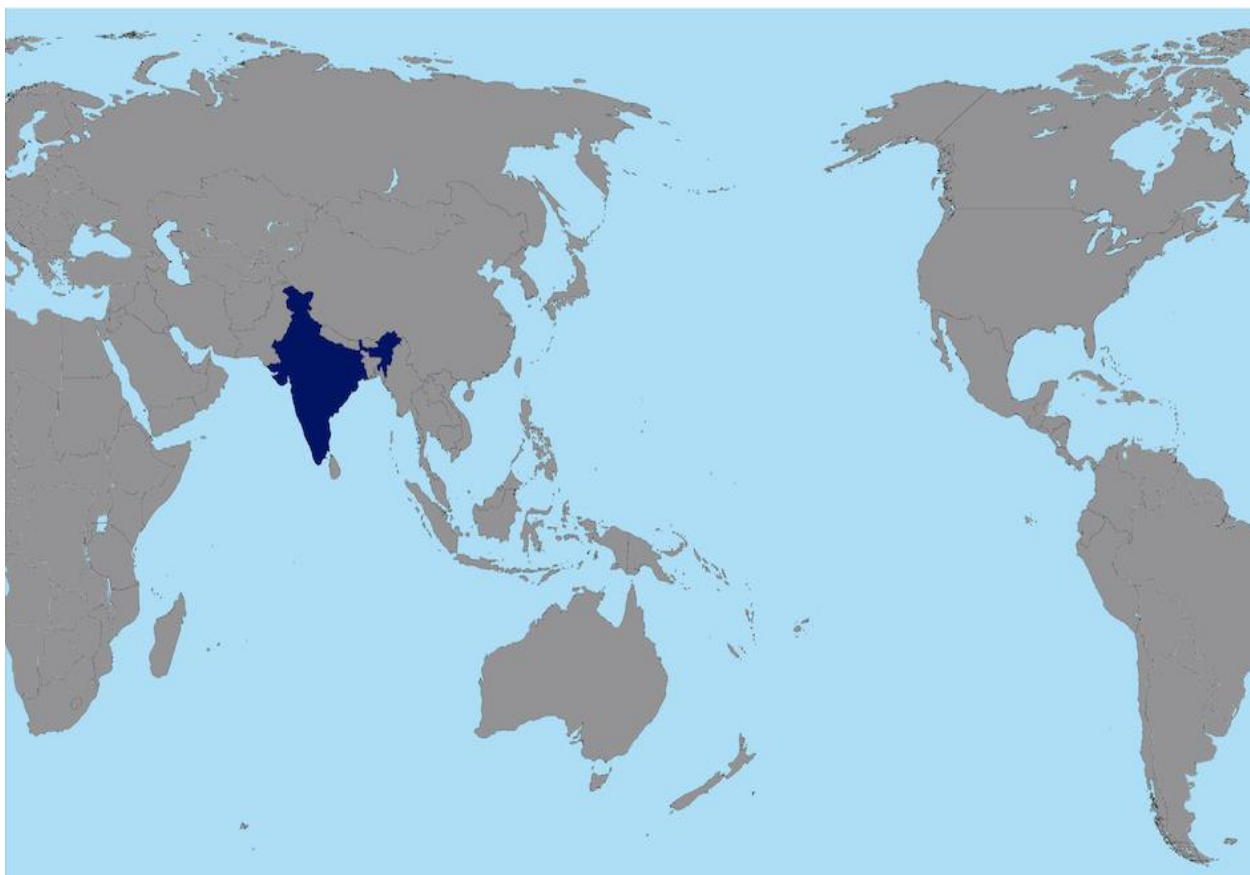




Delhi Policy Group

Advancing India's Rise as a Leading Power

DPG INDO-PACIFIC MONITOR AUGUST 2020



Volume I, Issue 8 | August 2020

Delhi Policy Group

Core 5A, 1st Floor, India Habitat Centre, Lodhi Road, New Delhi- 110003

www.delhipolicygroup.org



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ABOUT US

Founded in 1994, the Delhi Policy Group (DPG) is among India's oldest think tanks with its primary focus on strategic and international issues of critical national interest. DPG is a non-partisan institution and is independently funded by a non-profit Trust. Over past decades, DPG has established itself in both domestic and international circles and is widely recognised today among the top security think tanks of India and of Asia's major powers.

Since 2016, in keeping with India's increasing global profile, DPG has expanded its focus areas to include India's regional and global role and its policies in the Indo-Pacific. In a realist environment, DPG remains mindful of the need to align India's ambitions with matching strategies and capabilities, from diplomatic initiatives to security policy and military modernisation.

At a time of disruptive change in the global order, DPG aims to deliver research based, relevant, reliable and realist policy perspectives to an actively engaged public, both at home and abroad. DPG is deeply committed to the growth of India's national power and purpose, the security and prosperity of the people of India and India's contributions to the global public good. We remain firmly anchored within these foundational principles which have defined DPG since its inception.

DPG INDO-PACIFIC MONITOR

This publication is a monthly analytical survey of developments and policy trends that impact India's interests and define its challenges across the extended Indo-Pacific maritime space, which has become the primary theatre of global geopolitical contestation. It is authored by Cmde. Lalit Kapur (Retd.), DPG Senior Fellow for Maritime Strategy, with the assistance of a team of DPG Research Associates comprising Anushka Nair, Angana Guha Roy, Antara Ghosal Singh and Libni Garg, based on open source reports and publications. Your comments and feedback may be addressed to Anushka Nair at anushka@dpg.org.in. To subscribe, please [click here](#).

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DPG INDO-PACIFIC MONITOR

AUGUST 2020

Overview

As August ended, COVID-19 had caused over 25 million infections and 840,000 deaths worldwide, with the US, Brazil and India accounting for over half of global infections. The pandemic continued forcing national leaders to make the choice between economic and biological survival and changing the world as we knew it. Russia became the first country to officially register a vaccine, which it was claimed provides immunity for up to two years.

The Abraham Accord between UAE and Israel held out the potential for shifting the focus of Middle East politics from the Arab – Israel to the Sunni-Shia conflict. India welcomed the opening up of opportunities due to reconciliation between important strategic partners. Countries by and large welcomed the deal, though there was predictable criticism from Turkey, Iran and Palestine.

Premier Shinzo Abe announced his resignation due to health reasons, bringing to an end an unprecedented era of stability in Japan's politics. Meanwhile, China continued gaming the international system through the election of its nominee as a judge on the ITLOS Tribunal.

Indo-Pacific competition continued unabated, with Western countries joining hands on issues related to suppression of democracy in Hong Kong, the South China Sea and human rights. The US continued to strengthen its push-back against China including through warnings to universities, imposition of visa restrictions, designation of the Confucius Institutes as foreign missions, suspension of treaties with Hong Kong and conduct of military exercises in the South and East China Seas. The PLA (Navy), on the other hand, signalled its ability to mobilise forces in multiple geographic locations simultaneously and launched two "carrier-killer" missiles into the South China Sea.

In the African littoral, the capture by Islamist rebels of the port of Mocimboa da Praia, the feeder port for development in the hydrocarbon rich Rovuma Basin, coupled with the seizure of a Greek tanker off Somalia, highlighted the continued

instability in the region. On the developmental front, Ethiopia prepared for the launch of its second satellite from China.

In West Asia, the first Arab nuclear reactor was commissioned at Barakah, in the UAE. Saudi Arabia was reported to be constructing a facility to extract Uranium yellowcake in the vicinity of Al Ula. Iran seized an Emirati ship which it claimed violated its waters, while the UAE shot dead two Iranian fishermen and seized their boat. The UN Security Council announced its failure to adopt the US sponsored resolution seeking extension of the arms embargo imposed vide UNSC Resolution 2231. The continued reluctance of China to confirm or deny the reported \$ 400 billion deal between it and Iran came in for question.

Violence inspired by the ISIS continued in Afghanistan, while Pakistan and China continued their multifaceted cooperation by entering into an intelligence sharing arrangement, approving a project to upgrade Pakistan's railways network, raising the Kashmir issue at the UN and launch of Pakistan's first Type 054A frigate. Germany rejected Pakistan's request to supply it air independent propulsion systems for submarines under construction.

