (17m 17s):

The situation was a little bit reversed. Now you're seeing the Ukrainians and the west testing weapon systems under battlefield conditions, which are, are providing a lot of forms of learning. There's, there's, there's kind of three major factors that I think we can conclude at this point in the conflict that are revolutionary, if you will, for warfare. The first is the use of artificial intelligence and the way the Ukrainians have used it to sift through the battlefield and signals intelligence noise and come up with rapid and accurate targeting information. Do you wonder how they're, the Ukrainians are able to put drones over or drop bombs on Russian command centers and logistical supply centers with the stunning efficiency, which they've been able to demonstrate in the past couple years. It's because they're going through all the signals noise, whether it's the captured conversations of Russian enlisted personnel on the ground talking to their girlfriends back home, or, you know, whatever the form of signals intelligence might be, Ukrainians are collecting it, parsing it, turning it into targeting data and giving it to the delivery systems operators at a rate we've never seen before in, in warfare.

**Rob Dannenberg** (18m 32s):

I suppose the, the second major development is the efficacy of drones and their broad and broadening use in the conflict, both as intelligence collection platforms, as strike platforms, as targeting platforms, you name it, drones are, I mean, they're making the hundreds of millions of dollars that you, that we spend on main battle tanks. Like the M1 Abrams, for example, look like really wasted money for literally pennies on the dollar. You can put a drone together, give it this target information I was describing and take out one of those, those tanks quite efficiently. Like we've, you know, we haven't seen since the battle of KIS in the middle of the second World War and the third, I suppose, big observation point on the conflict as far as the, is the efficacy of low earth orbit satellites and middle earth or orbit satellites.

**Rob Dannenberg** (19m 25s):

I mean, Starlink is the one that's always pointed to, but you know, the ability of these platforms to collect broad forms of intelligence and inform the senior military leadership is something we've never seen in a war of this scale in the past and there's gonna be all, and right now, I guarantee you that the US military, the militaries of native countries, the Chinese, the Indians, everybody who's who considers themselves to be a military power, is looking at these three learning points, artificial intelligence, drones, satellites, and saying, how do we do what the Ukrainians are doing? Do we have the capability? If there was a war over Taiwan tomorrow, could we do what the Ukrainians are doing? Or can we prevent, you know, our opponent doing what the Ukrainians are doing to the Russians? I mean, this is really stunning stuff for me anyhow.

**David Greely** (20m 18s):

No, absolutely and it's a real change in the nature of how conflicts are gonna be waged in the future and at the same time that the nature of conflicts are changing since you were last here, we're seeing many more conflicts around the world. So I'd like to talk with you about some of those as well. In October, Hamas launched a horrific raid from Gaza into Israel provoking an Israeli invasion of Gaza in response and that response seemed so predictable in a way that the last time you were here, you emphasized the importance of understanding how leaders think, not agreeing with how they think, but understanding how they think. So I wanted to ask you, what do you think the leaders of Hamas were thinking in initiating this confrontation?

**Rob Dannenberg** (21m 04s):

Well, that's a really good question. I'm not sure that they were thinking, I mean, I think you're correct to emphasize that what leaders think matters. So let's, here's something that the Hamas leadership should have understood about Israel and I don't know how many people remember this, but Benjamin Netanyahu, part of his weltanschauung the way he looks at the world is formed by the death of his brother Yonatan in Entebbe raid in what was it 1978, he was the commander of Israeli special forces unit that went into Entebbe

airport and rescued, what was it, 106 Israeli European hostages from Palestinian and German terrorists who hijacked the airplane had been given refuge in Iddo means airport. Yonatan Netanyahu led the raid. He was the only Israeli military casualty in that raid, that's Benjamin's older brother.

**Rob Dannenberg** (22m 11s):

Not long after the raid, Netanyahu wrote a book called How the West Can Win, where he described some stops, pretty hard line stuff if he can, I don't know if you can find a copy of the book anymore. Pretty hard line stuff about how, what the west needs to do to deal with Islamic extremism and so if, if you go back to his writings and the impact of his brother's death on him, no one should be surprised at the way Netanyahu is responding to the October 7<sup>th</sup> attack. You know, the fact that for his own political survival, he had to put together arguably the hardest line coalition in the history of Israel, which has been around since 1947 as the state, as we now know it, there's not a lot of moderates in that coalition. Yeah, I know the coalition's been a little bit broadened since October 7<sup>th</sup> but still there's not a lot of moderate voices.

