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## **“Chaos, Code & Power: Decoding Disruption Across Politics, Markets & Tech in 2026.”**

*In 2026 politics, financial markets and technology run on the same operating system called volatility. For those who can read the code it means opportunity; for those who can't ... it means constant rebooting.*

### **Introduction**

Good afternoon ... and thank you for the kind invitation.

It's hard to begin any serious discussion these days without talking about artificial intelligence

***In the first half of this presentation, we'll look at digital attacks, driven by [artificial intelligence](#) (AI), deepfakes and synthetic media that blur fact from fiction, manufacture entire realities, hijack public attention and increasingly influence headlines, financial market sentiment and executive decision-making.***

This isn't background noise anymore. It's a direct threat to trust, timing and control — and it's moving faster than most institutions can respond.

These technologies are colliding with economics and politics, creating volatility and a global disorder that no longer runs on a familiar script.

What was once “*unthinkable*” is now just a typical Wednesday.

***In the second half of this presentation, we'll examine how technology collides with leadership and politics—and what it means for staying ahead in 2026 and beyond. That brings us squarely to U.S. politics and President Trump.***

Whether admired or despised, he is recasting the world order, moving policy, geography, markets and culture with a speed and force rarely seen in modern history.

***In the third part of today remarks, importantly, I would like to hear from you — your insights or disagreements. That’s where the real value lies.***

Think of it more as a dialogue — a bit like an Oxford Union debate, but with fewer Latin phrases ... and, if we’re lucky, more agreement by the end.

And along the way, I’ll share a few stories you probably won’t hear on the BBC — or in most European newsrooms.

So, let’s begin with a few provocations under the theme:

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Interestingly, in Sicily, just near [Agrigento](#), there is a village named “Caos” — chaos in English —

The name “Caos” in Sicilian dialect simply means “chaos.” It derives from the old Greek term *khaos*, meaning a vast opening or void ... fitting for the region’s rocky terrain.

In Greek mythology, [Prometheus](#) is remembered as the [Titan](#) who defied [Zeus](#) and gave fire to humankind.

Contemporary society answered with compliance, complexity, dashboards, disclaimers, multiple passwords and quarterly reporting — something we’ll revisit later in these remarks.

**If the gods had keyboards, Olympus would run on “code.”**

In Greek and Italian traditions, “code” was the secret language of creation — a divine script behind nature’s order.

Today, that same logic powers algorithms, drives decisions and builds minds from lines of syntax. In the age of AI, code is our modern incantation — turning thought into action and ideas into machines.

Of course, divine intervention had fewer bugs — and never needed a patch on Tuesday.

**“Power” was never just strength — it was story.**

In ancient times, gods didn’t just rule; they wrote the script everyone else had to live in.

Today power lives in news feeds, data flows, and social streams — it’s what’s seen, what trends, what impacts culture and society ... and what disappears.

In 2026, narratives are the world’s currency. Early gods wielded thunderbolts.

Now, we face deepfakes, AI-driven digital attacks, and trend suppression at breakneck speed — building a digital reality faster than institutions can adapt. This will be addressed in the final part of these prepared remarks.

-----Part I Technology-----

**“AI driven attacks and deepfakes are the greatest existential threat for business and financial markets in 2026”**

What was once “unthinkable” is now just another Wednesday. Chaos is no accident anymore — it’s manufactured, directed and deployed.

Engineered disorder, fueled by synthetic media and algorithmic manipulation, has become a weapon for political and cultural change. It doesn’t stay online; it seeps into politics, markets, culture and boardrooms.

One illustration, when federal investigators started probing an impersonator targeting [White House](#) chief of staff [Susie Wiles](#), it wasn’t Beltway theater — it was a warning.

The impersonator used texts and [AI-generated voice mimicry to contact](#) senators, governors and business leaders, reportedly making requests plausible enough to get a few to engage.

The U.S. [Federal Bureau of Investigation](#) (FBI) and the White House scrambled to understand how Wiles’s contacts were accessed and what the impersonator’s endgame might be.

In the last year, some of the most viral deepfakes include: [Pope Francis](#) in a [fake designer puffer coat](#) outside the Vatican; [Taylor Swift](#) in [AI-generated pornography](#), fake images of [Katy Perry](#) at the [2024 Met Gala](#) and a [deepfake of rapper Drake](#) feuding with another artist using synthetic lyrics.

In April 2024, more than 200 musicians, including [Katy Perry](#), [Billie Eilish](#) and [Bon Jovi](#), signed an [open letter condemning](#) the exploitation of their voices, creativity and likenesses by AI.

As the U.S. barrels toward the 2026 midterms and the 2028 presidential race, the most dangerous threat to democracy may not come from hostile nations or bad policies — but from perfectly believable lies.

When AI trolls can target the U.S. President’s Chief of Staff, His Holiness the Pope, celebrities and several G7 leaders, it’s only a matter of time before they discover financial markets, earnings releases, your chief executive, finance director or board meeting on Zoom.

