ANNUAL THREAT ASSESSMENT
OF THE U.S. INTELLIGENCE COMMUNITY

OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE

February 6, 2023

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INTRODUCTION

This annual report of worldwide threats to the national security of the United States responds to Section 617 of the FY21 Intelligence Authorization Act (Pub. L. No. 116-260). This report reflects the collective insights of the Intelligence Community (IC), which is committed every day to providing the nuanced, independent, and unvarnished intelligence that policymakers, warfighters, and domestic law enforcement personnel need to protect American lives and America's interests anywhere in the world.

This assessment focuses on the most direct, serious threats to the United States during the next year. The order of the topics presented in this assessment does not necessarily indicate their relative importance or the magnitude of the threats in the view of the IC. All require a robust intelligence response, including those where a near-term focus may help head off greater threats in the future.

Information available as of 18 January was used in the preparation of this assessment.

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FOREWORD

During the coming year, the United States and its allies will confront a complex and pivotal international security environment dominated by two critical strategic challenges that intersect with each other and existing trends to intensify their national security implications. First, great powers, rising regional powers, as well as an evolving array of non-state actors, will vie for dominance in the global order, as well as compete to set the emerging conditions and the rules that will shape that order for decades to come. Strategic competition between the United States and its allies, China, and Russia over what kind of world will emerge makes the next few years critical to determining who and what will shape the narrative perhaps most immediately in the context of Russia's actions in Ukraine, which threaten to escalate into a broader conflict between Russia and the West. Second, shared global challenges, including climate change, and human and health security, are converging as the planet emerges from the COVID-19 pandemic and confronts economic issues spurred by both energy and food insecurity. Rapidly emerging or evolving technologies continue to have the potential to disrupt traditional business and society with both positive and negative outcomes, while creating unprecedented vulnerabilities and attack surfaces, making it increasingly challenging to predict the impact of such challenges on the global landscape.

These two strategic challenges will intersect and interact in unpredictable ways, leading to mutually reinforcing effects that could challenge our ability to respond, but that also will introduce new opportunities to forge collective action with allies and partners, including non-state actors. The 2023 Annual Threat Assessment highlights some of those connections as it provides the IC's baseline assessments of the most pressing threats to U.S. national interests. It is not an exhaustive assessment of all global challenges. This assessment addresses both the threats from U.S. adversaries and functional and transnational concerns, such as weapons of mass destruction and cyber, primarily in the sections regarding threat actors, as well as an array of regional issues with larger, global implications.

Russia's unprovoked full-scale invasion of Ukraine has highlighted that the era of nation-state competition and conflict has not been relegated to the past but instead has emerged as a defining characteristic of the current era. While Russia is challenging the United States and some norms in the international order in its war of territorial aggression, China has the capability to directly attempt to alter the rules-based global order in every realm and across multiple regions, as a near-peer competitor that is increasingly pushing to change global norms and potentially threatening its neighbors. Russia's military action against Ukraine demonstrates that it remains a revanchist power, intent on using whatever tools are needed to try to reestablish a perceived sphere of influence despite what its neighbors desire for themselves, and is willing to push back on Washington both locally and globally. Besides these strategic competitors, local and regional powers are seeking to exert their influence, often at the cost of neighbors and the world order itself. Iran will remain a regional menace with broader malign influence activities, and North Korea will expand its WMD capabilities while being a disruptive player on the regional and world stages.

At the same time, as the nations of the world strive to recover from the COVID-19 pandemic, they are beset by an array of shared, global issues. The accelerating effects of climate change are placing more of the world's population, particularly in low- and middle-income countries, under threat from extreme weather, food insecurity, and humanitarian disasters, fueling migration flows and increasing the risks of future pandemics as pathogens exploit the changing environment. Efforts by Russia, China, and other countries to promote authoritarianism and spread disinformation is helping fuel a larger competition between

democratic and authoritarian forms of government. This competition exploits global information flows to gain influence and impacts nearly all countries, contributing to democratic backsliding, threats of political instability, and violent societal conflict through misinformation and disinformation.

Regional and localized conflicts and instability will continue to demand U.S. attention as states and non-state actors struggle to find their place in the evolving international order, attempt to navigate great power competition, and confront shared transnational challenges. Regional challengers, such as Iran and North Korea, will seek to disrupt their local security environment and garner more power for themselves, threatening U.S. allies in the process. In every region of the world, challenges from climate change, demographic trends, human and health security, and economic disruptions caused by energy and food insecurity and technology proliferation will combine and interact in specific and unique ways to trigger events ranging from political instability, to terrorist threats, to mass migration, and potential humanitarian emergencies.

The 2023 Annual Threat Assessment Report supports the Office of the Director of National Intelligence's transparency commitments and the tradition of providing regular threat updates to the American public and the United States Congress. The IC is vigilant in monitoring and assessing direct and indirect threats to U.S. and allied interests. As part of this ongoing effort, the IC's National Intelligence Officers work closely with analysts from across the IC to examine the spectrum of threats and highlight the most likely and impactful near-term risks in the context of the longer-term, overarching threat environment.

The National Intelligence Council stands ready to support policymakers with additional information in a classified setting.

CHINA

REGIONAL AND GLOBAL OBJECTIVES AND ACTIVITIES

China's Communist Party (CCP) will continue efforts to achieve President Xi Jinping's vision of making China the preeminent power in East Asia and a major power on the world stage. As Xi begins his third term as China's leader, the CCP will work to press Taiwan on unification, undercut U.S. influence, drive wedges between Washington and its partners, and foster some norms that favor its authoritarian system. At the same time, China's leaders probably will seek opportunities to reduce tensions with Washington when they believe it suits their interests. China's leaders probably will maintain their statist economic policies because they see state direction as necessary to reduce dependence on foreign technologies, enable military modernization, and sustain growth—ensuring CCP rule and the realization of its vision for national rejuvenation—even as the same policies risk undermining China's private sector and inhibiting greater growth in household incomes.

- Beijing sees increasingly competitive U.S.–China relations as part of an epochal geopolitical shift and views Washington's diplomatic, economic, military, and technological measures against Beijing as part of a broader U.S. effort to prevent China's rise and undermine CCP rule.

- Beijing is increasingly combining growing military power with its economic, technological, and diplomatic influence to strengthen CCP rule, secure what it views as its sovereign territory and regional preeminence, and pursue global influence. The Government of China is capable of leveraging its dominant positions in key global supply chains in an attempt to accomplish its goals, although probably not without significant cost to itself.

- However, China faces myriad—and in some cases growing—domestic and international challenges that probably will hinder CCP leaders' ambitions. These include an aging population, high levels of corporate debt, economic inequality, and growing resistance to the People's Republic of China's (PRC) heavyhanded tactics in Taiwan and other countries.

The PRC uses coordinated, whole-of-government tools to demonstrate strength and compel neighbors to acquiesce to its preferences, including its land, sea, and air claims in the region and its assertions of sovereignty over Taiwan.

- In 2023, Beijing will continue to apply pressure and possibly offer inducements for Taiwan to move toward unification and will react to what it views as increased U.S.–Taiwan engagement. Beijing claims that the United States is using Taiwan as a "pawn" to undermine China's rise, and will continue to take stronger measures to push back against perceived increases in support to Taiwan. Beijing may build on its actions from 2022, which could include more Taiwan Strait centerline crossings or missile overflights of Taiwan.

- Beijing's control over Taiwan, if it succeeded in accomplishing its goal, probably would have wide-ranging effects, including disruption to global supply chains for semiconductor chips because Taiwan dominates production of cutting-edge chips.

- In the South China Sea, Beijing will continue to use growing numbers of air, naval, coast guard, and militia forces to intimidate rival claimants and to attempt to signal that China has effective control over contested areas. Similarly, China is pressuring Japan over contested areas in the East China Sea.

Beijing will try to expand its influence abroad and its efforts to be viewed as a champion of global development via several initiatives—including the Belt and Road Initiative (BRI) and Xi's new flagship policies—the Global Development Initiative and the Global Security Initiative. Beijing has attempted to use these programs and initiatives to promote a China-led alternative to often U.S. and Western-dominated international development and security forums and frameworks. The IC assesses that the Government of China will use these programs and initiatives to promote modifications to international norms to favor state sovereignty and political stability over individual rights.

- Beijing will continue to promote the BRI while adjusting its response to public criticism and sustainability challenges by pledging deeper cooperation on clean energy, electric vehicles, and climate change. It will diversify project selection in an attempt to improve the initiative's brand and minimize international criticism.

Despite global backlash over Russia's invasion of Ukraine, China will maintain its diplomatic, defense, economic, and technology cooperation with Russia to continue trying to challenge the United States, even as it will limit public support.

MILITARY CAPABILITIES

The Government of China will continue pursuing its goal of building a world-class military that will enable it to try to secure what it views as its sovereign territory, attempt to establish its preeminence in regional affairs, and project power globally while offsetting perceived U.S. military superiority.

- Beijing is accelerating the development of key capabilities that it believes the People's Liberation Army (PLA) needs to confront the United States in a large-scale, sustained conflict.

- Beijing continues to bolster its domestic defense production capabilities for WMD and advanced conventional weapons using import substitution strategies.

Beijing is working to meet its goal of fielding a military by 2027 designed to deter U.S. intervention in a future cross-Strait crisis. The PLA Navy and Air Force already are the largest in the region and continue to field advanced platforms that improve China's ability to try to establish air superiority and project power beyond the first island chain. The PLA Rocket Force's (PLARF) short-, medium-, and intermediate-range conventional systems probably already can hold U.S. forces and bases in the region at risk.

- The PLA will continue to pursue the establishment of overseas military installations and access agreements in an attempt to project power and protect China's interests abroad. While the PLA is making uneven progress toward establishing overseas military facilities, the PLA probably will continue to use tailored approaches to address local concerns as it seeks to improve relations with amenable countries and advance its overseas basing goals. In addition to continuing to develop its existing military base in Djibouti, Beijing reportedly is pursuing potential bases in Cambodia, Equatorial Guinea, and the UAE.

