

RiskNZ Conference

The changing face of terrorism

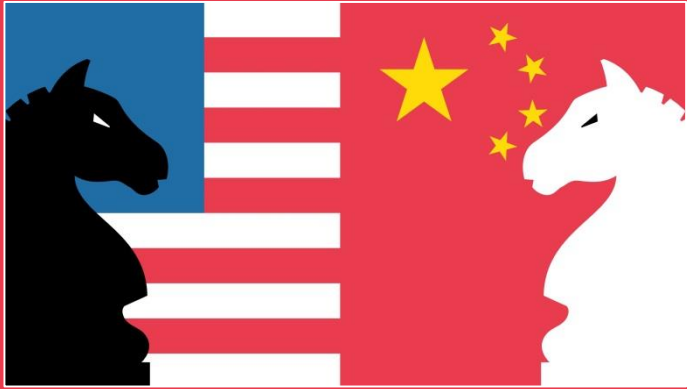
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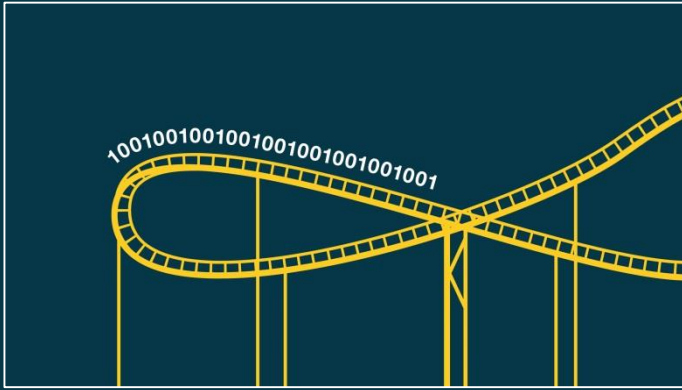
Top Five Risks 2019





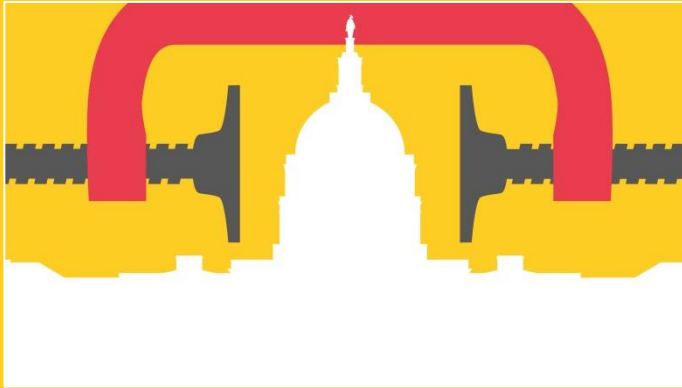
US-China trade rift foretells a new global order

- ▶ The confrontation on trade between the United States and China will become the defining geopolitical dynamic of 2019. This antagonistic relationship will complicate life not only for businesses in China and the US.
- ▶ Companies in a wide orbit around this stand-off will feel the political and economic impact.
- ▶ In 2019, what started as a trade war will ultimately harden into a more permanent stance. A US “contain China” policy could become one of the pillars of a new global order.



The global data regulations stand-off

- ▶ The stand-off between the three domains of data regulation will present a new level of risk for the international business in 2019.
- ▶ For China, data is something to be controlled; for the EU, data is something to be protected; the United States sees data as something to be commercialised.
- ▶ Brace for the challenge of collecting, storing and transferring data within and between these three domains against a backdrop of inconsistent enforcement and escalating cyber security threats.



American political gridlock

- ▶ The vice of legislative gridlock will close on policy making in Washington and throw the US into a period of pitched political uncertainty.
- ▶ Resurgent Democrats in the House of Representatives will seek to pin the President under an investigative lens. Pushback from a Republican Senate and White House will erase any hopes of consistency for business.
- ▶ Trade policy will remain unchanged; the pace of deregulation will slow. Foreign policy will remain unsettled and ambivalent in a global environment that requires clarity and resolve.



Climate change driving politicised regulation

- ▶ Some of 2019's worst business disruptions will not come from terrorist attacks but from extreme weather and its consequences. From storms to floods to droughts and forest fires, the costs of interrupted production, distribution, sales and travel will skyrocket in 2019.
- ▶ Governments' use of environmental regulations as a political tool could intensify in the region.



Nationalist politics confronting multinationals

- ▶ As globalised companies enter 2019, they risk – ironically - becoming nationless as nationalist politics continue to advance across the world.
- ▶ Formal and informal barriers are rising. Frictionless trade is beginning to rub, supply chains are starting to drag.
- ▶ Business leaders must re-calibrate and adapt to this new reality or global players will end up being played by a world in uncertain transition.

A person in a dark coat is walking from left to right through a modern transit station. The station has large glass walls and metal railings. A yellow and white geometric overlay is on the left side of the image. The text "The changing face of terrorism" is written in yellow on the right side.

