

Geopolitics

# BBVA Research Big Data Geopolitics Monitor

Big Data Unit  
30 January 2024

## Diplomatic efforts for a truce intensify while regional situation “incredibly volatile” (Blinken)\*

The Israel-Gaza conflict has witnessed a significant escalation, with Palestinian militants conducting the deadliest single attack on Israeli forces in Gaza since the onset of the war, resulting in the death of 21 Israeli soldiers. This event marks a substantial increase in hostilities and intensifies calls for a ceasefire. The CIA met Israeli Intelligence Services and Qatari looking for a truce. The International Court of Justice (ICJ) issued a ruling ordering Israel to take all necessary measures to prevent genocide during its military campaign in Gaza. The ruling was welcomed by Hamas and criticized by Israeli officials, underscoring the deepening divide and complicating efforts for a peaceful resolution. The main issues this week were the following:

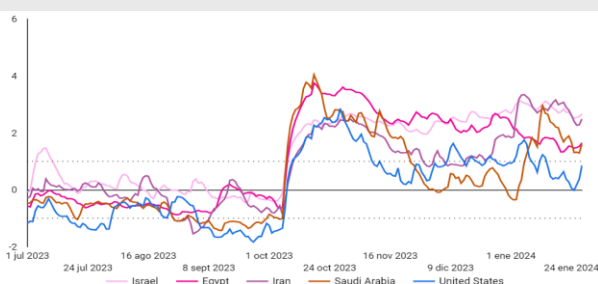
- **Israel & UN:** Israel has accused UNRWA staff of involvement in the Hamas attacks on October 7, prompting several EU countries and others, including Australia, Finland, Italy, the Netherlands, the UK and the US to suspend funding to UNRWA. Austria and Lithuania are the latest to join this list.
- **Intelligence Services look for Ceasefire:** High-level intelligence officials from the CIA and Mossad will meet with Qatari officials in Europe to discuss a potential deal for captives' release in Gaza and a truce, aiming for the longest cessation of hostilities.
- **Regional security concerns:** While the Yemeni continue to target western vessels in the Red Sea, recent US-Iran tensions escalated due to a drone attack in Jordan, killing three US service members, with President Biden and Defense Secretary Austin warning of a response to Iran-backed militants responsible for the attack ([Politico](#)).

### The BBVA Monitor: Renewed Protest in Europe and some in Latam Countries

The situation in the Middle East remains tense. Last week we appreciated an increase in the protest indicators in Europe for several reasons, while they continued in the high risk area in some Emerging Countries. The protest indicator continues to be at risk in Ecuador and renewed protests against economic policy have reemerged in Argentina:

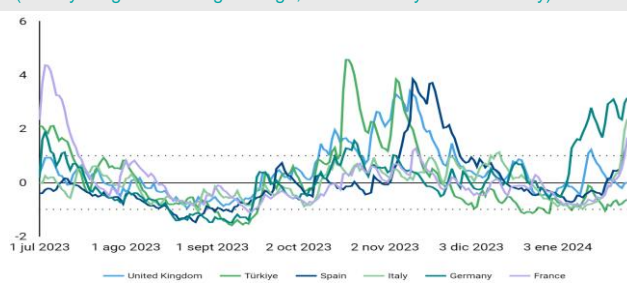
- The levels of Geopolitical & Conflict sentiment remain high in the M. East as well as in some EU countries (UK, Germany and Italy), which entered in the Risk area (Fig 2).
- The Political indexes in the M. East and some Latam Countries (Ecuador and Argentina) stay at risk, (Fig 3).
- The sentiment on protest increased last week in Europe with Germany (anti ultra right party) and France (transport protest) and Spain (political) surpassing the normal range.
- The Bilateral relations between Israel-Iran entered in the risk area as accusations of Iran of providing support to Hamas, Hezbollah and Huties increased, but Israel-S.Arabia relation index remains safe. (Fig 2).
- The Economic Policy Uncertainty (EPU) index stays at neutral since the beginning of the conflict. Argentinian entered in the risk area (Fig 5).

Fig1. **GEOPOLITICAL SENTIMENT: M EAST & US**  
(28-day weighted moving average, normalized by its own history)



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

Fig2. **PROTEST INDEX: EUROPE**  
(28-day weighted moving average, normalized by its own history)

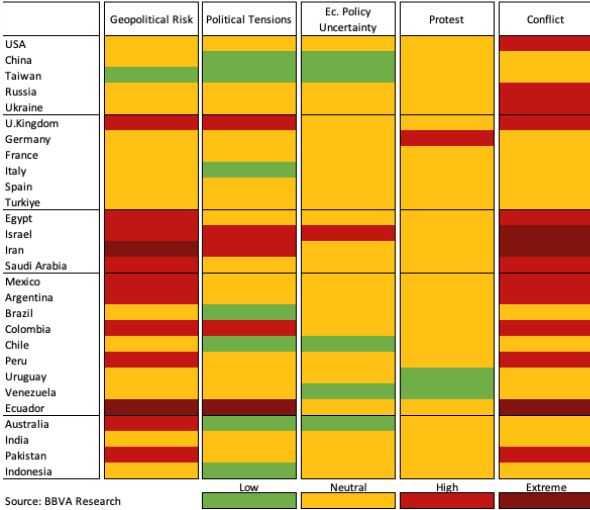


Source: BBVA Research & [www.gdelt.org](http://www.gdelt.org). Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays

**Fig3. BBVA RESEARCH GEOPOLITICS MONITOR "SIGNAL" CHANGES AFTER HAMAS-ISRAEL CONFLICT**  
(Signals in Geopolitical Risk, Political Tensions, Economic Policy Uncertainties, Protest and Conflict according to Standard Dev)