WMD

China is reorienting its nuclear posture for strategic rivalry with the United States because its leaders have concluded that their current capabilities are insufficient. Beijing worries that bilateral tension, U.S. nuclear modernization, and the PLA's advancing conventional capabilities have increased the likelihood of a U.S.

first strike. Beijing is not interested in agreements that restrict its plans and will not agree to negotiations that lock in U.S. or Russian advantages. Beijing's heightened confidence in its nuclear deterrent is likely to bolster its resolve and intensify conventional conflicts.

- China is building hundreds of new ICBM silos.

SPACE

China is steadily progressing toward its goal of becoming a world-class space leader, with the intent to match or surpass the United States by 2045. Even by 2030, China probably will achieve world-class status in all but a few space technology areas. China's space activities are designed to advance its global standing and strengthen its attempts to erode U.S. influence across military, technological, economic, and diplomatic spheres.

- China's space station began assembly and crewed missions in 2021, and reached full operational capability in 2022. Beijing plans to conduct additional lunar exploration missions, and it intends to establish a robotic research station on the Moon and later, an intermittently crewed lunar base.

- The PLA will continue to integrate space services—such as satellite reconnaissance and positioning, navigation, and timing—and satellite communications into its weapons and command-and-control systems in an effort to erode the U.S. military's information advantage.

China's commercial space sector is growing quickly and is on pace to become a major global competitor by 2030. Beijing's policies to encourage private investment in space activities have influenced a broad range of firms to enter the commercial market. State-owned enterprises and their subsidiaries will remain the primary players in the Chinese commercial space sector, which also includes research and development spinoffs, established companies, and a growing number of startups.

- Some Chinese commercial space companies will attempt to compete by providing services in niche markets with little or no global competition, such as hyperspectral imaging, and also will continue attempts to undercut the price of Western firms in more competitive markets.

Counterspace operations will be integral to potential PLA military campaigns, and China has counterspace-weapons capabilities intended to target U.S. and allied satellites. The PLA is fielding new destructive and nondestructive ground- and space-based antisatellite (ASAT) weapons.

- China already has fielded ground-based counterspace capabilities including electronic warfare systems, directed energy weapons, and ASAT missiles intended to disrupt, damage, and destroy target satellites. China also has conducted orbital technology demonstrations, which while not counterspace weapons tests, prove China's ability to operate future space-based counterspace weapons.

TECHNOLOGY AND ECONOMICS

China will remain the top threat to U.S. technological competitiveness, as Beijing targets key sectors and proprietary commercial and military technology from U.S. and allied companies and institutions. The Government of China is doubling down on efforts to boost indigenous innovation and to become self-sufficient. China uses access to its vast market and control over critical supply chains as tools to force foreign companies and to coerce foreign countries to allow the transfer of technologies and intellectual property.

- Beijing uses a variety of tools, from public investment to espionage to try to advance its technological capabilities, protect domestic firms from foreign competition, and facilitate these firms' global expansion. Beijing's willingness to use espionage, subsidies, and trade policy to try to give its firms a competitive advantage represents not just an ongoing challenge for the U.S. economy and its workers, but also advances Beijing's attempts to assume leadership of the world's technological advancement and standards.

- China will persist with efforts to acquire foreign science and technology information and expertise, making extensive use of foreign scientific collaborations and partnerships, investments and acquisitions, talent recruitment, economic espionage, and cyber theft to acquire and transfer technologies and technical knowledge.

- A slowing economy probably will begin to force Beijing to start making "guns versus butter" choices in allocating resources to technology development and industrial policy. These choices mostly will be on the margins of its priorities because the size and scope of the economy means Beijing still has the ability to marshal considerable state resources toward any specific priority. While we have yet to see Beijing forced to make such trade-offs in technology, it appears to be making some similar calculations with the BRI. New BRI lending commitments have declined for the past five years, but new loans and project financing remain available for China's priorities and priority partners.

China is central to global supply chains in a range of technology sectors, including semiconductors, critical minerals, batteries, solar panels, and pharmaceuticals. In a speech in April 2020, Xi noted his intentions to increase global supply chain dependencies on China, with an aim of controlling key supply chains and being able to use those supply chain dependencies to threaten and cut off foreign countries during a crisis. ***China's dominance in these markets could pose a significant risk to U.S. and Western manufacturing and consumer sectors if the Government of China was able to adeptly leverage its dominance for political or economic gain.***

- China is leading the world in building new chip factories, with plans to build dozens of semiconductor factories by 2024, most of which will be dedicated to producing older, more mature technologies. While China only accounted for 11 percent of worldwide semiconductor fabrication capacity in 2019, it is forecasted to reach 18 percent in 2025. Because of the difficulties China is facing from export controls by Western nations, it is focusing on lower-capability, commodity chip technology, and China could become a powerhouse in that segment, which could eventually make some buyers more reliant on China.

- China's dominance in the mining and processing of several strategic materials, including rare-earth elements, presents a major vulnerability to the United States. China could use its control of these critical minerals markets to restrict quantities for commercial advantage or as a tool in a political or trade dispute. A prolonged disruption in supplies controlled by China would result in shortages that could affect output in civilian and defense manufacturing in the United States and the West. However, restrictions on critical minerals exports probably would accelerate efforts and coordination worldwide to develop non-China-based alternative sources or substitutes.

- Some other areas of concern are the battery, pharmaceutical, and solar panel manufacturing sectors. For example, PRC-based firms are on track to control 65 percent of the lithium-ion battery market by 2025, with the PRC dominant in all parts of the supply chain; China produces 40 percent of the world's active pharmaceutical ingredients (APIs), the key ingredients in medicinal drugs; and China's global

share across all the manufacturing stages of solar panels now exceeds 80 percent and is set to rise to more than 95 percent during the coming years.

CYBER

China probably currently represents the broadest, most active, and persistent cyber espionage threat to U.S. Government and private-sector networks. China's cyber pursuits and its industry's export of related technologies increase the threats of aggressive cyber operations against the U.S. homeland, suppression of the free flow of information in cyberspace—such as U.S. web content—that Beijing views as threatening to the CCP's hold on power, and the expansion of technology-driven authoritarianism globally.

If Beijing feared that a major conflict with the United States were imminent, it almost certainly would consider undertaking aggressive cyber operations against U.S. homeland critical infrastructure and military assets worldwide. Such a strike would be designed to deter U.S. military action by impeding U.S. decisionmaking, inducing societal panic, and interfering with the deployment of U.S. forces.

- China almost certainly is capable of launching cyber attacks that could disrupt critical infrastructure services within the United States, including against oil and gas pipelines, and rail systems.

China leads the world in applying surveillance and censorship to monitor its population and repress dissent. Beijing conducts cyber intrusions that are targeted to affect U.S. and non-U.S. citizens beyond its borders—including journalists, dissidents, and individuals it views as threats—to counter views it considers critical of CCP narratives, policies, and actions.

- China's cyber espionage operations have included compromising telecommunications firms, providers of managed services and broadly used software, and other targets potentially rich in follow-on opportunities for intelligence collection, attack, or influence operations.

MALIGN INFLUENCE OPERATIONS

Beijing will continue expanding its global intelligence and covert influence posture to better support the CCP's political, economic, and security goals. China is attempting to sow doubts about U.S. leadership, undermine democracy, and extend Beijing's influence, particularly in East Asia and the western Pacific, which Beijing views as its sphere of influence. Beijing largely concentrates its U.S.-focused influence efforts on shaping U.S. policy and the U.S. public's perception of China in a positive direction, but has shown a willingness to meddle in select election races that involved perceived anti-China politicians.

- Beijing uses a sophisticated array of covert, overt, licit, and illicit means to try to soften U.S. criticism, shape U.S. power centers' views of China, and influence policymakers at all levels of government. PRC leaders probably believe that a U.S. bipartisan consensus against China is impeding their efforts to directly influence U.S. national-level policy regarding China. Beijing has adjusted by redoubling its efforts to build influence at the state and local level to shift U.S. policy in China's favor because of Beijing's belief that local officials are more pliable than their federal counterparts. PRC actors have become more aggressive with their influence campaigns, probably motivated by their view that anti-China sentiment in the United States is threatening their international image, access to markets, and technological expertise. Beijing's growing efforts to actively exploit perceived U.S. societal divisions using its online personas move it closer to Moscow's playbook for influence operations.

- Beijing is intensifying efforts to mold U.S. public discourse—particularly by trying to shape U.S. views of sensitive or core sovereignty issues, such as Taiwan, Xinjiang, Tibet, and Hong Kong—and pressure perceived political opponents. As part of efforts to stifle anti-Beijing criticism, the PRC monitors overseas Chinese students for dissident views, mobilizes Chinese student associations to conduct activities on behalf of Beijing, and influences research by U.S. academics and think tank experts. These activities have included pressuring family members in China, denying or canceling visas, blocking access to China's archives and resources, and disrupting or withdrawing funding for exchange programs.

- China is rapidly expanding and improving its artificial intelligence (AI) and big data analytics capabilities, which could expand beyond domestic use.

RUSSIA

REGIONAL AND GLOBAL OBJECTIVES AND ACTIVITIES

Russia's unprovoked war of aggression against Ukraine is a tectonic event that is reshaping Russia's relationships with the West and China, and more broadly in ways that are unfolding and remain highly uncertain. Escalation of the conflict to a military confrontation between Russia and the West carries the greater risk, which the world has not faced in decades. Moscow will remain a formidable and less predictable challenge to the United States in key areas during the next decade but still will face a range of constraints. Russia will continue to pursue its interests in competitive and sometimes confrontational and provocative ways, including by using military force as it has against Ukraine and pressing to dominate other countries in the post–Soviet space to varying extents.

- Russia probably does not want a direct military conflict with U.S. and NATO forces, but there is potential for that to occur. Russian leaders thus far have avoided taking actions that would broaden the Ukraine conflict beyond Ukraine's borders, but the risk for escalation remains significant.