Thanks to AI, it’s now possible to create audio, video and images so real they could show public figures doing or saying things they never did — and make millions believe it.

## Behind the illusion: the [deepfake](#) threat

As a first step in protecting [reputation and trust](#), executives should understand the three types of deepfakes that matter most.

Deepfakes are audio clips, videos or photos that's been edited to look real, but actually shows someone doing or saying something they never did.

**Audio deepfakes clone a person's voice from a few seconds of recorded speech.** Scammers already use this technique to impersonate [political and government figures](#), CEOs, doctors or relatives in distress. Victims have been tricked into wiring money, revealing passwords, or approving fake deals.

For example, on April 13, 2025 hackers broke into crosswalk systems in at least three California cities and [replaced the standard audio](#) with AI-generated voices mimicking [Elon Musk](#) and [Mark Zuckerberg](#).

The voices delivered bizarre, satirical messages when the buttons designed to help visually impaired pedestrians were pressed. City officials shut down the audio guidance features while they investigated the breach.

Furthermore, hackers are using AI-generated voice clones of [senior U.S. officials](#) to breach government and personal accounts in a rapidly expanding deception campaign that threatens to unravel trust, compromise identities, and destabilize national security.

**Video deepfakes are potent.** They can depict a political leader announcing war, a CEO making false claims, or an individual confessing to crimes they never committed.

*These videos don't need to hold up under long-term scrutiny. They only need to go viral long enough to sow confusion or trigger reactions. By the time they're verified, the damage is often done.*

For instance, in February 2024, Hong Kong police reported an incident involving an [employee at Arup Group](#), a multinational design and engineering firm, was tricked into transferring about \$25 million during a video call that used deepfake versions of the company's chief financial officer and other colleagues.

In capital markets, the risks are exponential. Imagine a deepfake of the Federal Reserve Chair hinting at an emergency rate hike — futures would crater in minutes. A fabricated CEO earnings video, circulated seconds before a quarterly call, could wipe billions in shareholder value before lawyers or auditors log on.

Markets don't wait for verification. By the time regulators announce an inquiry, the trade has cleared and the money is gone.

***Photo and graphic deepfakes manipulate images*** fabricate events, alter evidence and frame individuals — with alarming realism in events that never happened, as well as to alter legal evidence or frame individuals.

In authoritarian regimes, such images are already being used to fabricate dissent, discredit opponents or construct false narratives. In democracies, they are fueling mis- and disinformation campaigns and reputational smears.

In October 2024, after [Hurricane Helene](#) flooded [Asheville, North Carolina](#) and surrounding areas, [AI-generated images](#) of destruction and human suffering spread across social media, undermining rescue efforts and damaging public trust.

In March 2023, the Internet was captivated and deceived by an image of the late Pope Francis strutting in a [sleek, white, Balenciaga-style puffer coat](#). Created by AI, the image fooled many before the truth of its creation surfaced.

**Challenge isn't the attack** — it's how fast it arrives and how loudly it explodes in a new two-hour digital day.

Crises once unfolded over days or weeks. Now they erupt in minutes. The new two-hour digital day demands command, clarity, and control — because hesitation is now measured in headlines.

In the 1948 Western [Fort Apache](#), Colonel Owen Thursday ([Henry Fonda](#)) tells Captain Kirby York ([John Wayne](#)), “A command is something you take ... you don't ask for it, you take it.”

The same holds true for contemporary crisis and reputation management. When disaster strikes, leadership isn't optional — it's an obligation. Stakeholders expect decisive action, confident communication, and reassurance that the situation is under control. Delay looks like denial. Hesitation reads as weakness.

[Trust](#) — not strategy, not spin — is the cornerstone of crisis leadership. Transparency, consistency, and clear human language preserve it when everything else feels uncertain.

**Winston Churchill, as always, put it bluntly. “The difference between mere management and leadership is communication.”**

The digital world is omnipresent, yet importantly and unfortunately, many corporate cultures, leaders and their advisors remain unprepared and untrained to counter digital threats attacking at luxurious velocity.

Cyberattacks, misinformation and operational blunders are now amplified in real time, leaving many companies paralyzed before they can respond.

In my game-changing 2011 book co-authored with former White House Writer, Mark Davis, [\*Digital Assassination: Protecting Your Reputation, Brand, or Business Against Online Attacks\*](#), we established a standard digital response process, setting eight hours as the response time to minimize digital harm.

How times have changed. In a *Fortune* byline more than a year ago, I introduced the concept of the “[two-hour digital day](#)” and how it would impact business and organizations. It is no longer a concept — it’s upon us. AI has amplified the speed and magnitude of cyber-attacks and data leaks.

Even the most advanced technology firms, armed with the same AI they helped invent, now face the same relentless onslaught.