India announced it would not participate in Russia's forthcoming multilateral exercise KAVKAZ 2020 in the Astrakhan Region of Southern Russia. It was reported that the India-Japan ACSA Agreement had been finalised and India would purchase of two more Israeli PHALCON equipped AWACS aircraft. A submarine fibre optic link connecting Chennai to Port Blair was inaugurated.

In the South China Sea, China deployed strike bombers to Woody Island, Vietnam became more vocal about China's violation of its sovereignty and the Philippines sent mixed signals about its stand. Malaysia's Coast Guard shot dead a Vietnamese fisherman resisting arrest. JICA contracted to build six patrol boats for Vietnam.

Indonesia's Retno Marsudi became the first Foreign Minister to visit China in the post-pandemic period, while China's Yang Jiechi visited Singapore and Busan. Alex Azar, the US Health and Human Services Secretary led a delegation to Taiwan. Taiwan signed an agreement to purchase 66 F-16V aircraft from the US. It was reported that floods may have damaged facilities at North Korea's Yongbyon Nuclear Complex, though the reactor remains shut down.

Information about China's annual Beidahe Retreat was hard to come by. China's Foreign Minister Wang Yi spoke about US-China relations in an interview published on August 05, while its senior diplomat, Yang Jiechi, published an

article highlighting the Chinese viewpoint two days later. A survey by Global times indicated overwhelming public support for the way China was dealing with India. Chinese fishermen were reportedly advised not to approach the Senkaku Islands to enable easing of tensions with Japan. Meanwhile, the growth of the PLA (Navy) continued apace, with the launch of its 8th Type 055 destroyer and the induction of 16,000 naval aviation trainees. South Korea's new defense acquisition plan calls for the construction by Hyundai Heavy Industries beginning 2021 of a 30,000 ton light aircraft carrier to embark 20 F-35B aircraft and serve as flagship of the fleet

Australia's political leadership became more vocal about China and was reported to be seeking new powers to veto agreements its provincial governments conclude with foreign nations. Australia – China relations are reported to be in deep freeze, with China's leaders refusing telephone calls from Australian counterparts.

In the US, Joseph Biden and Donald Trump were formally anointed as their party candidates for the forthcoming November elections. Exercise RIMPAC began on August 18 and surprisingly, neither Russian nor Chinese ships had been observed shadowing its movements. The US published its Doctrine for Space Forces.

These and other Indo-Pacific development in August 2020, with relevant links, are elaborated further in this report.

The Global Scene

The Chinese virus continued its destructive march across the world. As of the end of August, it [had infected over 25 million people](#) and killed over 840,000. The US was approaching 6 million reported cases, Brazil 4 million and India with over 3.5 million, making these countries members of the million + club. Russia, Peru, South Africa, Colombia and Mexico had all crossed the half million mark, while Spain, Chile, Argentina, Iran, UK, Saudi Arabia, Bangladesh, Pakistan, France, Turkey, Italy, Germany, Iraq and the Philippines had all reported over 200,000 infections. Island nations in the Western Pacific and Caribbean were the least affected.

The pandemic continued forcing national leaders worldwide to make the [difficult choice](#) between economic and biological survival. According to an [IMF analysis](#), the pandemic "has caused a sharp reduction in trade and significant movements in exchange rates but limited reduction in global current account deficits and

surpluses. The outlook remains highly uncertain as the risks of new waves of contagion, capital flow reversals, and a further decline in global trade still loom large on the horizon". Economies dependent on oil, tourism and remittances experienced an intense external shock which could have lasting effects and require significant economic adjustment.

A [UN Policy Brief](#) released during the month says, "The COVID 19 pandemic has created the largest disruption to education in history and prolonged school closures could further entrench inequalities in access to learning", impacting over a billion students. The brief calls for greater investment in education, which faces an annual funding gap of \$ 1.5 trillion prior to the pandemic.



Russia Becomes First Country to Register COVID Vaccine

Source: Fox23 News

Russia became the first country to [officially register a vaccine](#) for COVID 19 and declare it ready for use. President Putin announced that one of his two adult daughters had been inoculated. The vaccine is expected to provide immunity for up to two years. In view of [emerging reports](#) that antibodies in those who had emerged from the virus' grasp only around two months, this claim has yet to be verified. Russia expects to start large scale production of the vaccine in September, and mass inoculation in October.



The Abraham Accord Leaders

Source: [Sunday Guardian](#)

A [Joint Statement](#) from the White House announced that the UAE and Israel had [agreed to normalize relations](#) between them, shifting the Middle East region's primary fault-line from the Arab – Israel to the Sunni – Shia conflict and potentially signalling the emergence of a formal anti-Iran block. As part of the US brokered deal, PM Netanyahu agreed to suspend his plans to annex parts of occupied West Bank and is reported to have quietly given the go-ahead for [acquisition of F-35 aircraft by the UAE](#) notwithstanding media reports to the contrary. To be called the 'Abraham Accord', this makes UAE the first Gulf Arab country to agree to full diplomatic relations with Israel. A signing ceremony at the White House, exchange of Ambassadors and a raft of bilateral agreements regarding tourism, investment, direct flights, security, telecommunications, technology, energy, healthcare etc. are expected to follow. [Trump said](#) he expected more Arab and Muslim countries to follow the UAE lead, and [Bahrain](#) is reported to have welcomed the deal. India welcomed the "[opening up of lots of opportunities](#)" due to this deal between two important strategic partners. Germany and China also welcomed the agreement, even as [critics described it](#) as a setback for the Palestinian movement, saw Netanyahu's suspension of the

annexation of West Bank as temporary and pinned their hopes for a lasting peace on a future Biden Administration. [Iran and Turkey lashed out](#) at the UAE, accusing it of having betrayed the Palestinian cause, with President Rouhani saying that the UAE had turned itself into a [legitimate target](#) for Palestinian resistance. [Palestine recalled](#) its Ambassador from the UAE and demanded an urgent Arab League Summit. The deal could pave the way towards an expanded Israeli role in protecting oil traffic threatened by Iran in the Persian Gulf.

Premier Shinzo Abe [announced his resignation](#) at a press conference on August 28, 2020 even though there was an year to go in his tenure and challenges to be met, apologising to the people of Japan for being unable to fulfil his duties during the pandemic. He cited the need to fight and be treated for his [chronic non-curable disease of ulcerative colitis](#). He will continue in office till a successor is appointed.