- There is real potential for Russia's military failures in the war to hurt Russian President Vladimir Putin's domestic standing and thereby trigger additional escalatory actions by Russia in an effort to win back public support. Heightened claims that the United States is using Ukraine as a proxy to weaken Russia, and that Ukraine's military successes are only a result of U.S. and NATO intervention could presage further Russian escalation. Russia's officials have long believed that the United States is trying to undermine Russia, weaken Putin, and install Western-friendly regimes in the post–Soviet states and elsewhere, which they conclude gives Russia leeway to escalate or widen the war if it chooses.

Moscow will continue to employ an array of tools to advance what it sees as its own interests and try to undermine the interests of the United States and its allies. These are likely to be military, security, malign influence, cyber, and intelligence tools, with Russia's economic and energy leverage probably a declining asset. We expect Moscow to insert itself into crises when it sees its interests at stake, the anticipated costs of action are low, it sees an opportunity to capitalize on a power vacuum, or, as in the case of its use of force in Ukraine, it perceives an existential threat in its neighborhood that could destabilize Putin's rule and endanger Russian national security. Russia probably will continue to maintain its global military, intelligence, security, commercial, and energy footprint, although possibly in a reduced role, and build partnerships aimed at undermining U.S. influence and boosting its own.

- In the Middle East and North Africa, Moscow will continue to use its involvement and the activities of the private security company Vagner in the Central African Republic, Libya, Mali, and Syria to increase its influence; try to undercut U.S. leadership; present itself as an indispensable mediator and security partner; and gain military access rights and economic opportunities. Moscow's ties to Tehran probably will improve politically and economically as both countries seek ways to circumvent sanctions, and advance closer bilateral economic and defense cooperation.

- In the Western Hemisphere, Moscow will seek to maintain its influence by continuing its diplomatic overtures and economic engagements mostly with the countries that it sees as key players or close partners, including Argentina, Brazil, Cuba, Nicaragua, and Venezuela.

- In the post–Soviet states, Moscow is less capable of intervening in Belarus, Central Asia, and the South Caucasus than it was in 2020 in Belarus and in 2022 in Kazakhstan—in both cases to prevent expressions of popular dissatisfaction with the government from leading to regime change. Russia's deployment of much of its ground forces and associated security personnel to Ukraine this past year probably has reduced the likelihood of Russian military intervention in other post–Soviet states.

- China and Russia will maintain their strategic ties driven by their shared threat perceptions of the United States, which create potential threats in areas such as security collaboration, specifically arms sales and joint exercises, and diplomacy, where each country has used its veto power on the UN Security Council against U.S. interests.

Russia will continue to use energy as a foreign policy tool to try to coerce cooperation and weaken Western unity on Ukraine, although sanctions resulting from the war are reshaping Russian energy relationships in both predictable and unpredictable ways. Russia's state-owned exporter Gazprom cut off gas to a number of European countries after they supported sanctions on Russia, contributing to soaring natural gas prices.

- Likewise, Russia has used food as a weapon by blocking or seizing Ukrainian ports, destroying grain infrastructure, occupying large swaths of agricultural land thereby disrupting the yields and displacing workers, and stealing grain for eventual export. These actions exacerbated global food shortages and price increases. Russia has used its capabilities in COVID-19 vaccine development and the nuclear power export industry as foreign policy tools.

Russia plays upon corruption in other countries to help advance its foreign policy goals and buy influence. However, widespread corruption within Russia itself represents a long-term domestic vulnerability as well as a drag on Russia's economic performance and ability to attract investment.

- Russia has used corruption to help develop networks of patronage in countries, including in Belarus and Ukraine, to try to influence decisionmaking and help carry out Russia's foreign policy objectives.

- Russians regularly identify corruption as one of the country's biggest problems, which has been a recurrent cause of public protests and a key theme of opposition figure Aleksey Navalnyy, who remains imprisoned.

- Even if international sanctions were eased or lifted, Russia probably would need to reduce corruption and state control of the economy, and improve the rule of law, to attract investment and expand economic growth.

UKRAINE

Russia's so-called special military operation against Ukraine has not yielded the outcome that Putin had expected. After its initial large-scale invasion of Ukraine on three fronts on 24 February 2022, Russia abandoned its efforts to capture Kyiv, withdrew from much of northern Ukraine, and focused on the Donbas region and other parts of southern Ukraine.

- Putin probably miscalculated the ability of the Ukrainian Armed Forces and the degree to which it would have some success on the battlefield. The Russian military has and will continue to face issues of attrition, personnel shortages, and morale challenges that have left its forces vulnerable to Ukrainian counterattacks. Putin's announcement of a partial mobilization of mostly untrained and unprepared

reservists will alleviate personnel shortage in the near term, but risks undermining Russian domestic support for the conflict.

- The full effects of Russian partial mobilization will only begin to be felt into the spring and summer. Although Russian forces continue to concentrate on the Donbas, they probably will not be able to take all of it in 2023.

- Evidence of atrocities committed by Russian forces against Ukrainian military personnel and civilians will continue to emerge as Ukrainian forces retake territory.

MILITARY CAPABILITIES

Moscow's military forces have suffered losses during the Ukraine conflict that will require years of rebuilding and leave them less capable of posing a conventional military threat to European security, and operating as assertively in Eurasia and on the global stage. Moscow will become even more reliant on nuclear, cyber, and space capabilities as it deals with the extensive damage to Russia's ground forces.

- Heavy losses to its ground forces and the large-scale expenditures of precision-guided munitions during the conflict have degraded Moscow's ground and air-based conventional capabilities and increased its reliance on nuclear weapons.

- The war has forced Moscow to reduce its ground forces deployed in the post–Soviet states and its private security company assets operating abroad. Moscow retains the ability to deploy naval, long-range bomber, and small general purpose air and ground forces globally, and Vagner and other private security companies maintain a presence in areas such as the Central African Republic and Mali.

WMD

Russia maintains the largest and most capable nuclear weapons stockpile, and it continues to expand and modernize its nuclear weapons capabilities. Russian nuclear material security also remains a concern, despite improvements to material protection, control, and accounting at Russia's nuclear sites since the 1990s.

- Throughout its invasion of Ukraine, Moscow has continued to show that it views its nuclear capabilities as necessary for maintaining deterrence and achieving its goals in a potential conflict against the United States and NATO, and it sees its nuclear weapons arsenal as the ultimate guarantor of the Russian Federation.

- After Russian military losses during Ukraine's counteroffensive in late summer 2022, Putin publicly warned the West that he was ready to use nuclear weapons to defend Russia.

Moscow continues to develop long-range nuclear-capable missile and underwater delivery systems meant to penetrate or bypass U.S. missile defenses. Russia is expanding and modernizing its large, diverse, and modern set of nonstrategic systems, which are capable of delivering nuclear or conventional warheads, because Moscow believes such systems offer options to deter adversaries, control the escalation of potential hostilities, and counter U.S. and allied conventional forces.

CYBER

The Ukraine war was the key factor in Russia's cyber operations prioritization in 2022. Although its cyber activity surrounding the war fell short of the pace and impact we had expected, Russia will remain a top cyber threat as it refines and employs its espionage, influence, and attack capabilities. Russia views cyber disruptions as a foreign policy lever to shape other countries' decisions.

- Russia is particularly focused on improving its ability to target critical infrastructure, including underwater cables and industrial control systems, in the United States as well as in allied and partner countries, because compromising such infrastructure improves and demonstrates its ability to damage infrastructure during a crisis.

MALIGN INFLUENCE OPERATIONS

Russia presents one of the most serious foreign influence threats to the United States, because it uses its intelligence services, proxies, and wide-ranging influence tools to try to divide Western alliances and increase its sway around the world, while attempting to undermine U.S. global standing, sow discord inside the United States, and influence U.S. voters and decisionmaking. Moscow probably will build on these approaches to try to undermine the United States as opportunities arise. Russia and its influence actors are adept at capitalizing on current events in the United States to push Moscow-friendly positions to Western audiences. Russian officials, including Putin himself, and influence actors routinely inject themselves into contentious U.S. issues, even if that causes the Kremlin to take a public stand on U.S. domestic political matters.

- Moscow views U.S. elections as opportunities for malign influence as part of its larger foreign policy strategy. Moscow has conducted influence operations against U.S. elections for decades, including as recently as the U.S. midterm elections in 2022. It will try to strengthen ties to U.S. persons in the media and politics in hopes of developing vectors for future influence operations.

- Russia's influence actors have adapted their efforts to increasingly hide their hand, laundering their preferred messaging through a vast ecosystem of Russian proxy websites, individuals, and organizations that appear to be independent news sources. Moscow seeds original stories or amplifies preexisting popular or divisive discourse using a network of state media, proxy, and social media influence actors and then intensifies that content to further penetrate the Western information environment. These activities can include disseminating false content and amplifying information perceived as beneficial to Russian influence efforts or conspiracy theories.

SPACE

Russia will remain a key space competitor, but it may have difficulty achieving its long-term space goals because of the effects of additional international sanctions and export controls following its invasion of Ukraine, a myriad of domestic space-sector problems, and increasingly strained competition for program resources within Russia. Moscow probably will focus on prioritizing and integrating space services—such as communications; positioning, navigation, and timing; geolocation; and intelligence, surveillance, and reconnaissance— deemed critical to its national security.

- Moscow is capable of employing its civil and commercial remote sensing satellites to supplement military-dedicated capabilities that reduce the U.S. ability to perform sensitive military activities

undetected. In addition to improving its launch capability, it is working to support human spaceflight and future deep space missions.

- Russia warned during a UN meeting in October 2022 that commercial infrastructure in outer space used for military purposes "can become a legitimate target for retaliation."

Russia continues to train its military space elements, and field new antisatellite weapons to disrupt and degrade U.S. and allied space capabilities. It is developing, testing, and fielding an array of nondestructive and destructive counterspace weapons—including jamming and cyberspace capabilities, directed energy weapons, on-orbit capabilities, and ground-based ASAT capabilities—to try to target U.S. and allied satellites. ***Similar to the space sector, resource and technology challenges could have an impact on the quality and quantity of Russia's future counterspace capabilities***.