And still, too many leadership teams remain digitally tone-deaf — reacting to crises that now move faster than their playbooks last year.

### **Third: fake news — America’s first growth industry**

Fake news became a social-media influence complete with followers, sponsorships, and scale.

It didn’t start on [X](#) (formally Twitter); it started in Philadelphia. The U.S. Founding Fathers practically invented the viral post — they just called it a pamphlet. Thomas Jefferson and John Adams didn’t debate — they published. Each accused the other of ruining the Republic, and both were partly right.

*Common Sense* sold faster than any TikTok reel, and [\*The Federalist Papers\*](#) were basically the first comment thread — only with better grammar and fewer emojis.

So, Donald Trump didn’t coin [fake news](#); he just branded it. Two words and a smartphone turned suspicion into strategy. Every politician since has borrowed the playbook: why rebut the press when you can replace it?

Today, the media has been replaced by social platforms. Outrage is the new distribution model; emotion is the algorithm. Truth still exists — it just performs poorly against engagement metrics.

And tomorrow AI will turn disinformation into a custom service. By 2026, political campaigns will deploy machine-learning systems to test, tailor, and deliver micro-truths at the speed of refresh.

By 2027, synthetic voices, deep-trained personalities, and hyper-localized “community news” bots will manufacture consensus itself — neighborhood by neighborhood, voter by voter.

## Commanding the storm: leadership in the age of synthetic tsunamis

**First imperative — anticipation.** Every executive should assume their face, voice and data are already on someone's hard drive in Shenzhen.

Boards cannot treat this as a communications nuisance. Fiduciary duty now extends to digital resilience.

Directors should demand AI-threat briefings the same way they review audit, cyber or [Environmental, Social and Governance](#) (ESG) risk.

Minutes should show they asked: How fast can management verify or deny a viral video? Who owns that decision? What's our liability if investors, employees, or regulators act on a lie we failed to counter in time? Silence won't be viewed as prudence — it will be negligence.

Regulators are circling. The [Securities and Exchange Commission](#) (SEC) has warned that deepfake disclosures tied to earnings or M&A could constitute securities fraud.

The U.S. [Federal Trade Commission](#) (FTC) is probing synthetic ads for deceptive practices. Justice Department officials privately concede they lack the tools to prosecute deepfake manipulation at scale.

For business leaders, that means the burden of proof — and speed of denial — shifts to the company itself. In a market crash sparked by AI fakery, the courtroom will ask not only who spread the lie, but why the board wasn't ready.

**Second is management table top training.** True readiness isn't built in theory; it's built in simulation.

Quarterly tabletop sessions with the C suite, general counsel, and communications and marketing leaders should mimic real-world digital assaults — deepfakes, viral misinformation, and algorithmic market shocks.

These aren't compliance or IT exercises or communications fire drills; they're survival rehearsals for the two-hour digital day. The goal isn't perfection — it's muscle memory under pressure.

**Third imperative — intelligence.** Real leadership now requires a live radar. AI-powered monitoring must run constantly, scanning social, financial, and even dark-web chatter for the next reputational or market hit.

Detection alone is yesterday's defense — interception is today's.

The best boards and CEOs aren't drowning in data; they're surfing it, fast and on purpose. In a world where algorithms move faster than accountability, leadership isn't about managing the storm — it's about owning the weather.

Technology drives markets, and markets now drive politics — but only one man has merged all three into a single command center. Trump 2025 isn't about disruption anymore; it's about control.

-----Part II Politics, financial markets and trade-----

## **Trump 2025: The Message Is the Machine**

Power once veiled inside institutions now lives in a name.

[Donald J. Trump](#) — the 45th and 47th President of the United States — doesn't adapt to the system. He rewrites it — with control, speed, and precision.

Not since [Franklin D. Roosevelt's New Deal](#) has a president so thoroughly reshaped the federal government's relationship with its citizens.

Since the 1930s, the mission was expansion — Washington's reach, entitlements, and control over capital and labor. In 2025, the mission is deconstruction. Trump is the architect.

The usual critics — academics, think tanks, and cable news pundits — warned that Trump's return would bring chaos. Instead, he delivered speed and control.

The political establishment, long certain that only they could operate the machinery of government, now watches as it is retooled at a relentless pace — measured in what insiders now call “Trump Time.”

Trump isn't adapting to the old system; he's dismantling it piece by piece. What unsettles the establishment most isn't just his actions — it's the broad public support behind them.

Policy changes under a second Trump administration will lead to shifts in trade, regulation and global economic priorities. While it's too early to assess impacts, UK businesses should monitor developments closely for potential effects on cross-border operations and investment planning.

In America, Democrats are furious... but the turbulence may be part of the strategy. Trump thrives on dramatic change — none more symbolic than the “DOGE” initiative (Departments Overhauled, Government Expedited), a sweeping program that led to the mass firing of tens of thousands of federal workers within days of inauguration.

