

Geographic Snapshot: Near East



A summary of INFER forecasts on elections, diplomacy, and geopolitical events in the region.

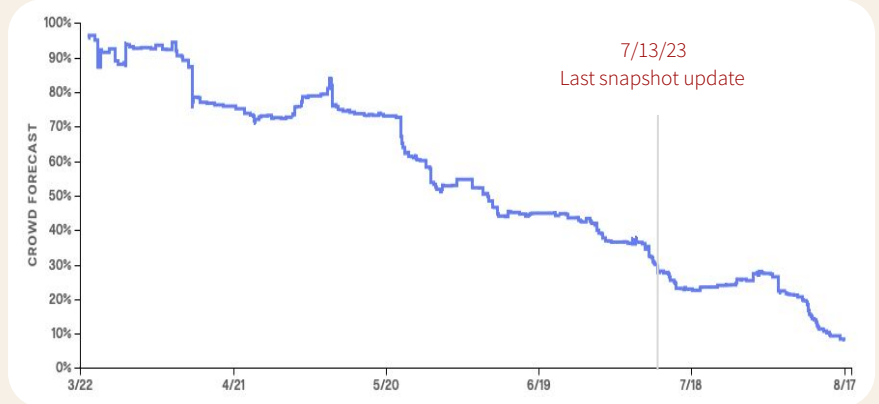
Data as of 18 August 2023

Near East (Middle East and Northern Africa) Region

Will Egypt's urban inflation rate be greater than or equal to 40% for any month between March and August 2023?

8% chance

↓ **Down 20% from 7/13/23**
Based on 362 forecasts

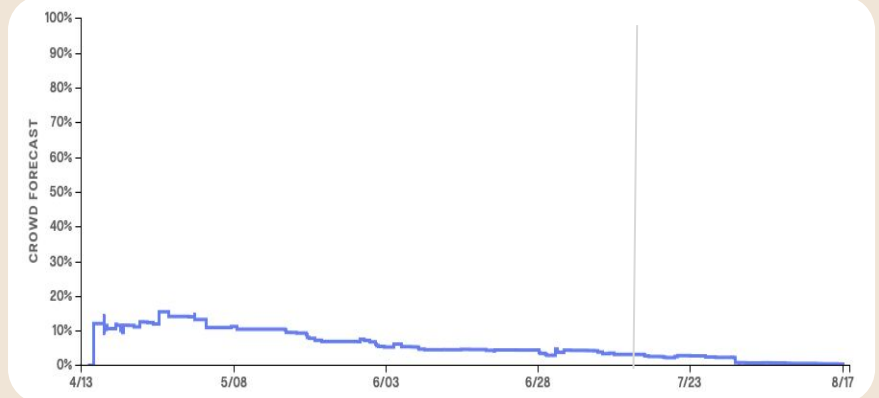


[See detailed forecast rationales](#) • [See consensus trend and crowd profile](#) • [Read blog post comparing forecaster and expert perspectives](#)

Will the value of 1 US Dollar equal or exceed 800,000 Iranian Rial on the open market (or 80,000 Toman, as reported on Bonbast) before 1 September 2023?

0% chance

↓ **Down 3% from 7/13/23**
Based on 153 forecasts

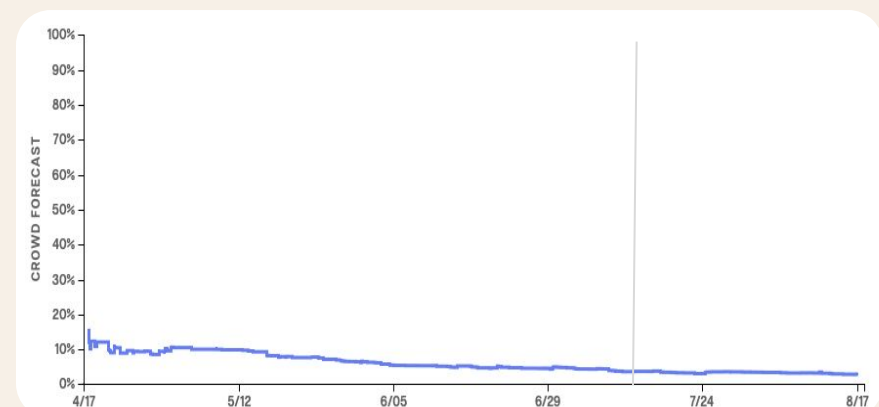


[See detailed forecast rationales](#) • [See consensus trend and crowd profile](#)

