# Transcript — Can Elections Change Geopolitics?

**Christian Smith:** It's been a week of major elections around the world, from Brazil to Serbia to Israel. The results have in many respects been unexpected. But in the old adage that no one votes on foreign policy issues, will they actually matter for geopolitics? Welcome to the Geopolitics. Welcome to Geopolitical Futures podcast. I'm Christian Smith, and I'm joined, as always, by Geopolitical Futures chairman and founder George Friedman to discuss what these elections may mean for geopolitics, as well as whether there may be green shoots of hope for peace in Ukraine. George, hello. How are you doing?

**George Friedman:** Doing well. Trying to follow the news. I normally don't follow elections, but there were so many of them and they were so critical, that at this point, what is really happening, I think, is the pressure geopolitically is reshaping the internal structures of the countries, and that in turn is resulting in elections that are very close, very important, very different.

**Christian Smith:** Well, I mean, in that respect, as you say, some of them have been close. They've been a bit unexpected in many ways. Perhaps not so much in Israel, but in Serbia and Brazil and coming up in the US as well, quite polarized in terms of the politics that are on offer there. What do you read into that in terms of the state of global and regional geopolitics and, of course, the wider context of what has been a tumultuous world in the last couple of years?

**George Friedman:** Well, as I always say, there's fundamental difference between the geopolitical process and the political process. In the same way that macroeconomics can be understood in various ways, how some bar is going to be able to practice, the reality is very different. So at the level of the citizenry, the experience is somehow more pressing, even while the greater system is evolving. And we're in a position when the greater system is evolving dramatically. Okay. And this has its serious impact on the citizens of these countries, citizens of the countries, and so on. So part of this process is geopolitical, not in the sense that it's going to really change the geopolitical reality anymore, the macroeconomics changed by a corporate failure, but because it's affecting the way people are thinking about their own lives.

**Christian Smith:** Well, as we talk about often on this podcast, the US is quite obviously and deliberately trying to disengage from the Eastern Hemisphere, in particular these elections in Serbia and Israel. And we'll come on to the elections in a moment. How much could they have been impacted? How much is the environment around them created by this desire to disengage or Is there no significance there? Is there no cause and effect there?

**George Friedman:** There is in some countries a causation. The US Wants to reduce it. But remember, the process of reducing our presence in the Eastern Hemisphere is not an easy one to do. And as we take a look at the situation in Iran, we see a fundamental engagement that the government, I don't think US Government did not expect to be this extensive or have these consequences. So the point is the intention, the need of the United States is to disengage. And that was predictable that it would start disengaging. And the President has to execute this process. And to some extent, he executed it well, to some extent in Europe, with NATO and other things. On the other hand, he wound up, for various reasons, engaging deeply in the Eastern Hemisphere, causing a global crisis based on the price of oil, the lack of refineries, and so on and so forth. So it's never a simple question of this is what happens in the same way as in the economics. You look at the broader picture and make an investment, and that investment didn't work out the way the rest of the economy did. So that's a way to look at it.

**Christian Smith:** And obviously, as things progress, I suppose this is something that's going to continue to be impactful as elections take place over the coming years. Basically,

**George Friedman:** not alone does it have an effect on the way people live. There's wars and so on and so forth. But there are particular problems within nations that may not connect to geopolitical things. So you have the normal tensions within nations on divisions on various subjects, okay? You have the added reality that the international system is being reshaped and that creates more unfamiliar things, and many populations do not like the unfamiliar, and that creates crisis. But we have to distinguish between the internal processes of nations, okay, which are to extent shaped by geopolitics and the broader geopolitical evolution that takes decades to unfold and usually doesn't depend on any one election anywhere.

**Christian Smith:** In much the same way, I suppose, as in your book the Storm before the Calm, the processes going on there were perhaps a lot less dependent on who was in the White House.