The changing face of terrorism

► New Zealand threat environment

Control Risks

core

- OVERVIEW
- POLITICAL RISK
- OPERATIONAL RISK
- SECURITY RISK
- CYBER
- PROFILE
- TRAVEL RISK
- CALENDAR
- CITIES

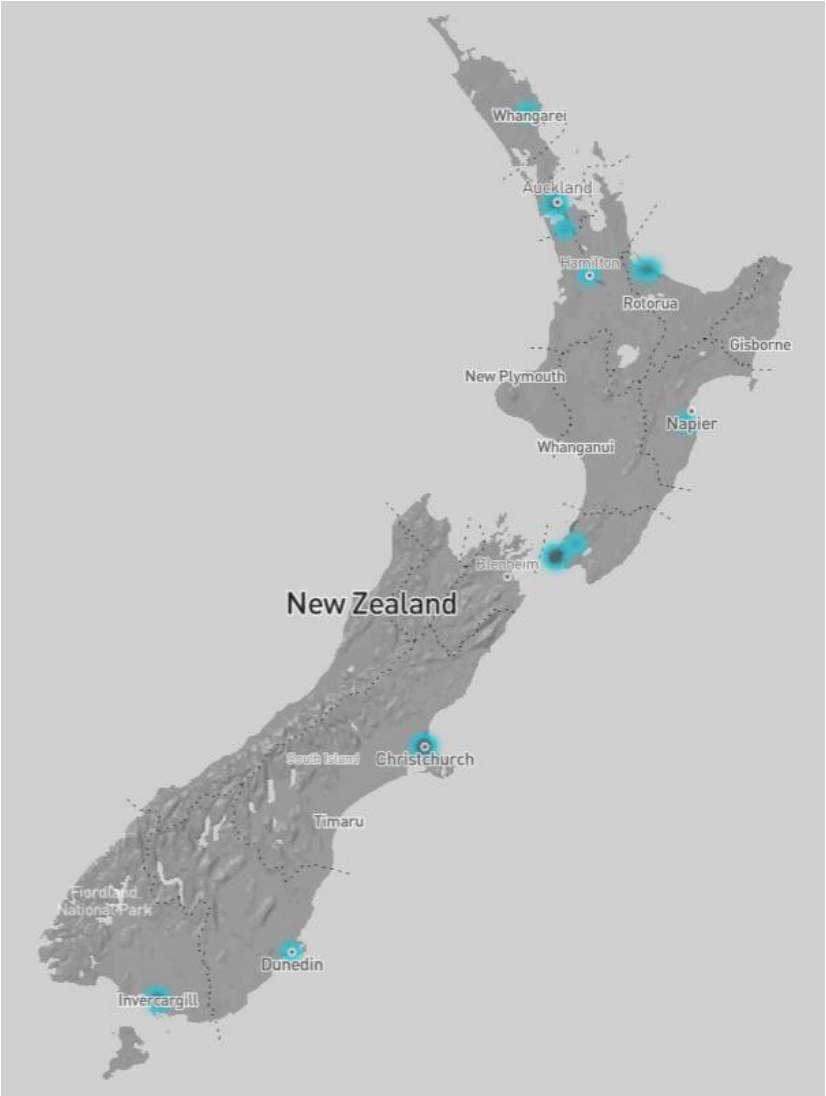


NEW ZEALAND

RISK RATINGS

Show: Sub Ratings

POLITICAL STABILITY	REGULATORY	CONTRACT	INTEGRITY	SOVEREIGN	INSTITUTIONAL	INFRASTRUCTURE	LABOUR	CRIME	TERRORISM	WAR	CIVIL UNREST	KIDNAP	CYBER EXTORTION	DATA LEAK/DEFACEMENT/DDOS	DISRUPTIVE ATTACK	ESPIONAGE	FINANCIAL FRAUD	
POLITICAL					OPERATIONAL			SECURITY					CYBER				TRAVEL	
LOW					VERY LOW			LOW					MEDIUM				LOW	
L	L	L	L	L	L	V	L	L	V	V	V	L	L	L	M	H	L	



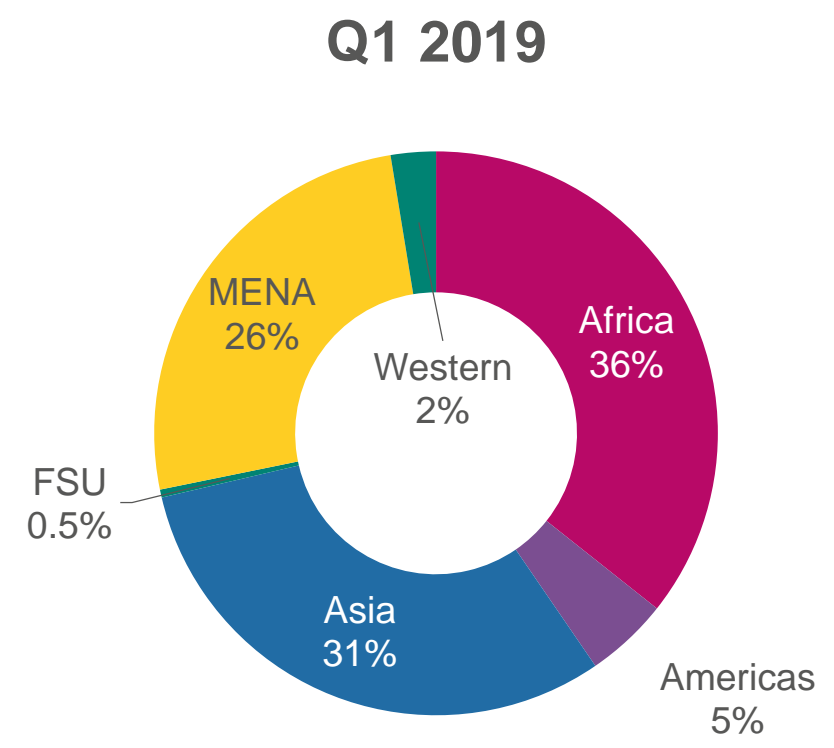
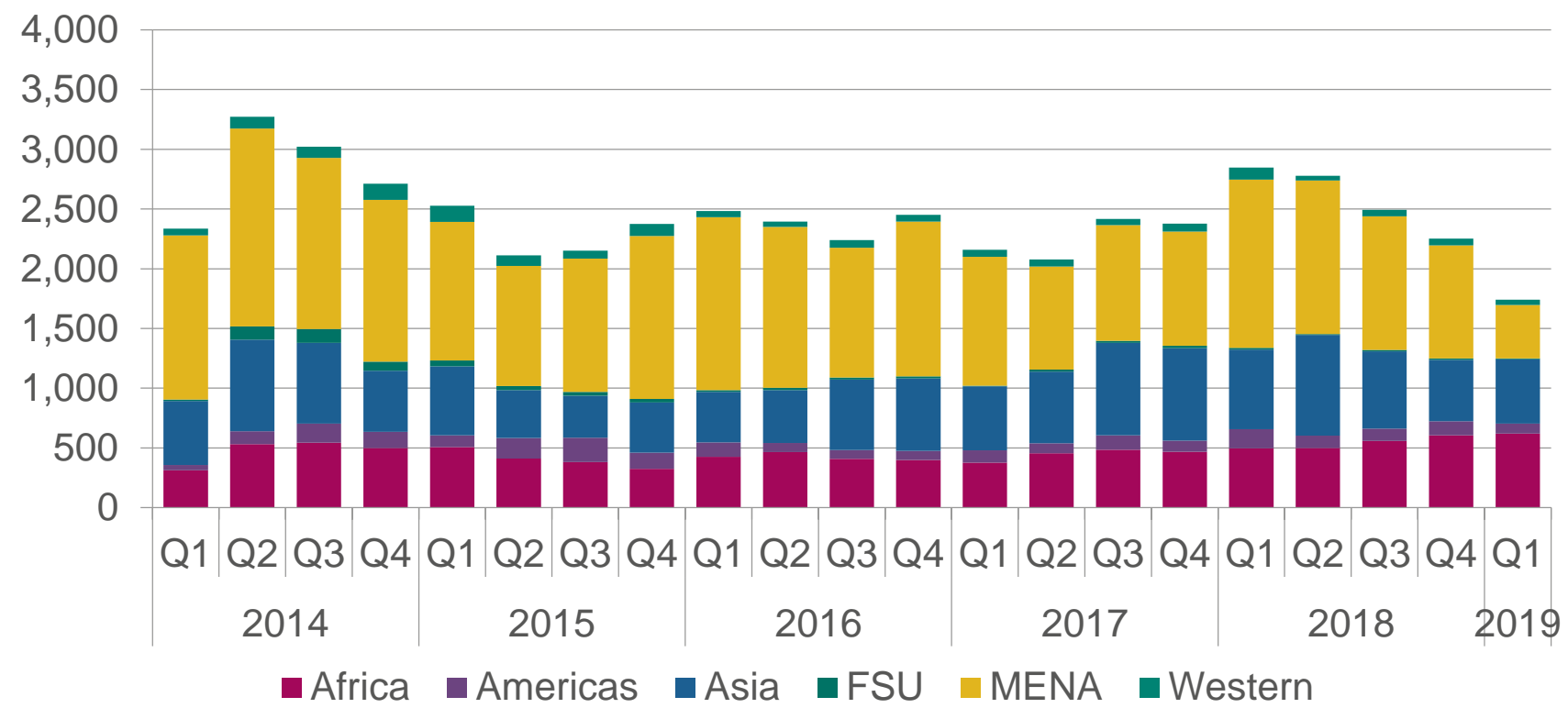
► Terrorism

“The use of violence by non-state actors against state or civilian targets to advance an ideological cause by influencing a wider audience through intimidation.”

