بسم الله الرحمن الرحيم

Europe's Social Discontent Is Becoming a Broader Political Crisis

Rising living costs, housing shortages, deteriorating public services and declining confidence in government fuel demonstrations across the continent. An Associated Press report in late October predicted a coming autumn of unrest extending from France and Spain to Italy, Portugal, Albania and Serbia. The underlying problem is the growing inability of ordinary Europeans to maintain living standards within increasingly unequal economies. In Portugal, demonstrators have protested against soaring property prices and inadequate wages, while housing demonstrations have spread through Spain. Italian protesters have focused on employment, healthcare, education and declining purchasing power. France has experienced particularly persistent demonstrations, combining student grievances with wider opposition to government economic policies. These movements expose the widening distance between European political institutions and the populations they claim to represent. Governments continue to prioritise fiscal discipline, military expenditure and competitiveness, while public services and household security deteriorate. As a result, nationalist and far-right movements are gaining ground throughout Europe.

France's Mounting Debt

France's fiscal difficulties have received another warning on 4 November, with Fitch Ratings revising the country's sovereign credit outlook from stable to negative while maintaining its long-term rating at A+. The decision reflects weaker economic growth, higher borrowing costs, a widening budget deficit and growing uncertainty over the government's ability to stabilise public finances. Fitch forecasts that French public debt will increase from approximately 115.7% of GDP in 2025 to around 124% by 2028. It estimates that the fiscal adjustment required to stabilise the debt trajectory has risen to approximately 3.5% of GDP. Political fragmentation and persistent social opposition make the necessary spending reductions and revenue increases particularly difficult to implement. France has struggled to reconcile the demands of its existing welfare model with weak growth, demographic pressures, expensive borrowing and the political consequences of austerity, and successive governments have encountered resistance when attempting to reduce expenditure or reform public services. The irony is that European governments continue to advocate fiscal responsibility for weaker economies while simultaneously committing substantial resources to military expansion and strategic competition.

Trump Loses Congress and His Political Freedom of Action

The US midterm elections of 3 November have delivered a major political defeat for Donald Trump, with Democrats winning control of both the House of Representatives and the Senate, according to preliminary results reported on 4 November. The scale of the reversal reflects growing dissatisfaction with the administration's economic management, tariffs, the cost of living and its increasingly unpopular war with Iran. The result is particularly damaging because it deprives Trump of the congressional support necessary to advance his domestic programme and gives Democrats control of important committees, legislative oversight and federal spending negotiations. The Senate majority also gives them considerable influence over presidential appointments. Trump retains substantial executive authority over military deployments, diplomacy and sanctions, but congressional investigations, budgetary resistance and restrictions on funding could complicate his ability to sustain overseas commitments. The defeat may also embolden foreign governments to question the durability of American commitments, particularly when presidential decisions increasingly appear

vulnerable to electoral reversals. The immediate consequence is a weakened presidency with two years of increasingly difficult domestic politics. Trump's freedom of action is diminishing, although the in reality the result will be deadlock as Trump can block Congress just as Congress can block the president, so the compromise solutions based upon bargaining will dominate US politics.

Is Australia Paying an Extraordinary Price for American Protection?

Australia's commitment to the AUKUS nuclear submarine partnership is facing its most serious domestic challenge following a public inquiry published on 4 November. Led by former defence chief Admiral Chris Barrie and former Labor senator Peter Garrett, the inquiry has recommended terminating the submarine agreement, describing it as potentially the most costly and risky defence decision in Australian history. The controversy centres on Australia's commitment to acquire American Virginia-class submarines from the early 2030s before developing a new submarine with Britain and the United States. The arrangement is expected to cost hundreds of billions of dollars, while delays in American submarine production raise serious doubts about whether Washington can deliver the promised vessels on schedule. The inquiry also questions the strategic implications of effectively integrating Australian defence planning into American military preparations against China. Its authors warn that Australian territory could become more exposed to military retaliation while Canberra sacrifices a degree of independent foreign-policy decision-making. AUKUS was presented as an arrangement strengthening Australian sovereignty, but increasingly it is becoming an expensive strategic commitment that makes Australia more dependent on an increasingly unpredictable American ally.

Britain's Counterterrorism Laws Under Judicial Scrutiny

Britain's treatment of Palestine Action is facing a critical legal test, with the Supreme Court beginning its hearing on 4 November into the government's decision to proscribe the organisation as a terrorist group. The appeal, brought by co-founder Huda Ammori, challenges the legality and proportionality of the Home Secretary's June 2025 decision under the Terrorism Act 2000. The case has already produced conflicting judicial assessments. In February 2026, the Divisional Court ruled that the proscription decision was unlawful and disproportionately interfered with freedom of expression, assembly and association. The Court of Appeal subsequently overturned that judgment, allowing the government's decision to stand. The Supreme Court is now considering the dispute, with Amnesty International UK and Liberty intervening in support of the appeal. The scale of enforcement is particularly striking. Home Office figures indicate that by 30 June 2026, 3,630 people had been arrested for offences connected with supporting Palestine Action, resulting in 632 charges.

Ending US Aid to the Jewish Entity?

Donald Trump’s 3 November announcement that Washington will terminate roughly $4 billion in annual military assistance to the Jewish entity by end-2026 marks a potentially significant shift. Trump called it an agreement with Benjamin Netanyahu, though the entity had not publicly confirmed details by 4 November. The move is politically notable because such aid has long enjoyed bipartisan congressional support. That consensus has eroded amid criticism of the genocide in Gaza and the economic turmoil from the joint aggression against Iran. The existing aid agreement runs to September 2028, and arms sales, intelligence cooperation, missile-defence collaboration, financial guarantees and defence research can continue.