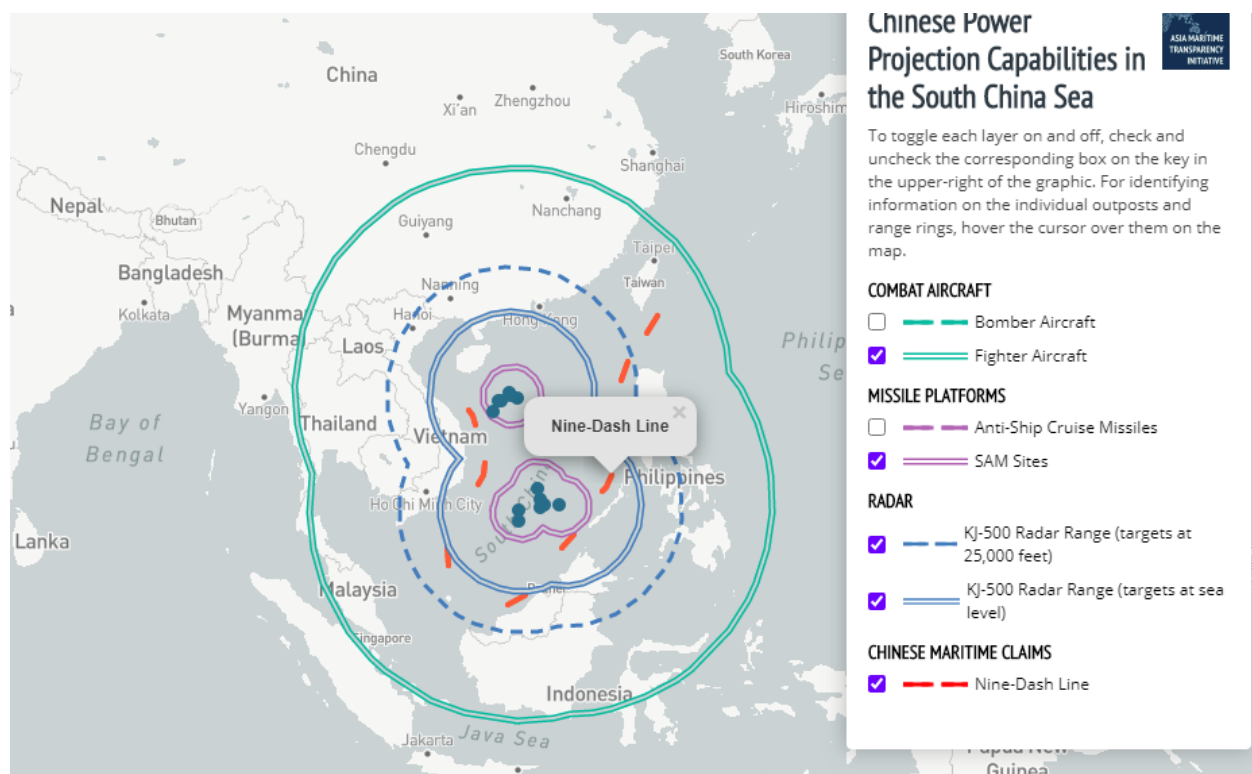
In a reminder of how China successfully games the international order while the US disadvantages itself, China's candidate Duan Jielong, currently its ambassador to Hungary, was declared [elected unopposed](#) as a judge on the International Tribunal for the Law of the Sea. Elections for a nine-year term commencing October 1, 2020 were held on August 24. In accordance with the current system designed to assure equitable geographic representation at the Tribunal, five seats each are earmarked for Asia and Africa, four for Latin America and the Caribbean, and three each for Western Europe and Eastern Europe. With the term of the sitting Chinese member, Zhiguo Gao coming to an end and no other candidate standing up from Asia to replace him, the election was certain. It is not, as described by [Chinas spokesman](#), "a demonstration of the international community's recognition of his capacity and China's contribution to the Tribunal over the past two decades as well as the world's resolve to uphold multilateralism and international rule of law". Having failed to ratify UNCLOS, the US could only watch as an observer, without ability to shape the system.

Indo-Pacific Competition

The Foreign Ministers of Australia, Canada, New Zealand, UK and USA released a [joint statement](#) expressing grave concern about the Hong Kong government's unjust disqualification of candidates and postponement of Legislative Council elections, urging it to hold the elections as soon as possible.

The US, UK and Germany [cornered China](#) in the United Nations Security Council on the issue of Uighur minorities being abused in Xinjiang. The three countries advised Beijing not to use counterterrorism as a pretext to silence political dissent.

A [Twitter spat](#) between Sun Wiedong, China's Ambassador to Delhi, and Barry O'Farrell, Australia's High Commissioner to India, made headlines in Delhi. Noting the Australian envoy's remarks to India on the South China Sea, his Chinese counterpart said, "China's territorial rights and sovereignty are in conformity with international law including UNCLOS. It is clear who safeguard (sic) peace and stability and who destabilise and provoke escalation in the region". The Australian hit back with: "I would hope then you follow the 2016 South China Sea Arbitral Award which is final and binding under international law and also generally refrain from actions that unilaterally alter the status quo".



Map Showing Chinese Power Projection Capability in the South China Sea

Source: [AMTI](#)

The US State Department [warned universities](#) to divest their holdings in Chinese companies from their endowments, to get ahead of potentially more onerous measures on the holding of such shares. In response, China's spokesman [Zhao](#)

[Lijian said](#), "We urge the US side to provide a fair, just and non-discriminatory business environment for Chinese companies investing and operating in the US".

The US [imposed visa restrictions](#) on PRC individuals responsible for or complicit in large-scale reclamation, construction or militarisation of disputed islands in the South China Sea, or in the use of coercion against South East Asian claimants. In addition, the US Department of Commerce added 24 PRC state-owned enterprises to the Entities List.

The [Trump Administration designated](#) the Confucius Institute US Centre (CIUS) as a foreign mission of the PRC and part of the Chinese Communist Party's global influence and propaganda apparatus. The stated objective was to enable American educators and school administrators to make informed choices about whether its programmes should be allowed to continue, and if so, in what fashion. The statement said that universities around the world were examining the Confucius Institutes' curriculum and the scope of its influence on education systems.

The [US suspended](#) / terminated three bilateral agreements and said it would treat Hong Kong on the basis of "one country, one system". The agreements cover the surrender of fugitive offenders, transfer of sentenced persons, and reciprocal tax exemption on income derived from the international operation of ships.

Classes on Chinese law, culture and politics at elite universities like Harvard and Princeton will [warn their students](#): "This course may cover material considered politically sensitive by China". The institutions are also considering measures to hide the identities of students and faculty, thus shielding them from prosecution by Chinese authorities.

The USS Ronald Reagan strike group [returned to the South China Sea](#) to conduct operations in support of a Free and Open Indo Pacific on August 14. Following this, [Japan and the US conducted](#) a number of joint exercises involving the USS Ronald Reagan Strike Group, JS Ikazuchi, B-1B and B-2 stealth bombers and F-35B fighters in the waters and airspace near Japan. The scale and tempo of the exercise was seen as a signal to China. Japan's Defense Minister had earlier warned Beijing that Tokyo would respond if Chinese government vessels continued to intensify their activity around the Senkakus.

The [Indo-Pacific Chiefs of Defence Conference](#) took place virtually on August 24-25, 2020. Senior military leaders from 29 countries participated in this year's conference.



Secretary of Defense Mark Esper Speaks at the Virtual Indo-Pacific Chiefs of Defense Conference. Source: US INDO-PACOM

The PLA (Navy) conducted exercises in the South China Sea, East China Sea, Yellow Sea and the Bohai Gulf at the same time during the last week of August, [signalling its ability](#) to mobilise forces in multiple locations simultaneously. The exercises witnessed an American U-2 intruding into a declared 'No fly zone' prompting protest from China, as well as [launch carrier-killer ballistic missiles](#) including a DF-26B from Qinghai Province and DF-21D from Zhejiang Province, into the South China Sea area [between Hainan and the Paracel Islands](#) on August 26, 2020. The launches were described as intended to simulate a strike on US warships. The US [Department of Defense](#) described the action as "the latest in a long string of PRC actions to assert unlawful maritime claims and disadvantage its South East Asian maritime neighbours in the South China Sea". It also observed that "conducting military exercises over disputed territory in the South China Sea is counterproductive to easing tensions and maintaining stability" and "Such exercises also violate PRC commitments under the 2002 Declaration on the Conduct of Parties in the South China Sea to avoid activities that would complicate or escalate disputes and affect peace and stability".

A [report published](#) by the Australian Strategic Policy Institute accuses China of luring top scientific and technological expertise in the US and other advanced nations through an expanding network of talent recruitment stations worldwide, including at least one in Mumbai. Among the tools used for recruitment include undisclosed conflicts of interest, undisclosed external employment, undisclosed commercialisation of research, grant fraud, illegal exports, theft, intelligence recruitment, cyber espionage and the use of undercover military scientists. The report recommends a series of measures by governments, security agencies, funding agencies and research institutions to staunch the flow.



Overseas Recruitment Stations and Their Links Back to China

Source: [Australian Strategic Policy Institute](#)

East Africa

Islamist insurgents [captured the port](#) of Mocimboa da Praia in the Cabo Delgado region of Northern Mozambique on August 12, 2020. The port is used for cargo delivery to offshore gas projects being developed by oil giants, including France's Total, Italy's Eni and the US' Exxon Mobil. Traffic to and from the port ceased from late July, when the rebel attacks began. Reports indicate this is the third time rebels have captured the port in the last 12 months. Government troops are reported to have [abandoned the city](#) and fled. Reports also indicate that South

Africa is [preparing to deploy](#) troops to help Mozambique, while Tanzania is conducting offensive operations against the rebels in border areas. Test of India's SAGAR and NSP. Meanwhile, Mozambique's President, Filipe Nyusi, was [elected chairperson](#) of the South African Development Community at its virtual summit on August 17, 2020.