- Russia is investing in electronic warfare and directed energy weapons to counter Western on-orbit assets. These systems work by disrupting or disabling adversary C4ISR capabilities and by disrupting GPS, tactical and satellite communications, and radars. Russia also continues to develop ground-based ASAT missiles capable of destroying space targets in low Earth orbit.

IRAN

REGIONAL AND GLOBAL OBJECTIVES AND ACTIVITIES

Iran will continue to threaten U.S. interests as it tries to erode U.S. influence in the Middle East, entrench its influence and project power in neighboring states, and minimize threats to the regime. Tehran will try to leverage diplomacy, its expanding nuclear program, its conventional, proxy, and partner forces, and its military sales and acquisitions to advance its goals. The Iranian regime sees itself as locked in an existential struggle with the United States and its regional allies, while it pursues its longstanding ambitions for regional leadership.

- The regime engaged in detailed talks throughout last year toward the renewal of the 2015 Joint Comprehensive Plan of Action (JCPOA), but Iran's hardline officials' distrust of Washington and doubts that the United States would deliver or sustain any benefits of a renewed JCPOA have stood in the way of finalizing a deal. In addition, Iran has demanded resolution of the "Safeguards" issue, which concerns unexplained nuclear activity at several additional Iranian sites, as a primary condition for renewing the nuclear agreement.

- In late 2022 and early 2023, the Iranian regime faced some of the most widespread and prolonged protests since the 1979 revolution. These protests were sparked by a cultural issue—rather than an economic or political one—but have since grown to encompass overall grievances with the Islamic Republic and have included a wide swath of society.

- Iranian officials are concerned about the protracted protests and perceive that foreign meddling is prolonging the unrest.

- Even if Iran has contained this round of protests through violence and intimidation, compounding crises in the coming year probably will further challenge the regime's legitimacy and staying power. With Iran's depreciating currency and annual inflation rates of almost 50 percent in late 2022, Tehran probably faces an economic downturn that the IC assesses could prolong or reignite unrest and result in greater instability.

Iran will continue to threaten U.S. persons directly and via proxy attacks, particularly in the Middle East. Iran also remains committed to developing surrogate networks inside the United States, an objective it has pursued for more than a decade. Iranian-supported proxies will seek to launch attacks against U.S. forces and persons in Iraq and Syria, and perhaps in other countries and regions. Iran has threatened to target former and current U.S. officials as retaliation for the killing of Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF) Commander Qasem Soleimani in January 2020, and has previously attempted to conduct lethal operations in the United States.

Iran remains a threat to Israel, both directly through its missile and UAV forces and indirectly through its support of Lebanese Hizballah, and other partners and proxies.

Iran will remain a source of instability across the region with its backing of Iraqi Shia militias, which pose the primary threat to U.S. personnel in Iraq. Iran's economic and military backing for the regime of Bashar al-Asad in Syria and support to the Huthis in Yemen—including provision of a range of advanced military systems—pose a threat to U.S. partners and interests, including Saudi Arabia.

MILITARY CAPABILITIES

Iran's hybrid approach to warfare—using both conventional and unconventional capabilities—will pose a threat to U.S. interests in the region for the foreseeable future. The IRGC will remain central to Iran's military power.

- Iran probably will seek to acquire new conventional weapon systems, such as advanced fighter aircraft, trainer aircraft, helicopters, air defense systems, para-naval patrol ships, and main battle tanks. However, budgetary constraints and fiscal shortfalls will slow the pace and breadth of acquiring these systems.

- Iran's missile, UAV, and naval capabilities will continue to threaten U.S. and partner commercial and military assets in the Middle East.

- Iran's unconventional warfare operations and network of militant partners and proxies enable Tehran to try to advance its interests in the region and maintain strategic depth.

Iran's ballistic missile programs, which already include the largest inventory of ballistic missiles in the region, continue to pose a threat to countries across the Middle East. Iran has emphasized improving the accuracy, lethality, and reliability of its missiles. Iran's work on space launch vehicles (SLVs)—including its Simorgh—shortens the timeline to an ICBM if it decided to develop one because SLVs and ICBMs use similar technologies.

NUCLEAR ISSUES

Iran is not currently undertaking the key nuclear weapons-development activities that would be necessary to produce a testable nuclear device. Since the assassination in November 2020 of nuclear scientist Mohsen Fakhrizadeh, Iran has accelerated the expansion of its nuclear program, stated that it is no longer constrained by any JCPOA limits, and undertaken research and development activities that would bring it closer to producing the fissile material for completing a nuclear device following a decision to do so. If Tehran does not receive sanctions relief, Iranian officials probably will consider further enriching uranium up to 90 percent.

- Iran consistently has cast its resumption of nuclear activities that exceed JCPOA limits as a reversible response to the U.S. withdrawal from the agreement. Iran continues to message that it would return to full compliance if the United States provided sanctions relief and fulfilled its JCPOA commitments, and if the IAEA closed its safeguards investigations related to three undeclared nuclear sites.

- In 2021, the IAEA verified that Iran conducted research on uranium metal production and has produced small quantities of uranium metal enriched up to 20 percent. While Iran made this enriched uranium metal as part of its research and development for a new type of reactor fuel, the production of uranium metal was prohibited under the JCPOA as a key capability needed to produce nuclear weapons.

- Iran continues to increase the size and enrichment level of its uranium stockpile beyond JCPOA limits. Iran continues to exceed JCPOA restrictions on advanced centrifuge research and development, and continues uranium enrichment operations at the deeply buried Fordow facility, which was prohibited under the JCPOA. Iran has been enriching and accumulating uranium hexafluoride (UF_6) up to 60 percent U-235 since April 2021, and continues to accumulate UF_6 enriched up to 20 percent.

- Tehran has taken steps to put diplomatic pressure on the United States and other JCPOA signatories, and to try to build negotiating leverage.

CYBER AND MALIGN INFLUENCE OPERATIONS

Iran's growing expertise and willingness to conduct aggressive cyber operations make it a major threat to the security of U.S. and allied networks and data. Iran's opportunistic approach to cyber attacks makes critical infrastructure owners in the United States susceptible to being targeted by Tehran, particularly when Tehran believes that it must demonstrate it can push back against the United States in other domains. Recent attacks against Israeli targets show that Iran is more willing than before to target countries with stronger capabilities.

NORTH KOREA

REGIONAL AND GLOBAL OBJECTIVES AND ACTIVITIES

North Korean leader Kim Jong Un is continuing efforts to enhance North Korea's nuclear and conventional capabilities targeting the United States and its allies, which will enable periodic aggressive actions to try to reshape the regional security environment in his favor. Kim probably is attempting to secure North Korea's position in what he perceives to be an international environment conducive to his brutal authoritarian system, as demonstrated by North Korea's repeated public support for Beijing and Moscow's foreign policy priorities.

- Kim almost certainly views nuclear weapons and ICBMs as the ultimate guarantor of his autocratic rule and has no intention of abandoning those programs, believing that over time he will gain international acceptance as a nuclear power. In 2022, Kim reinforced that position by testing multiple ICBMs intended to improve North Korea's ability to strike the United States and revising his country's nuclear law, underscoring the nuclear forces as the backbone of North Korea's national defense.

- North Korea is using its nuclear-capable missile program to try to establish strategic dominance over South Korea and U.S. forces in the region by pursuing missiles probably aimed at defeating missile defenses on the peninsula and the region and issuing threats to militarily respond to any perceived attacks against its sovereignty.

- Since September 2022, North Korea has timed its missile launches and military demonstrations to counter U.S.–South Korea exercises probably to attempt to coerce the United States and South Korea to change their behavior and counteract South Korean President Yoon's hardline policies toward the North. Pyongyang probably wants the alliance to decrease the pace and scale of the exercises with the ultimate goal of undermining the strength of the alliance.

- North Korea increasingly will engage in illicit activities, including cyber theft and exporting UN-proscribed commodities, to fund regime priorities such as the WMD program.

MILITARY CAPABILITIES

North Korea's military will pose a serious threat to the United States and its allies by continuing to invest in niche capabilities designed to provide Kim with a range of options to deter outside intervention, offset enduring deficiencies in the country's conventional forces, and advance his political objectives through coercion.

- North Korea's COVID-19 restrictions and reliance on the Korean People's Army (KPA) to enforce and execute some pandemic countermeasures probably have caused overall KPA combat readiness to decline in the near term, but key units probably will remain capable of executing their wartime missions.

Kim is continuing to prioritize efforts to build an increasingly capable missile force designed to evade U.S. and regional missile defenses. Kim probably will continue to order missile tests—from cruise missiles through ICBMs, and HGVs—to validate technical objectives, reinforce deterrence, and normalize Pyongyang's missile testing. To support development of these new missile systems, North Korea continues to import a variety of dual-use goods in violation of UN sanctions, primarily from China and Russia.

WMD

Kim remains strongly committed to expanding the country's nuclear weapons arsenal and maintaining nuclear weapons as a centerpiece of his national security structure. Public statements have reinforced North Korea's intent to enhance its ability to threaten both South Korea and the U.S. homeland.

- North Korea probably is preparing to test a nuclear device to further its stated military modernization goals to facilitate "tactical nuclear operations." In September 2022, North Korea codified a law reaffirming its self-proclaimed status as a nuclear power, establishing open-ended conditions for nuclear use, command and control, and rejecting denuclearization.

North Korea's CBW capabilities remain a threat, and the IC is concerned that Pyongyang may use such weapons during a conflict or in an unconventional or clandestine attack.

CYBER

North Korea's cyber program poses a sophisticated and agile espionage, cybercrime, and attack threat. Pyongyang's cyber forces have matured and are fully capable of achieving a range of strategic objectives against diverse targets, including a wider target set in the United States.

- Pyongyang probably possesses the expertise to cause temporary, limited disruptions of some critical infrastructure networks and disrupt business networks in the United States.

North Korea's cyber program continues to adapt to global trends in cybercrime by conducting cryptocurrency heists, diversifying its range of financially motivated cyber operations, and continuing to leverage advanced social engineering techniques.