**George Friedman:** Well, in that book, it was clear to me that this was going to be a crisis period in the United States because for a reason that I don't understand, every 50 years we go through that. The last one being in the 1970s when everything from the Arab oil embargo, the shootings of Kent State, all the things that were happening in some intensity, the hatred of the presidents, the President resigning, all these things were happening at that time. So I don't really have a full explanation of why it happens with such regularity. But it was looking back at American history, every 50 years, this sort of thing happens. And it was possible to predict that the 2020s are going to be like this. And what I said there was that until the 2028 election, the storm will intensify with the 2028 invention, no matter who wins. Okay, that's not that way. They tend to drop off. Calm down a little bit. Okay. The Last one in 1971 did not calm down until 1980 election. Okay, so it's not the election, not even the person who's doing it. Simply, the system shifts into a new reality and the calm begins. So I use presidents as markers, not as the heroes and the villains. In this case, they're just there. So we saw Reagan come in in 1980, and he fundamentally changed the banking system, the financial system, reducing interest, creating a situation in which the supply side, as it was called supply side of the economy was stimulated while the consumer side was not. And that led basically without the intending it, the dot com boom, because suddenly there was money available for investment. Now, did Ronald Reagan do that for that reason? Wouldn't any president at that point do the same thing to try to stimulate the economy? So what I try to do, because necessary, is to depersonalize this. Politics, on the other hand, is a very personal thing. I mean, everybody has a view on Donald Trump, Netanyahu. They may not have that many views on Vukic in Serbia, but everybody else has that. So it's a way for human beings to understand a very abstract process that they live through is by personalizing it. And they are certainly personalizing it in the case of Donald Trump.

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**Christian Smith:** on NATO's eastern line by senior analyst Antonia Colabasen. Anu, I imagine the presidents won't like being told that they're not the heroes and villains, but that's, that's something they may have to get used to. Look, let's. Let's go to Netanyahu. And perhaps the most prominent election that we've had in this week is Israel. We're recording this on Wednesday. It's so it's not that long after the, the polls closed yesterday. Effectively, it seems that the election is too close to call. It appears that Netanyahu's bloc is ahead, but that they will be unlikely to have enough seats to form a government. But that could be the same for the opposition as well. So basically, we look set for some kind of deadlock or political wrangling, coalition wrangling, but I suppose taking a step back from where we are with that, and that result was perhaps not as well predicted by the polls as it might have been, the opposition looked more likely to win. Taking a step back, how important is this election for Israel, and then by extension, how much does Netanyahu actually matter for Israel and its approach to the world?

**George Friedman:** Well, I have to go back to what Netanyahu did. As I've said before, Israel is a very vulnerable country. It only has 71 miles of depth at its widest point. Therefore, because it has enemies in the Arab world, it always has to initiate combat because they have to fight outside. There's no room for street retreat inside. So the attack on Hamas, which now is being claimed by many that he knew of that attack coming, he denies it, but there's many things going on, was what Israel geopolitically has to do. It has to do it however he did it, and we'll talk about the way he did it, because he did it in a way that was so brutal, so not really effective, because they still have the threats that Israel suffered, a major change in how people thought about it globally and in a certain way has become isolated from the rest of the world. Now, this is a very small country with a very small population. That's a very bad place to be. So there is a fundamental issue inside of Israel, okay? Obviously, Netanyahu is blamed for this. He was the prime minister at the time. That other. Some other prime minister would have done something different. I'm not sure he carried it out. Okay? Now, there's faction in Israel that is appalled by the way that Israel has been marginalized in the world, held in contempt, so on and so forth. There is a faction there that says, we did what we had to do. If it was brutal, that's too bad. They shouldn't have hit Hamas, shouldn't have hit us, and so on. So in Israel, there's a deep division, almost an equal one. And the problem here is that in most countries, when they experience this kind of dramatic shift in what they are from being considered a very civilized

country that needs respect and involvement with suddenly becoming a pariah at the same time, they became a pariah because they were attacked. They may well have overreacted by far, but still they were attacked. So there's a faction in Israel that really says, look, what else could we have done. Netanyahu did what had to be done. Okay, there's. The other faction has said no. He's led Israel into a disastrous position. We're a small country. We're already facing Arabs who are hostile to us, the Muslim world. Now, we're also isolated from the rest of the world. We still have a good relationship with the United States, but the American president is also potentially weakening in all this process. So inside of Israel, you have normal division, the one you'd expect triggered by a geopolitical event, a war, and the way it was executed in detail, okay. Question was, could they have done it any other way? Possibly yes, possibly no. But everybody's sitting there and they're very much divided. And the country itself is. The one interesting thing about this is this almost balanced division between Netanyahu's faction. The most important parties at this point are the four Arab parties. Israel has a significant Arab population that lives there and is quite happy. There are four Arab parties, okay. They have various ideologies, some very much in line with some things that does, others hostile to it. Those are the four parties. Since it seems to be completely divided, those parties have the balance of power in their hand, possibly, which is an extraordinary thing because normally in Israel, one faction, one Jewish faction beats another Jewish faction. And the Arabs are marginalized in a way. Okay. In this particular case, they have some real influence. Now, remember, these are Arabs who are citizens of Israel and chose to be citizens of Israel. So they may have sympathy for the Palestinians, but they've cast their lot in with the Jews. This is why when you simplistically approach anything in the Middle east, there's always a cupidol is going to bounce out at you. And this is the one that's there. And it's really fascinating. Now, as in all these organizations based on the British model, there are various parties that have form coalitions, not just one man being elected. It's a party and negotiations will go on. But there's a deep division in Israel reflected by the division of these parties over how Netanyahu handled a war. And oddly enough, the Arab parties may be the pivot of what happens.