Mocimboa da Praia Map
Source: Yahoo News India

Ethiopia was reported preparing for the [launch of its second satellite](#) into orbit in September. The country's space ambitions have seen its engineers designing satellites constructed and launched by China. The satellite weighing 8.9 Kg will provide improved resolution for its handlers in Addis Ababa.

The Greek tanker AGEAN II, flying the flag of Panama, was reportedly [hijacked](#) in what is reported as the first successful pirate attack in Somali waters since 2017. The [ship was on passage](#) from the UAE to Mogadishu. Subsequent reports indicate that the vessel was boarded by local militia due to some sort of dispute, but without

injury to anyone. The ship was reported [anchored off Bosaso Port](#) on August 22, 2020.

Somalia's government condemned Taiwan's opening of a [representative office](#) in the self-declared state of Somaliland, describing the move as an outrage against Somali sovereignty and territorial integrity. Somaliland is yet to be recognised by the international community, but has its own flag, currency and parliament. China also condemned Taiwan's [separatist](#) moves. In response, [Taiwan's spokesperson](#) said that the PRC had never ruled Taiwan and had no right to represent the Taiwanese people or interfere in Taiwan's engagement with other countries. She also said that the idea of 'one Somalia' resembled Beijing's 'one China principle' and was equally absurd. She further pointed out that Somaliland had held three presidential elections since it declared independence from Somalia in 1991.

West Asia

The first of four reactors at the Arab world's first nuclear power plant at Barakah, UAE was [started up](#) on August 01, 2020. Critics wondered why the UAE, which has abundant sunlight and oil and gas reserves, needs to invest in nuclear power. The plant, designed and built by South Korea, is intended to provide a quarter of UAE's electricity when fully operational.



The Barakah Nuclear Power Plant whose first unit started operations on August 01, 2020.

Source: New York Times

Saudi Arabia is [reported to be constructing](#), with Chinese help, a facility to extract Uranium yellowcake from Uranium ore in the vicinity of Al Ula, a small city in North West Saudi Arabia. Saudi Arabia has signed only a limited safeguards agreement with the IAEA. US agencies were [reported to be examining](#) whether this was a prelude to a nuclear bomb effort from Saudi Arabia.

The UN Security Council announced its [failure to adopt](#) the US sponsored resolution seeking extension of the arms embargo imposed on Iran under Resolution 2231. The ban is scheduled to end in October. The US and Dominica voted for extension of the ban, while Russia and China opposed it. All other members of the Security Council abstained. Following this, the US notified the UN Security Council that it would [impose 'snapback' sanctions](#) on Iran, setting the stage for a contentious dispute within the UN Security Council. Clearly, members of the Security Council do not share the US assessment that Iran is moving towards acquisition of nuclear weapons and the monetary gains from trade with Iran still outweigh the security risks involved in their minds. It is possible that the US call will be ignored by other members, calling into question the Security Council's ability to enforce its own legally binding decisions.

[Iran seized](#) an Emirati ship violating its territorial waters while the UAE Coastguard shot dead two Iranian fishermen and seized a boat for violating UAE waters off Sir Bu Nu'Ayr Island. According to Iran's state TV, the UAE subsequently apologised for the killing and released the boat and remaining crew. The UAE declined comment.

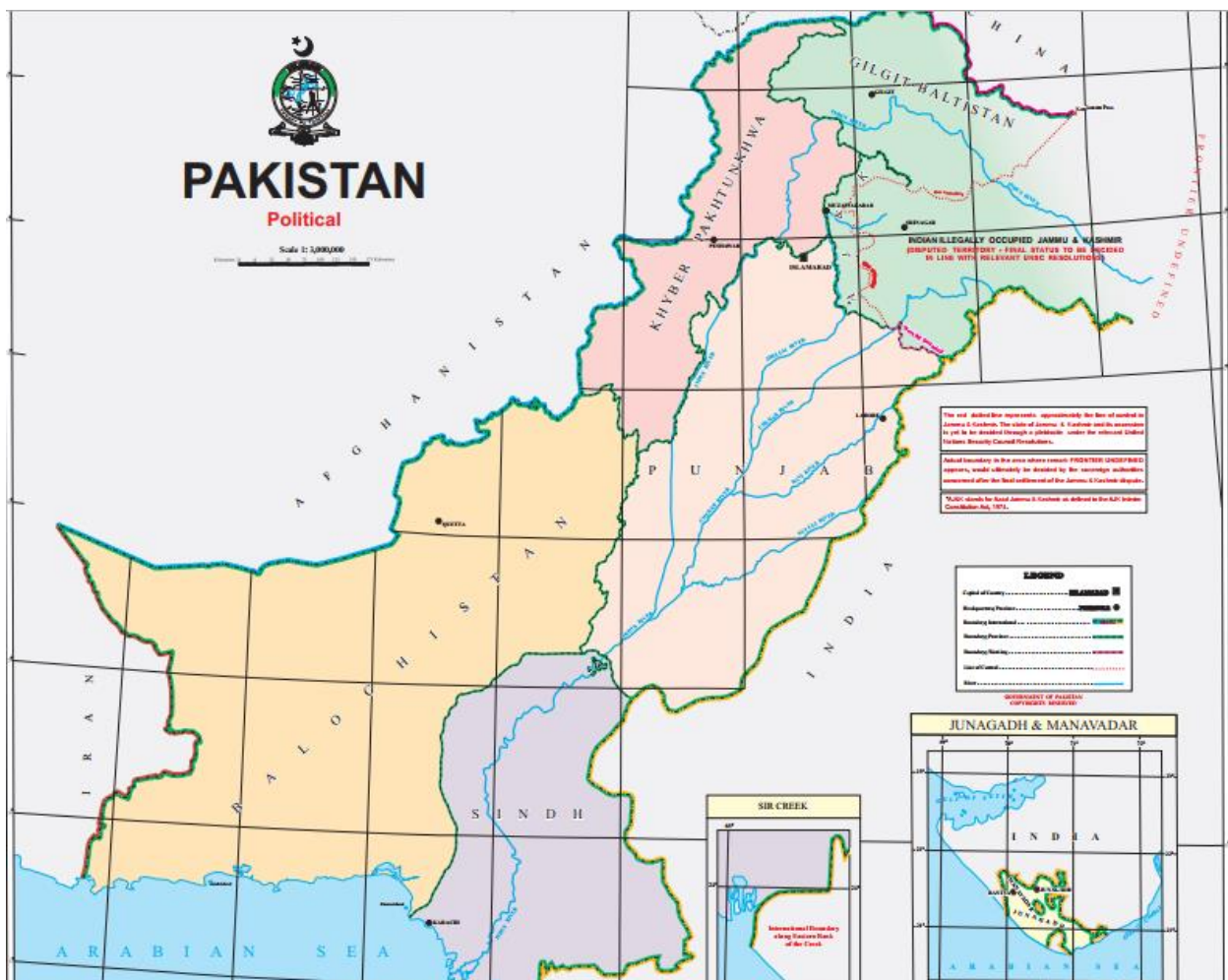
China remained strangely reluctant to comment on the leaked reports last month regarding a \$ 400 billion [Iran – China deal](#) spanning a 25 year period. One opinion was that Iran leaked the draft agreement, while China has neither endorsed nor renounced the leaked document. This could be because of a cost – benefit calculation that public endorsement of the agreement could further antagonise the US apart from inflicting reputational harm with China's other Middle East partners, who offered more promising returns.

South Asia and Indian Ocean Island Nations

29 people were reported killed and about 50 wounded in a fire fight between ISIS militants who [stormed a prison in Jalalabad](#) and Afghan Security Forces on August 02 & 03. The attack began with an IS suicide bomber detonating a car laden with explosives at the prison's main gate. IS militants poured in through the breach,

fired on the prison guards and managed to release some of the 1500 prisoners. Over 1000 released prisoners were reported to have been rounded up. The Taliban made it clear that it was not involved in this attack.

Prime Minister Imran Khan released a [new political map](#) of Pakistan and claimed it was endorsed by the country's federal cabinet, the entire political leadership and Kashmiri leadership. [India described](#) the event as an exercise in political absurdity, laying untenable claims to India territory in the state of Gujarat and in the Union Territories of J&K and Ladakh. Interestingly, the map for the first time shows Gilgit-Baltistan as a part of Kashmir.