- In one heist in 2022, Pyongyang stole a record $625 million from a Singapore-based blockchain technology firm.

Beyond Pyongyang's cybercrime efforts, cyber actors linked to North Korea have conducted espionage efforts against a range of organizations, including media, academia, defense companies, and governments in multiple countries. North Korea continues to conduct cyber espionage to obtain technical information almost certainly intended to advance Pyongyang's military and WMD programs.

CLIMATE CHANGE AND ENVIRONMENTAL DEGRADATION

Climate change will increasingly exacerbate risks to U.S. national security interests as the physical impacts increase and geopolitical tensions mount about the global response to the challenge. The increasing physical effects of climate change also are likely to intensify or cause domestic and cross-border geopolitical flashpoints.

- As temperatures rise and more extreme climate effects manifest, there is a growing risk of conflict over resources associated with water, arable land, and the Arctic. Additional factors, such as migration, some of which will be exacerbated by climate and weather events, will heighten these risks. Contested economic and military activities in the Arctic have the potential to increase the risk of miscalculation, particularly while there are military tensions between Russia and the other seven Arctic countries following Russia's invasion of Ukraine in early 2022.

- Geopolitical tensions between countries about how to accelerate reductions in greenhouse gas emissions are likely to grow, and states will compete to try to control resources and dominate the new technologies needed for a global transition to low-carbon energy.

Tensions also are rising between countries over climate financing. High-and middle-income countries still have not met their 2015 Paris Agreement pledges to provide $100 billion per year to low-income countries by 2020, and low-income countries want more assistance with adapting to climate effects.

- The extent of damage and human displacement in Pakistan that resulted from flooding in mid-2022, which is partially attributed to climate change, has led to more calls for high-income countries to pay low-income countries for losses they perceive are a result of climate change. Small island states have been advancing their efforts to bring cases before international judicial bodies to hold the United States and other top greenhouse gas emitters accountable for the effects of climate change.

- Climate-related disasters in low-income countries will deepen economic challenges, raise the risk of inter-communal conflict over scarce resources, and increase the need for humanitarian and financial assistance. The growing gap between the provision of basic needs and what governments and the international community can provide raises the likelihood of domestic protests, broader instability, extremist recruitment, and migration.

- More intense and frequent impacts from climate change also threaten to degrade high-income economies, hamper global trade, and strain financial systems. Droughts in 2022 decreased shipping capacity and energy generation in China, Europe, and the United States, and insured losses from catastrophes have increased 250 percent during the past 30 years.

China and India will play critical roles in determining the trajectory of temperature rise. They are the first and third largest emitting countries, respectively. Both are growing their total and per capita emissions, largely because of their reliance on cheap electricity generation from coal for economic growth, and because of their efforts to appease domestic constituencies who rely on the coal industry for jobs.

Intensifying effects from climate change are likely to exacerbate risks to human health, primarily but not exclusively, in low- and middle-income countries. Rising temperatures, changing precipitation patterns, and

increased frequency and severity of weather events are likely to intersect with environmental degradation, pollution, and poor water governance to exacerbate food and water insecurity, malnutrition, and overall burden of disease.

- Extreme heat, population pressures, and changes in rainfall because of climate change are negatively affecting agricultural and food production in many areas of the world.

Illegal, unreported, and unregulated (IUU) fishing practices, globally, are contributing to the decline of marine fisheries—eroding food and economic security in coastal areas, particularly in Africa and Asia. Eighty-five percent of worldwide fish stocks are fully exploited, overexploited, depleted, or recovering from depletion. Overfishing, habitat degradation, and climate-driven ocean changes will continue to harm fisheries.

- China's fleet of distant water fishing vessels—which often engages in IUU fishing—has contributed to overfishing more than any other nation. IUU fishing by vessels from China often crowds out local fishing, threatens food security, and drives instability in low-income countries and some coastal regions.

HEALTH SECURITY

INFECTIOUS DISEASES AND THE IMPACT OF THE COVID-19 PANDEMIC

Now entering its fourth year, the COVID-19 pandemic remains one of the most significant threats to global public health, at a cost of more than 6.5 million lives lost and trillions of dollars in lost economic output to date. Despite the gradual decline of the most severe health effects of COVID-19 because of the greater availability of vaccines globally, increased natural immunity, and better treatments, significant challenges remain as countries now are responding to new variants, waning vaccine protection, gaps in vaccine coverage, challenges in management of public health safety measures, and growing misinformation campaigns aimed at sowing doubt and discrediting public health institutions worldwide. ***In addition to direct effects of the pandemic, resultant economic, human security, political, and national security implications of COVID-19 continue to strain recovery efforts, presenting both known and unforeseen challenges that probably will ripple through society and the global economy during the next year and for years to come.***

- During the next year, pandemic-related higher debt burdens, constrained government spending, and ongoing employment disruptions and insecurity are expected to heighten the risk of financial instability and poverty, particularly in low-income countries and those recovering from the most severe economic effects of COVID-19.

- The combination of economic and human security challenges resulting from COVID-19 probably will further strain capacities of governments to meet public demands during the next year and for years to come, particularly when combined with the need to address similar challenges arising from climate change. The potential for public discontent and societal divisions will grow, and risks to democratic governance, political stability, and migration fluctuations in some countries will increase.

- Despite some improvement during the last year, pandemic effects continue to challenge the delivery of essential health services—in some cases because of healthcare worker shortages, delays in non-emergency procedures, or avoidance to seek healthcare because of misinformation or fears of becoming infected with COVID-19. The factors probably will continue to contribute to poor health outcomes and hamper countries' abilities to control disease, particularly low- and middle-income countries.

Countries globally remain vulnerable to the emergence or introduction of a novel pathogen that could cause a devastating new pandemic. Drivers for disease emergence persist and are on the rise, including climate change, deforestation, human encroachment into previously undisturbed habitats, wildlife harvesting and trade, mass food production, and lack of international consensus on biosafety norms. These drivers are compounded by factors that facilitate global spread, such as international travel and trade, inadequate global disease surveillance and control, distrust of public health authorities, health disinformation, and health system strain brought on by the COVID-19 pandemic. Emerging agricultural and livestock diseases and antimicrobial resistance—although not necessarily involving pathogens of pandemic concern—threaten to cause immense economic damage and disruption to food supplies if they spread globally or into new regions.

- A lack of global field biosafety standards and protective measures continues to raise concerns of viral spillover worldwide. Increased interest in field sampling and advanced biological research since the onset of the COVID-19 pandemic, poor training, and lack of international inspection and standardized

regulatory requirements have all been implicated in contributing to the risk of contamination and/or breaches in biocontainment.

Our Assessment of the Origins of COVID-19

The IC continues to investigate how SARS-CoV-2, the virus that causes COVID-19, first infected humans, maintaining a Community of Interest across agencies. All agencies assess that two hypotheses are plausible explanations for the origin of COVID-19: natural exposure to an infected animal and a laboratory-associated incident.

- Beijing continues to hinder the global investigation, resist sharing information, and blame other countries, including the United States.

BIOLOGICAL WEAPONS

Global shortcomings in preparedness for the COVID-19 pandemic and concerns with biosecurity, fabricated public claims about U.S. biological weapons development fueled by U.S. adversaries, as well as continued questions surrounding the origins of the COVID-19 virus, may inspire some adversaries to consider options related to the development of biological weapons.

- China, Iran, North Korea, and Russia continue to publicly push false narratives that may drive global threat perceptions of biological weapons, including linking U.S. laboratories abroad to COVID-19 origins, breaches in biosafety, untrustworthy vaccines, and biological weapons. Russia's false messaging about alleged U.S. biological weapons work has been amplified in the aftermath of Russia's invasion of Ukraine—leading up to its invocation of Article V at the Biological and Toxin Weapons Convention in 2022—and will persist as Russia pushes its false narratives across international venues.

- Rapid advances in dual-use technology, including bioinformatics, synthetic biology, nanotechnology, and genomic editing, could enable development of novel biological weapons that complicate detection, attribution, and treatment.

ANOMALOUS HEALTH INCIDENTS

We continue to closely examine Anomalous Health Incidents (AHIs) and ensure appropriate care for those affected. IC agencies assess with varying levels of confidence that most reported health incidents can be explained by medical conditions, or environmental or technical factors, and that it is unlikely that a foreign actor—including Russia—is conducting a sustained, worldwide campaign involving hundreds of incidents without detection. This finding does not change the fact that U.S. personnel are reporting real experiences, nor does it explain every report. The IC continues to actively investigate the AHI issue, focusing particularly on a subset of priority cases for which it has not ruled out any cause, including the possibility that one or more foreign actors were involved.

ADDITIONAL TRANSNATIONAL ISSUES

PREFACE

While climate change and the COVID-19 pandemic highlight the challenges that a wide range of transnational issues pose to U.S. national security, we will now address several other priority issues. Some have a direct and immediate impact on U.S. interests, such as narcotics trafficking and terrorism. Others seem to be building, or pose chronic, indirect challenges such as vulnerabilities in our supply chain, Internet governance, and global economic shocks. These issues also vary in the scope of the consequences they pose, having broad, global impact or causing local, even individual effects.

Transnational threats interact in a complex system along with more traditional threats such as strategic competition, often reinforcing each other and creating compounding and cascading risks to U.S. national security. Increasing interconnections among countries—ranging from supply chains to social media—also have created new opportunities for transnational interference and conflict.

Several transnational challenges stand out for the clear and direct threats they will pose to U.S. interests during the coming years. Among these are the rapid development of technologies, the spread of digital repression on the Internet, the threats posed by transnational organized crime and terrorism, and the societal effects of international migration.

DEVELOPMENTS IN TECHNOLOGY

New technologies—particularly in the fields of AI and biotechnology—are being developed and are proliferating faster than companies and governments can shape norms, protect privacy, and prevent dangerous outcomes. The convergence of emerging technologies is likely to create potentially breakthrough technologies not foreseeable by examining narrow science and technology areas, which could lead to the rapid development of asymmetric threats to U.S. interests.