Will Ali Khamenei flee Iran or cease to be Supreme Leader before 1 March 2024?

3% chance

↓ **Down 1% from 7/13/23**
Based on 246 forecasts



[See detailed forecast rationales](#) • [See consensus trend and crowd profile](#)

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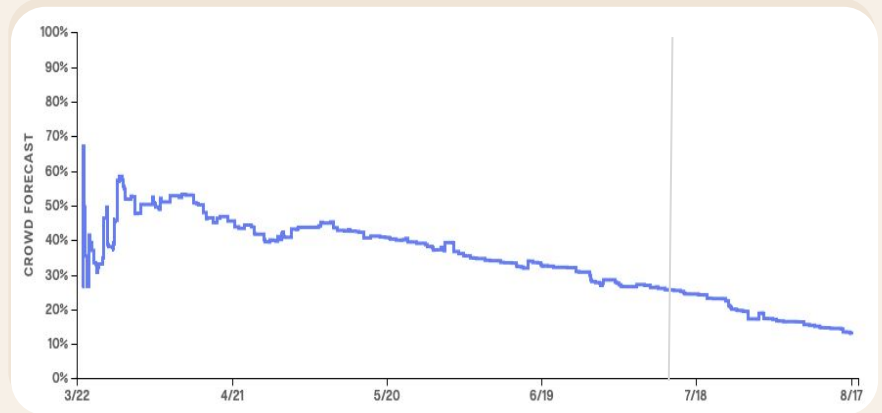
Data as of 18 August 2023

Near East (Middle East and Northern Africa) Region

Will any listed Muslim-majority country sign an agreement establishing or normalizing diplomatic relations with Israel by 31 December 2023?

13% chance

↓ **Down 13% from 7/13/23**
Based on 318 forecasts

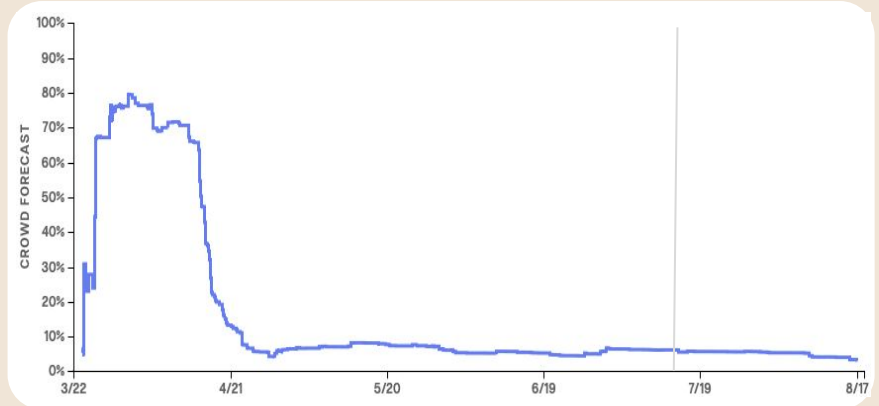


[See detailed forecast rationales](#) • [See consensus trend and crowd profile](#)

Will Israel and Sudan sign an agreement normalizing diplomatic relations by 31 December 2023?