Long-standing bureaucratic chains of command were replaced with streamlined, direct-report models that bypass traditional vetting and HR protocols.



Key regulatory bodies — including the EPA, FCC, and DOJ — saw drastic reassignments or internal freezes, with several senior officials replaced by interim appointees pulled from private industry, conservative think tanks or even media allies.

The goal, Trump allies argue, was efficiency; the result, critics warn, is legal uncertainty, operational bottlenecks, and a wave of resignations from career civil servants. In effect, DOGE was less a reform and more a controlled demolition — and in that, perhaps, lies its true intent.

Consumer prices have surged, and a prolonged government shutdown has intensified the sense of disorder — yet despite (or because of) the disruption, Trump’s command over the national narrative has only grown stronger.

On October 1, Democrats led by Senate Minority Leader [Chuck Schumer](#) (D-NY) and House Minority Leader [Hakeem Jeffries](#) (D-NY) voted against a [continuing appropriations measure for FY 2026](#). As of this writing (October 16), the shutdown continues.

In the end, these Washington battles don’t just shape headlines — they set interest rates, move supply chains, and shift risk models that land directly on global balance sheets.

This is not merely a policy dispute. It’s a confrontation over power, culture and generational alignment.

### **Northern chill, southern heat: Trump’s policies freeze crossings**

At the U.S. southern and northern borders, the change is measurable. Within 72 hours of taking office, Trump reinstated the “[Remain in Mexico](#)” policy and redeployed federal agents under a new Title 42-style health provision.

The U.S. [Department of Homeland Security’s September report](#) showed illegal crossings in Mexican sectors down 72 percent year over year.

**For UK businesses**, this signals potential trade delays, especially for goods routed through North America. Stricter U.S. immigration may also affect UK professionals seeking work in the U.S. or disrupt transatlantic labor flows. The UK government may mirror these deterrence-based strategies in its own immigration debates.

Targeted enforcement, new surveillance systems and cross-border coordination turned what had become a growing threat into a contained front.

Nationwide estimates are that 20–30 million entered the U.S. illegally during the prior administration. Since January, more than 1.3 million illegal migrants have left the United States on their own — a reversal few predicted.

## What does \$18 trillion order when it walks into a bar?

The U.S. [Commerce Department September bulletin](#) confirmed over \$18 Trillion (not a typo a of 10/10/25) in *pledged* by foreign direct investment in U.S. operations.

In Phoenix, AZ, [Taiwan Semiconductor Manufacturing Company](#) (TSMC) is pressing ahead with a \$65 billion expansion, including a new \$25 billion semiconductor plant. [Samsung](#) has doubled down in [Taylor, Texas](#), with a \$24 billion chip facility. On the East Coast, [GlobalFoundries](#) — backed by [Abu Dhabi's Mubadala](#) — is investing \$11 billion in upstate New York.

German capital has followed, with [BASF](#), [Volkswagen](#) and [Siemens Energy](#) announcing a record \$15.7 billion in new U.S. investments last year. Sovereign wealth funds from Singapore, Saudi Arabia, and the UAE have quietly increased stakes in logistics, infrastructure, and clean-tech manufacturing tied to the [Trump administration's "Rebuild America"](#) initiative.

Nowhere is the concentration more striking than Texas, which captured more than \$20 billion across approximately 240 projects — from semiconductors to transport hubs. These are not speculative bets; they are global capital's hardwiring into America's industrial core.

This matters because the U.S. combines technology, scale and population to power the next wave of factories. For London boardrooms, the signal is unmistakable: America isn't just a market — it's the pub where everyone wants a table. Today, it is the preferred landing ground for global capital, supply chains and advanced manufacturing.

## On Trade, the numbers speak louder than the soundbites

[U.S. trade deficit with China has dropped to \\$189 billion year-to-date \(August 25 and growing\)](#) — its lowest level since 2009. At the same time, domestic semiconductor production has surged, with output up over 22 percent.

[Intel's](#) Ohio complex is now operational, TSMC is producing chips in Arizona, and major portions of the EV and battery supply chain are now rerouting around Beijing — pivoting instead to India, Vietnam, and Brazil.

Trump returned to office promising tariffs “back on the table.” Nine months in, the table is full. Duties are back on Chinese steel, aluminum, and tech components.

Tariffs now cover critical minerals, with new levies on electric vehicle imports from China, Mexico, and Europe. Unlike his predecessors, Trump has relied on executive authority, citing national security and economic resilience to move quickly.

The U.S. Treasury calls it a windfall. Between January and September 2025, customs duties topped \$300 billion — more than the first two years of the Biden administration combined.

**On the 12th of September 2025, something historic took place — not just for the UK–U.S. relationship, but for Britain’s strategic position in the global economy.**

That afternoon, in London, Prime Minister Keir Starmer and President Donald J. Trump signed the U.S.–UK Trade Agreement, formalizing what had first been announced in principle back in May.