- The convergence of capabilities in high-performance computing, big data, and machine learning—each a critical enabler across multiple domains—could have broad yet unidentified consequences across military, commercial, and basic research applications with relevance to national defense, economic security, and political stability.

- Large-scale simulation and the accumulation and analysis of massive amounts of data are revolutionizing many areas of science and engineering research with the potential to influence the future battlefield and shape political discourse through disinformation operations. Our adversaries increasingly view data as a strategic resource. They are focused on acquiring and analyzing data—from personally identifiable information on U.S. citizens to commercial and government data—that can make their espionage, influence, kinetic and cyber attack operations more effective; advance their exploitation of the U.S. economy; and give them strategic advantage over the United States.

- Foreign intelligence services are adopting cutting-edge technologies—from advanced cyber tools to unmanned systems to enhanced technical surveillance equipment—that improve their capabilities and challenge U.S. defenses. Much of this technology is available commercially, providing a shortcut for previously unsophisticated services to become legitimate threats.

The global pandemic, which spurred unprecedented collection of genetic and health data worldwide, along with technological advances in genetic engineering, genome sequencing, and DNA modification, are driving new lines of effort in biotech research.

- Several countries, universities, and private companies have or are creating centralized genetic or genomic databases to collect, store, process, and analyze genetic data, albeit at the risk of potentially compromising health and genetic data privacy, and are ripe targets for cyber attack and theft.

- China has been collecting genetic and health data from its entire population, bolstering the state's surveillance and security apparatus, and its ability to try to monitor, manage, and control society in real-time. Beijing also has collected U.S. health and genomic data through its acquisitions and investments in U.S. companies, as well as cyber breaches.

Advances in semiconductors and high-performance computing are driving military and technological breakthroughs, but also are heightening the risk of technology surprise because high-performance computers will help address longstanding research and development hurdles. Our adversaries' advances in semiconductors and high-performance computing could result in future challenges to our military and technological sectors.

- China may now have two exascale systems using older generation, domestically designed processors—neither of which have been officially acknowledged or subject to independent benchmarks—and plans to build more by 2025. Exascale computers are capable of solving massive scientific challenges that would have been impossible with previous generation supercomputers.

- As of June 2022, China had 173 of the world's most powerful supercomputers, a third more than the United States, which accounted for 128 supercomputers.

TRENDS IN DIGITAL AUTHORITARIANISM AND MALIGN INFLUENCE

Globally, foreign states' malicious use of digital information and communication technologies will become more pervasive, automated, targeted, and complex during the next few years, further threatening to distort publicly available information and probably will outpace efforts to protect digital freedoms. The exploitation of U.S. citizens' sensitive data and illegitimate use of technology, including commercial spyware and surveillance technology, probably will continue to threaten U.S. interests.

Authoritarian governments usually are the principal offenders of digital repression, but some democratic states have engaged in similar approaches, contributing to democratic backsliding and erosion. Many foreign governments have become adept at the tools of digital repression, employing censorship, misinformation and disinformation, mass surveillance, and invasive spyware to suppress freedom. During the next several years, governments are likely to grow more sophisticated in their use of existing technologies, and learn quickly how to exploit new and more intrusive technologies for repression, particularly automated surveillance and identity resolution techniques.

- Digital repression is occurring against the backdrop of broader digital influence operations that many autocrats are conducting globally to try to shape how foreign publics view their regimes, create social and political upheaval in some democracies, shift policies, and sway voters' perspectives and preferences.

Various technologies now constitute an important component of many governments' repressive toolkits, extending states' power to stifle dissent beyond traditional means—such as censoring print media or physically harming dissidents—which repressive regimes continue to employ. Firms around the world sell capabilities and expertise that facilitate governments' internal and extraterritorial monitoring and repression.

- The commercial spyware industry—which makes tools that allow users to hack digital devices such as mobile telephones to surveil users—grew rapidly during the past decade and is now estimated to be worth $12 billion. While some states use such spyware tools and lawful intercept programs to target criminals and terrorists, governments also are increasingly using spyware to target political opposition and dissidents.

- Authoritarian states use spyware and other digital means to conduct transnational repression against individual critics and diaspora communities to limit their influence over domestic audiences. Monitoring and threats against these communities limit freedom of speech wherever they reside, including in the United States and other liberal democracies.

- Beijing has demonstrated its willingness to enlist the aid of China-based commercial enterprises to help surveil and censor PRC critics abroad, and China's technology industry is a key global supplier of advanced surveillance technologies to foreign governments.

NUCLEAR PROLIFERATION

The expansion of nuclear weapons stockpiles and their delivery systems, coupled with increasing regional conflict involving nuclear weapons states, pose a significant challenge to global efforts to prevent the spread and use of nuclear weapons. Arms control efforts through 2035 probably will change in scope and complexity as the number of strategic technologies and the countries that have them grow.

- China and Russia are seeking to ensure strategic stability with the United States through the growth and development of a range of weapons capabilities, including nontraditional weapons intended to defeat or evade U.S. missile defenses. Consequently, these new technologies probably will challenge the way states think about arms control, and we expect it will be difficult to achieve agreement on new weapon definitions or verification measures, particularly at the multilateral level.

GLOBAL ECONOMIC CONSEQUENCES OF RUSSIA–UKRAINE WAR

Russia's aggression against Ukraine has aggravated COVID-19-related fragilities in the global economy, raised commodity prices, fueled market volatility, and contributed to food insecurity and financial instability, particularly in low-income countries. The multiplicity of reinforcing fragilities suggest that these trends will continue this year as governments struggle to insulate their populations from eroding living standards linked to inflation and low economic growth.

- No country has been immune to these effects. European economies, which together account for one-fifth of global GDP, face multiple headwinds from spillover effects from the conflict. Europe's energy supplies are likely to remain tenuous and its energy prices high and volatile, because of its longstanding reliance on oil and gas supplies from Russia, and the prospect that these will now be unavailable to an unprecedented degree. Europe is facing historically high inflation rates, largely because of the shock to energy supplies, with some countries experiencing their highest inflation in 40 years.

- Many low-income countries already have depleted foreign reserves and little fiscal space to weather the fallout from Russia's invasion of Ukraine. Consequently, as central banks raise interest rates to manage higher inflation, higher debt servicing costs will limit many countries' capacity to fund government spending for their populations and maintain affordable food supplies.

- The conflict in Ukraine and uncertainty in markets, combined with rising interest rates, have led investors to the safety of U.S. assets and contributed to an appreciation of the dollar in 2022, resulting in the weakening of other currencies. These dynamics will make access to global credit more difficult particularly for low-income economies and raise the risk of debt defaults.

The combination of elevated energy and food prices has increased the number of individuals facing extreme poverty and food insecurity, particularly in low-income countries, and these countries will struggle to reverse these trends through 2023, even if global food prices stabilize. High food prices predate Russia's invasion of Ukraine and the resulting reductions in grain exports have reduced the purchasing power of millions of households and limited their ability to absorb new price hikes.

- Russia and Ukraine are among the most important producers of agricultural commodities in the world. Both countries are net exporters of agricultural products and fertilizers to global markets, where exportable supplies often are concentrated in a handful of countries.

- Before the war, more than 25 countries were dependent on Russia and Ukraine for more than 50 percent of their wheat imports.

- Poor households globally spend more than 40 percent of their incomes on food, compared with about 10 percent in high-income countries, making these populations particularly vulnerable to persistently high food prices.

MIGRATION

In the Western Hemisphere, push and pull factors that drive migrants from Latin America and the Caribbean to the United States—such as deteriorating socioeconomic and security conditions in certain countries, misperceptions of U.S. policies, and employment opportunities in the United States—probably will persist through 2023.

- Factors including high-crime rates, violence, political repression, corruption, weak job markets, and poor living conditions remain among the primary push factors for U.S.-bound migration from Colombia, Cuba, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, and Venezuela because origin countries lack the resources or willingness to address these challenges.

- Since 2020, increased migrant outflows from Haiti and Venezuela to Latin American and Caribbean countries have imposed economic costs on and heightened xenophobia within the recipient countries, decreasing their willingness to receive these migrants. Increased obstacles to remaining in nearby countries could lead more Haitian and Venezuelan migrants to view migration to the United States as an attractive goal.

- Latin American and Caribbean governments are struggling to manage the sustained high flow of migrants to the U.S. border from across the region. The measures most governments are willing to take could slow down some migrants heading to the U.S. border, but probably will do little to change the dynamics behind sustained high levels of irregular migration to the United States.

Transnational criminal organizations (TCOs) exploit migrants through extortion, kidnapping, and human trafficking—including sex trafficking and forced labor.

Worldwide, the number of people displaced by conflict, violence, and natural disasters within their own national borders and into other countries continues to increase, straining governments' abilities to care for domestic populations and mitigate any associated public discontent. Meanwhile, a growing gap between humanitarian needs and the provision of international financial assistance has the potential to exacerbate migration flows.

- Russia's invasion of Ukraine has prompted the largest flow of refugees into European countries since World War II, with more than four million Ukrainians registering for protections under the EU Temporary Protection Directive—including more than one million in Poland. European public support for Ukrainian refugees has been strong since the beginning of the war. Over time, though, Europe's domestic economic challenges, including inflation and soaring energy costs, might soften Europeans' level of support for hosting refugees. Long-term housing for Ukrainian refugees may become an issue in some EU member states because many refugees are staying in hosted accommodations rather than renting their own housing.

- Scientific projections of below-average rain and droughts in parts of the Horn of Africa and South America, as well as flooding in other regions during the coming year probably will lead to more migration events even as countries such as Pakistan are recovering from natural disasters that occurred in 2022.

TRANSNATIONAL ORGANIZED CRIME

TCOs threaten U.S. and allied public safety, undermine the integrity of the international financial system, and erode the rule of law in partner nations. These challenges directly impact U.S. national security by driving irregular migration issues, spurring criminality and violence, and advancing the interests of some U.S. adversaries. TCOs engage in illicit drug production and trafficking, human trafficking, human smuggling, money laundering and financial crimes, and cybercrime that directly impacts the United States.