New Political Map of Pakistan including Junagadh and Kashmir released on August 04, 2020. Source: Embassy of Pakistan, Ankara.

Pakistan and China were reported to have concluded an unprecedented [intelligence sharing arrangement](#) designed to use Islamabad's connections with Afghan insurgent groups to enhance Beijing's ability to exploit its economic

investments in Afghanistan while denying safe haven to Uighur protesters and stifling dissent against its persecution of the Uighur Muslim population near China's South Western borders. The report indicates that Pakistan shared its assessment of Indian troop positions and movements in Eastern Ladakh before the ongoing crisis in the region. Meanwhile, the Executive Committee of Pakistan's National Economic Council [accorded approval](#) for a \$ 6.8 billion CPEC project to upgrade Pakistan's 2655 Km long railway network and enable trains to move at 165 kph. Beijing also announced the opening of the 118 Km long Thakot-Havelian section of highway from Islamabad to Kashgar.

Pakistan's relations with Saudi Arabia appeared to go into the doldrums following an intemperate remark by its Foreign Minister, Shah Mehmood Qureshi threatening to call a separate meeting of OIC countries on Kashmir. The event led to premature return of \$ 1 billion of the \$ 6 billion Pakistan has borrowed from Saudi Arabia, with China stepping in to bail Pakistan out. Saudi Arabia also [suspended an oil credit facility](#) of \$ 3.2 billion it had extended to Pakistan. The events cast doubt on MOUs signed in February 2019 that call for Saudi Arabia to invest \$ 20 billion in Pakistan, including \$ 10 billion for an oil refinery at Gwadar.

China [launched the first](#) of four Type 054A frigates it is building for the Pakistan Navy on August 23. The biggest vessels China has ever exported, the [Type 054A](#) entered service with the PLA (Navy) in 2008 and China today has 30 of them. It's size and weapon fit is similar to India's Talwar class frigates, but with lower speed and greater operating range. All four ships are expected to be delivered by 2021. Meanwhile, media reports indicate that Germany has rejected Pakistan's request to supply [air independent propulsion systems](#) for its submarines. The decision impacts the Yuan class submarines to be made for Pakistan as well as upgrades to submarines currently in its inventory. The refusal has been linked to Pakistan's failure to cooperate in identifying the perpetrators of a truck bomb attack on Germany's Embassy in Kabul that killed 150 people in May 2017. In another development, Pakistan's Navy Chief [inaugurated a new](#) state-of-the-art Joint Maritime Information Coordination Centre (JMICC) at Karachi.

China's Permanent Representative to the UN, Zhang Jun, attempted [raising the Kashmir issue](#) at the UNSC yet again on August 06. The US, Germany, France and Russia opposed the move as it dealt with a bilateral matter. India [rejected China's interference](#) in India's internal affairs and urged it to draw proper conclusions from such infructuous attempts.

India is reported to have [withdrawn scheduled participation](#) in the regional anti-terrorism exercise KAVKAZ 2020 (CAUCASUS 2020), scheduled to be held near Astrakhan in Southern Russia from September 15 – 26. [Earlier reports had indicated](#) that India, the Central Asian Republics, China, Iran, Pakistan and Turkey had been invited and a tri-service contingent from India including about 150 personnel from the Army [would participate](#). India [cited the pandemic](#) and consequential difficulties in arrangement of logistics as the reason for the decision.

Following the clash in the Galwan Valley in Eastern Ladakh, the Indian Navy is reported to have [quietly deployed a frontline warship to the South China Sea](#), resulting in China raising objections during bilateral talks to resolve the issue. The warship reportedly maintained secure communication with American warships also deployed in the same region and was constantly updated by them on the movement of other warships. Indian Naval ships were also deployed at the Malacca Straits and other points connecting the Pacific to the Indian Ocean.

A report indicates that the [India Japan Acquisition and Cross-Servicing Agreement](#) (ACSA) has been finalised and is due to be signed at next month's summit. Whether the resignation of Premier Shinzo Abe will permit the summit to take place as scheduled or not remains to be seen.

Delivering the opening remarks at the Sixth Round Table of the ASEAN – India Network of Think Tanks, Dom Pramudwinai, Thailand's Deputy Prime Minister and Foreign Minister [coined with acronym SHARE](#) to deal with the changed world and take forward the ASEAN – India Strategic Partnership. The S represents cooperation in supply chain, digital and physical connectivity, the H represents human security cooperation in all dimensions, including medical research and food security, the A represents academic and think-tank cooperation, the R is for promoting regionalism and multilateralism, and the E refers to environmental cooperation. He noted that no country could tackle the pandemic alone and through sharing, India and ASEAN could become a cohesive and responsive community that leaves no one behind and remains resilient to future challenges. Speaking at the same event, [External Affairs Minister S Jaishankar](#) cited estimates of a pandemic induced loss of \$ 5.8 – 8.8 trillion to the global economy (6.5% - 9.7% of global GDP) and the need to go beyond just the trade, travel and financial flow aspects of globalisation and find global solutions to terrorism, climate change and pandemics. He said that the fact that globalisation and multilateralism was unable to respond to current challenges reflected the anachronistic nature of

international organisations and the intensely competitive nature of international politics. His speech highlighted that these conceptual issues needed to be debated in the Indo-Pacific and that security, connectivity, economy and politics would jostle for space in the discussions.

India's [overall exports in April – July 2020](#) were estimated at \$ 141.82 billion, down 21.99% from the corresponding period last year. Imports during the same period were estimated at \$ 127.76 billion, down 40.66% from last year.

Prime Minister Narendra Modi [inaugurated](#) a submarine optical fibre cable connecting Chennai to Port Blair, and providing high speed connectivity both between the islands and with the mainland, on August 10. He also spoke of a project to Rs 10,000 Crore project to build a [transshipment port on Great Nicobar Island](#).

The [Government of India announced](#) a progressive [negative arms import list](#) in a bid to boost domestic production. Meanwhile, the Thai ambassador to New Delhi Chutintorn Sam Gunsakdi [announced that](#) the Royal Thai Army was in the process of completing purchase of 600 military trucks from TATA Motors. Reports indicate that [India has decided to acquire](#) two more PHALCON AWACS aircraft from Israel in a deal costing \$ 1 billion; that India would [receive the first regimental set of S-400](#) Triumf Air Defence System in 2021; that the process for acquisition of [six submarines](#) under Project 75I would start in October 2020; and that the Navy would [fast track](#) the acquisition of 10 ship-borne UAVs.

India [announced investments](#) of over \$ 500 million to build a 6.7 Km long bridge-cum-causeway to connect Male with the neighbouring islands of Villingili, Gulhifahu and Thilafushi. The investment comprises a grant of \$ 100 million and a credit line for the balance amount. India also announced the commencement of a direct cargo ferry service to the Maldives and urgent financial assistance of \$ 250 million to help the COVID-19 hit nation. The total assistance announced by India for the Maldives since President Solih assumed power last year now exceeds \$ 2 billion.

Mahinda Rajapaksa's Sri Lanka Podujuna Peramuna (SLPP) [won 145 of the 225 seats](#) on offer in Sri Lanka's parliamentary elections. Allies EPDP, TMVP, SLFP and NC won five additional seats, giving the ruling alliance a 2/3 parliamentary majority. Mahinda was [sworn in](#) on August 09, 2020 for his fourth tenure as the Prime Minister by the President and his younger brother, Gotabaya Rajapaksa. [Prime Minister Modi](#) was among the first world leaders to extend his

congratulations on the election result. The Sri Lankan Government appointed Admiral Jayanath Colombage (Retd) as the country's first foreign secretary with a military background. The new Foreign Secretary said that [Sri Lanka will adopt an 'India First' approach](#) as its new foreign policy plank, seeking to allay concerns about China's presence in his nation.

Three weeks after it ran aground on a reef in South Western Mauritius, MV Wakashio broke into two and [spilled over 1000 tonnes of oil](#) into the waters, impacting a nature reserve and a marine park recognised for the diversity of its coral and fish species. The ship, owned by Japan's Nagashiki Shipping, was reportedly on [passage from China to Brazil](#) and diverted more than 100 Km from its planned track for an unspecified reason. The Captain, Sunil Kumar Nandeshwar, has been arrested and faces [up to 60 years in prison](#) for failing to safely navigate his vessel in Mauritian waters. The ship's owners have [extended sincere apologies](#) for the incident.