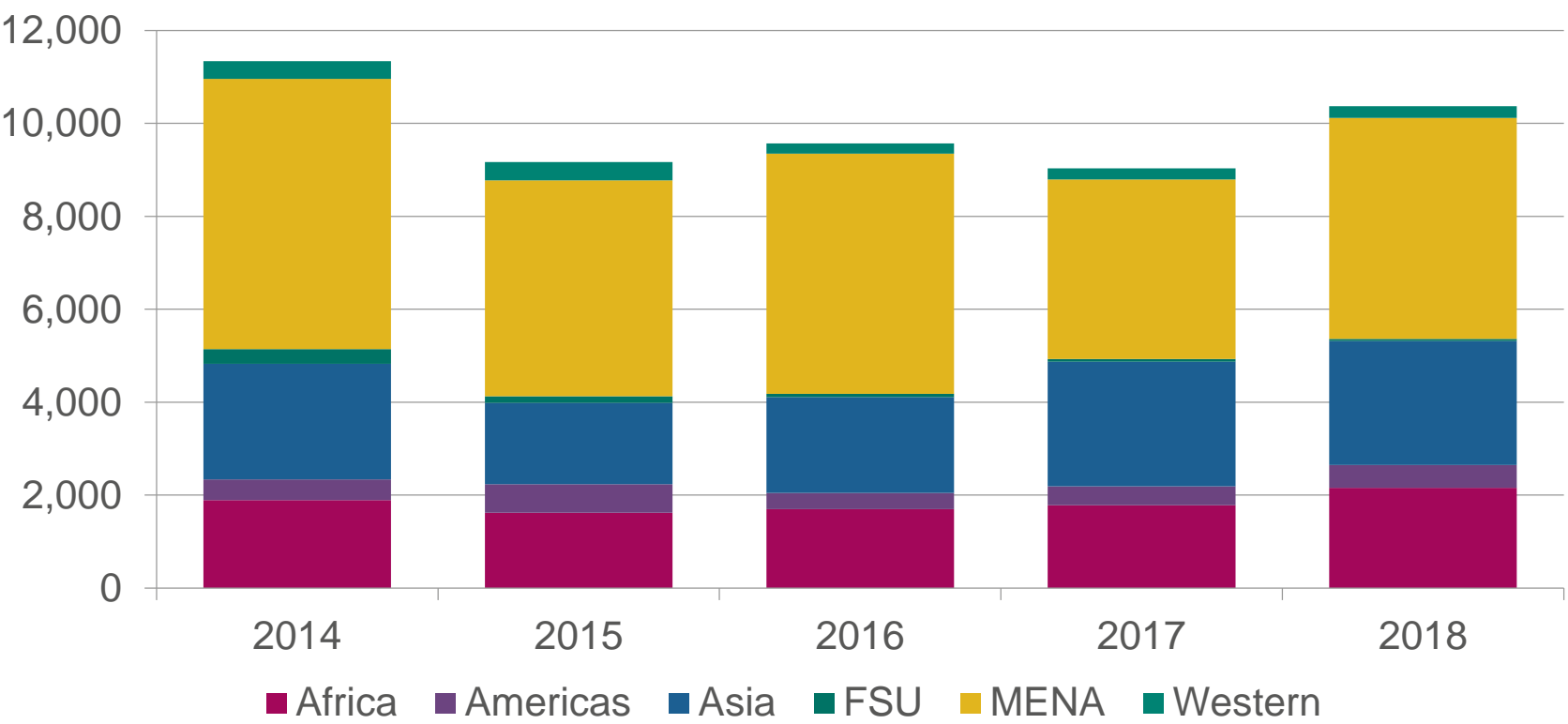
Terrorist motivations generally fall into four broad categories:

- Islamist extremism
- Ethno-nationalism
- Left-wing ideology
- Right-wing extremism

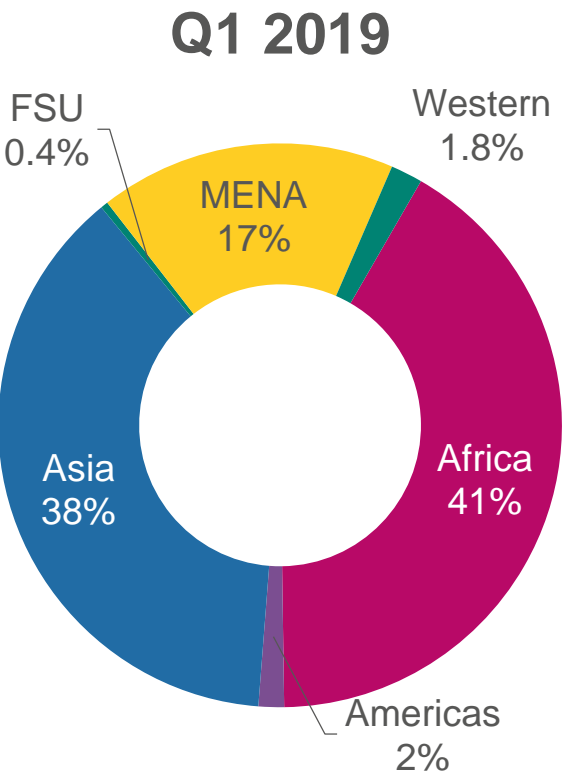
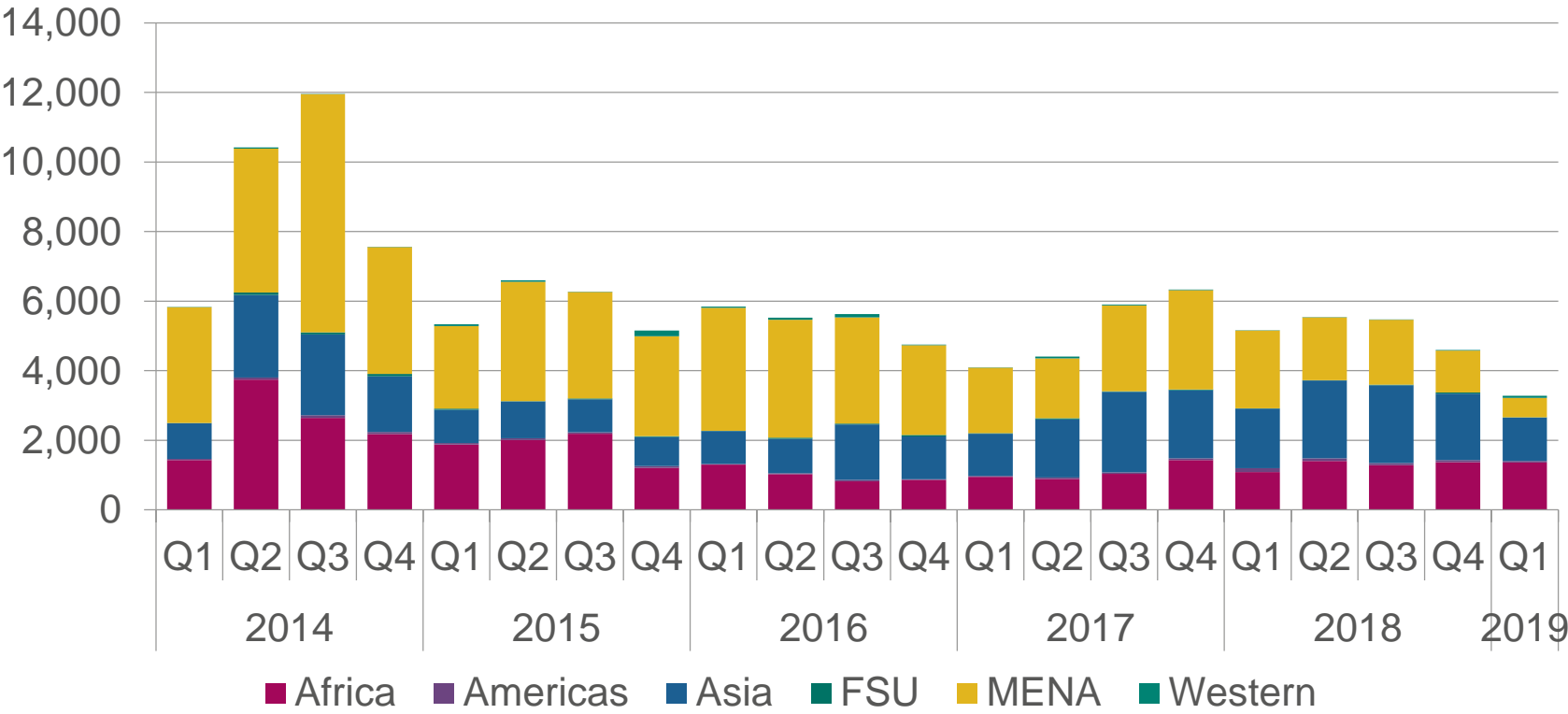
► Global terrorism incident trends, 2014-19 quarterly



