

Geopolitics

BBVA Research Big Data Geopolitics Monitor

Big Data Unit
20 February 2024

Tensions between Israel & Hamas are still alive. Alexei Navalny, “Suddenly Died” in Prison. Munich Conference & EU “Self-Defence” Strategy

The Israel-Hamas conflict continued to escalate, with ongoing gun battles reported between Israeli forces and Hamas fighters in southern Israel. According to the Palestinian Health Ministry ([Link](#)), at least 29,092 Palestinians have been killed and 69,028 injured in Israeli strikes on the Gaza Strip since October 7.. The United Nations Security Council convened an emergency session, but failed to issue a joint statement due to lack of unanimity. On the Regional security concerns, Yemen’s Houthi rebels shot down a US drone and damaged a Belize-flagged, British cargo ship in their latest assault against commercial vessels, their spokesperson claimed Monday.

Russian Opposition leader Alexey Navalny died in an Arctic Prison on February 16th. According to Reuters ([Link](#)), familiars of Navalny were told that the cause of Navalny’s death was sudden death syndrome, US President Biden accused Putin as responsible for Navalny’s death ([Link](#)). Our Russian Political Index jumped to the risk area according to foreign media, it remains neutral when restricted to the local media (Fig 2).

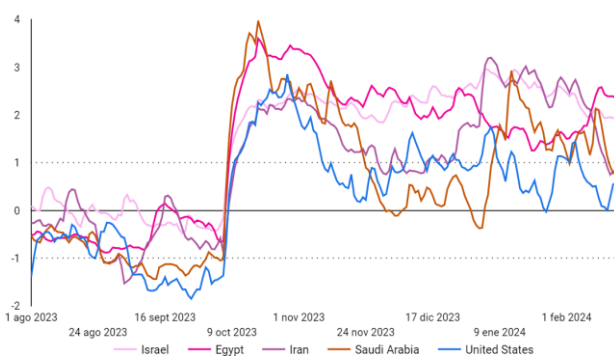
The Munich Security Conference and EU Commissioner stressed the need to reinforce the EU “Self Defence Strategy”. Ursula von der Leyen calls on EU to subsidize defense production adding “We have to spend more, we have to spend better, we have to spend European” ([link](#)).

The BBVA Monitor: Protests Climate in Europe continues extending across the board

The situation in the Middle East remains tense. Protest indicators in Europe continued and political tensions increased sharply in Russia. The protest indicator continued to be at risk in Argentina:

- The **levels of Geopolitical & Conflict sentiment remain high in the Middle East, but show signs of a possible slowdown** in some countries (Fig 1 and Fig 3).
- The **Political indexes increased in some countries in Europe, especially in Russia** in foreign media due to the death of Alexey Navalny (Fig 2 and Fig 3).
- The **sentiment of protest in Europe relaxed** in some countries, like Italy, Spain and France, while they increased in others such as the UK and Germany (Fig 3).
- The **Economic Policy Uncertainty (EPU) index stays neutral** in most of the countries. Argentinian index comes back to the neutral area (Fig 5).

Fig1. **GEOPOLITICAL SENTIMENT: M EAST & US**
(28-day weighted moving average, 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 INDEX: RUSSIA**
(28-day weighted moving average, 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 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 (February 12th, 2024)



Summary of Signals After Hamas-Israel Conflict (February 19th, 2024)



Source: BBVA Research and www.qdelt.org

Fig4. PROTEST INDEX: EUROPE
(28-day weighted moving average, normalized by its own history)

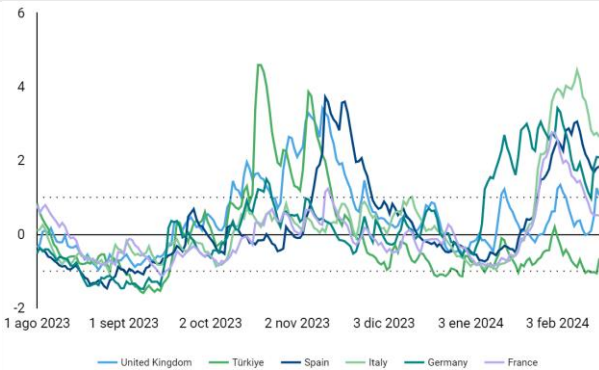


Fig5. ECONOMIC POLICY UNCERTAINTY
(28-day weighted moving average, normalized by its own history)

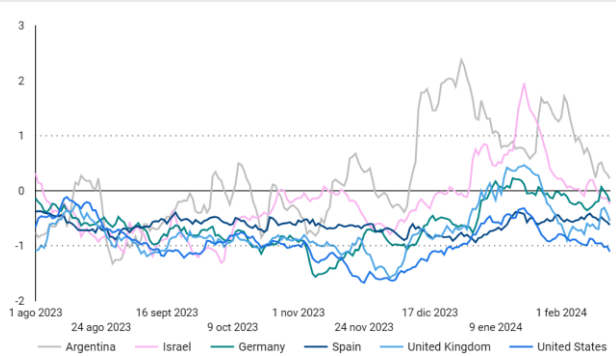
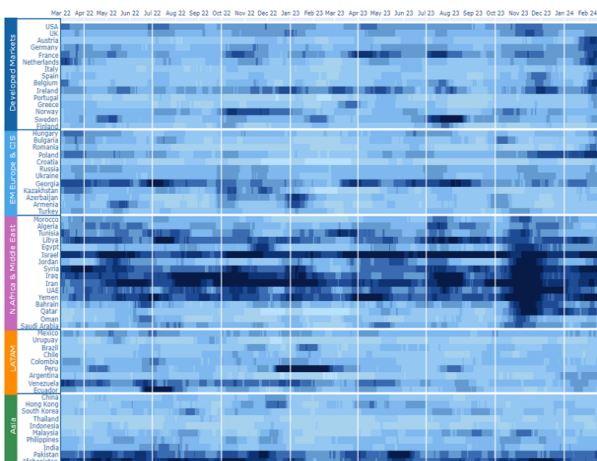
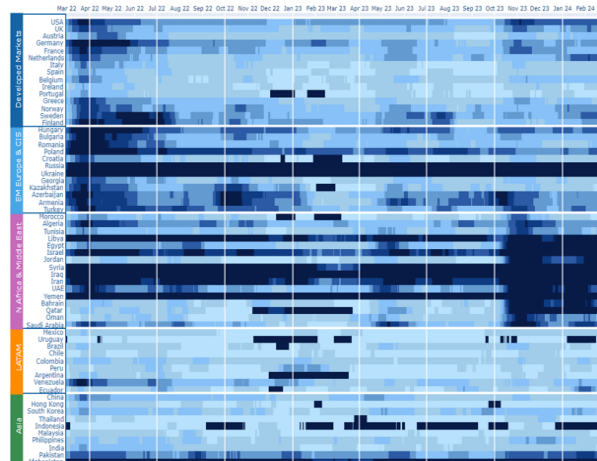


Fig6. BBVA RESEARCH PROTEST AND CONFLICT HEAT MAPS
(Evolution of Protest and Conflict over time by regions)

Protest Intensity Index Heatmap



Conflict Intensity Index Heatmap



Source: BBVA Research and www.qdelt.org

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 (GDELТ), created by Leetaru and Schrodт (2013). GDELТ 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 GDELТ 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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