South East Asia

Hong Kong authorities broadened [enforcement](#) of the new national security law by arresting media tycoon Jimmy Lai on suspicion of collusion with foreign powers. The arrest was seen as being timed to draw headlines away from the Alex Azar visit to Taiwan (covered separately in the East Asia section). Lai runs Apple Daily, a pro-democracy tabloid that often condemns the CCP. He was subsequently released on bail.

Reports indicate that China has deployed an unspecified number of [H-6J bombers to Woody Island](#), the largest of the disputed Paracel group. The bomber has a combat radius of about 1800 nm, bringing most of South East Asia within its range. It can carry a payload of up to 14 YJ-12 anti-ship missiles, with a range of about 400 Km and Mach 4.0 speed, placing the missile beyond the hard-kill capability of most warships. Vietnam's Ambassador in New Delhi briefed the [Foreign Secretary](#) on associated developments.

In other South China Sea events, [Vietnam protested](#) China's violation of its sovereignty in sending ships and aircraft to the Subi and Mischief Reefs, in the Spratly Islands. President Duterte prohibited the Philippine Navy from participating in naval exercises in the South China Sea, except within the Philippines' territorial waters, [according to reports](#) quoting Defence Secretary Delfin Lorenzana. Another report, however, said that the Philippines will [continue](#)

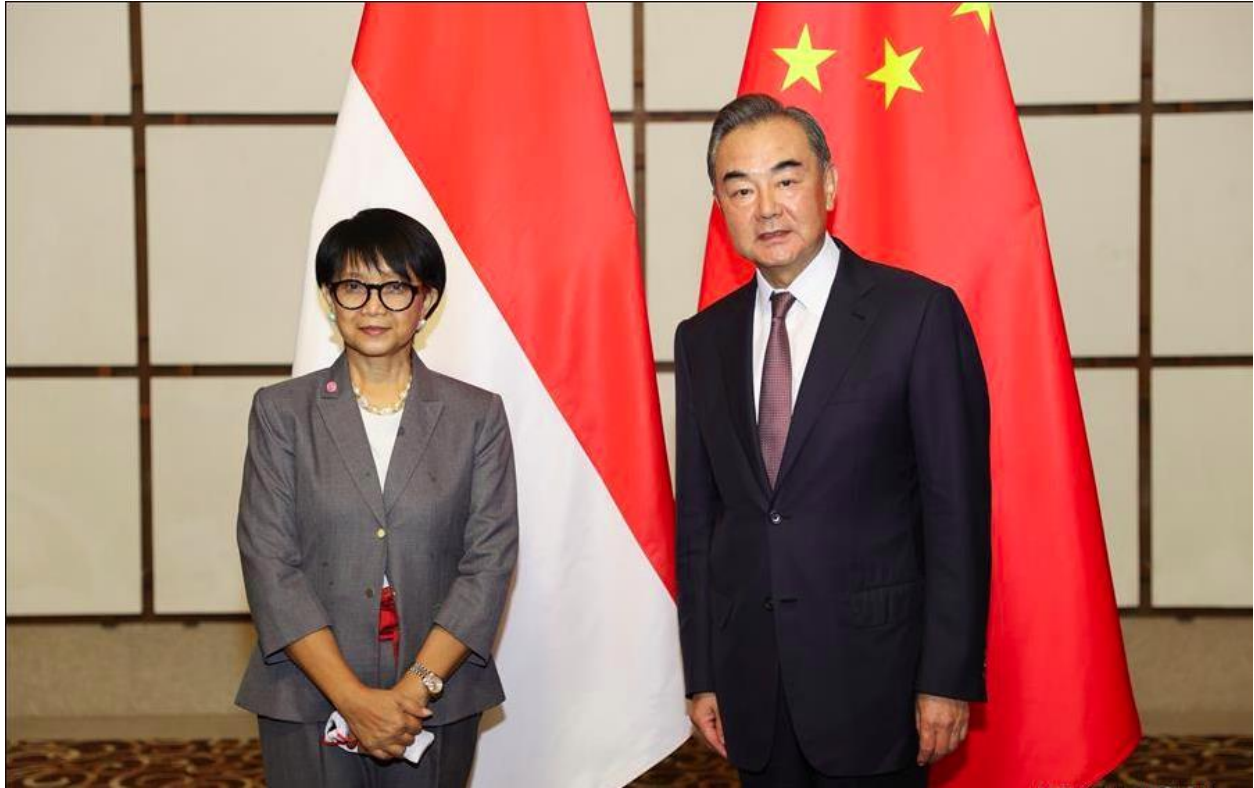
[patrolling the Spratly Islands](#), ignoring a warning from China to stop “illegal provocations” in waters surrounding the disputed island chain. In an indication of hardening positions, Foreign Secretary Teodoro Locsin Jr said that the Philippines would [invoke its defense agreement](#) with the US if its vessels were attacked by China in the South China Sea. This is the first time a member of the Duterte Administration has openly declared it would turn to Washington for help.

The tension caused by illegal fishing in South East Asia again became visible when Malaysia’s Coast Guard [shot dead](#) a Vietnamese fisherman while attempting to inspect two boats deemed to be fishing illegally east of Kelantan. Reports indicate that Vietnamese crew members on board acted aggressively, threw diesel bombs and ignored a warning shot. Vietnam has asked Malaysia to investigate and protect the rights of other detained fishermen. The incident highlights the continued differences between ASEAN members even as the association celebrates the 53rd anniversary of its formation.

Myanmar’s investment agency [approved registration](#) of a joint venture between China’s ITIC Myanmar Port Investment Ltd and Myanmar’s Kyauk Phyu SEZ Management Committee to develop Kyauk Phyu deep sea port. The Chinese consortium will hold a 70% stake in the JV. The first phase costing \$ 1.5 billion will be implemented once the environment and social impact assessment (ESIA) is completed. A Canadian company has been contracted for the ESIA.

The Japan International Cooperation Agency concluded a \$ 345 million [deal with Vietnam](#) to provide it 6 patrol boats made in Japan to boost its maritime law enforcement capabilities. This will be the first time Japan will provide armed vessels to Vietnam.

Speaking at a live-streamed panel discussion, Indonesia’s Luhut Pandjaitan and Singapore’s Tharman Shanmugaratnam [dismissed talk](#) that the South East Asian region could soon be trapped into taking sides in the growing China – US rivalry and said that the 10-member ASEAN bloc had significant leverage that it could use to advance its interests independently.



China's State Councilor and Foreign Minister Wang Yi with Indonesian Foreign Minister Retno Marsudi in Hainan Province, China on August 20, 2020

Source: Xinhua

Indonesia's Foreign Minister Retno Marsudi became the first Foreign Minister to visit China in the post-pandemic period from August 19 - 21, 2020. China and Indonesia reportedly launched a fast-lane arrangement to facilitate personnel exchanges for COVID prevention, maintaining smooth flow of industrial and supply chains and helping each other's economic recovery. [According to Xinhua](#), Ms Marsudi gave her counterpart a letter from President Joko Widodo to President Xi Jinping saying that Indonesia agrees to maintain good exchanges between the countries and is committed to working with China to safeguard peace and stability in the South China Sea. An independent confirmation from Indonesia was not available.

Director of China's Office of the Central Commission for Foreign Affairs Yang Jiechi visited Singapore Aug 19 – 20, 2020. [He met](#) Prime Minister Lee Hsein Loong, Deputy PM Heng Swee Keat, Senior Minister Teo Chee Hean and Minister for Foreign Affairs Dr Vivian Balakrishnan. He exchanged views on regional and global developments, substantive and multi-faceted cooperation between the two countries to strengthen supply chain and cross-border connectivity.