**Rob Dannenberg** (23m 10s):

So, you know, you could ask what was Hamas thinking. Well, they, they had to know what was gonna happen. They had to have known what was gonna happen, which begs the question, was this really a Hamas operation or were there external parties that were preparing, influencing, and authorizing the October 7<sup>th</sup> attack and I think there's broad consensus and certainly it's my view that this this is as much an Iranian operation as a, an operation by a Palestinian governing authority. You know, that, that kind of gets to the broader worldview question and I think you opened this podcast with, I mean, we're, we're living now in an, in an age where, as I call them, the disruptors are pulling out all the stops. Putin is a disruptor. He's started a war in Europe. The Iranians are disruptors, they're providing weapons, material money, author and guidance and authorization to the Houthis to Hamas, to extremist groups in Syria, and Hezbollah, of course, who just conducted another raid yesterday against Israel.

**Rob Dannenberg** (24m 22s):

And they're all about disruption. Disruption feeds their narrative that the west is failing. That the quote rules-based international order close quote, is failing and that the, the authoritarian managed democracy vision that these disruptors have, whether it's religious based or politically based, religious based in the case of Iran or politically based as in the case of China or Russia, that this is really an alternative to the, to western democracies and so Hamas is attack fed that narrative. It serves a purpose in that narrative doesn't serve the Palestinian people very well, but it serves that narrative of the disruptors.

**David Greely** (25m 04s):

It's a fascinating narrative because if the end goal is disruption, there doesn't necessarily have to be a, an end goal of, oh, we're trying to achieve something for our own benefit or create a new vision. It's just, let's stop, let's disrupt what, what's happening and that, I guess the chaos becomes an end of itself.

**Rob Dannenberg** (25m 23s):

I agree. I mean, can any rational person make the argument that what Hamas was trying to achieve on October 7<sup>th</sup> was going to bring down the state of Israel or recapture lost Palestinian Territories. I mean, no rational person can make that argument. So what was the purpose of it then. It was to provoke the response that Netanyahu was giving to energize world public opinion, rightly or wrongly, in support of the Palestinian cause. I mean, absurdly now you have the, you have the Israelis being tried for genocide. I mean, it's just like, I mean, come on guys. If the Israelis really wanted to commit genocide against the Palestinian peoples, they're doing a pretty poor job of it. They should be taking care of the West Bank, which is much easier problem for the Israelis to manage militarily if genocide was your objective but it's not you know, it's a farcical ex excursion even to, even to suggest that. But if Hamas playing to the tune of their Iranian masters wanted to create disruption, wanted to undermine Israel's political standing on the global stage, they've done a great job of it. I'll give them credit for that.

**David Greely** (26m 36s):

And I wanted to ask you, because you, you brought up the, you know, the Iran backed Houthis movement in Yemen that's been attacking shipping and I feel it kind of brings together a couple of these points, kind of the, the changing nature of conflict and then this disruption. We've had this crisis in the Red Sea shipping being attacked, shipping, having to be diverted. What do you make of this targeted disruption of shipping and international trade, is that more of a feature now of what we're gonna be seeing?

**Rob Dannenberg** (27m 05s):

Well, I think it is, as he suggests, David, it's, it is related to the changing technology of warfare. The ability of a, a group like the Houthi to cause disruption that, you know, is forcing BP to shut down its operations in the region that is forcing Maersk to reroute shipping in a tremendously inefficient fashion. I mean, this is an important development to pay attention to and you can, you can observe the same phenomenon with what the Ukrainians are able to do in the Black Sea. I mean, they've essentially run the Russian Navy for, for which the Black Sea used to be a lake to the eastern part of the, the Black Sea, using the same technologies, fast patrol boats, drones, really good signals intelligence and how does, I'll throw this out there just because it might amuse some of the listeners, but today's the 14<sup>th</sup> February and the Ukrainians are claiming to have sunk a Ukrainian troopship, the Cesar Koff, the ship is named after a Russian paratroop non-commissioned officer in the Second World War who was killed on the 14<sup>th</sup> February, 1943. So tell me, the Ukrainians don't have a sense of humor or maybe it's just coincidence that they targeted a ship of that name on the very day that the person that the ship had been named after was killed 60 years ago. But you could do that with today's, with the types of technology that we've been describing in this podcast so far.