- TCOs view human trafficking, including sex trafficking and forced labor, and smuggling as low risk crimes of opportunity motivated by financial gain.

Foreign Illicit Drugs

Western Hemisphere-based TCOs involved in illicit drug production and trafficking bound for the United States endanger the health and safety of millions of U.S. citizens and drive crime and corruption. U.S. law enforcement is seizing increased quantities of fentanyl, and the majority of the more than 100,000 annual deaths from drug overdoses in the United States stem from fentanyl.

- Mexican TCOs are the dominant producers and suppliers of illicit drugs to the U.S. market, including fentanyl, heroin, methamphetamine, and South American-sourced cocaine. Mexican TCOs have flooded the United States with cheap counterfeit pills containing fentanyl, some in different shapes and rainbow colors, a contributing factor to the sharp increase in U.S. teen overdose deaths since 2019.

- Mexican TCOs obtain the majority of precursor chemicals needed to produce fentanyl from China through mostly Chinese and Mexican chemical brokers and are able to circumvent international controls through mislabeled shipments and buying unregulated dual-use chemicals.

- Mexican TCOs engage in violent territorial disputes with rivals over drug and migrant smuggling routes. Colombia, the world's leading producer of cocaine, is experiencing an increase in homicides, partially fueled by TCOs involved in the drug trade.

Money Laundering and Financial Crimes

TCOs threaten the integrity of the U.S. and international financial system, laundering billions of dollars of illicit proceeds through the United States and other financial institutions. TCOs regularly use shell companies to disguise their identity and may rely on professional money launderers or gatekeepers, such as accountants, lawyers, notaries, and real estate brokers, to gain access to the legitimate financial systems. TCOs move and launder illicit proceeds through bulk cash smuggling, exploitation of legitimate remittance channels, purchase of U.S. real estate, structured deposits, trade-based money laundering, and wire transfers.

Cybercrime

Transnational organized ransomware actors continue to improve and execute high-impact ransomware attacks, extorting funds, disrupting critical services, and exposing sensitive data. While important services and critical infrastructure such as health care, schools, and manufacturing continued to experience attacks—with a large portion occurring in the United States—an increasing number of ransomware attacks observed in 2022 also targeted governments worldwide.

- Major cybercrime groups have diversified ransomware business models, including new forms of extortion, such as threats to release captured data alongside encryption of data, and have improved the ability of their malware to affect a wider range of technical targets such as virtual machine hosts and network storage devices.

Ransomware groups sometimes cease operations in response to high-profile attention, law enforcement action, or disruption of infrastructure, although group members also find ways to later rebrand, reconstitute, or renew their activities following these disruptions. They also may question or curb attacks against target sets that prove most resilient in refusing to pay the demanded ransoms.

GLOBAL TERRORISM

U.S. persons and interests at home and abroad will face a persistent and increasingly diverse threat from terrorism during the next year. Individuals and cells adhering to ideologies espoused by ISIS, al-Qa'ida, or the transnational Racially or Ethnically Motivated Violent Extremists (RMVE) movement pose a significant terrorist threat to U.S. persons, facilities, and interests. Iran and Lebanese Hizballah remain committed to conducting terrorist attacks and could seek to do so on U.S. soil. While ISIS and al-Qa'ida suffered major leadership losses in 2022, degrading external operations and capabilities, both organizations' offshoots continue to exploit local conflicts and broader political instability to make territorial and operational gains.

ISIS

Even following the loss of several key ISIS leaders in 2022, ISIS's insurgency in Iraq and Syria will persist as the group seeks to rebuild capabilities and replenish its ranks. The threat from ISIS against U.S. persons, facilities, and interests probably will remain greatest in regions where the group has an operational presence. ISIS's ideology and propaganda, however, almost certainly will continue to inspire attacks in the West, including in the United States.

- In Iraq and Syria, ISIS has slowed its operational tempo relative to when it controlled physical territory from 2014–19, probably because of logistical, financial, personnel, and leadership shortfalls.

- ISIS's threat to U.S. persons and interests is greatest in regions where ISIS possesses a dangerous affiliate such as Africa, Central and South Asia, and the Middle East.

- In Afghanistan, ISIS–Khorasan will maintain its campaign against the Taliban and religious minorities with deadly repercussions for the country's civilians. ISIS–Khorasan almost certainly retains the intent to conduct operations in the West and will continue efforts to attack outside Afghanistan.

Al-Qa'ida

Al-Qa'ida viewed the Taliban's seizure of power as a victory for the global jihad, but the death of overall Emir Ayman al-Zawahiri in 2022 will disrupt the group's plans in Afghanistan. The group will rely on its regional affiliates to sustain the organization as some al-Qa'ida leaders seek to maintain safe haven in Iran while adapting to Taliban restrictions in Afghanistan.

- Al-Qa'ida probably will gauge its ability to operate in Afghanistan under Taliban restrictions and will focus on maintaining its safe haven before seeking to conduct or support external operations from Afghanistan.

- The threat from al-Qa'ida in Afghanistan will depend on the Taliban, the appeal of Afghanistan relative to other geographic areas, and leadership focus.

Al-Qa'ida remains committed to attacking U.S. interests, although the threat is greatest in the regions where its affiliates operate rather than in the U.S. homeland. Al-Qa'ida's affiliates in East and West Africa and Yemen pose the greatest threat to U.S. persons, facilities, and interests in their respective regions. Affiliates' confidence in their external attack capabilities, risk calculus, and perception of the threat that the United States poses to the groups' local goals will influence the priority they place on attacking U.S. interests.

- Al-Qa'ida's affiliates in Africa such as Al-Qa'ida in the Lands of the Islamic Maghreb (AQIM) and al-Shabaab exploit instability in Burkina Faso, Ethiopia, and Mali, and weak border security in West Africa to expand territorial control and challenge local security forces.

Hizballah

Lebanese Hizballah will continue to develop its global terrorist capabilities as a complement to the group's growing conventional military capabilities in the region.

- Hizballah seeks to reduce U.S. influence in Lebanon and the broader Middle East, and maintains the capability to target U.S. persons and interests in the region, worldwide, and, to a lesser extent, in the United States. Iran could benefit strategically if Hizballah were to conduct terrorist activity on U.S. soil.

Transnational Racially or Ethnically Motivated Violent Extremists

Transnational RMVEs continue to pose the most lethal threat to U.S. persons and interests, and a significant threat to a number of U.S. allies and partners through attacks and propaganda that espouses violence. Transnational RMVEs are largely a decentralized movement of adherents to an ideology that espouses the use of violence to advance white supremacy, neo-Nazism, and other exclusionary cultural-nationalist beliefs. These actors increasingly seek to sow social divisions, support fascist-style governments, and attack government institutions. The transnational and loose structure of RMVE organizations challenges local security services and creates a resilience against disruptions.

- Transnational RMVEs capitalize on societal and political hyperpolarization to try to legitimatize their aims and mainstream their narratives and conspiracy theories into the public discourse. These RMVEs believe that recruiting military members will help them organize cells for attacks against minorities or institutions that oppose their ideology.

- Transnational RMVEs have plotted attacks and encouraged violence against government officials in Australia and throughout Europe, including in Belgium, France, Germany, and Iceland. Transnational RMVEs often call for attacks in the United States and allied countries, and some RMVE attacks in the United States have been partly inspired by foreign RMVE attacks overseas and transnational RMVE narratives, but we lack information that foreign RMVEs directly assisted any attacks in the United States.

- Terrorgram, a loosely connected network of channels on the messaging application Telegram, has circumvented multiple efforts to moderate content. Terrorgram serves as a transnational forum for RMVEs to share propaganda, exchange operational guidance, and valorize the perpetrators of previous terrorist attacks.

A prolonged conflict in Ukraine could provide foreign RMVEs with opportunities to gain access to battlefield experience and weapons. Ukraine featured heavily in online discussions among foreign RMVEs in the immediate aftermath of Russia's invasion of Ukraine, although the total number of foreign violent extremists traveling to Ukraine has been limited.

CONFLICTS AND FRAGILITY

PREFACE

Interstate conflict, state instability, and other governance challenges pose direct and indirect challenges to U.S. interests at home and abroad, and to our allies and partners. Rising tensions underpinned by intensifying strategic competition present numerous consequences for U.S. and partners' national security. For instance, countries' increased military operations across a number of geographic hotspots risk the possibility of inadvertent escalation and the potential for interstate conflict. Russia's war in Ukraine coupled with the COVID-19 pandemic has increased poverty, hindered economic growth, and widened inequality, raising the conditions that are ripe for domestic unrest, insurgencies, democratic backsliding, and authoritarianism.

POTENTIAL INTERSTATE CONFLICT

The war in Ukraine has demonstrated how interstate conflict affects not only the parties directly involved, but can have broader cascading security, economic, and humanitarian implications on a regional—and even global—scale. The following are a few of the potential conflicts between states that could spillover with repercussions that may require immediate U.S. attention.

India–China

While India and China have engaged in bilateral border talks and resolved border points, relations will remain strained in the wake of the countries' lethal clash in 2020, the most serious in decades. The expanded military postures by both India and China along the disputed border elevate the risk of armed confrontation between two nuclear powers that might involve direct threats to U.S. persons and interests, and calls for U.S. intervention. Previous standoffs have demonstrated that persistent low-level friction on the Line of Actual Control (LAC) has the potential to escalate swiftly.

India–Pakistan

Crises between India and Pakistan are of particular concern because of the risk of an escalatory cycle between two nuclear-armed states. New Delhi and Islamabad probably are inclined to reinforce the current calm in their relationship following both sides' renewal of a cease-fire along the Line of Control in early 2021. However, Pakistan has a long history of supporting anti-India militant groups, and under the leadership of Prime Minister Narendra Modi, India is more likely than in the past to respond with military force to perceived or real Pakistani provocations. Each side's perception of heightened tensions raises the risk of conflict, with violent unrest in Kashmir or a militant attack in India being potential flashpoints.