East Asia

The US Health and Human Services (HHS) Department Secretary Alex Azar led a delegation to Taiwan and [met President Tsai Ing-wen](#), becoming the highest ranking member of the US cabinet to visit Taiwan since 1979. He said that the three themes underlying his visit were to recognise Taiwan as an open and democratic society executing an effective COVID response, reaffirm Taiwan as a long term friend and partner of the US and to note that Taiwan deserves recognition as a global health leader. The visit could signal an impending change in the 'one-China policy'. Taiwan also formally signed an agreement with Lockheed Martin to [purchase 66 of the latest F-16V](#) (Viper) aircraft, to add to the 140 older versions already in Taiwan's inventory. The deal had been approved by the US administration last year. The aircraft are to be delivered by 2026. [China's spokesperson](#) had earlier urged the US to adhere to the One-China Principle and stop official interaction of any kind with Taiwan. The [Global Times opined](#) that Washington was likely to send more officials from sensitive departments, including foreign affairs and defense, escalating tensions and raising the danger of a military conflict if the US continued to ignore China's sovereignty over the island.

[Kim Jong Un admitted](#) that the US led sanctions, the pandemic and devastating floods have hurt North Korea's economy as his ruling Workers' Party scheduled a Congress in January 2021 to discuss the next five-year plan. The floods were also the subject of an [analysis by](#) the Stimson Centre's 38 North Project, which indicated that flooding in the Kuryong River that flows alongside facilities at North Korea's Yongbyon complex may have damaged nuclear facilities. The reactor itself has not been operational for some time and any damage would impact its restart.

Japan's two largest opposition parties, the Democratic Party for the People (DPP) and Constitutional Democratic Party of Japan (CDP) have reportedly [decided to merge](#) in a bid to challenge the ruling Liberal Democratic Party (LDP) in next year's elections. Separately, a proposal by the LDP's defense policy committee called for new efforts to improve deterrence, including possession of the ability to [defeat ballistic missiles](#) and other weapons "even in the territory of an opponent". The proposal is to be discussed in Japan's National Security Council later. It will be a test of Japan's pacifist constitution and has already been described as unconstitutional by the opposition.

Nippon Steel Corporation [filed an appeal](#) against a South Korean court decision regarding seizure of its assets in South Korea to provide compensation to four Koreans who said they were forced to work against their will during Japan's occupation of Korea from 1910 - 1945. The action at least temporarily delayed liquidation of these assets. Japan considers the proposed liquidation a subversion of a 1965 economic cooperation pact that supposedly resolved all compensation issues. Japan is considering countermeasures, including tightening visa restrictions for South Korean diplomats.

The seventh meeting of the Japan – US Comprehensive Dialogue on Space was held in Tokyo on August 25, 2020. A wide range of activities cooperative activities including in space security, international rule making, space situational awareness, space exploration, commercial activities and global navigation satellite systems, among others, is listed in the [Joint Statement](#) issued on completion. Japan's Defense Minister [Taro Kono met US Defense Secretary Mark Esper at Guam](#). Both sides restated their commitment to maintain a rules-based order in the East and South China Seas, and more broadly in the region and the world. Mr Esper welcomed Japan's efforts to strengthen cooperation with other like-minded partners, including ASEAN, India, Australia and trilaterally with the US and South Korea.

"The fifth plenary session of the 19th Central Committee of the Communist Party of China will be held in Beijing in October", according to a [decision by the CPC Central Committee Political Bureau](#) headed by Xi Jinping. Among the items to be discussed is the 14th five-year plan (2021 – 2025) and future targets for 2035. The announcement is seen as a [coded signal](#) that Xi Jinping intends to remain in power till at least 2035, when he will turn 82, the age at which Mao died.

The unofficial but highly influential annual meeting of China's top leaders and elder statesmen [reportedly began](#) at the seaside resort of Beidaihe on August 04. However, there was a conspicuous lack of information about what happened at the retreat thereafter. The official position is that the retreat did not take place because of the pandemic. However, the near two-week absence of members of the politburo like Premier Li Keqiang, top ideologue Wang Huning, President Xi's Chief of Staff Ding Xuexiang and others led [China-watchers to speculate](#) that the retreat did happen. [Key decisions](#) being talked about include that while US business in China will not be shut down, companies will not be permitted into finance, information technology healthcare and education services; disinvestment in US treasuries, which amounted to \$ 100 billion last year, may

reach \$ 300 billion in 2020; internationalisation of the Yuan will be accelerated; the PLA has been put into a stage 3 alert and all leave cancelled till the end of 2020; and there will be a concerted drive to increase defence spending to 4% of the GDP and accelerate development of nuclear weapons.

In an [interview on Sino-US relations](#) that highlights China's inflexibility and duplicity despite calls for dialogue, Foreign Minister Wang Yi ascribed US – China tensions to a "political virus which is understandably questioned and rebuked by people in the United States and the international community". He said, "We urge the US to stop acting with arrogance and prejudice, but enter into constructive dialogue with us on an equal footing. We hope that it will work with us to ease current tensions and put relations back on the right track of no conflict, no confrontation, mutual respect and win-win cooperation", and the US and China must "steer clear of red lines and avoid confrontation". What he failed to mention was that China has set out numerous and ever expanding red lines including Taiwan, Tibet, Xinjiang and the repression of its Uighur population, the South China Sea, Hong Kong and Huawei; and is unwilling to concede anything on them: it expects the US to make all the concessions and unilaterally abandon the order that has underpinned relative peace and stability in the Western Pacific for over seven decades. The unwritten hope was that an incoming Biden administration would accept his plea and return to the old days of China appeasement.

The tirade against biased politicians was repeated in a [signed article](#) by Yang Jiechi, member of the Political Bureau of the CPC Central Committee and Director of its Foreign Affairs Commission, two days later. Writing of the history of friendship the Chinese and American people had for each other, the article quoted selectively from the [Shanghai Communiqué](#), wherein "the two sides agreed that countries, regardless of their social systems, should conduct their relations on the principles of respect for the sovereignty and territorial integrity of all states, nonaggression against other states, non-interference in the internal affairs of other states, equality and mutual benefit, and peaceful coexistence", but glossed over the fact that China has not shown such respect, non-aggression and non-interference. It deliberately omitted quoting the succeeding line in the Communiqué, which states, "International disputes should be settled on this basis, without resorting to the use or threat of force". The article goes on to talk of the close coordination between the US and China in dealing with critical issues, such as North Korea, Afghanistan, the Middle East, Counter-terrorism, non-proliferation, the Paris Accord etc. It identified Taiwan, Hong Kong, Tibet and

Xinjiang as China's core interests, on which China would take firm action, but interestingly did not include the South China Sea in this list. It concluded by calling on the US to safeguard and stabilise China-US relations, change course and redress mistakes, and work to address differences based on mutual respect and mutual benefit.

A [survey on India-China relations](#) conducted by the Global Times and China Institute of Contemporary International Relations (CICIR) showed that more than 70% of the respondent felt that India was being too hostile against China. Nearly 90% supported the Chinese government in reacting strongly to Indian provocation.

Record flood levels generated by a hyperactive East Asian monsoon and [Typhoon Hagupit](#) threatened devastation on a scale not seen in the last two decades and led China to go to a war footing to prevent catastrophic flooding in the Yangtze Basin. Surging floodwater had [destroyed thousands of acres of land](#) and displaced hundreds of thousands of farmers in the region that accounts for 70% of China's rice production. Highways and riverside pavilions in Wuhan, which is divided in two by the river, had disappeared underwater. Supply chains, already hard hit by the pandemic, faced further disruption. An assessment of the impact on the country's food security was impossible in the absence of government data, but one report indicated that China could lose up to 11.2 million tons of food compared to last year, leading to social tension and instability.

Reports indicate that as Chinese companies face increased resistance in foreign markets, President Xi Jinping has begun a major initiative designed to [accelerate the shift](#) of China's economy from export dependence to domestic consumption. Detailed policies will be fleshed out at the CCP Plenum in October. Meanwhile, concerns about an all out financial war between China and the US grew, with one former adviser to China's Central Bank [warning that](#) if push came to shove, the US could not only sanction Chinese banks but also seize overseas assets.

Fishermen from China's Fujian and Zhejiang provinces [are reported](#) to have been told not to approach the Senkakus after the annual summer fishing ban ended. The measure is perceived as part of a push to ease tensions with Japan. Meanwhile, Japan's Defense Minister cautioned China to refrain from [military activities around the disputed islands](#). PM Shinzo Abe, in an effort to avoid raising tension, refrained from [visiting Yasukuni shrine](#) on the 75th anniversary of Japan's

surrender even as four members of his cabinet did so. Both China and South Korea have objected strongly to such visits in the past.