3% chance

↓ **Down 3% from 7/13/23**
Based on 436 forecasts

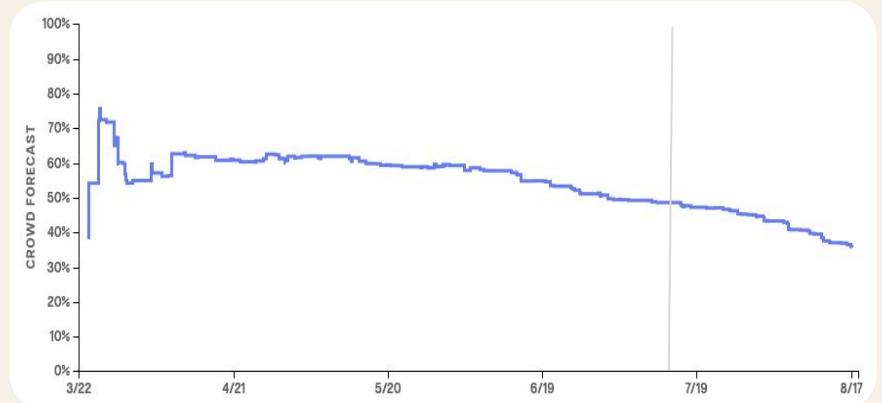


[See detailed forecast rationales](#) • [See consensus trend and crowd profile](#)

Will the Lebanese parliament elect a president by 31 December 2023?

36% chance

↓ **Down 13% from 7/13/23**
Based on 177 forecasts



[See detailed forecast rationales](#) • [See consensus trend and crowd profile](#)

APPENDIX: Rationale Summaries, Resolved Questions & Additional Reporting Details

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A. Rationale Summaries By Forecast Question

This section presents a high-level summary of forecasters' rationales for each question in the report, along with the crowd forecast and change in consensus since the last report (in parentheses). Rationales can be found in full by clicking “See detailed forecast rationales”, and a list of sources linked within rationales can be found by clicking “See source links”. The data in this report is from 1 July through 18 August 2023.

Will Egypt’s urban inflation rate be greater than or equal to 40% for any month between March and August 2023, inclusive?

Crowd Forecast: 8% chance (+20%) | [See detailed forecast rationales](#) | [See source links](#)

Higher probability forecasts discuss...	Lower probability forecasts discuss...
<ul style="list-style-type: none"> • Rapid acceleration: Inflation has already reached record highs of 35.7% in June and 36.5% in July. This shows inflation is accelerating rapidly. • Russia withdrawal from grain deal: Food prices, especially wheat and sugar, have surged recently and are a major driver of inflation. Russia's withdrawal from the Black Sea grain deal in July is expected to further increase food prices. • Further currency depreciation: Non-food inflation has also been rising due to currency depreciation. Further devaluation of the Egyptian pound remains a risk factor. 	<ul style="list-style-type: none"> • Low chance of a sudden spike: Despite recent increases, inflation has remained between 30-37% since April. Reaching 40% would require a significant sudden spike. • Raising interest rates to control inflation: Egypt's central bank raised interest rates in August which could help control inflation. They have tools to try to stabilize the currency as well. • Lack of time: Even if inflation increases more, it may not have time to reach 40% before the end of the month. • Gradual increase: Most expert forecasts predict inflation remaining below 40% through August, though potentially still gradually increasing.
<p>Read detailed perspectives in the blog post “INFER forecasters: Egypt’s inflation will get worse before it gets better”.</p>	

Will the value of 1 US Dollar equal or exceed 800,000 Iranian Rial on the open market (or 80,000 Toman, as reported on Bonbast) before 1 September 2023?

