

Geopolitics

BBVA Research Big Data Geopolitics Monitor

Big Data Unit

04 September 2024

Netanyahu defies internal pressure and insists on military solutions. Harris leads in polls of US elections. Germany's far right got significant victory

Netanyahu defies pressure, insists on military control along Gaza-Egypt border amid increasing protests: Israeli Prime Minister Benjamin Netanyahu has taken a firm stance against calls to agree to a ceasefire or negotiate a hostage deal with Hamas, despite growing public protests and international pressure. In a recent press conference, Netanyahu emphasized his commitment to maintain a military presence along Gaza's border with Egypt, which he considers crucial for Israel's security. He argues that this corridor is vital in preventing Hamas from smuggling weapons into Gaza, even though this position has become a significant obstacle in ongoing negotiations to secure the release of hostages held by Hamas ([FT](#)).

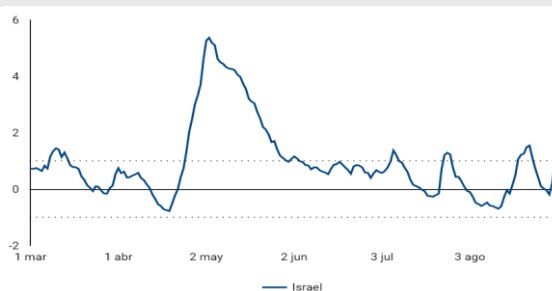
The US Presidential Election enters the final phase: The US presidential race enters its final phase with a surprising lead of Kamala Harris in the poll of polls (Harris 47.1%, Trump:43.9). The first TV debate is scheduled for next September 10th with candidates taking distinct approaches. Harris has been moderating her policy positions and focusing on economic issues. Trump, on the other hand, has struggled to find a consistent message to counter Harris, oscillating between personal attacks and policy critiques ([CNN](#)).

German Elections: Germany's far-right party, Alternative for Germany (AfD), achieved a significant electoral victory, winning nearly 33% of the vote in the state of Thuringia. This marks the party's most substantial success since World War II and is a significant setback for Germany's political center, particularly for the three ruling coalition parties under Chancellor Olaf Scholz, which suffered considerable losses. In Saxony, the center-right Christian Democratic Union (CDU) narrowly held off the AfD, finishing first with around 32% of the vote ([Politico](#)).

The BBVA Monitor: internal pressures in Israel increase tensions and uncertainty indicators. Political tensions contained in the US and Germany despite electoral processes

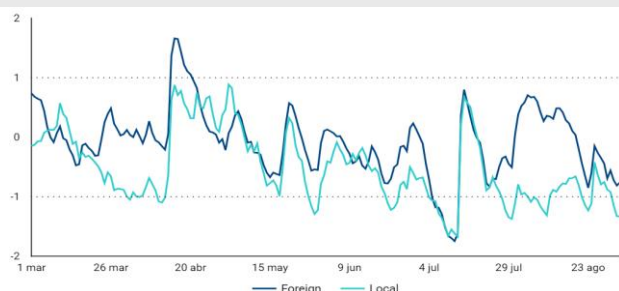
- **Political and geopolitical tensions**, as well as **conflict** and **economic policy uncertainty** indicators increase, most of them in the high risk area in **Israel** after the latest internal pressures (Fig 1 and Fig 3). **Geopolitical risk and conflict** indices keep in the high risk area in **Ukraine and Russia** too during the last weeks, and bilateral tensions are increasing, but still in the neutral area (Fig 3 and Fig 5).
- Regarding elections, **political tensions** indicators remain in the neutral area in the case of the **United States**, as well as in **Germany** (Fig 2 and Fig 3). In this latter country, however, the **geopolitical risk** index increases to the high risk area (Fig 3).
- Social unrest and demonstrations given the political uncertainty in **Venezuela** start to correct in most of the **Latin American countries** coming back to the neutral area (Fig 3 and Fig 4).

Fig1. **PROTEST INTENSITY INDEX: ISRAEL**
(28-day weighted moving avg, normalized by its own history)



Source: BBVA Research & www.qdelt.org. Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays

Fig2. **POLITICAL TENSIONS: US LOCAL & FOREIGN PRESS**
(28-day weighted moving avg, normalized by its own history)



Source: BBVA Research & www.qdelt.org. Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays

*The selection of news has been enriched by the BBVA Research Geo Assistant developed with Chat-GPT.

Fig3. BBVA RESEARCH GEOPOLITICS MONITOR "SIGNAL" CHANGES

(Signals in Geopolitical Risk, Political Tensions, Economic Policy Uncertainties, Protest and Conflict according to Standard Dev)

Summary of Signals After Hamas-Israel Conflict July 30th, 2024

(News Sentiment Map. Sentiment relative to average sentiment in each country)



Source: BBVA Research

Summary of Signals After Hamas-Israel Conflict (September 2nd, 2024)

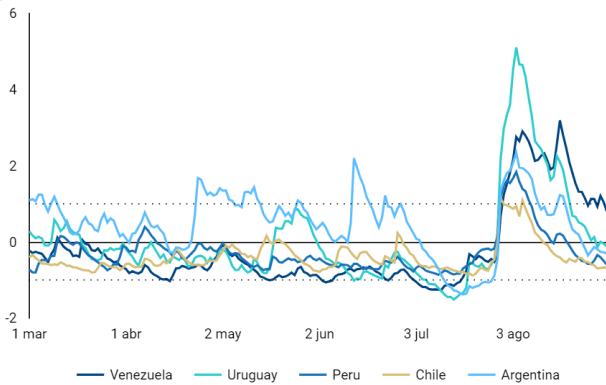
(News Sentiment Map. Sentiment relative to average sentiment in each country)