The signing was attended by Business and Trade Secretary Rachel Reeves, who played a central role in the negotiations, and U.S. Trade Representative Katherine Tai, who returned for the second term under President Trump to oversee its delivery.

The finalization of the deal marked a rare bipartisan achievement — one driven not by political theatre, but by mutual economic need.

That evening, the significance of the moment was underscored in full diplomatic color. King Charles III hosted President Trump for a formal state dinner at Windsor Castle — making Trump the only world leader in modern history to receive full state dinners in the United Kingdom.

The symbolism was unmistakable. And President Trump, in rare reflective mode, called the evening *“one of the greatest moments of my life and presidency.”*

**But beyond ceremony, the agreement itself carries real weight.**

- ✓ It secures expanded U.S. market access in agriculture, aerospace, and pharmaceuticals — including more than \$700 million in ethanol exports and \$250 million in beef and related goods.
- ✓ It guarantees preferential treatment for UK aerospace components in U.S. production and establishes a protected pharmaceutical supply chain framework. These are not symbolic wins — they are real channels for growth, resilience, and long-term competitiveness.
- ✓ More importantly for the UK, the deal formalizes a joint economic security framework. It links the two countries not just as trading partners, but as strategic economic allies — coordinating on export controls, investment screening, and ICT vendor oversight.

UK firms now have protected access to U.S. government procurement under the GPA, and for the first time, an agreed mechanism for collaborating on high-risk supply chains: semiconductors, critical minerals, and next-gen battery materials.

And then there is the matter of tariffs. The deal restructured Section 232 tariffs on UK auto exports — capping the first 100,000 vehicles per year at a 10% rate, with higher rates beyond that. Blanket steel and aluminum duties were replaced with a new managed trade model.

Perhaps more importantly, the agreement opens the door to continued negotiation on the hard stuff: digital trade, IP, environmental and labor standards — and yes, the UK’s Digital Services Tax, which remains a point of contention.

## **So, what does all this mean for UK business?**

It means the UK now has something few others do: clarity, proximity, and preferential terms in the world's largest and most politically assertive market. While others face new barriers, the UK has been brought inside the perimeter — not by sentiment, but by strategic alignment. But this access isn't permanent — it must be justified and used.

For British firms already active in the U.S., this is your green light to scale. For those on the sidelines, this is your warning shot: proximity alone is no longer enough. In today's trade environment, presence matters — where you build, where you hire, where you innovate.

And in Washington's new calculus, resilience, not efficiency, is the new measure of partnership. Windsor Castle may have been the setting. But the message from that day was clear — this isn't just a trade agreement. It's a blueprint for the next phase of the U.S.–UK relationship.

And for British business, it's an open door — for now. The question is: who's ready to walk through it?

## **Distance, time and technology may change — but not the enduring bond known as the “Special Relationship.”**

In July 2026, the United States will celebrate 250 years of independence. This historic milestone reminds us that the Special Relationship between the U.S. and the UK wasn't forged in treaty rooms or on trading floors.

It took shape through shared values, sacrifice, and trust — first formally articulated in 1946, when Winston Churchill, standing beside President Truman at Westminster College in Missouri, gave it a name and gave it meaning.

That speech — remembered most for coining the phrase “Iron Curtain” — carried a more enduring message: that Britain and the United States, bound by language, law, and liberal democracy, should form what Churchill called a “fraternal association” to safeguard peace, prosperity, and global stability.

From that moment, the “Special Relationship” became something more than alliance — it became architecture.

That relationship has been tested many times. It has endured Suez, Iraq, Brexit and divergent political winds on both sides of the Atlantic.

But through it all, it has held, not because of sentiment, but because of something more durable: shared capability, shared values and strategic trust.

The UK remains the only country with which the U.S. shares its most sensitive intelligence under the Five Eyes, the only nuclear ally granted joint development access under the Mutual Defense Agreement, and one of the few nations whose financial, diplomatic, and security infrastructure is truly interoperable with Washington.

### **That is the backdrop to the moment at Windsor Castle.**

When President Trump described the 2025 state dinner as “*one of the greatest moments of my life and presidency*,” it was not simply personal pride. It reflected the rare continuity of a relationship first envisioned by Churchill and still relevant today — because it adapts.

The trade agreement signed that day is not an exception to this relationship. It is its modern expression. Not just about tariffs and quotas, but about economic security, strategic alignment, and trusted supply chains.

Churchill spoke of a “special relationship” between the English-speaking peoples. Nearly eighty years later, that vision has evolved — not into nostalgia, but into resilience. 2025 we signed in 2025 proves the point: this is not a relationship of the past. It is a platform for the future.

### **SEC: less drama, more deregulation**

Under President Trump, the SEC has entered a new era — quieter in tone, but bolder in direction. With deregulation as its guiding principle, the agency is reshaping how markets disclose, comply, and adapt — and UK firms are already feeling the ripple effects.