Crowd Forecast: 0% chance (↑3%) | [See detailed forecast rationales](#) | [See source links](#)

Higher probability forecasts discuss...	Lower probability forecasts discuss...
<ul style="list-style-type: none"> • Exchange rate volatility: There was a spike to 510,000 Rial per US Dollar in June, showing the exchange rate is volatile and could potentially spike again. • Political instability: Political and economic instability in Iran, as well as aggressive/risky government behavior, could further weaken the Rial. • Repression of protests: Iran's repression of protests and shift towards hardline policies could lead to greater external pressure and economic instability. • Regional hold on the Strait of Hormuz: Iran's aggressive behavior in the Strait of Hormuz could increase tensions and negatively impact Iran's economy and currency. Some forecasts cite incidents of Iran seizing tankers and see this as destabilizing. 	<ul style="list-style-type: none"> • Base rates are stable: Recent statistics and historical data show the exchange rate has been relatively stable around 500,000 Rial per US Dollar, significantly below the 800,000 threshold. • Oil exports: Iran has been boosting oil exports which provides economic support. Increased trade with Russia offers new opportunities and reduces dollar demand. This could stabilize or strengthen the Rial. • Lack of time: With only about a couple weeks remaining until the September 1 deadline, most forecasts see it as very unlikely for the Rial to rapidly devalue to the extent needed to reach the threshold.

Will Ali Khamenei flee Iran or cease to be Supreme Leader before 1 March 2024?

Crowd Forecast: 3% chance (+1%) | [See detailed forecast rationales](#) | [See source links](#)

Higher probability forecasts discuss...	Lower probability forecasts discuss...
<ul style="list-style-type: none"> • Advanced age and health issues: Khamenei is 84 yrs old and has had health issues like prostate surgery in 2014, putting him at a higher risk of a health event that could lead to him losing power. • Ongoing protests: There is growing unrest and protests against the regime in Iran. If protests escalate, the Assembly of Experts may decide to remove Khamenei from power. • Upcoming elections: Elections for the Assembly of Experts are coming up in March 2024. The newly elected members may be more likely to replace Khamenei if he is deemed unfit to continue serving, and the elections themselves may spark further protests. 	<ul style="list-style-type: none"> • Firm grip on power: Khamenei has held his position for over 30 years and has firmly consolidated power. There are no signs he plans to flee or give up his role voluntarily. • Little historical precedent: No Ayatollah has been deposed as Supreme Leader since the 1979 Iranian Revolution, so there is little precedent for Khamenei being removed. • Access to healthcare: Khamenei has access to quality healthcare and has survived major health scares before. His health issues may not be severe enough to force him to step down. • Resilience through challenges: Khamenei has survived major challenges like mass protests and the Covid-19 pandemic and continues to have the backing of key bodies like the Revolutionary Guard and Assembly of Experts.

Will any listed Muslim-majority country* sign an agreement establishing or normalizing diplomatic relations with Israel by 31 December 2023?

**The listed Muslim-majority countries are Afghanistan, Algeria, Bangladesh, Brunei, Comoros, Djibouti, Indonesia, Iran, Iraq, Kuwait, Lebanon, Libya, Malaysia, Maldives, Mali, Niger, Oman, Qatar, Saudi Arabia, Somalia, Syria, Tunisia, and Yemen.*

Crowd Forecast: 13% chance (+13%) | [See detailed forecast rationales](#) | [See source links](#)

Higher probability forecasts discuss...	Lower probability forecasts discuss...
<ul style="list-style-type: none"> • Saudi Arabia most probable candidate: Saudi Arabia is seen as the most likely candidate for normalizing relations with Israel. Forecasts cite ongoing negotiations and diplomatic efforts between the two countries facilitated by the US, as well as the economic incentives that come from transportation links between Israel and Saudi/Gulf states. • Momentum from Abraham Accords: Israel wants to build on the Abraham Accords and normalize relations with additional Muslim countries beyond the UAE, Bahrain and Morocco. The Abraham Accords have set a precedent for Arab states normalizing ties with Israel separate from the Israeli-Palestinian conflict, and countries like Indonesia, Mauritania, Somalia and Niger are mentioned as potential candidates. 	<ul style="list-style-type: none"> • Israeli-Palestinian conflict: The ongoing Israeli-Palestinian conflict and tensions remain the biggest obstacle. Recent Israeli military operations in the West Bank have set back normalization hopes. Most Arab states and their populations still oppose normalization without a resolution for the Palestinians. • Tight timeline: Time is running short to complete complex negotiations and sign an agreement by December 2023. The original Abraham Accords took years of quiet diplomacy to culminate. • Saudi uncertainty: Saudi Arabia's normalization is not guaranteed, and forecasts suggest they will likely insist on concessions for the Palestinians as a condition. Timelines for a Saudi deal extend well beyond 2023, and other Muslim countries may wait to see what happens with Saudi Arabia before normalizing ties themselves. • Israeli domestic turmoil: Recent controversies and protests in Israel over judicial reforms have created domestic turmoil, making the Israeli government less focused on normalization deals right now. • Public opposition: Normalization remains controversial with Arab public opinion, limiting incentives for more Muslim states to move forward quickly. Other prospective countries like Indonesia and Mauritania have shown reluctance so far to normalize ties.