Source: BBVA Research

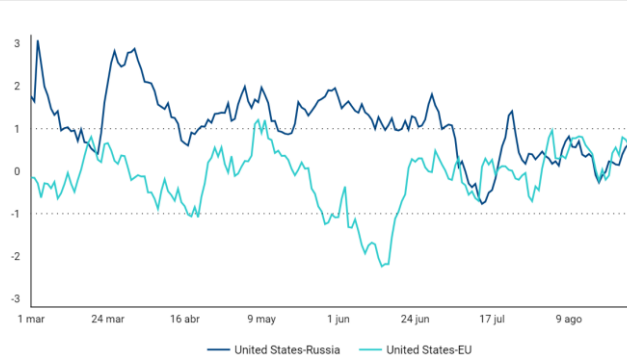
Source: BBVA Research and www.qdelt.org

Fig4. PROTEST INTENSITY INDEX: AR, CI, PE, UY, VE
(28-day weighted moving avg, normalized by its own history)



Source: BBVA Research & www.qdelt.org. Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays

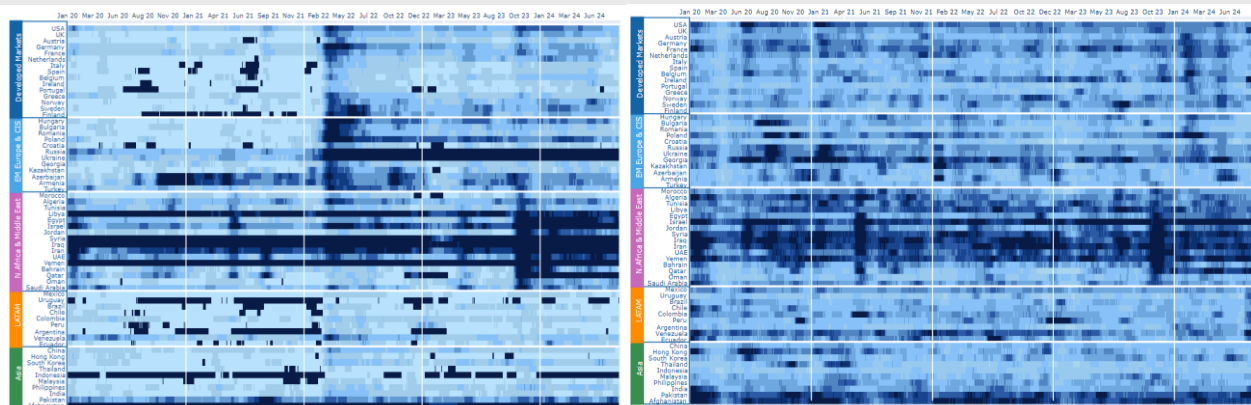
Fig5. BILATERAL TENSIONS: USA-EU & USA-RUSSIA
(28-day weighted moving avg, normalized by its own history)



Source: BBVA Research & www.qdelt.org. Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays

Fig6. BBVA RESEARCH PROTEST AND CONFLICT HEAT MAPS

(Evolution of Protest and Conflict over time by regions)



Source: BBVA Research and www.qdelt.org

Methodological annex: indicators' construction

We have developed a daily tracker with weekly updates to monitor protest and conflict indicators for every country in the world from 2019 to present day. To construct this, we use a rich 'big database' of international events (GDEL), created by Leetaru and Schrod (2013). GDEL is an open-source database which extracts and parses digital news monitoring world events covered by news media from nearly every corner of the world, whether broadcast, printed or published on the web, in over 100 languages, every moment of every day, updated every 15 minutes. Thus, it contains a comprehensive and high resolution catalog of geo-referenced events and themes.

Using different dictionaries, several thousands of taxonomies and themes are identified in the news pieces to classify the information. The algorithms used by GDEL also identify emotions, organizations, locations, news sources and events across the world as well as their average sentiment using Natural Language Processing (NLP) techniques and the lexicon approach.

The included indicators are:

- Geopolitical Risk: or sentiment (weighted by coverage) of the country's geopolitical risk perception.
- Political Tensions: or sentiment (weighted by coverage) of the country's political tensions.
- Economic Policy Uncertainty or sentiment (weighted by coverage) about the country's economic policy uncertainty, also disaggregated by media origin.
- Protests or coverage regarding social protests or unrest in the country.
- Conflict or coverage of armed conflicts, which go beyond verbal protests.
- Bilateral Tensions or the sentiment (weighted by coverage) between a specific pair of countries that appear together in the news article (plus NATO and EU).

The indicators track the evolution of tensions and are normalized by its own country history since 2019, thus they are all expressed in terms of standard deviations from their historical patterns. Indicators usually lie within the range [-1,1]. Therefore, when the values exceed one (the upper boundary of the range), this means escalating tensions. While it's possible to observe simultaneous tensions arising in multiple countries (for example, due to geopolitical events affecting several nations, as seen in some of our heatmaps), using these indicators for direct quantitative comparisons of risk levels between countries is not recommended.

We apply a weighted moving average of 28 days (to include four complete weeks with the same number of days of the weeks) to reduce noise of daily information and identify signals more clearly. The weights have been calculated using a discrete geometric distribution such that it puts more weight on recent data and less on past data (see Graph 1). Aggregating by weeks, the weight of the most recent week has a weight of 68%, the past week 22%, the previous 7% and the fourth 3%. The weight of the 28 days can be seen in the following image. In such a way, the indicators reflect what is happening in the last days.

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