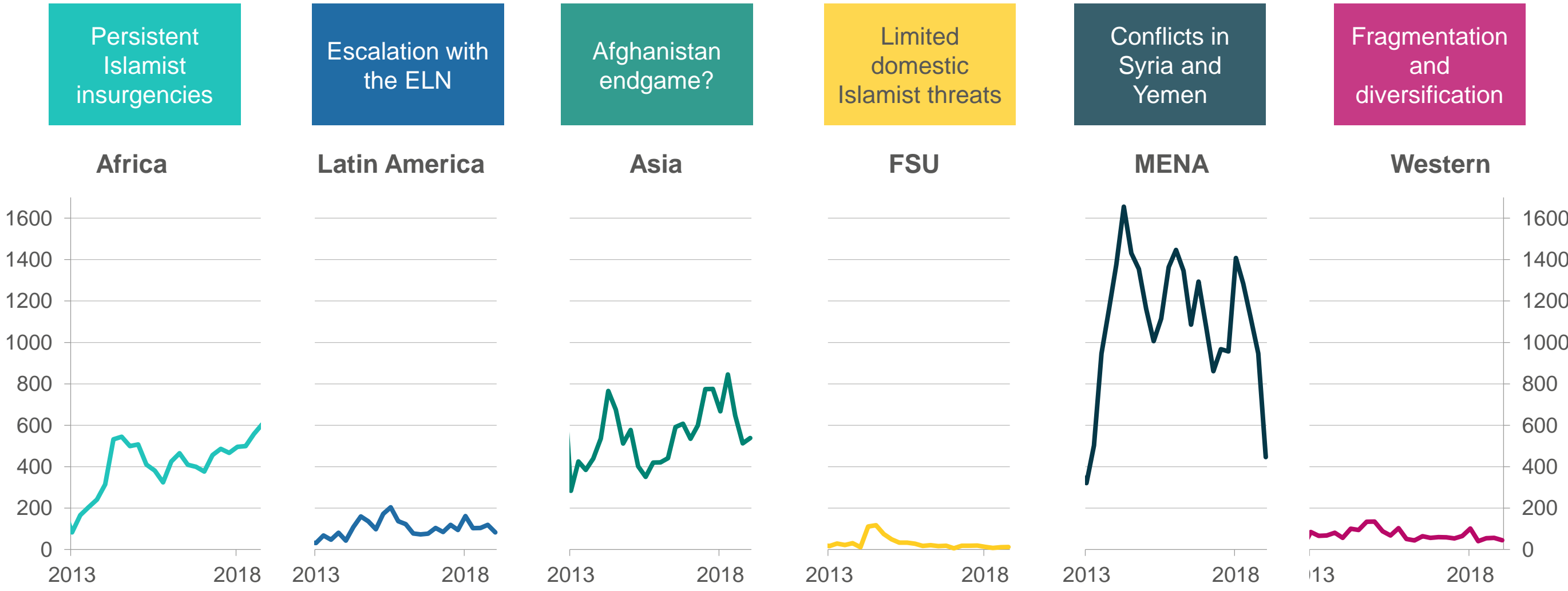
► Global terrorism incident trends, 2014-18 annual



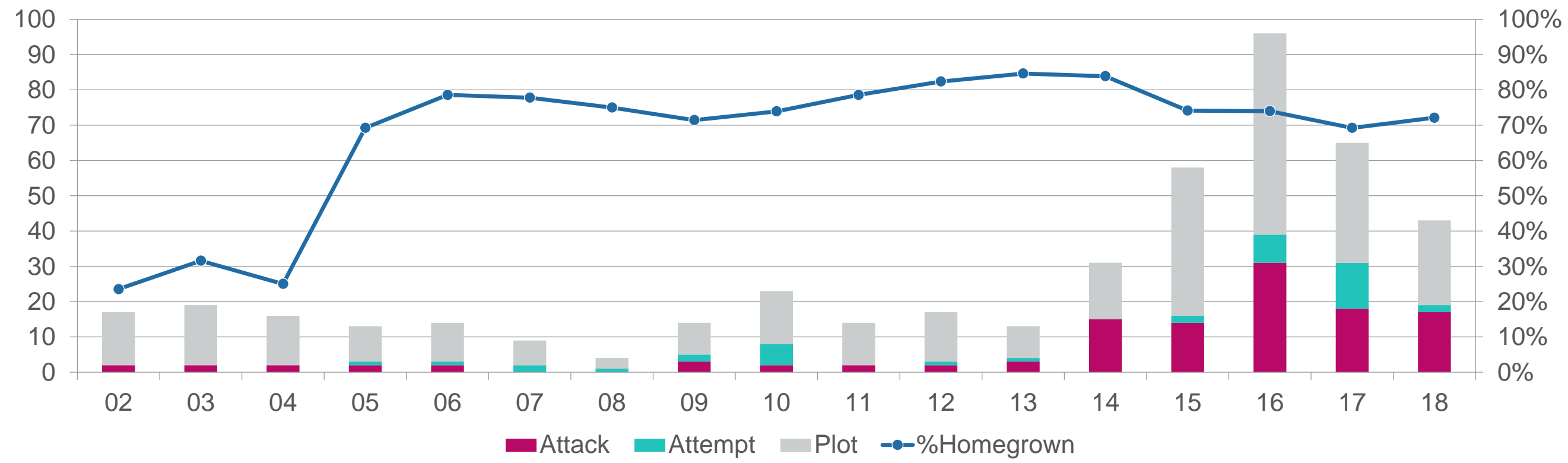
► Global terrorism fatality trends, 2014-19 quarterly