Will Israel and Sudan sign an agreement normalizing diplomatic relations by 31 December 2023?

Crowd Forecast: 3% chance (+3%) | [See detailed forecast rationales](#) | [See source links](#)

Higher probability forecasts discuss...	Lower probability forecasts discuss...
<ul style="list-style-type: none"> • Economic benefits: Normalized relations could bring economic benefits for both countries through increased trade and investment. Sudan's economic conditions are poor, with high debt, and normalization could open access to aid and technology. • US involvement: The US has been encouraging Arab states to normalize relations with Israel through the Abraham Accords. The Trump administration helped facilitate initial talks between Israel and Sudan. Continued US involvement makes an agreement more likely. • Israel's diplomacy with Arab nations: Israel has an interest in expanding the Abraham Accords to continue improving relations with Arab and Muslim countries. A deal with Sudan would be seen as a diplomatic win. • Leveraging historical relations: Israel and Sudan have a history of secret relations dating back to the 1950s, suggesting potential for normalized diplomatic ties. Key examples include Israeli delegation visits to Khartoum in the 1950s, secret negotiations in Istanbul in 1955, and a meeting between Sudanese and Israeli leaders in 1957. Israel could leverage these links to advance normalization talks. • Sudanese acceptance over time: Some political factions in Sudan supported initial outreach between the countries. Further acceptance of Israel could grow over time, aided by economic benefits of ties. 	<ul style="list-style-type: none"> • Sudanese opposition: There is significant opposition in Sudan to normalization with Israel as public opinion remains largely anti-Israel due to the Palestinian conflict. • Sudan civil war: Sudan's unstable politics and ongoing civil war make it difficult to finalize a complex diplomatic agreement. An accord would require buy-in across fractious Sudanese politics. And with so much focus on resolving the civil war, normalization with Israel is a low priority for Sudan's military leaders in the near-term. • Israel political shift: Israel's current rightward political shift, including controversial judicial reforms, could make it a less appealing partner for normalization. Global and Arab views of Israel are worsening. • Regional interests: Regional players like Saudi Arabia, Iran, and Egypt have conflicting interests on Israeli-Sudanese ties. Their involvement complicates diplomacy. • Lack of time: Short timeframe to complete complex negotiations and sign a major bilateral agreement between two countries with no existing diplomatic relations. Most forecasts see little chance of success by the deadline. • Israeli-Palestinian relations: Israel's recent aggressive policies towards Palestinians and erosion of democratic norms under the new government could make an agreement unpalatable for many in Sudan and the Arab world at this time.

Will the Lebanese parliament elect a president by 31 December 2023?