China has extended an [anti-dumping duty on optical fibre made in India](#) for a period of five years commencing August 15, 2020, according to a notice published by the Ministry of Commerce. The duty was first imposed in August 2014.



China's Type 055 Destroyer

Source: CGTN

The growth of China's navy continues apace, with reports indicating China will launch [its 8th Type 055 destroyer](#) later this year. Its overall force size is expected to reach [400 ships and submarines](#) by 2030. The plan appears to be to have at least four carrier strike groups in commission within the next decade. In preparation, the PLA Navy recently completed its pilot recruitment drive and signed up about 16,000 trainees, according to a [report in Global Times](#). About half of these will be trained to fly aircraft carrier based jets in the coming years, while the balance will fly helicopters and shore based aircraft.

South Korea's Ministry of National Defense published its 2021 – 2025 [Mid-term Defense Acquisition Plan](#), calling, among other things, for the construction by Hyundai Heavy Industries beginning 2021 of a 30,000 ton light aircraft carrier to embark 20 F-35B STOVL fighters and serve as the flagship of its fleet. Other platforms to be acquired include additional Aegis and next generation destroyers,

attack submarines including nuclear propelled ones, fast landing ships, utility and attack helicopters, surveillance assets and unmanned surface and sub-surface vehicles. The plan envisages an expenditure of \$ 252.7 billion during this period.

Yang Jiechi, China's top diplomat, met South Korea's new national security adviser Suh Hoon at Busan on August 21, 2020. [The two discussed](#) accelerating free trade area negotiations, expanding cultural exchanges, election of the WTO Director General, and China's view of US-China relations. The two also agreed that [Xi Jinping will visit South Korea](#) once the pandemic is brought under control.

South Western Pacific and the United States

In an [address to the Aspen Security Forum](#), Prime Minister Scott Morrison described the Indo-Pacific as the epicentre of geostrategic competition and said that the configuration of power in global politics had changed. Australia was, in response, building the capability and potency of its defence forces, sharpening focus on its immediate region, increasing capability to deter action against its interests and investing in relationships to pursue common interests in peace, stability, openness and prosperity, including with Indonesia, India, Japan, Vietnam and ASEAN. Separately, Mr Morrison is reportedly [seeking new powers to veto agreements](#) Australian state governments reach with foreign powers, thereby reducing China's ability to gain influence under its Belt and Road Initiative. Legislation to this effect is expected to be introduced shortly. Apart from Victoria, Western Australia, South Australia and Tasmania also have signed MoUs with Beijing.

Australian Defence Minister Linda Reynolds confirmed the elevation of the bilateral Defence and Foreign Affairs Dialogue to a Ministerial meeting [at least every two years](#) in an interview published at the beginning of this month. She also said she was open to the idea of trilateral cooperation between Australia, India and Indonesia. Her statement about a 2 + 2 meeting at least once in two years was repeated in a [published article](#).

The Australian government is [reported to have had no high level contact with China](#) since Trade Minister Simon Birmingham travelled to Shanghai in November 2019. Australian ministers are said to be unable to get their Chinese counterparts to pick up the phone or return their calls. The speculation is that Beijing has placed the entire Australian government in 'deep freeze'. Canberra appears to be determined not to blink.

Papua New Guinea [prevented the arrival](#) of a flight carrying Chinese workers after the Chinese mining company employing them claimed to have vaccinated them against COVID-19. The country's pandemic response controller sought information on the nature of the vaccine given to them and whether it had been pre-qualified by the WHO. The report indicated that China may have been carrying out clandestine trials on employees of state owned companies.

Joseph R Biden Jr formally [accepted the Democratic presidential nomination](#), with Kamala Harris as his running mate, beginning his general election challenge to President Trump. Biden pledged to bridge the country's divisions in a way that Trump had failed to do. It remains to be seen whether he can convince voters that he can not only topple Trump but also deliver on a governing agenda that will materially improve their lives. The Republican convention predictably nominated Trump for a second term.

Secretary of State Michael Pompeo [testified before the State Foreign Relations Committee](#) on its \$ 41 billion budget request, focusing on the challenge posed by Iran, Russia and China and [answering questions](#) posed by members. Separately, [President Trump banned](#) dealings with the Chinese owners or social media apps TikTok and WeChat on security grounds, a move that China criticised as political manipulation. The action is a move towards breaking universal connectivity provided by the global internet. Senators John Cornyn (R) and Mark Warner (D) introduced a [resolution to condemn](#) China's aggressive action to change the status quo on the LAC with India in the Senate.

An essay by Secretary of Defense [Mark Esper](#) outlined measures the Pentagon was taking to comprehensively respond to China's efforts to "reshape the international order in ways that undermine globally accepted rules while normalising authoritarianism" and "creating conditions to allow the Chinese Communist Party to coerce other countries and impede their sovereignty". The measures include investing in advanced conventional capabilities and game-changing technologies such as hypersonic weapons, 5G communications, integrated air and missile defense and artificial intelligence, as well as expanding the US network of allies and partners and building up their capacity. [Speaking at](#) a ceremony to mark the 25th anniversary of the Daniel K Inouye Asia Pacific Centre for Security Studies days later, he described the network of allies and partners as the enduring asymmetric advantage the US had over China and its attempts to advance its own interests at the expense of others.



U.S. Secretary of Defense Mark Esper speaking at a ceremony marking the 25th anniversary of the Daniel K. Inouye Asia Pacific Center for Security Studies.

Source: U.S. Department of Defense

Recovery of the US economy from the pandemic appeared debatable as the number of citizens applying for unemployment benefits climbed [back above one million](#), after declining for two weeks.

In a major US technological advance, an [Artificial Intelligence pilot](#) defeated a highly experienced human one in a series of simulated dogfights. The event is a precursor to an air combat evaluation programme which ultimately aims to use AI algorithms to fly real aircraft.

Continuing wild fires in North California due in part to more than 12,000 lightning strikes since August 15 added to the impact of COVID-19, which had already made California among the hardest hit states. The wild fires drew parallels with similar blazes in Australia earlier this year. [14,000 fire-fighters](#), 2,400 fire engines and 95

aircraft were reported battling the blaze. California's [Governor has sought help](#) from Australia and Canada.

Exercise [RIMPAC 2020](#) commenced on August 18, 2020. The two-week exercise involves 10 ships and about 5300 personnel from ten countries, including Australia, Brunei, Canada, France, Japan, New Zealand, the Philippines, Singapore, South Korea and the US this year, down due to the pandemic from the more than 50 ships and submarines from 30 countries originally planned. Unusually, ships from Russia and China, which have a history of shadowing such exercises, [have not been seen](#) so far this year.



USAF A-10 Thunderbolts Flying in Formation in the Indo-Pacific

Source: US INDO-PACOM

A [Pentagon memo](#) estimates that defense contractors are expected to experience \$11 billion in cost increases during the March – June quarter due to supply chain issues. The document asks Congress to fund the services for unforeseen expenses of \$4.7 billion for the Navy, \$4.3 billion for the Air Force; \$1.1 billion for the Army; \$594 million for the Missile Defense Agency; and \$190 million for the Special Operations Command. It also expresses concern that at least one of the big seven Navy shipyards may shut down in the near future.

A [study by the Stimson Centre](#) indicates that rapid movement of new forces into volatile regions provides more effective deterrence than forces permanently deployed in the region. The study, part of the '[Use of Force Short of War](#)' Project,

supports President Trump's decision to reduce permanent force deployments in Germany, Japan and South Korea. A key finding of the study is that deployment of new forces will make the adversary back down, while forces already in the region are seen as 'part of the woodwork'.

The US Space Command released its [Capstone Publication Space Power Doctrine for Space Forces](#) on August 10, 2020. "Military spacepower cannot unilaterally win wars, but like land power, sea power, air power, or cyber power, its success, absence, or failure, could prove catastrophically decisive in war. Because military space power has the potential to be the difference between victory and defeat, it must be viewed with equal importance as military power in any other domain", the document argues. The doctrine will be reviewed every four years.



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