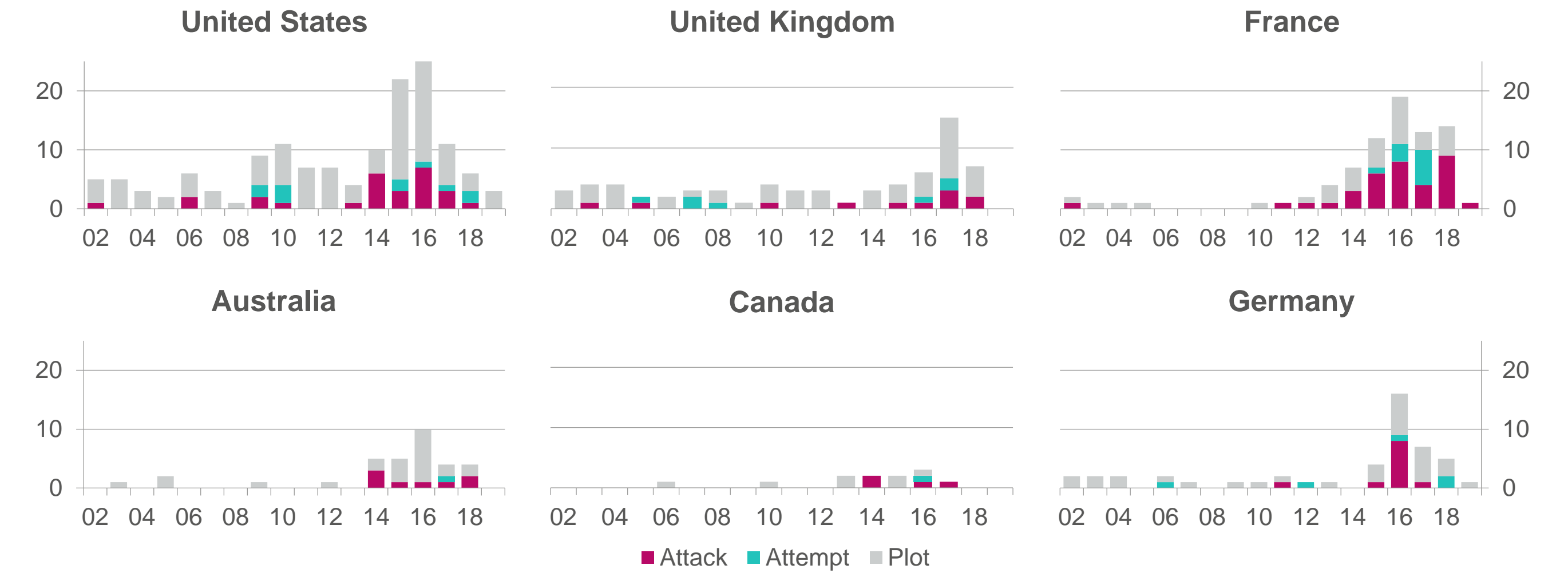
► Global terrorism incident macro trends, 2013-19, quarterly



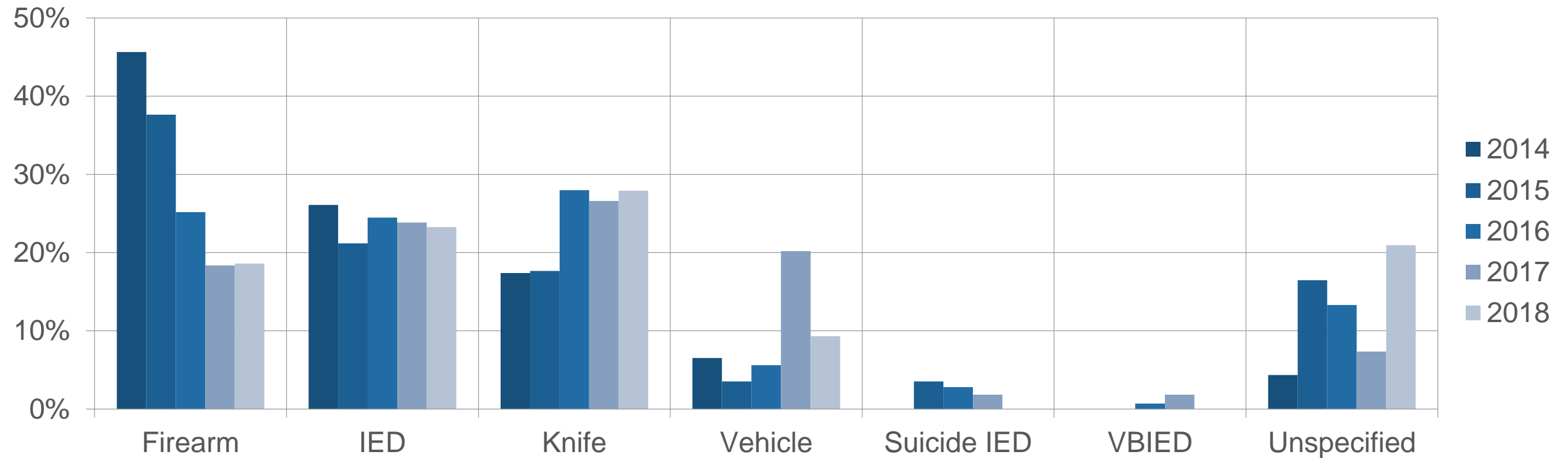
► Islamic State-driven phase of Western terrorism threat beginning to diminish



► Pronounced increase in threat activity in key Western countries after 2014 beginning to recede