Some of the key shifts include:

***The end of 90-day confessions*** may be nearer than markets expected. In September 2025, President Trump instructed the SEC to consider scrapping quarterly earnings reporting — a cornerstone of U.S. market transparency. SEC Chair Paul Atkins has since moved swiftly, pushing toward a semiannual model aimed at relieving corporate “short-termism.”

The idea is not new, but its execution now feels imminent. While U.S. boards cheer the prospect of fewer earnings calls, UK firms with U.S. listings — or material U.S. investor exposure — are more circumspect. Fewer disclosures mean less guidance, and with it, greater uncertainty.

For asset managers in London, it raises a practical dilemma: how do you price risk when the data clock ticks slower in New York than in Mayfair?

***ESG? Exit stage green*** sums up the SEC’s new stance on sustainability regulation. Under Atkins, the agency has dismantled or frozen multiple ESG mandates introduced under the Biden administration — including climate risk stress-testing and Scope 3 emissions reporting.

His framing is unapologetic: “Policy activism disguised as transparency.” That view, while controversial, is gaining traction among U.S. corporates. But for UK companies operating on both sides of the Atlantic — particularly those subject to FCA and EU rules — the divergence is problematic.

ESG compliance may now look optional in the U.S., but it remains mandatory in the UK. Boards are left navigating a two-speed system: one where carbon disclosure is expected, and another where it's effectively shelved. The cost of compliance hasn't gone down — it's just gone asymmetrical.

***This AI doesn't check out*** was the SEC's unmistakable signal in August, when it fined a leading fintech brokerage \$380 million for falsifying AI performance metrics. It was a first-of-its-kind action — not against fraud in the traditional sense, but against claims made by machine-learning models.

The SEC is now focusing on what it calls “**synthetic market manipulation**”: algorithmic trading strategies, deepfake content, and financial outputs that deceive by design. For UK firms deploying AI in asset management or retail finance, the implications are clear.

The rules of engagement are tightening — and no longer just in the FCA's sandbox. Washington has entered the black box. And it's asking: who trained the model, who audited the output, and who gets hurt when it fails?

***From empire building to bureaucracy busting*** could be the motto of Atkins' SEC. Where previous chairs expanded the agency's footprint — with ESG, DEI, cyber and social disclosure regimes — the current approach is narrower and more prosecutorial. The message is blunt: protect investors, prosecute deception and leave politics at the door. This is deregulation by design, not drift.

For UK legal teams, that introduces a tactical split. The U.S. may now offer simpler compliance — but if it also signals softer scrutiny, the reputational burden shifts elsewhere. UK boards will need to decide whether to harmonize with American minimalism or hold the higher ground in ESG and reporting integrity.

***So, what does it mean for UK business?*** In simple terms: the SEC's pivot affects more than paperwork. It alters timing, tone and trust. For firms with U.S. operations or capital exposure, the regulatory clock is now ticking to a different rhythm. ESG may no longer be enforced in Washington, but it still matters in Brussels, Edinburgh, and Westminster.

AI governance, once theoretical, is becoming enforcement policy. And the global language of disclosure is starting to split into dialects. The firms that thrive will be those who can speak both — and know when one accent stops working.

### **Tax credits and subsidies once offered as incentives now act as a gravitational pull.**

In 2026, that pull will weigh as heavily on European strategy as it does on U.S. politics.

Foreign direct investment, now measured in double-digit trillions, is transforming the U.S. economy — building semiconductors, AI infrastructure, and advanced manufacturing at a pace unmatched since the postwar boom.

These aren't just capital flows but commitments that transfer expertise, secure supply chains, and quadruple global battery capacity outside Peoples Republic of China (PRC or China) . Nearly three-quarters of all cross-border pledges since 2022 have gone into these sectors — the front line of economic security.

Trump's mid-September U.S.–UK trade deal locks Britain into this trajectory, giving London front-row access to supply chains once dominated by Asia.

For the UK, it means privileged entry into U.S.-led semiconductor and energy projects. For the U.S., it cements transatlantic partners as investment bypasses Beijing. Together, the pact builds a new Western bloc — where capital, technology, and jobs circulate within allied economies, shaping the geometry of global trade for the decade ahead.

### **Peace by contract: Trump moves fast — not by committees or UN**

Trump's peace actions didn't rely on panels, proxies, UN resolutions, or five-year frameworks — they came from one man on a deadline.

Trump approached global conflict like a builder: show him the blueprint, then get out of the way. Peace initiatives include:

#### **Israel– Hamas cease-fire — October 2025** (as of October 25)

The Israel– Hamas cease-fire—freeing 20 Israeli hostages in exchange for nearly 2,000 Palestinian prisoners—marks a monumental achievement for Donald Trump with global impact.