**Christian Smith:** Looking forward with it, do you see any potential difference in terms of how Netanyahu or the opposition could handle their foreign policy going from here, both in terms of obviously within Palestine and the more immediate

region, but also very importantly right now as rumors swirl of another attack on Iran from Israel and the US after the midterms, in terms of how they approach Iran,

**George Friedman:** well, whenever rumors swarm around somebody attacking Somebody that attack has already failed. You do not announce, I'm going to attack you. Okay? It's much better to carry it out as a surprise and talk about it later. So don't pay too much attention. Secondly, when the Israelis say they're going to attack Iran, precisely what are they going to do? They're going to launch some missiles and so on. They're far away from Iran. Their military is not capable of reaching Iran, let alone engaging the Iranian forces. But it was a good thing to say in a campaign, we're going to go get them. Okay? So one of the important things about all politicians, do not pay attention to what they say. Each of their things are tactically made for the moment. So the Israelis, Netanyahu, they ended the campaign saying he's going to attack and destroy Iran. That sounds great. And some Israelis may have bought it and wanted it, but can he do it? That's where the geopolitical takes over.

**Christian Smith:** Well, let's head to Serbia. Serbia is where the First World War began. It was a country that was key in the breakup, in the wars over the breakup of
Yugoslavia in the 1990s. How important then is Serbia to European geopolitics?

**George Friedman:** It's not very important to that geopolitics. It's a small country. It's in the Balkans, which is part of Europe, but a very backward part of Europe. One of the interesting things, however, was that the government that was defeated of Serbia was not wedded to the Russians, but not particularly hostile to them and maintain a reasonable relationship. And this was something the Americans could live with, but other European countries couldn't. The new regime that has emerged is much more aligned with the Europeans position on this war and therefore more aligned against the Russians and for the Ukrainians. Now, does this have very much impact on it? Somewhat. The Russians had at least one ally in the region. Not a close ally, not doing much, but a lie. They've lost that. So this then raises questions of what the Russians are going to do. They've had an election already. Amazingly, Putin won going away. There was no problem. Okay, so there are elections. There are elections.

**Christian Smith:** I mean, it's interesting, isn't it? As you say, George, Alexander Vucic was friendly with Putin, although as you say, not too close. He's also friendly with China and a key factor and something that, as you say, would annoy the other Europeans, the EU members about his relationship with that. Could this also lose China a foothold in Europe through Serbia as well?

**George Friedman:** China's foothold is very different from a Russian foothold Russian footholds are measured in number of brigades you have there. Chinese presence is measured amount of investment China makes. China cannot be confused with Russia. It does not practice occupation warfare to assure its security. It does not do those things. What it does is use investments and other things, openness to their economy and so on together. I was in Serbia about a year ago, a little over a year ago, there was tremendous amount of American investment in tech companies in Serbia as well as Chinese investment there. And I was told by people who know that there's actually collaboration over there in some ways. So the Chinese presence in Serbia is not like the Russian presence in Poland was. They're not trying to impose an ideology on them. They're not trying to dominate them in any way militarily. They're there for the money. So we have to treat the Chinese behavior differently than we've treated the Russian behavior during the Cold War and even now. So it is possible. And I was there, I saw many American companies making investments. These Serbians, these Eastern Europeans, are incredibly sophisticated intellectually, technologically and so on. So it's a great place to put a low cost business in terms of labor. Chinese love it, the Americans love it. The Americans and the Chinese are working side by side. We're not trying to throw the Chinese out. We can't. On the other hand, Chinese are not trying to push us out. So I think people very frequently have to understand that China is not Russia. It has a different set of priorities, works in a different way, and doesn't go into countries in order to control their politics. Just wants to make a lot of money there. In a way. They're very American.