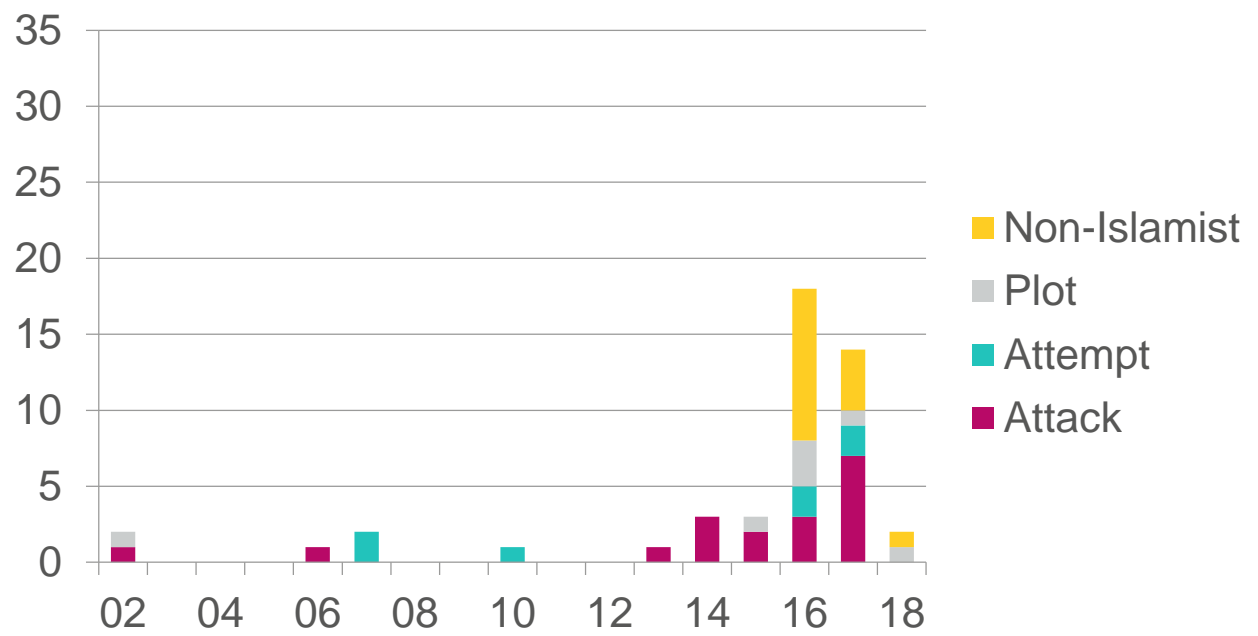


► Weapons involved or sought in Islamist plots & attacks in Western countries, 2014-18

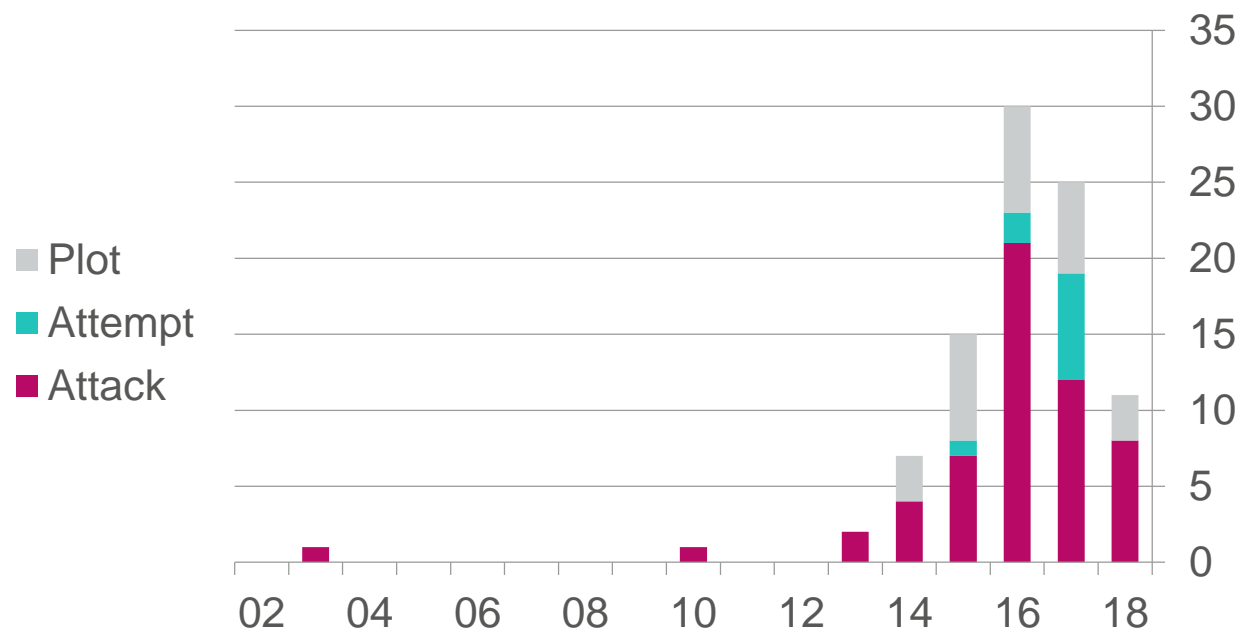


► Low-tech and improvised attacks increasing in frequency – and copied by other actors

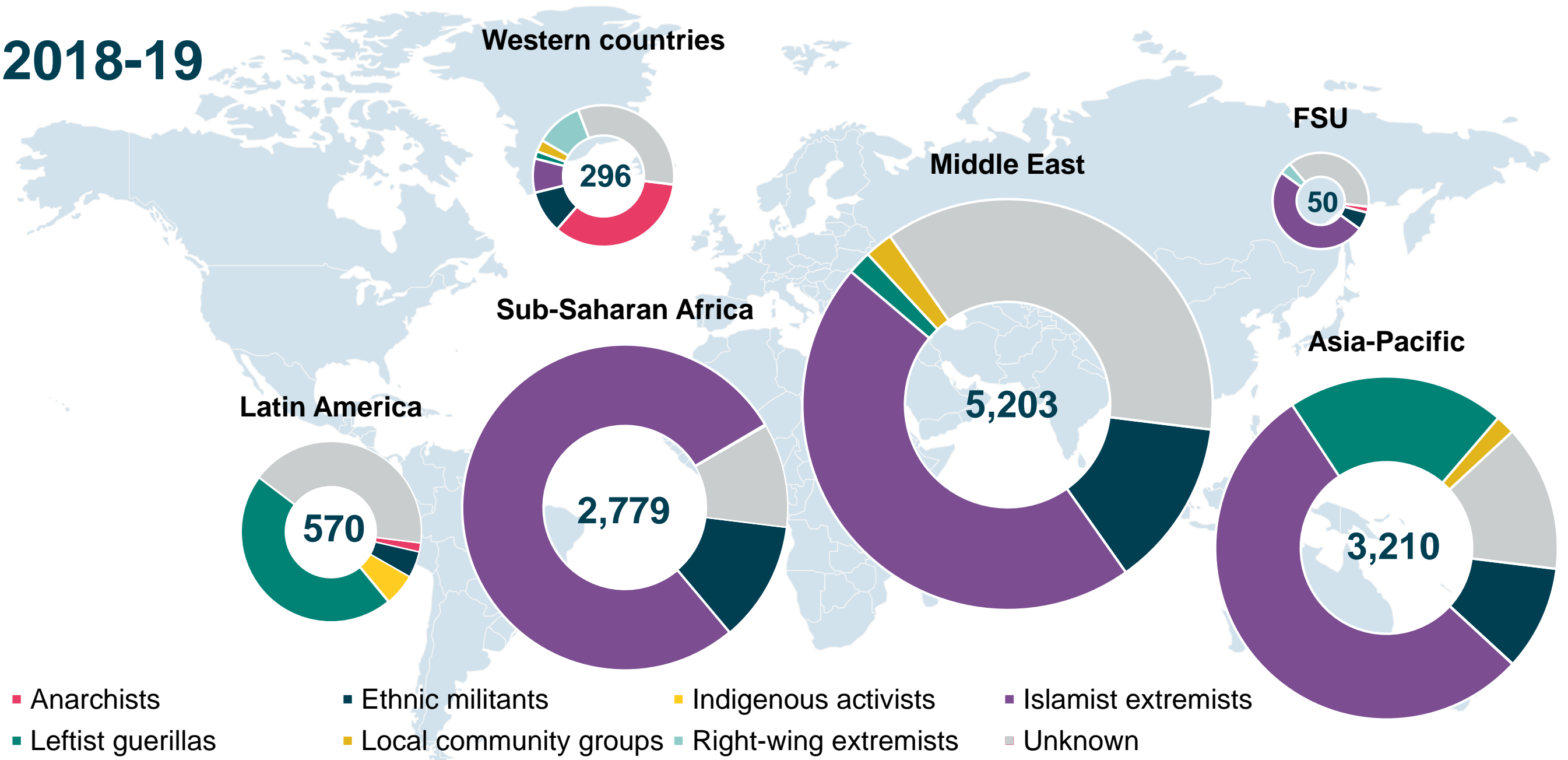
Vehicle ramming incidents, all Western countries, 2002-18



