

Geopolitics: How Do We Make Sense of It All Webinar

Key Takeaways

A Conversation with Eric Traupe, Former Assistant Director, CIA
Hosted by David Boehmer, Banff Advisors

1. What's Changed

We're no longer in a world where geopolitical risk is something you monitor passively. Today, it's embedded in the daily decisions of every executive team and board. From trade policy to armed conflict, global fault lines now cut straight through corporate strategy.

"Geopolitical fault lines now run directly through the boardroom."
— Eric Traupe

This moment calls for a new kind of leadership, one that embraces geopolitical uncertainty not as a temporary disruption, but as a permanent condition.

2. Strategic Takeaways for Business Leaders

Assess Your "Geopolitical Resilience"

Most leaders lack visibility into how exposed their companies really are.

- Only **30% of CEOs** have full visibility into how political risk affects their operations
- Leaders need to know:
 - Which revenue streams are exposed?
 - Where are the supply chain chokepoints?
 - Which customers or partners operate in sensitive sectors?

Action Step: Develop a **Geopolitical Resilience Score** across your business. Run scenario plans for 25%, 50%, and 75% disruption. Identify revenue streams that could benefit from shifts in global trade or policy.

Rethink the Power Map

The old government relations playbook no longer works. New power brokers now shape global business conditions, many of whom operate outside traditional structures.

Key players include:

- **Sovereign wealth funds** with political mandates
- **Connector countries** (e.g. Mexico, Vietnam, Hungary) whose trade routes are newly scrutinized
- **Tech platforms** controlling digital infrastructure
- **Private military contractors** impacting physical supply routes
- **Regional development banks** challenging Western institutions

Takeaway:

Executives must understand who truly controls access, influence, and capital, and how these relationships impact their business destiny.

Build Geopolitical Agility Without Stalling Growth

Companies are facing what Eric calls the **paralysis paradox**, a tendency to delay investment in times of uncertainty.

But agility and growth aren't mutually exclusive. Winning organizations are:

- Designing modular operations that can shift quickly
- Building backup capabilities in multiple jurisdictions
- Pre-negotiating supplier switching strategies
- Standing up cross-functional geopolitical response teams

Timing Matters:

Establish early-warning indicators. Watch for moments when:

- Risk exceeds a 20% chance of materially impacting EBITDA
- Competitors begin restructuring
- Key stakeholders voice concern
- Local or regional disruption begins to escalate

3. The Big Picture

This conversation made one thing clear: Leaders can no longer afford to separate strategy from geopolitics.

Whether it's U.S.-China tensions, Mideast volatility, or Europe's evolving energy and defense posture, **uncertainty is now a permanent feature of the global landscape.**

Those who plan for resilience, track the right indicators, and adapt with agility will outperform in the decade ahead.