**David Greely** (28m 42s):

And it seems like, you know, the security of being able to travel the seas this goes back a long way as being central to kind of the, the economic order we've put together. I mean, the British Navy was responsible in a way for that for a long time. The American military for a long time has kind of kept seas open for trade. If it's becoming much, much easier to disrupting that, you know, what does this mean for a world that's so interdependent. Is it so much easier to disrupt now?

**Rob Dannenberg** (29m 11s):

Well, you know, it, it is so much easier to disrupt and it's bad enough that we're seeing this type of disruption in the Red Sea. Imagine when it's, when it happens in the Straits of Malaka when this phenomenon moves to East Asia, as it very well could. And if, if the disruptors want to take this disruption to that part of the world, we're gonna see, see what you're just, what you're suggesting there is a litigant to it, and that is that it would impact China's ability to conduct commerce on the seas, which is a pretty big deal to the Chinese. I mean, it's, it's one thing to have this type of freedom of navigation disruption in the Red Sea and the, and the Black Sea Russia and around the primary backers of this disruption have landlines to get their commodities to their primary customers or, or consumers. So the freedom of navigation piece isn't as critical to them economically as it is to the Chinese in East Asia or as it is to the United States or the West globally.

**David Greely** (30m 18s):

And how do you think the, the Chinese are thinking about this because you said they, they have their own concerns about maritime security and access. A whole lot of trade goes through the Malacca Straits. Does this influence their own approach to their kind of sphere of influence in the region? How they're thinking about Taiwan? What does China do to try to make sure that its own shipping isn't going to be potentially impacted in the future?

**Rob Dannenberg** (30m 46s):

Yeah, I guess I would like to answer that question in a slightly different fashion you know, leaders thinking matters. Xi Jin Pang is a disruptor. He's now effectively a president for life. I don't think any reasonable person questions that part of Xi's view of what his legacy is going to be is the reincorporation of Taiwan and the People's Republic of China into one state. Whether that's happens peacefully or through force, I think in the end is gonna be proved to be immaterial to Xi, but at the moment and there, remember there was a lot of speculation last year and even the beginning of this year as we looked at the possible outcome of the Taiwanese election, that Xi's patience was running out, that he felt now the time was right for him to engage in this legacy reunification. But a couple of things happened.

**Rob Dannenberg** (31m 48s):

One is China's economy started to suffer the problems that we've all observed in the last year. It's really hard to mobilize a population for a conflict that not everybody in the population wants. When they've got other things on their mind, like where they're gonna live, where they're gonna work, do they have enough money, all these other economic problems that even authoritarian states and command economies ultimately have to face. The second thing, of course, is the lessons that Chinese military and Xi Jinping himself would have learned from observing the problems that Putin has faced in the invasion of the Ukraine. I mean, these are relevant to Chinese military thinking as far as Taiwan is concerned. I mean, it's one thing when you cross a land border and you run into these problems that Putin's military running, it's another thing when you get across 40 kilometer straight of water.

**Rob Dannenberg** (32m 43s):

That's, by the way, you know, speaking of freedom of navigation, is patrolled by the US Navy quite frequently and much to the irritation of the Chinese. But Xi is a disruptor. He is supporting the Russian invasion of the Ukraine, both politically and militarily. China has not renounced in any fashion, its territorial claims in the south and east China seas. It continues to provoke Taiwan with incursions in the Taiwanese airspace. And the propaganda effort that was made to influence the Taiwanese elections, which failed, by the way, was quite significant and replicated what the Chinese tried to do the last, the previous election. You know, just sort of a massive side, I mean, that sort of stuff that would have congressman and senators in the United States standing up on chairs and screaming bloody murder for influence in our elections. Well, you know, the ruling party in Taiwan won the election much to the irritation of the Chinese and much to the waste of all their efforts to influence that election. But, you know, it's kind of to conclude, I think what I was trying to say and answer to your question, the Chinese haven't renounced any of their ambitions in establishing economic, political, and military hegemony in East Asia at the time. It's just not right to sort of open the door to a, to a conflict there, especially with the election outcome in the US elections in November uncertain.

**Rob Dannenberg** (34m 13s):

Yeah, and I think that'd be a great place to end this conversation is with the elections this year, elections around the world, more voters than ever are anticipated to be voting in this election with, I believe national elections being held in countries that represent almost half of the global population and it's really fascinating in a time where so much of the world is holding elections, you also have, in your words, the disruptors, I guess elections would be something that they would want to disrupt and so I wanted to ask you in this year, well?