Edged weapon incidents, all Western countries, 2002-18

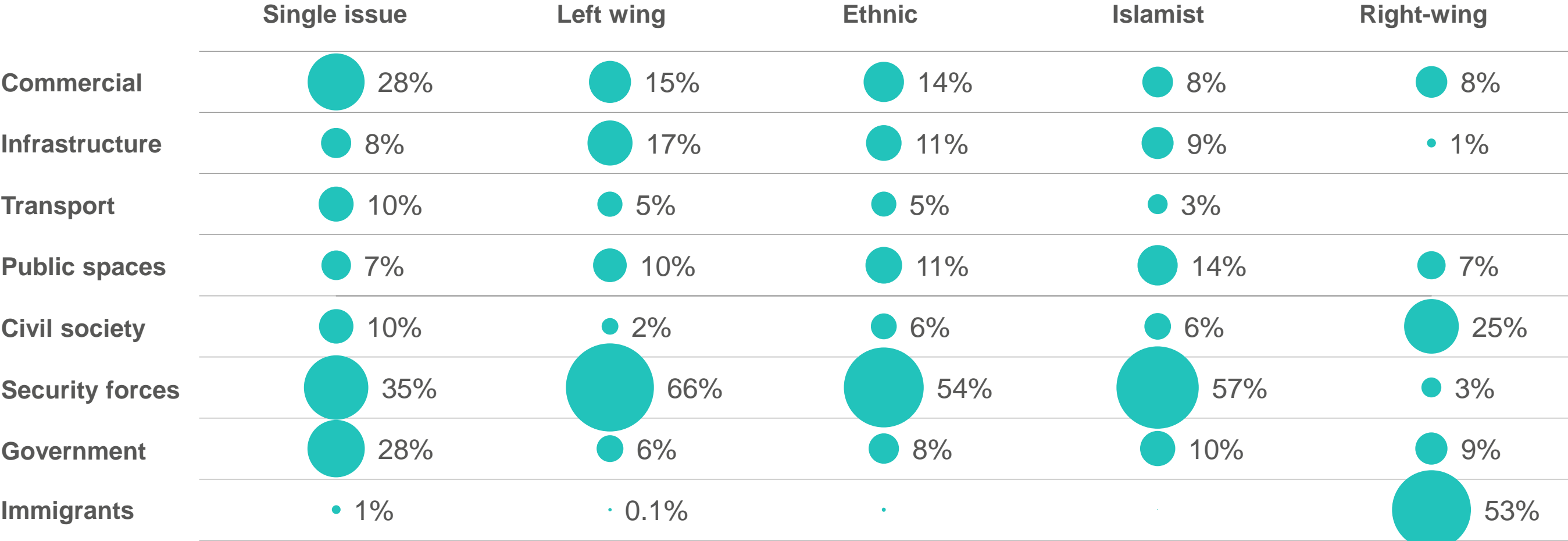


2018-19



Source: Control Risks Analytics and Incident Mapping (AIM), April 2019

► Target emphasis by group type, 2012-18 cumulative



► Right- and left-wing extremism in Western countries

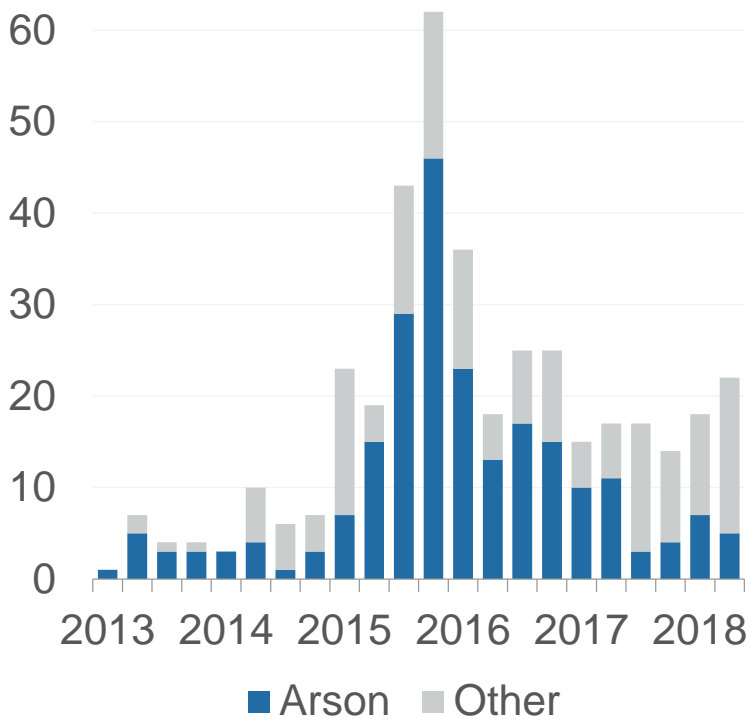
Threat drivers

- **Political polarization** leading to radicalization of the left- and right-wing fringes
 - ◆ Includes rising frequency of violent clashes between left- and right-wing activists
- **Online radicalization** via social media and dark web forums
 - ◆ And operationalization of social media for publicity
- **Ideological evolution** as largely online communities generate new “movements” such as incel, proud, deep green resistance, etc.
- **Organizational evolution** as organized, hierarchical groups decline in favour of autonomous, individual action
- **Transnationalization** of both left- and right-wing movements through online and physical networking

