



Information Statement

13th February 2025

Shafik Gabr Foundation Annual Munich Opening Dinner



Expecting the Unexpected: 2025 and Beyond at the Munich Security Conference

This February, for the third consecutive year, Chairman Shafik Gabr and the Shafik Gabr Foundation hosted the “*Expecting the Unexpected*” working dinner at the Munich Security Conference. This series complements the dinners regularly held during the World Economic Forum in Davos and in other global forums.

The “*Expecting the Unexpected*” dinner convenes eminent leaders from diverse fields to assess critical developments and forecast what lies ahead in a rapidly shifting global landscape. Operating under strict Chatham House Rules, the event fosters open and candid dialogue—often offering foresight into events of global

consequence in a world of continuous change and fast-paced innovation in technology.

Participants included experts in geopolitics, economics, security, technology, health, and climate science. The dinner serves three key purposes:

- Facilitating face-to-face engagement among experienced leaders;
- Generating foresight and strategic insights based on collective expertise; and
- Addressing challenges posed by emerging and ongoing global conflicts.

The Shafik Gabr Foundation continues to support these dialogues in alignment with its mission to bridge cultural divides and address global challenges through open conversation and cross-sectoral exchange.

Among the more than 70 distinguished guests were former Presidents and Prime Ministers, Cabinet Ministers, Members of Parliament, Ambassadors, government officials, international organization leaders, business executives, academics, and scholars from the Middle East, the United States, Europe, and Asia. Chairman Shafik Gabr and renowned international broadcaster Nik Gowing, founder of *Thinking the Unthinkable*, co-moderated the discussion.

When Chairman Gabr asked the room, “*How many believe 2025 will be better than 2024?*”—only a small minority raised their hands, reflecting a deep and widespread sense of global uncertainty.

Chairman Gabr proceeded to pose a series of probing questions, which are summarized below (without attribution), highlighting key predictions and concerns for the remainder of 2025:

Israel–Gaza Conflict

- The trajectory of peace negotiations will depend on the outcomes of ceasefire efforts and hostage exchanges, though lasting stability remains unlikely in the near term.
- The two-state solution continues to be viewed as the only viable long-term resolution, yet meaningful progress for the remainder of 2025 is improbable.
- Reconstruction efforts in Gaza, the establishment of a stable governance structure, and diaspora involvement will be critical to any future peace framework.

- Economic growth in the Middle East will increasingly depend on regional cooperation, with a focus on mega data, data centers, and connectivity.
- Diaspora involvement will play a critical role in future state-building efforts, shaping governance and economic development.
- New comprehensive peace strategies (“grand design solutions”) will be necessary to prevent future conflicts from recurring.
- There is a rising risk of attacks similar to those on October 7th, with advancing technology potentially making future incidents even more severe.

Middle East Outlook

- The region remains a focal point of both opportunity and volatility, as shifting regional dynamics shape new geopolitical and economic realities.
- Syria faces the risk of descending into a Libya-style prolonged conflict, with fragmented governance.
- Iraq may see incremental political stabilization, amid efforts to reduce Iranian influence and foster national unity.
- Saudi Arabia is poised to expand its regional role through investments in institutional rebuilding in Syria and Lebanon.

The United States: Global Role & Economic Direction

- The U.S. is viewed as continuing a long-term trajectory of global decline, with some viewing this as the beginning of the end of its global dominance.
- Tariffs—particularly if Trump-era policies return—may fuel inflation and weaken the U.S. dollar, though there is uncertainty over whether they are genuine policies or negotiation tactics.
- Tariffs will remain a contentious issue, with growing recognition that they act more as barriers to economic growth and free trade rather than protective measures.
- The U.S. is increasingly perceived as transitioning from a global peacekeeper to a self-interested geopolitical actor.

- Uncertainty in U.S. foreign policy, particularly its treatment of allies like Canada, will create instability in global relations.
- Despite concerns over Europe's declining influence, shifting global power dynamics may create unexpected opportunities for the region.

