



By: *Emre Alkin*

# 10 Biggest Risks Awaiting Us in 2025 and Beyond



As this is my last article before the new year, I want to remind you once again of the risks in 2025:

**Increasing Conflicts and Permanent Crises:** There's no need to provide too much detail, as we are already living through it. There are ongoing conflicts that were expected to end with Trump's arrival, but let's not forget that issues like **Syria** will become even more complex. From this perspective, I can say that 2025 will be challenging in terms of hot conflicts and quickly flaring tensions.

**Diplomatic Tensions and Multiple Crises:** Where diplomacy ends, war begins. Therefore, we need to pay careful attention to the diplomatic tensions between countries and regions. Numerous diplomatic tensions from the previous year will persist into the new year.

Starting from the Middle East, the tension between Pakistan and India, the frictions related to Iran and its neighbours, and the continuous reminders of potential conflicts with Russia—all indicate that we are on a constantly burning ground. It would be better if these issues started and ended individually, but if they all begin and grow simultaneously, it will undoubtedly be a problem for everyone.

**Combatting Inflation and Interest Rates:** Many people believe that inflationary effects will return with Trump's leadership, and I am among them. Particularly, the resurgence of protectionism, increasing customs duties, and rising freight costs pose a significant risk for countries trying to combat high inflation with high-interest rates while now easing their tight monetary policies.

On the other hand, it's important to note that inflation still poses a **threat** in developed countries, and central banks are quite cautious regarding interest rate policies. Therefore, I can say that both interest rates and inflation will decrease at a painfully slow pace.

**Trump and New American Policies:** It is possible to say that Trump, who is preparing to make a solid clean-up in bureaucracy as

soon as he takes office, will act quite clumsily in diplomatic matters amidst this intensity.

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He will make sensational statements regarding countries he has doubts about in terms of alliance, while also focusing on legislative changes that will pave the way for his third presidential run. He had already hinted that he would do such things.

Therefore, one must be prepared for all kinds of surprises. Personally, I predict that

Americans will regret voting for Trump, but it will take some time for them to realise this.

**Slowdown in Global Trade:** The new US president, who announces how much customs duty will be imposed on which country as soon as he is elected, seems poised to make the already struggling world trade even more dangerous.

Setting aside the dangers, he is also **attempting** to make trade more expensive.

On one hand, there are agricultural products rising astronomically like cocoa, while on the other, there are products worth less than the cost of containers. We were already going through an imbalance, and now it seems we are being dragged into a process where protectionism has returned with full force, which is one of the primary causes of inflation.

**Food and Energy Bottlenecks:** With the increasing population and reckless use of resources, we can expect sudden spikes in food and energy prices. Additionally, it should be noted that the world is entering a new era of artificial intelligence, and we will face serious energy demands.

**I predict that countries will be in serious competition to secure critical supplies**

Prices for agricultural products, from wheat to cocoa, are experiencing significant fluctuations. This situation will undoubtedly create inflationary pressure with the rise in energy prices. However, as I always say, the supply of goods is often more important than their price. Therefore, I predict that countries will be in serious competition to secure critical supplies.

**Natural Disasters, Wildfires, and Others:** We need to recognise that we are facing far more serious and numerous disasters compared to the past decade, ranging from volcanic eruptions to floods. These have significant secondary effects on economies and will continue to do so. No one makes a

contingency plan for a natural disaster that suddenly appears. However, as I have consistently pointed out, earthquakes, floods, and similar natural disasters have now become calculable risks.

Although unprecedented events are certainly characterised as shocks, it is impossible to account for them in calculations. However, if risk modelling is not conducted concerning recurring natural phenomena, it reflects poor management.

**A New Pandemic:** From now on, no one can claim that there will not be a new pandemic. Therefore, many companies should evaluate the experiences they had in 2020 and think about how to manage operations in the event of another pandemic. Emergency action plans should not be left to gather dust on the shelves.

**Continuously Increasing Debt:** Taking the simplest example, Japan's public debt-to-GDP ratio has nearly reached 300%. Many countries, including developed ones, have debt-to-GDP ratios above 100%. An IMF report written in 2010 states that G7 countries will face serious problems with these levels of indebtedness before reaching the year 2050.

**We will face a debt crisis before reaching 2030, and the architects of this crisis will be developed countries rather than developing ones**

The report claims that they will have a public debt-to-GDP ratio of around 400%. I suspect we will face a debt crisis before reaching 2030, and the architects of this crisis will be developed countries rather than developing ones.

**Struggle Between Centralised and Decentralised Systems:** As the last stronghold of capitalism, central banks are creating enormous informality through the unchecked money they print to prove their existence while resisting to survive.

As trust in economic management decreases and income distribution worsens, people are shifting towards the perceived values offered by the decentralised system. Public structures, the primary architects of informality, have now engaged in behaviours that discourage citizens from participating in the market to combat this issue.



*Central banks and the centralised system will be defeated. I may not witness this in my lifetime, but the year 2025 will be a time when this issue is seriously discussed - Emre Alkin*

For this reason, **cryptocurrencies** have now become a means of asset protection. I think that eventually, central banks and the centralised system will be defeated. I may not witness this in my lifetime, but I can say that the year 2025 will be a time when this issue is seriously discussed.

I wish everyone a Happy New Year. May conscience, wisdom, kindness, and health be with us.