**Christian Smith:** I was going to say, don't we all? Well, moving closer to America then, George. Brazil's election, of course was another upset similar to Serbia's Lula holding onto power there. There's already reports of Bolsonaro being in the US fleeing from potential charges. Brazil is obviously, of course, in the Western hemisphere, the part of the world that the US is now much more focused on. It's a

massive country. You've written about it extensively. How important is it to that part of the world?

**George Friedman:** Well, Brazil is a major power in that part of the world. It is also a member of the G20, which makes it a significant economic power in the world. It has begun to evolve dramatically. But it has a problem China had, which is that much of the country, the Amazon forest and so on and so forth, is not yet developed. So inside of there, there is obviously the divisions that take place. There's a conservative faction. There is a. Call it a liberal faction. I can't quite understand the difference in their policies. They both want to do well. Okay. But this is not a nationalism that wants to occupy Argentina or take Chile. It is a nationalism that is built around becoming a major economic power in the world in conjunction with its neighboring countries. So I have trouble figuring out what exactly conservative and liberal mean inside of these countries. The one thing I see is that the one called the conservative. The president of the United States likes Trump, likes him. You know, they're like liberals. So many times we use terms in other countries and try to relate it to our own terms and think that's what's going on. These are two fundamental factions, very different, both equally committed to making the economy operate, having certain differences in opinion on how it should. But it's much less a dramatic change, because if you talk about the free market, that's kind of Brazil. It's the Wild West. Money coming in, money going out and everything else. And that's more important than who's president.

**Christian Smith:** Yeah. And it's not the Cold War anymore. There's not as much concern, I would say, over communism taking over a country and in South America, not that that's what's going to happen in Brazil. Either way, does that have an impact on how America and. And the rest of the region sees it? You know, with. With Lula winning over Bolsonaro or vice versa? There is the less concern about that side of things in. In elections in these countries now.

**George Friedman:** Well, there is a very different relationship than with the Soviets. Now the Chinese are there as well, in the same way they're in Serbia and the Americans are there. But the interesting thing about it, they're not trying to take control of the country. They're trying to make money and control the economy as far as possible, and they're welcomed in. So there's not a question of human rights or of free speech or anything like that for the Chinese. So when we take a look at this, there are certainly issues between Lula Bolsonaro. They were

different approaches to things, but not as fundamental that you could pick it apart. So, obviously, the United States President Trump supported Bolsonaro, did not like Lula. But it's not clear to me that it makes all that much difference to the rest of the world how Brazil is governed. In this case,

**Christian Smith:** a lot of commentary in the media has pointed out that particularly in Serbia and Brazil here, less so in Israel, as it's a bit more balanced, I suppose, but that Trump's Allies are losing these elections that Bolsonaro and Vucic both were friendly with Trump. Does that mean anything really, George? Does that tell us anything about the way the world is leaning or is that just in some ways, as you would say, a political reaction rather than anything to do with geopolitics?

**George Friedman:** It is an American obsession with itself. I would put it this way. We are a major global power, have been for a long time. We think the world is looking at us, worshiping us and wanting to be like us. And we take the fact that a friend of Trump, Bolsonaro lost the election to mean this had something to do with the his friendship with Trump. It may have done in some cases that somebody cared about, but the truth is that these countries are voting very independently. Brazil is a very large country. It has a very dynamically growing economy. It has many internal issues. And whereas Trump had an issue in Venezuela, which really was there, the drug dealers and the cartels and so on, that was not. The Brazilians may have drug dealing going on. United States does too, but that's not what they're doing. So the idea that friendship with Trump drives the country because of deep hatred. They got lots of things locally they're worrying about that they're addressing. So I think the idea that Trump's friends and Trump wasn't much of a friend of usage, so that wasn't there. Okay. He was a friend of Bolsonaro. I don't really understand why he was so closely engaged him. He shared his values. Perhaps it's something like that. But what I'm saying is these national elections pretty much are internal, just like the American issues. Primarily internals. What is doing it? So no, I don't think there's a model that's saying that if you're friendly with Trump, you're going to lose. Because the rest of the world cares so much about Donald Trump. They may not like him, but they're much more interested in local issues.

