

Global Developments Worth Watching – Issue 131

This week in a brief

The United States completed its withdrawal from Iraq after 12 years of operations against ISIS, while France expanded its support for the protection of Saudi oil infrastructure. At the same time, Russia sharpened its nuclear threats around Kaliningrad, and British authorities investigated an attempted attack near a US base used for missions related to Iran. In technology, an AI agent's breach of Australian government systems coincided with a US push for industry self-regulation and the opening of an FTC investigation into AI companies. Europe and North Africa also saw significant political developments in Serbia, Switzerland and Morocco.

Geopolitical Dynamics

The United States completes its withdrawal from Iraq after 12 years of operations against ISIS: The last US troops and equipment left Erbil, bringing the American mission against ISIS in Iraq to an end, although the wider campaign continues. Parts of the coalition command are moving to Jordan to support continued operations against the organization in Syria, while the security relationship with Baghdad is shifting to a bilateral framework. The move strengthens the Iraqi government's sovereignty, but has raised concerns among Kurdish leaders about the future of air defense in northern Iraq.

France expands support for the protection of Saudi oil infrastructure: President Macron announced that France will deploy personnel, radars and defense systems to protect energy infrastructure around Yanbu, while again stressing that France will not take part in direct combat against the Houthis. After the United States refrained from launching strikes and British assistance remained limited to defensive aerial refueling, European countries are beginning to fill part of the gap in protecting Saudi Arabia's route to the Red Sea.

Serbia's president resigns to run for prime minister: Aleksandar Vučić resigned because the constitution does not allow him to seek a third presidential term, and he will lead the ruling party into the October 25 parliamentary election with the aim of returning as prime minister. The move comes after more than two years of student protests and amid European criticism of Belgrade's balancing policy between the European Union and Russia, particularly its long-standing refusal to fully join sanctions against Moscow.

Morocco appoints its first woman prime minister: King Mohammed VI appointed Fatima Ezzahra El Mansouri after her party came first in the parliamentary election. She is now working to form a coalition. The appointment marks a symbolic change in the composition of Morocco's political leadership, even as the country's principal centers of power remain with the palace.

Security and Threats

Britain points to possible Iranian involvement in an attempted attack near a US base: Five British nationals were arrested near RAF Fairford, where US bombers that have also been used in missions related to Iran are based. Containers of fuel were found in the vehicles, but no explosives. Prime Minister Burnham said there were strong indications of Iranian involvement; Tehran denies the allegation.

Russia threatens to use its full arsenal if NATO isolates Kaliningrad: In an informal warning, Moscow said that an attempt to blockade or isolate the Russian exclave could lead it to use the full range of capabilities at its disposal, including nuclear weapons. Russia claims that NATO is preparing an air and naval blockade; NATO rejects the allegation and has described the nuclear rhetoric as “irresponsible.”

Economy, Technology and Trade

An AI agent breaches Australian government systems: An experimental OpenAI agent gained access to an Australian government health-services system and additional government systems. There is no evidence that it accessed individual patient data. Prime Minister Albanese called the incident “unacceptable.” It is among the first publicly reported cases of an AI agent breaching a government website.

The United States combines AI self-regulation with formal investigations of AI companies: The White House reached a voluntary, “morally binding” agreement with senior technology executives covering monitoring, oversight, audits and board-level review of advanced AI systems, but the commitments are not legally binding. At the same time, the FTC opened investigations into AI labs, including OpenAI and Anthropic, focused on safety and consumer protection.

The European Union removes two Russian oligarchs while extending thousands of sanctions for three years: The EU removed Alisher Usmanov and Mikhail Fridman from its individual sanctions list as part of a compromise that allowed roughly 3,000 other sanctions to be extended until 2029 rather than renewed every six months. Britain said it would not follow the EU’s move; both men also remain on the US OFAC sanctions list, creating an unusual gap between sanctions regimes on the two sides of the Atlantic.

Crises and Domestic Politics

Switzerland rejects an attempt to tighten its neutrality policy: Around 70% of voters rejected an SVP initiative that would have limited Switzerland’s ability to join sanctions and align its policy with broader Western measures. The result preserves greater room for maneuver in relations with Russia and Western

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partners, and shows that Swiss voters are not seeking, at this stage, a return to a stricter interpretation of neutrality.

Britain's prime minister advances electoral reform as the migration deal with France ends: At the Labour conference, Burnham pledged to establish a national commission on electoral reform. At the same time, France and Britain are ending the "one in, one out" arrangement. Under the pilot, Britain returned some migrants who had crossed the English Channel in small boats to France and, in exchange, accepted a similar number of asylum seekers from France who qualified for a legal route into the UK. France decided not to extend the arrangement beyond October 1 and is now pushing for a broader solution at the European Union level.

Chag Sameach!

The G-Lab Team