**Rob Dannenberg** (34m 48s):

There's elections in Russia, sorry to interrupt you, but I don't think there's gonna be much, much disruption there.

**David Greely** (34m 53s):

Not much disruption there. Well, then, like which elections do you think could be the most pivotal, the most important, or have the most potential consequences for the state of the world moving forward?

**Rob Dannenberg** (35m 04s):

Well, there's, I mean, we're a couple months into 2024 right now. We've had the Taiwanese election, the ruling party wins sort of a, not an independence party, but an autonomy party continues to rule there. You've had Indonesian elections, you have Pakistani elections. No great surprises in either of those, I suppose. I mean for me, the Pakistani coalition that's being put together, liter, literally as we speak, continues to reinforce the influence of the Pakistani army behind politics in Pakistan. I mean, this is no surprise to anybody who's looked at Pakistan for the last 40 years, but again, it's just reinforcing that the elections don't mean quite as much as they might mean in a Western country. The power behind the throne, the military is, is the one that's really calling the shots. No matter what the ruling coalition looks like. India has got elections coming up.

**Rob Dannenberg** (36m 00s):

I think everything's supposed to be resolved by the 19<sup>th</sup> June. If I remember correctly it's becoming increasingly a bipolar state in the sense of a two party state rather than a bunch of small parties. It looks like the National Democratic Alliance or Modi's party is likely to do quite well you know, the Indian National Development Inclusive Alliance, I think is what it's called, the party of Mallikarjun Kharge is probably not gonna do that well. So like I think it's reasonable for us to anticipate continuance of Modi's regime in India, which has consequences for stability in India itself, economically prosperous, but socially challenged with increasing frictions between the Hindu and Muslim populations in what's now the world's largest democracy. I think that's something worth keeping an eye on especially in the second half of this year as India continues to be a place of displaced economic activity as enterprises look to move production from facilities in China to presumably more stable and rule of law locations, Vietnam, India.

**Rob Dannenberg** (37m 21s):

And then of course, the big elephant in the room as far as elections are concerned, is the US election and both what it means for us, the US role in the world, what it means for stability in the United States itself. There's a lot at play. There's an awful lot at play and the closer we get to November, questions like Biden's mental competence, his ability to, to govern effectively for another four years, certainly at something that's more of a debate now than it has been anytime during Biden's term in office. You know, the special counsel's report is really quite injurious to those who argue that Biden is perfectly confident and me and mentally stable for another

four year term. You've even got Kamala Harris quietly suggesting that she's ready to take over if need be and then you have the Donald Trump factor and you know, his, you know, I think sometimes people forget how Trump came to be Trump.

**Rob Dannenberg** (38m 26s):

He is the epitome of the argument that there's no such thing as bad publicity and when he makes statements like encouraging Russia to invade NATO countries that don't live up to their 2% defense spending commitment, it's not really about invading these countries. It's about getting more headlines and trump's the master at that and you know, for, with all due respect to our colleagues in the fourth estate, they're playing right along. You know, we'll see what happens come November, but it's, the whole world is watching. I was just traveling in Norway a couple of weeks ago, stable NATO partner arguably the wealthiest country on the planet. And I can't tell you how many of my Norwegian friends, all they wanted to talk about was either selection. That's all they wanted to talk about, and for good reason, in my opinion.

**David Greely** (39m 25s):

Thanks again to Rob Dannenberg, Former Senior Official at the CIA. We hope you enjoyed the episode. We'll be back next week with our next episode of Setting Course. We hope you'll join us.

**Announcer** (39m 38s):

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**Announcer** (40m 27s):

That concludes this week's episode of SmarterMarkets by Abaxx. For episode transcripts and additional episode information, including research, editorial and video content, please visit [smartermarkets.media](https://smartermarkets.media). Please help more people discover the podcast by leaving a review on Apple Podcast, Spotify, YouTube, or your favorite podcast platform. SmarterMarkets is presented for informational and entertainment purposes only. The information presented on SmarterMarkets should not be construed as investment advice. Always consult a licensed investment professional before making investment decisions. The views and opinions expressed on SmarterMarkets are those of the participants and do not necessarily reflect those of the show's hosts or producer. SmarterMarkets, its hosts, guests, employees, and producer, Abaxx Technologies, shall not be held liable for losses resulting from investment decisions based on informational viewpoints presented on SmarterMarkets. Thank you for listening and please join us again next week.