**Christian Smith:** Take a moment to follow and rate us on your preferred podcast platform. If you're already watching on YouTube, don't forget to like and

subscribe. Before we finish, we wanted to just turn away from these elections and talk about something else that's caught our eye this week, which is the potentially increasing hope for peace talks in Ukraine. There's talk of a three way summit between Ukraine, the US And Russia, perhaps in November. There's also peace gestures involving Melania Trump that have been going on. George, do you see this as momentum building towards peace or is this all. It's a bit Too early to say anything like that.

**George Friedman:** There's a fundamental barrier to reaching an agreement. That's Putin. Putin put his country in a position where he thought he would conquer Ukraine in six months, and he should have. And almost five years into it, the Russian economy is in a wreck. In addition to that, many Russian soldiers died. In addition to that, he's trying to raise more troops, draft more troops into the army to fight. The problem there is Putin cannot concede that he failed in Ukraine. Any negotiation that would be held would have to have a major concession to Putin personally in Ukraine, a concession that does not have to be made by the Ukrainians because they're holding out just fine and hitting the Russians back, particularly because the Russians did scary things with the Europeans. Even the Europeans got behind them heavily, and the United States is still engaged there. I think Trump would have a great deal of difficulty abandoning the Ukrainians there, but he tried to. What he's trying to do is to get Putin to agree to a peace agreement with Ukraine, which would benefit Russia economically because the United States would end sanctions on Russia. It would also be prepared to have American businesses invest in Russia. Russia is a very good place to invest on. The land is cheap and it's rich in various ways. But Putin himself, this is one of those cases in geopolitics where the personality is, if he made a peace on any reasonable terms, it would be appeared that he threw all these lives, all this money away for nothing. So, yes, there is a need and the war, but Putin is going to be making demands that cannot be met. Okay, now that millennia got involved in this particular thing, allowing peace in a certain area, allowing people to leave food to come in, it's all very nice and from the Russian point of view, made him look better. But the fundamental problem here is that we have a leader who lost the war by not winning. It cost the country lives that can't be counted. We don't really know how many. There's much more than they say, and wrecked the economy and now wants to call more troops up. So this is a case in which the problem really is that the war could be ended, but not with Trump,

but I should say not with Putin surviving it in a way, politically, certainly even in other ways. So that's very hard to reach that agreement. So he tries to make concessions, but he makes demands on certain areas that he wants to take that the Ukrainians simply won't agree to. Then the Americans lean on, the Ukrainians come forward. To some extent they do. But the problem we're Having here is political inside of Russia, which is my feeling is that most Russians would like to see this war end and don't really care if they have Ukraine or not. Just wanted to end. It's hurt them great deal, but Putin can't afford that. And that's going to be the issue.

**Christian Smith:** If this summit goes ahead next month as some have suggested. Do you expect anything to come out of that or will it be more? We've had summits before, not a three way summit, not a Ukraine, Russia summit. We've had other summits. Do you think anything that will actually come out of this

**George Friedman:** fundamental question is will Putin admit that he has failed to defeat Ukraine and treat it as another nation with which he'll treat with respect and so on and so forth. So to me, the question about how this turns out depends on internal Russian politics. There is obviously opposition. Putin is not Stalin, where he knows every word that's said and sends people to the very bad places if they say something. So to me, Putin can't make that concession. Russia can. Okay, There is a tension between the two and that will have to be settled internally by the Russians. There must be a movement there that says enough is enough. But Putin can't buy that.

**Christian Smith:** Potentially no peace with Putin, then

**George Friedman:** he is in a position where if he concedes that so many people died, so much wealth was lost and very little was gained. I remember Lyndon Johnson, he just couldn't give it in. It was finally Richard Nixon that made the peace okay. But that happens at times. And when we talk about elections, this affects all countries where the leader sometimes, like Netanyahu, has to have a certain standing with the public. Putin is lucky. He doesn't have to have the kinds of elections that are held in Israel, the United States, Serbia or something like that. So he can't lose. And that's the critical thing here.

**Christian Smith:** George, let's leave it there for this episode of the Geopolitical Futures podcast. Thanks very much as always. Thanks out there for listening as well. We'll be back again soon.

**George Friedman:** Let's not do this again.

**Christian Smith:** No

**George Friedman:** elections.

**Christian Smith:** We'll be back again soon. Talking not about elections. How about that? We'll talk more about classic geopolitics. Thanks very much for listening. Bye bye.

**George Friedman:** Bye.

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