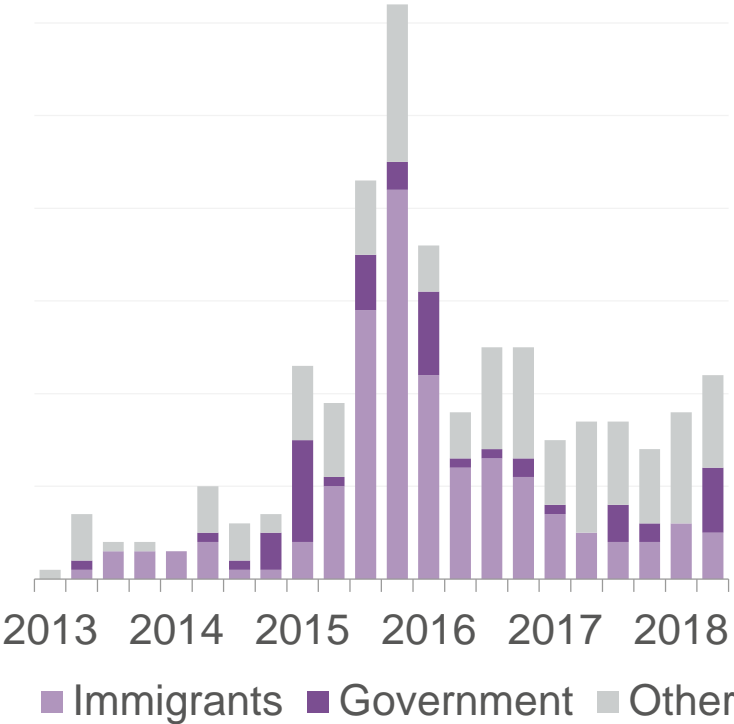


► Patterns of right-wing extremism in Western countries

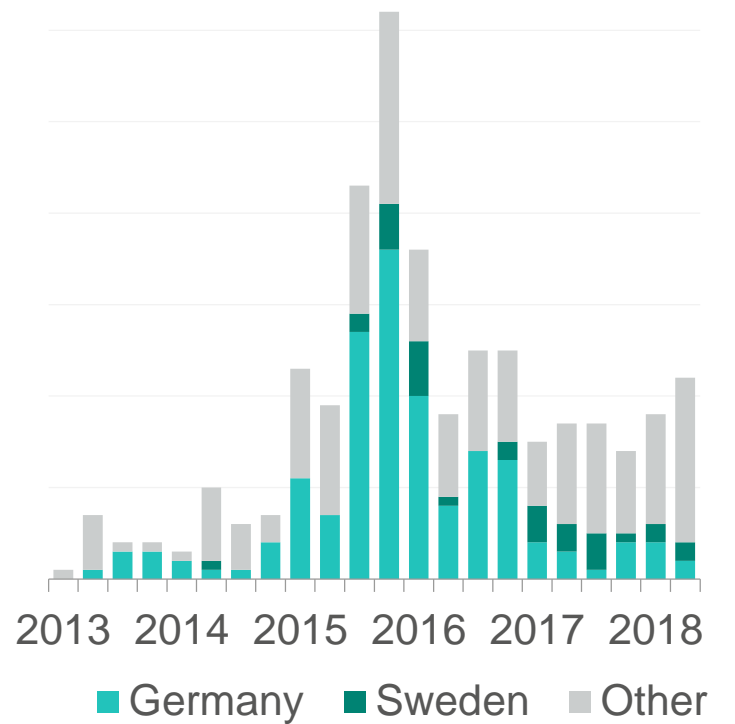
Tactics



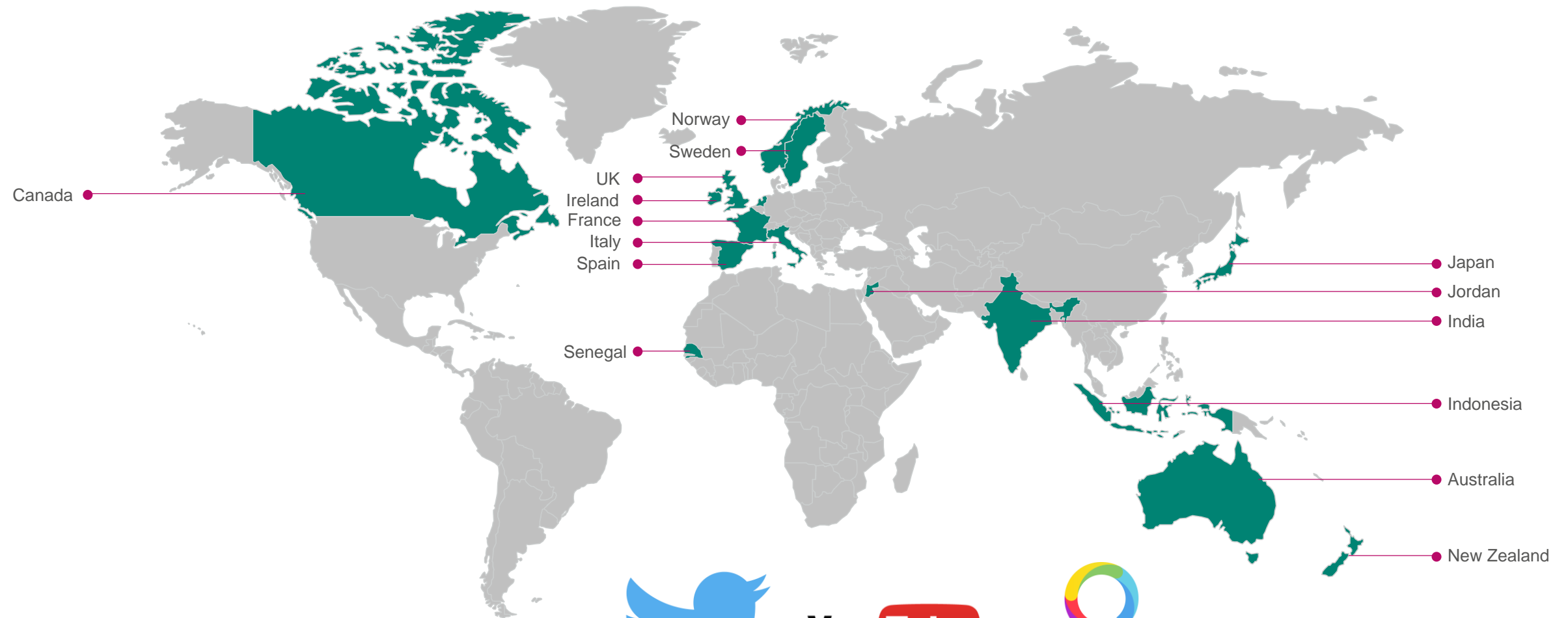
Targets



Locations



► The Christchurch call



amazon

facebook

Google



YouTube

Qwant

dailymotion

Microsoft

► How are companies responding to the changing threat?

Reviewing
existing threat
and risk
assessments

Incorporating
new data and
intelligence
sources

Insider threat
and
workplace
violence
programmes

Enhancing
operational
risk
management

Revisiting
impact
mitigation
planning

Investing in
training and
peer intel
sharing