Brokered under heavy international pressure, the deal placed Washington back at the center of Middle East diplomacy. Leaders across Europe and Asia hailed the agreement as a critical step toward easing regional tensions. Yet the truce will face strains, with both sides trading accusations of violations and disputes lingering over the return of deceased hostages.

## **Ukraine & Russia — Ongoing 2025 (as of October 25)**

President Trump confirmed plans to meet Vladimir Putin in Budapest within two weeks or so to pursue a cease-fire in Ukraine, Europe's largest war since 1945. The August 15 Alaska summit produced no breakthrough, but the White House is billing Budapest as a reset moment. The conflict grinds on, underscoring both the urgency and the stakes of the coming talks.

## **Armenia & Azerbaijan — August 8, 2025**

In Washington, President Trump brokered a peace accord granting U.S. development rights to a South Caucasus transit corridor. The deal weakened Moscow's historic grip and opened a new channel for stability.

## **Israel & Iran — June 24, 2025**

Trump announced a cease-fire between Israel and Iran after a targeted strike that eliminated Iran's nuclear capabilities. Calling it a "global gift of peace," he claimed the operation dismantled a top destabilizing threat and opened a path to stability.

## **India & Pakistan — May 10, 2025**

After four days of cross-border attacks, Trump announced a "full and immediate" cease-fire between the two nuclear powers. Pakistan thanked the U.S., though violations were reported within hours.

## **Rwanda & DR Congo — April 25 & June 27, 2025**

Trump hosted leaders from Rwanda and the DRC in Washington, where they signed commitments to halt fighting, withdraw troops, and create a joint oversight body — addressing one of Africa's longest-running conflicts.

## **Cambodia & Thailand — July 28, 2025**

Border clashes ended under a U.S.-brokered truce. Cambodia publicly credited Trump and floated his name for the Nobel Prize, citing his role in preventing escalation.

## **America's 2026 risk map: The sun never sets on a new headache**

What should London prepare for?

London and Washington may be noisy capitals, but executives know the shouting is just surface drama. The real impact on business lies in policy shifts that reset prices, redirect capital, and reshape risk models — often before traders have their first cappuccino in Canary Wharf.

The year ahead is anything but routine. Routine belongs in museums, next to floppy disks and analog clocks.

In 2026, four battlegrounds dominate U.S. strategy — immigration, China, the Middle East, and fiscal fragility.



All sit on the table — with wildcards offshore. For UK boardrooms, the point is simple: turbulence is global, weather is local, and both land squarely on balance sheets in London and New York.

### **Immigration: from border drama to boardroom costs**

America's borders are calm and under control, but its visa counter is not. Washington's new \$100,000 H-1B fee turns skilled immigration into the corporate equivalent of buying champagne by glass.

In 2026, talent isn't measured in fences — it's tallied in invoices. For UK firms with U.S. subsidiaries, that's not a policy footnote; it's a P&L impact. Filling an engineering bench in Dallas or a developer role in Phoenix now carries a surcharge that trims margins and stretches delivery timelines.

The "cheap talent" era is over — replaced by firmer wage floors and faster boardroom debates over automation.

The lesson for London isn't just payroll. Higher labor costs shift supply chains, alter project economics, and force a rethink of global assumptions built on a deep American talent pool.

### **Fiscal fragility: theatre with global tickets**

A decade ago, Washington shutdowns were treated like bad weather — inconvenient, temporary. In 2026, with Treasury auctions setting record supply, the bond market doesn't wait. Yields move in hours. Gilts and sterling respond in real time, pulling London into Washington's calendar — like it or not.

For Britain, exposure is structural, not optional. The City clears in dollars, corporate debt is priced in dollars, and pension funds rely on dollar liquidity. A wobble in U.S. creditworthiness doesn't land in London six months later — it lands the same afternoon.

The drama of 2026 isn't whether Congress can pass a budget — it's whether the global system can absorb U.S. debt at this pace without repricing everything from mortgages in Manchester to shipping finance in Singapore.

For boardrooms, that means liquidity stress tests, dollar hedging, and close tracking of Treasury auctions — because in this play, the tickets aren't optional, and they're always priced in sterling.

## **Unpriced, unplanned, unwelcome: “Eleventh Hour” wildcards every board must weigh for 2026**

**Cyber Shock:** Cyberattacks in 2026 don’t skim data — they paralyze clearing houses or freeze hospital networks. State attribution turns a hack into a national security event, with Washington treating it as an act of war. AI-driven malware now collapses trust faster than regulators can react. Boards still filing cyber under “IT expense” must reclassify it as “business continuity” and stress-test liquidity for a 48-hour market freeze.

**Energy Choke:** Geopolitics meets the meter. The Strait of Hormuz remains the world’s thermostat, but LNG markets are thinner and buffers tighter. The U.S. has shale to cushion shocks; Britain does not. A Gulf snap paired with Nigerian unrest or Red Sea sabotage doubles the impact. For UK boards, forward contracts and diversification aren’t optional — they’re survival tools.