China & Global Governance

- China is not expected to replace the U.S. as the dominant global leader in a rules-based order, countering expectations that it will assume a hegemonic role if the U.S. retreats.
- China will maintain its stance that Taiwan is a domestic issue, adhering to the Anti-Secession Law, with peaceful unification as the priority but military action remaining a possibility if Taiwan moves toward formal independence.
- Misperceptions in U.S. policy toward China could lead to ineffective or counterproductive strategies.
- Should the U.S. withdraw from alliances such as NATO and the WHO, Britain and other mid-tier powers may be forced to assume new global responsibilities.
- As the U.S. retreats from its traditional leadership roles, smaller nations are expected to gain greater influence in shaping global trade, technology, and sustainability frameworks.

Ukraine–Russia Conflict

- The war is increasingly seen not just as a Ukraine–Russia conflict, but as a Russia–Europe confrontation.
- No clear resolution is expected in 2025; the frontlines remain static, suggesting a frozen conflict.
- The frontlines remain unchanged, signaling a potential stalemate.
- Defining “peace” will be crucial: the West will seek a narrative of “victory” after significant investments, but Ukraine may continue as an “open wound” within the European order.
- There is a possibility of a North/South Korea-style division, preventing Ukraine's full European integration.

Artificial Intelligence & Existential Risk

- Global cooperation—especially between the U.S. and China—is essential in shaping the future of AI.
- AI was likened to “a plane we are boarding without knowing its destination.” Failure to collaborate could slow innovation and significantly increase existential risks.

Symbolic Conflicts & Global Lessons

- The symbolic impact of the Israel–Gaza and Ukraine–Russia wars continues to influence global alignments.
- How these conflicts are resolved—or prolonged—will establish precedents for future conflict management.
- If Ukraine does not receive sufficient support, the risk of further Russian expansion could increase, threatening neighboring countries and destabilizing Europe.
- The U.S.’s handling of the Ukraine conflict will have global ramifications, particularly in Asia, where allies like Japan and South Korea will judge its commitment to security and deterrence.
- A shift in U.S. focus from Ukraine to competition with China could weaken its credibility with key allies, affecting strategic partnerships in Asia.

European Union & German Elections

- Germany’s political landscape remains highly polarized, echoing patterns across Europe.
- Germany remains politically polarized, with far-right support holding steady at 30%.
- A coalition between the CDU/CSU and SPD is the most likely outcome of the next election cycle.
- Despite current challenges, Germany is expected to maintain its economic leadership in Europe.

- Despite the rise of right-wing politics, Europe's foreign policy consensus will remain stable, with continued commitments to increasing defense investments.
- The EU must redefine its mission to remain globally relevant and internally stable, as European governments continue to face challenges in making decisive and coordinated policy decisions.

Migration & Displacement

- Migration has reached historic highs—driven by war, but increasingly also by climate change—with drought as a leading cause. This trend will continue in 2025.
- The lack of legal migration pathways has pushed many to undertake dangerous journeys, fueling human trafficking networks and increasing regional instability.
- Reframing migration is essential:
 - Many aging economies need labor—migration can help fill these gaps.
 - Migration must be considered globally, matching opportunities with demographic and economic needs.
 - There is potential to connect opportunities with migration patterns. In aging societies such as Japan, Italy, and Portugal, where labor shortages are most prevalent, migration may present a solution.

Global Defense Spending vs. Human-Centered Solutions

- Defense spending is projected to exceed \$2.3 trillion, prompting debates over whether funds should be redirected to public services such as healthcare and governance.
- Redirecting even a fraction of military budgets could transform WHO capabilities, enhance pandemic preparedness, and ensure broader health access.
- The Ukraine war will continue to highlight the disparity in global priorities, as massive military spending contrasts with underfunded efforts to address health crises and climate change.
- Future crises will further reinforce the argument that excessive military spending comes at the cost of long-term global stability and well-being.