Azerbaijan–Armenia

Relations between Armenia and Azerbaijan are likely to remain tense and occasionally volatile in the absence of a peace treaty, given the proximity of military forces at the interstate border, the lack of a cease-fire enforcement mechanism, and Azerbaijan's readiness to use calibrated military pressure to advance its goals in talks with Armenia. The continued presence of military forces in close proximity along the delimited border elevates

the risk of armed confrontation between Armenia and Azerbaijan, although such confrontations are likely to be limited in duration and intensity.

- Since May 2021, military clashes have occurred regularly at the interstate border and around the Nagorno-Karabakh region. The most intense flare-up took place in September 2022, when Azerbaijani forces launched a coordinated attack at multiple locations along the border, seizing some Armenian territory and resulting in nearly 300 military deaths.

- Peace talks have made some progress, but the most challenging issues—related to state borders and the future of Nagorno-Karabakh—are far from being resolved.

INTERNAL STRIFE

Domestic unrest—whether grounded in social divisions, competitive political ideologies, or an inability of the state to deliver on basic human services—can fuel cycles of violence, insurgencies, and internal conflict. The consequences often are felt beyond the borders of the affected area, sometimes spreading discord to other countries, and expanding the scope and scale of the security challenges. Whether these are bouts of violence or long-term insurgencies and civil wars, these instances of internal strife can erode governing institutions, entrench internal divisions, and deplete state resources, as well as challenge the United States' and Allies' ability to effectively partner with these nations. Below we highlight a few of the countries and regions struggling with violence, unrest, and insurgencies.

Iraq

Iraq's stability will depend on whether the new government is able to provide public services, address widespread grievances over corruption, and maintain security operations to prevent an ISIS resurgence. Iraqi Shia militias almost certainly will continue to pose a credible threat to U.S. forces in Iraq and the region.

- After a year of political stalemate and heightened intra-Shia violence following the elections in October 2021, the Iran-aligned Coordination Framework elected a new president and designated a prime minister in October 2022. Shia cleric Muqtada al-Sadr has vowed not to participate in the new government.

Burma

Protracted violence between the Burmese junta and its prodemocracy opponents probably will sharpen as neither side has the military capability to win outright in the near future, and both sides increasingly see their conflict in existential terms, effectively precluding compromise. A breakdown in military cohesion or significant changes in external support to either side—particularly to the anti-regime forces—probably are needed to produce the conditions required for a military victory or a political agreement.

- Ongoing violence, combined with a deteriorating economy, is likely to continue the ongoing humanitarian and human rights crisis, with implications for Burma's cohesion as well as regional security.

East Africa

In East Africa, prolonged internal conflicts are straining regional capacity and creating openings for increased involvement by external actors. This includes civil conflicts in Ethiopia, a growing insurgency in the Democratic Republic of the Congo (DRC), and continued instability in Somalia. Persistent internal conflicts in two of the largest countries in the region, Ethiopia and the DRC, are eroding trust between leaders and the public, and driving inter-ethnic tensions. Regional diplomatic and security initiatives to resolve these conflicts have drawn in additional African countries, particularly Angola, Kenya, and South Africa.

- We are concerned that the continued presence of Eritrea and allied militias in Ethiopia following a cessation of hostilities agreement between the government and Tigrayans continues to raise the risk of atrocities against the civilian population in Tigray. Moreover, an escalation in attacks by the Oromo Liberation Front has ratcheted up tensions between the Oromo and Amhara—the two largest ethnic groups in the country—and led to increased violence against civilians and between the group and government security forces.

- In eastern DRC, fighting between the DRC military and Rwanda-backed rebel group, known as "March 23," has contributed to the largest internal displacement situation in Africa. Rwanda has a long history of intervening in eastern DRC and views Kinshasa's inability to root out anti-Rwandan rebel groups as a threat to its stability. Hate speech and violence against ethnic Rwandans in eastern DRC is on the rise.

- In Somalia, al-Shabaab has scaled up attacks in response to offensives against the group by the federal government, allied with local clan militias and partner forces, in central Somalia since mid-2022. In tandem with this campaign, President Hassan Sheikh Mohamud is working to mend ties with federal member states, a fraught relationship that has contributed to chronic poor governance and lack of service delivery to the Somali population.

Western Hemisphere

Across the Latin American and Caribbean region, electorates' growing frustration with their governments' inability to improve living standards will fuel continued anti-incumbency protests and even spurts of unrest through 2030. For instance, Haiti's ineffective government, ongoing gang-driven violence, political volatility, faltering economy, and health challenges have fueled domestic insecurity and outbursts of violence, which has become increasingly unpredictable, complicating an already precarious humanitarian situation.

Afghanistan

The Taliban regime will continue to prioritize enforcement of theocratic rule and consolidating power over building a modern state, contributing to Afghanistan's structural economic weaknesses and persistent humanitarian crisis.

- The Taliban is unlikely to increase the regime's inclusivity in any meaningful way. It currently includes few ethnic minorities and no women in senior-level positions. Taliban-linked religious scholars probably will continue to use their influence to steer the regime's policy interpretation of sharia through disseminating and clarifying Taliban guidance.

- Across the country, most girls' secondary schools remain closed, and women are prevented from working in many sectors, attending university, and traveling long distances independently. In many areas, public punishments have returned, along with media controls and crackdowns on protests. However, near-term prospects for regime-threatening resistance are low because large swathes of the Afghan public are weary of war and fearful of Taliban reprisals, and armed remnants lack strong leadership and external support.

- Taliban leaders lack the resource base and technical capacity to foster a sustained recovery of the Afghan economy, which has contracted by 30 percent since the Taliban takeover. They probably will rely on humanitarian aid to sustain some basic services and would rather preside over a more rudimentary economic system than accept international conditions to access additional assistance.

- A majority of Afghans are suffering food insecurity because of the effects of conflict, drought, and natural disasters. Further economic deterioration could increase Afghans' desire and attempts to migrate to neighboring countries.

- Regional powers will continue to narrow their interests largely to keeping problems contained in Afghanistan and seek to develop transactional arrangements with the Taliban while proceeding cautiously with formal recognition. These governments have been frustrated with the Taliban regime over issues including border security and water rights.

GOVERNANCE CHALLENGES

Throughout the world, countries are struggling to maintain democratic systems and prevent the rise of authoritarian regimes, in some cases because authoritarian regimes such as Russia and China are helping autocrats rise to power and remain there. The challenges often are intertwined with diminished socioeconomic performance, endemic corruption, pressures from climate change, and the spread of extremists' ideologies from terrorist and insurgent groups. During the past decade, an erosion of democracy around the world, strains in U.S. alliances, and challenges to accepted, international norms have made it more difficult for the United States and its Allies to tackle transnational challenges such as climate change and the pandemic, while creating greater opportunities for rogue governments and groups to operate with impunity. Below we highlight a few of the regions and countries that will struggle with democratization and governance.

Africa

Across the continent, governments will face difficulties in meeting public demands amid food shortages, commodity price spikes, declining socioeconomic conditions, and stresses of extreme weather events and insecurity. In addition, the prevalence of ageing autocrats, disruptions to fragile ethnic power balances, and protracted transitions from post-coup military regimes to civilian rule are likely to undermine prospects for stable governance in more than a dozen countries.

- In West Africa, a volatile mixture of democratic backsliding, states' inability to provide security, and terrorist expansion will continue to threaten the region's stability. West African publics have become disillusioned with how elected leaders have governed, particularly their failure to adhere to democratic governance norms and manipulation of institutions, which could lead to increased protests absent government reforms.

- In East and Central Africa, climate-related conditions such as drought, flooding, and persistent food insecurity risk undermining efforts by leaders to improve governance and the economy.

Europe

Populist parties across the political spectrum probably will take advantage of inflation and high energy prices to increase their support in at least some national and subnational elections during the coming year and make governments—even those in which they are not represented—more cautious about liberalizing migration or trade. Populist parties that oppose immigration and deeper EU integration using antiestablishment rhetoric constitute the largest share of this group and have channeled voters' frustration with mainstream leaders' handling of successive crises and the perceived erosion of national culture and sovereignty. European governments' differing views on key policies, in some cases because of concerns about domestic blowback, have hampered deeper EU political and economic integration and contributed to some transatlantic trade tensions.

- In some Central European countries, populist leaders have begun to erode democratic practices by using state power to gain unfair political advantage. These leaders have enacted policies that undermine press freedom, weaken independent judiciaries, disproportionately benefit their own parties, and entrench corruption and poor accountability.

- If Europe's ongoing energy crisis develops into an extended economic downturn, prolonged economic difficulties almost certainly would prompt public discontent—potentially including increased mass public protests—and undermine backing for mainstream European governments while increasing support for populist and extreme parties. Mainstream parties' efforts to win back support by adopting populist policies have been generally unsuccessful and also may undermine the quality of democracy.

Western Hemisphere

Persistent economic weakness, compounded by the damaging effects of the COVID-19 pandemic, insecurity, and corruption are fueling public frustration and anti-status quo pressures that very likely will present governance challenges to Latin American and Caribbean leaders through at least 2030. Faced with competing demands to reinvigorate growth while addressing public demands for lasting reforms, Latin American leaders probably

will have little flexibility to adjust budget priorities or borrow funds to meet key goals. Regional leaders most likely will prioritize quick economic fixes over difficult reforms to secure some policy successes.

- Severe shortages of essential goods, high inflation, and a lack of reliable electricity are fueling a record wave of migration to the United States.

- Venezuela faces poor prospects for economic recovery, which probably would take decades to improve if the current regime departed. Venezuela is unlikely to see a full restoration of democracy in the near future.

Tunisia

Tunisia's deteriorating economic situation coupled with President Kais Saied's ongoing consolidation of governing authority increase the risk for a serious breakdown in stability. Plausible but unlikely scenarios stemming from severe economic breakdown include an irregular leadership transition prompted by a popular uprising or, less likely, state collapse or a coup.

- Saied has prioritized advancing his political reform plan over addressing poor economic conditions that have historically driven unrest in Tunisia.

- Tunisia faces worsening shortages and inflation as it awaits an IMF loan and other external financing that would help the government avoid further economic decline.