**Summary of Signals After Hamas-Israel Conflict (January 22nd, 2024)**

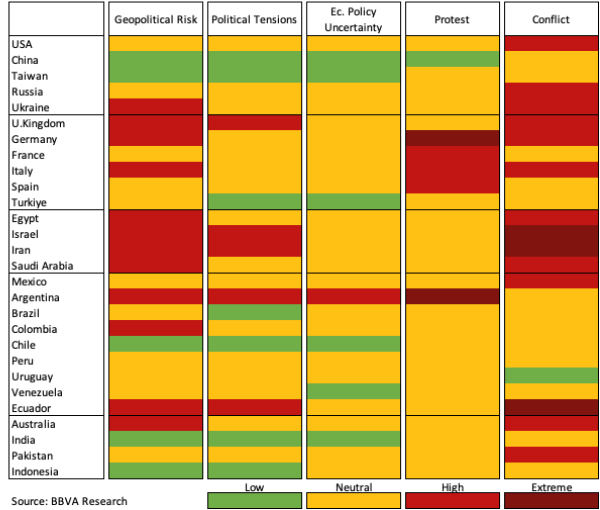
(News Sentiment Map. Sentiment relative to average sentiment in each country)



Source: BBVA Research

**Summary of Signals After Hamas-Israel Conflict (January 29th, 2024)**

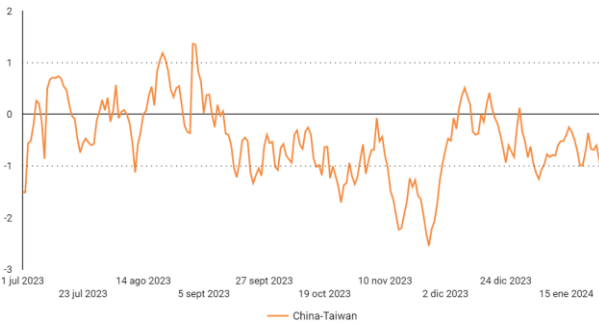
(News Sentiment Map. Sentiment relative to average sentiment in each country)



Source: BBVA Research

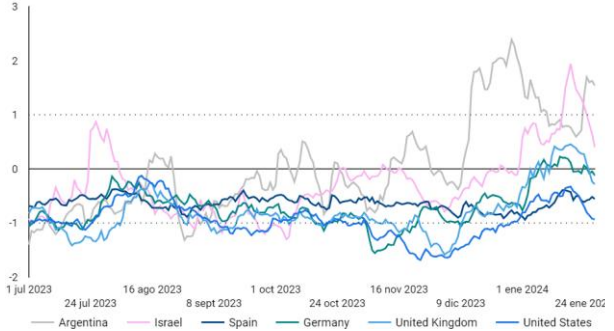
Source: BBVA Research and [www.qdelt.org](http://www.qdelt.org)

**Fig4. BILATERAL TENSIONS INDEX: CHINA-TAIWAN**  
(28-day weighted moving average, normalized by its own history)



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

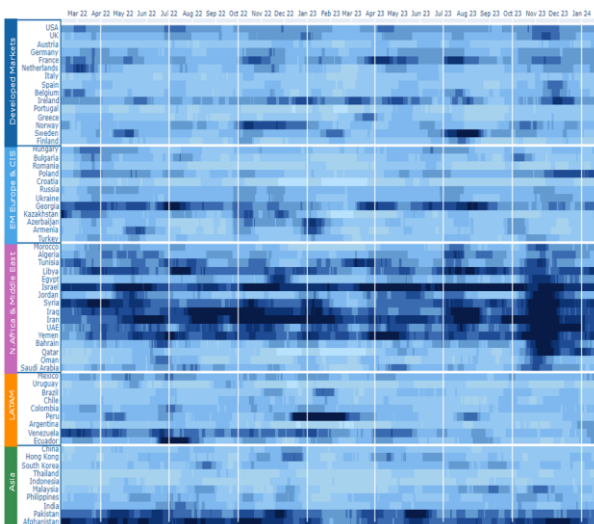
**Fig5. ECONOMIC POLICY UNCERTAINTY**  
(28-day weighted moving average, normalized by its own history)



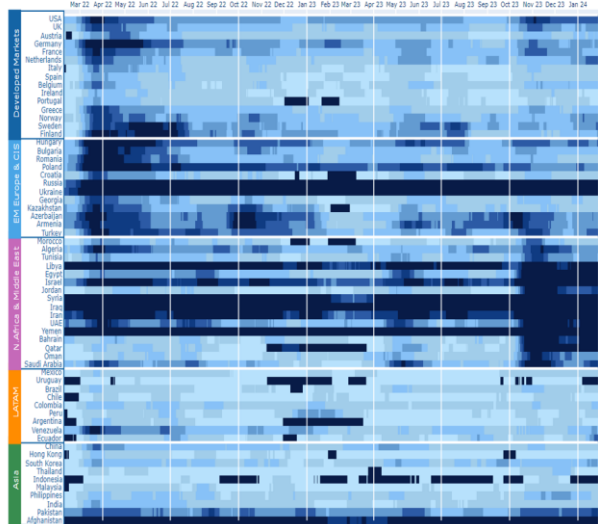
Source: BBVA Research & [www.qdelt.org](http://www.qdelt.org). Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays

**Fig6. BBVA RESEARCH PROTEST AND CONFLICT HEAT MAPS**  
(Evolution of Protest and Conflict over time by regions)

**Protest Intensity Index Heatmap**



**Conflict Intensity Index Heatmap**



Source: BBVA Research and [www.qdelt.org](http://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 (GDELT), created by Leetaru and Schrodtt (2013). GDELT 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 GDELT 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 normalised 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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