Crowd Forecast: 37% chance (+13%) | [See detailed forecast rationales](#) | [See source links](#)

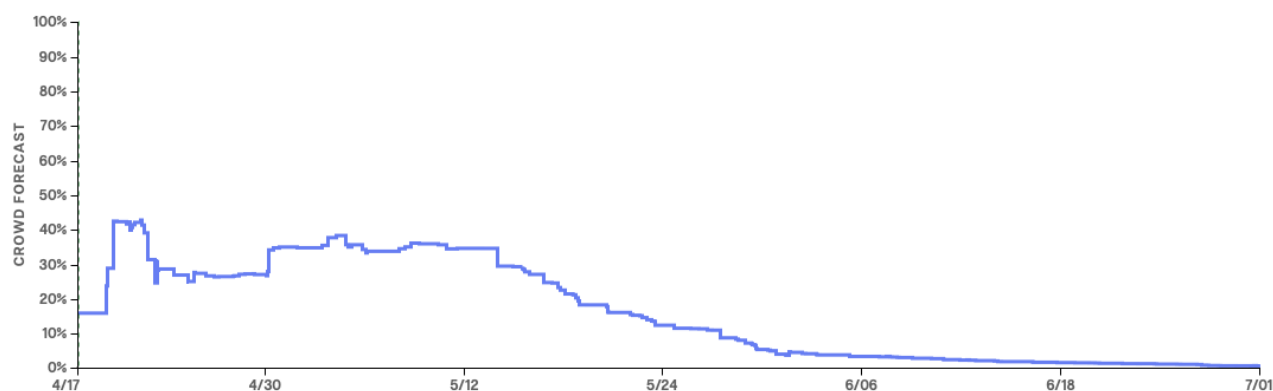
Higher probability forecasts discuss...	Lower probability forecasts discuss...
<ul style="list-style-type: none"> • Five-nation pressure: The five-nation group on Lebanon (U.S., France, Saudi Arabia, Qatar, and Egypt) has discussed measures against those obstructing the presidential election, signaling pressure to resolve the impasse. • Avoiding an authoritarian state: The U.S. and France are expected to push for consensus on a candidate to prevent Lebanon from descending further into a failed authoritarian state. • Restarted discussions: Talks between rival factions have restarted and are moving quickly after the five-nation group met in Doha in July. • Palestinian refugees: Recent clashes between Palestinian groups have made the instability and lack of functioning government more stark, potentially pressuring factions to compromise. 	<ul style="list-style-type: none"> • Political division: Parliament has failed 12 times to elect a president due to deep political divisions and tensions between factions. • Failing state: Armed clashes between rival groups, the collapsing economy, and lack of government control indicate Lebanon's worsening failed state status. • Regional warnings about travel to Lebanon: Saudi Arabia, UAE, Bahrain, Kuwait and other nations have warned citizens against travel to Lebanon due to armed clashes and instability. The worsening environment may suggest arguing parliament factions will find it harder to work together. • Lack of time: With each failed vote, more time passes without resolution as Lebanon's condition deteriorates, making cooperation less likely. • Corruption: Corruption remains entrenched, making it difficult to achieve the broad consensus needed to elect a president. The Iran-backed Hezbollah maintains significant control and influence, complicating consensus on a candidate.

B. Resolved Questions

This section presents the forecast questions that have been resolved in July. A question is “resolved” when the outcome is known and it can be judged for accuracy.

Will the composition of Israel's current governing coalition change before 1 July 2023?

Final Crowd Forecast: Yes - 0% chance; No - 100% chance | **Correct Answer:** No



C. The Forecasters

The forecasters who have participated thus far in these questions have the following profile:

- 138 total forecasters
- 51% are “INFER Pros” - participants in INFER’s Pro Forecaster Program, who were selected based on their accuracy track record of at least 1 year on INFER or other similar forecasting sites or programs.

Demographics

Country	Ratio
USA	44%
Canada, UK, Australia, New Zealand	9%
Europe	20%
Latin America, Caribbean	13%
Asia	12%
Africa	2%

D. Report Methodology

Rationales of INFER forecasters have been selected and summarized by Claude, an AI assistant tool created by Anthropic. To build the rationale summaries presented in this report, we provided forecasts (probabilities and narrative rationales) to Claude to summarize into bulleted lists of arguments. We then manually edited the bulleted summaries for accuracy and readability to ensure that each list item accurately represented forecasters' rationales and was assigned to the proper list.

Each question in the report also includes links to the crowd forecasts, rationales, and source links used by forecasters.