**Taiwan Tangle:** Beijing doesn’t need tanks. Customs “quarantines” and phantom inspections choke trade without shots fired. In 2026, London insurers reprice risk before Whitehall responds. Markets move faster than ministries. For British boards, Taiwan is a balance-sheet risk, not just a headline.

**NATO Nerves:** Brussels decisions don’t end in London. If Berlin or Paris drag on defense spending, NATO cohesion wobbles. Washington won’t let deterrence slacken, so London carries more weight. CDS spreads shift before communiqués are signed. NATO credibility is a cost driver, not a diplomatic abstraction.

**Nuclear Needle:** The credibility test no one wants. A North Korean launch or covert fissile sale triggers U.S. response and rattles insurers. Rumors move money faster than facts. Boards must price nuclear credibility into capital costs.

**Latin Lurch:** Venezuela’s collapse or Mexico’s cartel surge could trigger refugee flows dwarfing the Channel crisis. Soy, oil, and metals would whip London markets before breakfast. Instability in Mexico ripples through U.S. supply chains tied to British exports. Emerging markets don’t just wobble — they wallop.

**AI Avalanche:** 2026 U.S. midterms are primed for industrial-scale propaganda. Washington fears democratic legitimacy; London should fear reputational contagion. Boards must stress-test brand defense at algorithmic speed.

**Terror Tremor:** Major U.S. domestic attack in 2026 could lock borders, ground flights, and freeze cargo within minutes, stalling trade before public statements. Resilience is now a commercial issue, not just a security one. Boards should pre-map alternate supply routes.

**Health Havoc:** 2026 pandemic scare would choke supply chains and slam borders shut. Washington’s instinct tilts “America First,” sidelining foreign suppliers. Post-COVID efficiencies

left inventories thin. A single closure cascades faster than in 2020. Redundancy in contracts, sources, and capacity must come before they're mandatory.

**Dollar Dip:** Not dethroned, but erosion is real. The dollar still clears most trade, but BRICS deals now settle in yuan and rupees. A U.S. debt standoff could accelerate partial-dollar settlements. For London, this isn't theoretical. Boards must model multi-currency exposure in a wobbly-dollar world.

**Climate Crunch:** Double hit — hurricanes shuttering Gulf refineries while drought strangles U.S. grain — is no longer a fantasy. Climate shocks now hit multiple sectors simultaneously, stressing food, energy, and finance. Boards must refile climate from ESG to core risk management.

### **What should London prepare for in 2026?**

Not noise — but signal. Not headlines — but balance sheet pressure and hard costs.

The year ahead will not be defined by speeches or tweets, but by compounding disruptions that test resilience faster than policies can respond.

London's challenge isn't to predict every tremor in Washington, Beijing or the Gulf. It's to recognize that turbulence is the new baseline — and preparedness the new margin.

Strategy in 2026 begins with a clear truth: **In** an interconnected world, distant shocks become local stress. The advantage goes not to the loudest, but to those prepared to act with warp speed. ...not bureaucracy.

***"The empires of the future are the empires of the mind."**— Winston Churchill, 1943 Harvard University speech.*

Humm...

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### About the Author:

[Richard Torrenzano](#) is chief executive of [The Torrenzano Group](#), a global reputation and high-stakes issues management firm specialising in building and protecting reputations.

For nearly a decade, he was a member of the New York Stock Exchange Management (policy) and Executive (operations) Committees. And on the firing line as the [Big Board's](#) chief spokesman, he had a unique vantage on business, industry and media.

During a period of rapidly developing public policy issues, historic levels of market activity, unprecedented change in world affairs and intense media coverage, he gained hands-on experience in the global markets.

He managed some of the most visible global corporate crises including the October 1987 market crash and Federal Reserve's \$4 billion recapitalisation of Long-Term Capital Management, financed by a consortium of fourteen global financial institutions.

He authored two books and several dozen article and is a sought after recognised [expert and commentator](#) on brands, crisis, media, reputation and financial market volatility... and speaks with authority on artificial intelligence and cyber digital attacks.

His new leadership and crisis eBook, launch in June 2025, [Command the Conversation: Next Level Communications Techniques](#), offers leading edge ideas on managing reputation and brand tailored for leaders in a rapidly evolving AI driven digital and cyber environment.

The book's forward is by [Dick Grasso](#), longest serving [New York Stock Exchange](#) (NYSE) chairman and chief executive officer.

He first co-authored the bestselling, award-winning book, [Digital Assassination: Protecting Your Reputation, Brand, or Business Against Online Attacks](#), published by St. Martin's Press.

The book coined the phrase 'Digital Assassination' and offers a roadmap to what is happening online, why it is happening and what you can do about it.

It reveals how digital attacks can ruin brands, damage reputations and endanger lives. It exposes strategies digital assassins and trolls deploy and defines ways to turn the tables on their deception.

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